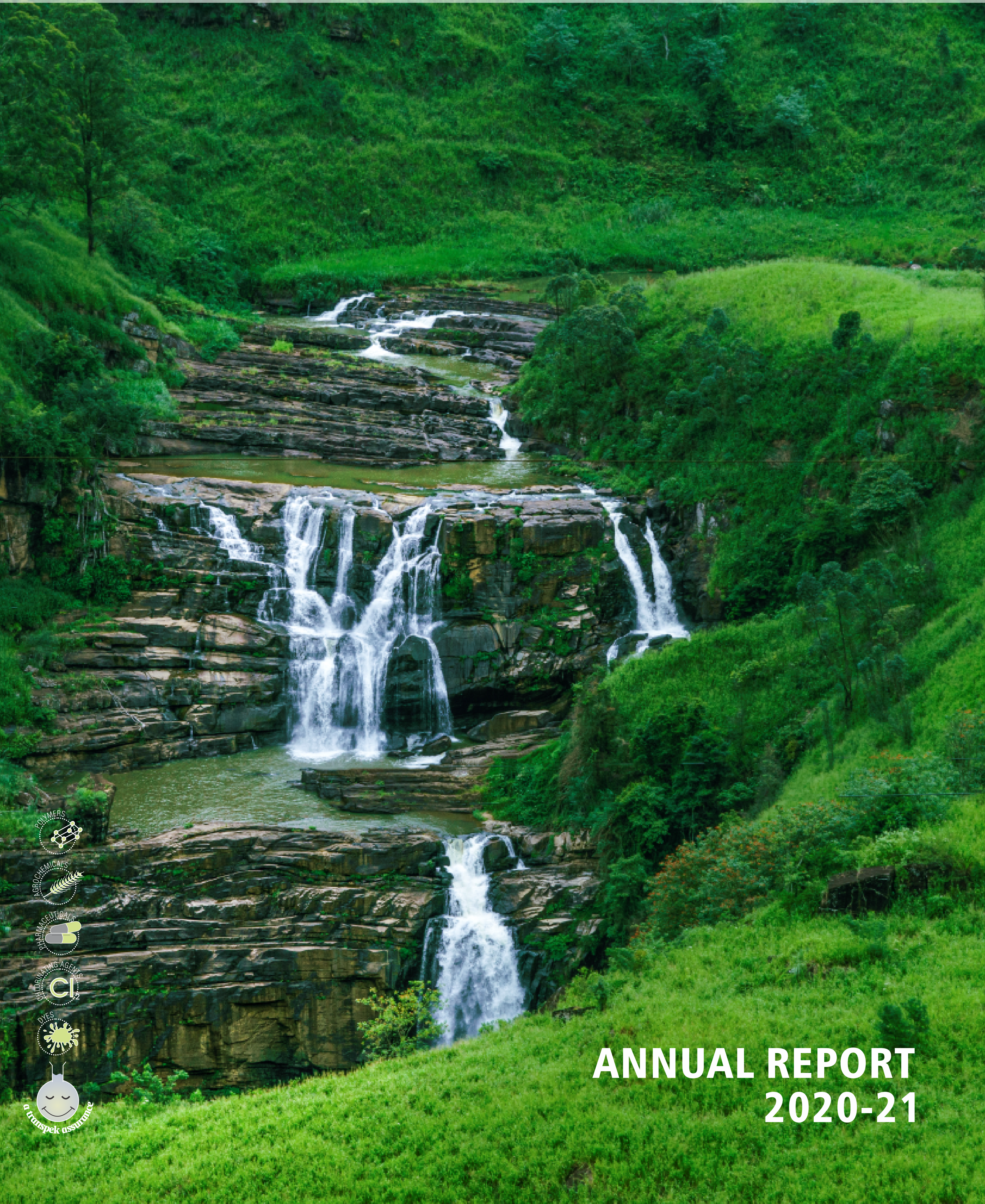
Transpek Industry Limited

Transpek

Creative Chemistry



ANNUAL REPORT
2020-21

SFT handing over Biofilter Plant to Committee of Khanderaopura Village.

Inauguration of Bal Murti Programme of UGF at Company's Registered Office.

Inauguration of Vocational Training Centre (VTC) in Company's CSR office premises at Ekalbara, Padra.

55th ANNUAL GENERAL MEETING

55th Annual General Meeting will be held on Wednesday, the 15th day of September, 2021 at 3.00 p.m. through Video Conferencing ("VC")/ Other Audio Visual Means("OAVM").

A Request

We are sure you have read with interest the accounts of the year ended 31st March, 2021. You may desire to have some clarification or additional information on the said accounts at the ensuing Annual General Meeting. We shall very much appreciate, if you kindly write to us atleast ten days in advance in order to enable us to keep the information ready for you at the meeting. We solicit your kind co-operation.

BOARD OF DIRECTORS

Ashwin C. Shroff
Chairman

Bimal V. Mehta
Managing Director

Atul G. Shroff
Dipesh K. Shroff
Dr. Bernd Dill
Ravi A. Shroff
Ninad D. Gupte
Nimish U. Patel
Geeta A. Goradia
Hemant J. Bhatt
Anandmohan Tiwari

Alak D. Vyas
Company Secretary & Compliance Officer

Bankers
State Bank of India
Bank of Baroda
Axis Bank Ltd.
IDBI Bank Ltd.

Auditors
Bansi S. Mehta & Co.
Chartered Accountants

Cost Auditors
Y. S. Thakar & Co.
Cost Accountants

Secretarial Auditor
CS Vijay L. Vyas
Practising Company Secretary

TRANSPEK INDUSTRY LIMITED (CIN : L23205GJ1965PLC001343)

REGISTERED OFFICE

4th Floor, Lilleria 1038
Gotri Sevasi Road,
Vadodara - 390 021.

WORKS

Village Ekalbara,
Tal. Padra,
Dist. Vadodara - 391 440.

COMPANY'S R & T AGENT

Link Intime India Pvt. Ltd.
B-102 & 103, Shangrila Complex,
First Floor, Nr. Radhakrishna Char Rasta,
Akota, Vadodara - 390 020.

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Notice to The Members

NOTICE TO THE MEMBERS

NOTICE IS HEREBY GIVEN THAT the 55th ANNUAL GENERAL MEETING of the Shareholders of TRANSPEK INDUSTRY LIMITED will be held at 03.00 pm on Wednesday, the 15th day of September, 2021, through Video Conference/Other Audio Visual Means to transact the following business.

ORDINARY BUSINESS:

1. To receive, consider and adopt the Stand-alone and Consolidated Audited Financial Statements of the Company for the year ended on 31st March, 2021 and the Reports of the Board of Directors and Auditors thereon, and for that purpose to consider and pass the following resolutions as a **Ordinary Resolutions:-**

   (a) "**RESOLVED THAT** the Stand-alone Audited Financial Statements of the Company for the year ended on 31st March, 2021 and the Reports of the Auditors and the Board of Directors thereon laid before this meeting be and are hereby considered and adopted."

   (b) "**RESOLVED THAT** the Consolidated Audited Financial Statements of the Company for the year ended on 31st March, 2021 and the Reports of the Auditors and the Board of Directors thereon laid before this meeting be and are hereby considered and adopted."

2. To declare a Dividend on the equity shares of the Company for the financial year ended 31st March, 2021 and for that purpose to consider and pass the following resolution as an **Ordinary Resolution:-**

   "**RESOLVED THAT** a Dividend at the rate of Rs.7.50/- (Rupees Seven and Paise Fifty only) per Equity Share for the year ended on 31st March, 2021, be and is hereby declared and the same be paid on 55,85,569 Equity Shares of Rs.10/- (Rupees Ten only) each fully paid up, as recommended by the Board of Directors of the Company."

3. To appoint a Director in place of Shri Atul G. Shroff, who retires by rotation and, being eligible, offers himself for reappointment and for that purpose to consider and pass the following resolution as an **Ordinary Resolution:-**

   "**RESOLVED THAT** Shri Atul G. Shroff, a Director of the Company, retiring by rotation at this Annual General Meeting and, being eligible for re-appointment, pursuant to the provisions of Section 152 of the Companies Act, 2013, be and is hereby re-appointed as a Director of the Company, liable to retire by rotation."

SPECIAL BUSINESS:

4. To consider material related party transactions between the Company and TML Industries Limited for the year 2021-2022 and pass the following resolution as an **Ordinary Resolution:-**

   "RESOLVED THAT, pursuant to the provisions of Section 188 of the Companies Act, 2013('the Act') read with Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014 and Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, consent of the members of the Company, be and is hereby accorded to the Company for -

   1) entering into an arrangement for the manufacture of the Company's products on job-work basis at the factory premises of TML Industries Ltd. ("TML") situated at Village: Karakhadi, District: Vadodara and Village: Piludra, District: Bharuch; and

   2) leasing of the Company's Assets to TML on payment of Lease Rent by entering into a Lease Agreement;

   as material related party transactions entered into or to be entered into by the Company with TML Industries Limited, a related party, the value of which transactions, in the aggregate, may exceed 10% of the annual consolidated turnover of the Company for the financial year 2021-2022, in the ordinary course of business and on arm's length

NOTICE TO THE MEMBERS

basis with the said related party within the meaning of the Act and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as more particularly enumerated in the explanatory statement annexed to this notice."

"RESOLVED FURTHER THAT the Board of Directors, be and are hereby, severally authorized to do such acts, deeds, things and execute all such agreements, writings, documents, and undertakings as may be necessary for giving effect to the above resolution."

5. To ratify the remuneration of the Cost Auditors for the Financial Year ending on 31st March, 2022 and for that purpose to consider and pass the following resolution as an **Ordinary Resolution:-**

   "RESOLVED THAT, pursuant to the provisions of Section 148 of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, if applicable, (including any statutory modification[s] or re-enactment thereof for the time being in force), the remuneration of Rs. 1,54,000/- (Rupees One Lakh Fifty Four Thousand) plus applicable tax on services (by whatever name called) fixed by the Board of Directors of the Company, in respect of M/s Y. S. Thakar & Co., Cost Accountants – Firm Registration Number: 000318, the Cost Auditor of the Company, for the financial year 2021-2022, be and is hereby ratified."

   "RESOLVED FURTHER THAT the Board of Directors of Company be and is hereby authorized to do all such acts and take all such steps as may be necessary, proper or expedient to give effect to this Resolution."

Regd. Office:

4th Floor, Lilleria 1038,
Gotri – Sevasi Road,
Vadodara – 390021
Dated: 25th May, 2021

By Order of the Board of Directors

For Transpek Industry Limited

Alak D. Vyas
Company Secretary &
Compliance Officer

NOTICE TO THE MEMBERS

NOTES:

1. An explanatory statement pursuant to Section 102 of the Companies Act, 2013 ('the Act') relating to the Special Business to be transacted at the Annual General Meeting ('AGM') is annexed hereto.

2. In view of the continuing restrictions on the movement and gathering of people at several places in the country due to outbreak of COVID-19 pandemic, the Ministry of Corporate Affairs ('MCA'), vide its General Circular 02/2021 dated 13th January, 2021 read with SEBI circular SEBI/HO/CFD/CMD2/ CIR/P/2021/11 dated 15th January, 2021, has allowed the Companies to conduct the AGM through Video Conferencing (VC) or Other Audio Visual Means (OAVM) during the calendar year 2021. In accordance with the said circulars of MCA, SEBI and applicable provisions of the Act and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations), the 55th AGM of the Company shall be held and conducted through VC / OAVM. Link Intime India Private Limited ('LIIPL') will be providing facility for voting through remote e-voting, for participation in the AGM through VC/OAVM facility and e-voting during the AGM. The procedure for participating in the meeting through VC/OAVM is explained at Note No.13 below and is also available on the website of the Company at www.transpek.com.

3. As the AGM shall be conducted through VC/OAVM, the facility for the appointment of Proxy by the Shareholders is not available for this AGM and hence the Proxy Form and Attendance Slip including Route Map are not annexed to this Notice.

4. Institutional/Corporate Shareholders are requested to send a scanned copy (PDF format) of the certified Board Resolution authorising its representatives to attend and vote at the AGM, pursuant to Section 113 of the Act, at investorrelations@transpek.com.

5. The Register of Shareholders and Share Transfer Books of the Company will remain closed from 8th September, 2021 to 15th September, 2021 (both days inclusive).

ELECTRONIC DISPATCH OF ANNUAL REPORT AND PROCESS FOR REGISTRATION OF EMAIL ID FOR OBTAINING COPY OF ANNUAL REPORT:

In accordance with the General Circular No. 39/2020 dated 31st December, 2020 issued by MCA and Circular No. SEBI/HO/CFD/CMD2/ CIR/P/2021/11 dated 15th January, 2021 by SEBI, owing to the difficulties involved in dispatching of physical copies of the financial statements (including Report of Board of Directors, Auditor's Report or other documents required to be attached therewith), such statements including the Notice of AGM are being sent in electronic mode to Shareholders whose e-mail addresses are registered with the Company or the Depository Participant(s).

6. Shareholders holding shares in physical mode and who have not updated their email addresses with the Company are requested to update their email addresses by writing to the Company at investorrelations@transpek.com along with the copy of the signed request letter mentioning the name and address of the Shareholder, self-attested copy of the PAN card, and self-attested copy of any one of these documents (e.g. Driving License/ Election Identity Card/ Aadhar Card/ Passport) as proof of the address of the Shareholder. Shareholders holding shares in dematerialised mode are requested to register/update their email addresses with the relevant Depository Participants. In case of any queries / difficulties in registering the e-mail address, Shareholders may write to investorrelations@transpek.com.

7. The Notice for the 55th AGM along with Annual Report for the financial year 2020-2021, is available on the website of the Company at www.transpek.com and on the website of Stock Exchange i.e. BSE Limited, www.bseindia.com.

NOTICE TO THE MEMBERS

INSTRUCTIONS FOR SHAREHOLDERS FOR REMOTE E-VOTING ARE AS UNDER:

8. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) and MCA Circulars dated 13th January, 2021, the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Link Intime India Private Limited ("LIIPL") for facilitating voting through electronic means as the authorised e-voting agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by LIIPL.

9. In order to increase the efficiency of the voting process, SEBI had, vide its circular dated 9th December, 2020, enabled e-voting to all demat account holders, by way of a single login credential, through their demat accounts/websites of Depositories/Depository Participants. Demat account holders would be able to cast their votes without having to register again with the E-Voting Service Providers (ESPs), thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

10. The shareholders, whose names appear in the Register of Members/List of Beneficial Owners as on 7th September, 2021 i.e. the date prior to the commencement of book closure, being the cut-off date, are entitled to vote on the resolutions set forth in this Notice. The remote e-voting/voting rights of the shareholders/beneficial owners shall be reckoned on the equity shares held by them as on the cut-off date.

11. The Company has appointed CS Vijay L. Vyas, Company Secretary in Practice, as the Scrutinizer, to scrutinize the entire e-voting in a fair and transparent manner. Members desiring to vote through remote e-voting are requested to refer to the following instructions:

The instructions for shareholders voting electronically are as under:

The remote e-voting period shall begin on Sunday, 12th September, 2021 at 10.00 a.m. and end on Tuesday, 14th September, 2021 at 05.00 p.m. During this period shareholders of the Company holding shares either in physical form or in dematerialized form, as on the cut-off date (7th September, 2021) may cast their votes electronically. The e-voting module shall be disabled by LIIPL for voting thereafter. Members holding shares in the Company in physical or in demat form as on 7th September, 2021 shall only be eligible for e-voting.

For the Individual Shareholders holding securities in demat mode with NSDL:

- If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password.

- After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see the e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to the e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting and voting during the meeting.

- If the user is not registered for IDeAS e-Services,

NOTICE TO THE MEMBERS

option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS" Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp

- Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile phone. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number (Client ID and DP ID) held with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting and voting during the meeting.

For the Individual Shareholders holding securities in demat mode with CDSL

- Existing users who have opted for Easi/Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi/Easiest are https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on New System Myeasi.

- After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of e-Voting service provider ('ESP') i.e. NSDL, KARVY, LINK INTIME, CDSL. Click on e-Voting service provider name to cast your vote.

- If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi./Registration/EasiRegistration

Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile and Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP where the E-Voting is in progress.

For the Individual Shareholders (holding securities in demat mode) and login through their depository participants:

- You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility.

- Once logged in, you will be able to see the e-Voting option. Once you click on the e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see the e-Voting feature. Click on the company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting and voting during the meeting.

For the Individual Shareholders holding securities in physical mode and e-voting service provider is LINKINTIME:

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

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

A. **User ID:** Shareholders/members holding shares in physical form shall provide Event No + Folio Number registered with the Company.

NOTICE TO THE MEMBERS

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

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

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

- Shareholders/members holding shares in **physical form** but have not recorded 'C' and 'D', shall provide their Folio number in 'D' above
- Set the password of your choice (The password should contain minimum 8 characters and at least one special Character (@!#$&*), at least one numeral, at least one alphabet and at least one capital letter).
- Click "confirm" (Your password is now generated).

2. Click on 'Login' under **'SHARE HOLDER'** tab.
3. Enter your User ID, Password and Image Verification (CAPTCHA) Code and click on **'Submit'**.
4. After successful login, you will be able to see the notification for e-voting. Select **'View'** icon.
5. E-voting page will appear.
6. Refer the Resolution description and cast your vote by selecting your desired option **'Favour/ Against'** (If you wish to view the entire Resolution details, click on the **'View Resolution'** file link).
7. After selecting the desired option i.e. Favour /Against, click on **'Submit'**. A confirmation box will be displayed. If you wish to confirm your vote, click on **'Yes',** else to change your vote, click on **'No'** and accordingly modify your vote.

For the Institutional shareholders:

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

For Individual Shareholders holding securities in Physical mode and e-voting service provider is LINK INTIME, who have forgotten the password:

- Click on **'Login'** under **'SHARE HOLDER'** tab and further Click **'forgot password?'**
- Enter **User ID,** select **Mode** and Enter Image Verification (CAPTCHA) Code and Click on **'Submit'.**
- In case the shareholders/member is having valid email address, Password will be sent to his / her registered e-mail address.
- Shareholder/member can set the password of his/her choice by providing the information about the particulars of the Security Question and Answer, PAN, DOB/DOI, Bank Account Number (last four digits) etc. as mentioned above.
- The password should contain minimum 8 characters, at least one special character (@!#$&*), at least one numeral, at least one alphabet and at least one capital letter.

For Individual Shareholders holding securities in demat mode with NSDL/ CDSL and who have forgotten the password:

Shareholders/ members who are unable to retrieve User ID/ Password are advised to use Forgot User ID and Forget Password option available at above mentioned depository/ depository participant's website.

NOTICE TO THE MEMBERS

- It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- For shareholders/members holding shares in physical form, the details can be used only for voting on the resolutions contained in this Notice.
- During the voting period, shareholders/ members can login any number of times till they have voted on the resolution(s) for a particular "Event".

Helpdesk for Individual Shareholders holding securities in demat mode:

In case shareholders/members holding securities in demat mode have any technical issues related to login through Depository i.e. NSDL/ CDSL, they may contact the respective helpdesk below:

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at **evoting@nsdl.co.in** or call at toll free no.: 1800 1020 990 and 1800 22 44 30
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at **helpdesk. evoting@cdslindia.com** or contact at 022- 23058738 or 22-23058542-43.

Helpdesk for Individual Shareholders holding securities in physical mode/ Institutional shareholders & E-voting Service Provider is LINK INTIME.

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

A copy of this notice has been placed on the website of the Company www.transpek.com; www.bseindia.com and at the website of Link Intime India Private Limited https://instavote.linkintime.co.in.

The Scrutinizer shall, immediately after the conclusion of voting at the Annual General Meeting, first count the vote cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and make, not later than 48 hours of the conclusion of the meeting, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing who shall counter-sign the same. The Chairman or the person authorized by him in writing shall declare the result of the voting forthwith, in the format prescribed under Regulation 44 (3) of the SEBI (LODR) Regulations, 2015.

The results declared along with the Scrutinizer's Report shall immediately be placed on the Company's website www.transpek.com and on the website of Link Intime India Private Limited https://instavote.linkintime.co.in. The said results shall also be communicated to BSE Limited, which shall place it on its website thereafter.

PROCEDURE FOR JOINING THE AGM THROUGH VC/OAVM:

12. Shareholders will be provided with the facility to attend the AGM through VC/OAVM by Link Intime

NOTICE TO THE MEMBERS

India Private Limited's e-voting system. Shareholders will be provided with InstaMeet facility wherein they shall register details and attend the Annual General Meeting (AGM) as under:

- Open the Internet Browser and launch the URL for InstaMeet https://instameet.linkintime.co.in and register with your following details:
- For CDSL: 16 digits beneficiary ID
- For NSDL: 8 character DP ID followed by 8 digits Client ID
- Members holding shares in physical form: your User ID is Folio Number registered with the Company.
- PAN: Enter your ten digit Permanent Account Number (PAN). (Members who have not updated their PAN with the Depository Participant (DP)/Company shall use the sequence number provided to you, if applicable).
- Mobile No.
- Email ID
- Click "Go to Meeting" (You are now registered for InstaMeet and your attendance is marked for the meeting).

13. Shareholders can join the AGM in the VC/OAVM mode 30 minutes before and after the scheduled time of the commencement of the meeting by following the procedure mentioned in the notice. The facility of participation at the AGM through VC/OAVM will be made available to atleast 1000 members on first come first served basis. This will not include large shareholders (shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors, Scrutinizer etc. who are allowed to attend the AGM without any restriction on account of first come first served basis.

14. Shareholders are encouraged to join the meeting through Laptop/I Pads for better experience.

15. Further, Shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.

16. Please note that the participants commencing from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to fluctuation in their respective network. It is therefore, recommended to use Stable Wi-Fi or LAN connection to mitigate any kind of aforesaid glitches.

17. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance atleast 7 days prior to the date of the meeting mentioning their name, demat account number/folio number, email id, mobile number at investorrelations@transpek.com. The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance 7 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at investorrelations@transpek.com. These queries will be replied to by the Company suitably by email.

18. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting. The questions should be restricted to the Annual Report and business of the meeting. The Company reserves the right to restrict the number of speakers depending on the availability of time for the Annual General Meeting.

19. Shareholders are requested to speak only when moderator of the meeting/management will

NOTICE TO THE MEMBERS

announce their name for speaking.

20. The attendance of the shareholders attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.

21. Pursuant to the MCA Circular No.39/2020 dated 31st December, 2020, the facility to appoint proxy to attend and cast vote for shareholders is not available for this AGM.

INSTRUCTIONS FOR SHAREHOLDERS FOR E-VOTING DURING THE AGM ARE AS UNDER:

22. The electronic voting will be activated by the Scrutinizer/Moderator at the start of the meeting and will be available during the meeting. Shareholders who have not voted through remote e-voting can cast the vote during meeting as under:

    - On the Shareholders VC page, click on the link for e-voting "Cast your Vote".
    - Enter your Demat Account No./Folio no. and OTP (received on registered mobile number or email id) received during registration and then click on "Submit".
    - After successful login, you will see "Resolution Description" and against the same the option "Favour/Against" for voting.
    - Cast your vote by selecting appropriate option i.e. Favour/Against as desired.
    - Enter the number of shares (which represents no. of votes) as on the cut-off date under 'Favour/Against'.
    - After selecting the appropriate option as desired, click on 'Save'. A confirmation box will be displayed. If you wish to confirm your vote, click on 'confirm'; else, to change your vote, click on 'back' and accordingly modify your vote.
    - Once you confirm your vote, you will not be allowed to modify or change your vote subsequently.

23. Only those shareholders who are present in the AGM through VC/OAVM facility and have not cast their vote on the resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting system during the AGM.

24. If any votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

25. Shareholders who have already voted through remote e-voting will be eligible to attend the AGM. However, they will not be eligible to vote by e-voting during the AGM.

PROCEDURE FOR INSPECTION OF DOCUMENTS:

26. All the documents referred to in the accompanying Notice and the Explanatory Statement shall be available for inspection through electronic mode on the basis of request being sent on investorrelations@transpek.com.

27. During the AGM, the Register of Directors and Key Managerial Personnel and their Shareholding maintained under Section 170 of the Act and the Register of Contracts or arrangements in which Directors are interested under Section 189 of the Act shall be available for inspection upon login at LIIPL e-voting system at https://instavote.linkintime.co.in.

DIVIDEND RELATED INFORMATION:

28. The shareholders whose names appear in the Register of Members/List of Beneficial Owners as on 7th September, 2021 i.e. the cut-off date will be

NOTICE TO THE MEMBERS

paid the Dividend for the financial year ended 31st March, 2021, as recommended by the Board and after it is approved at the AGM.

29. Members holding shares in electronic form may note that bank particulars registered against their respective depository accounts will be used by the Company for payment of dividend declared at the meeting. The Company or its Registrars & Transfer Agents viz. Link Intime India Private Limited cannot act on any request received directly from the members holding shares in electronic form for any change of bank particulars or bank mandates or their address. Such changes are to be advised only to the Depository Participants by the members.

30. Members are requested to notify promptly any changes in their postal/email addresses or bank mandates to their respective Depository Participants in respect of their electronic share accounts quoting Client ID no. and in respect of their physical shares, quoting their Folio no. to Link Intime India Pvt. Ltd., Vadodara, the Company's Registrars and Transfer Agents.

31. Shareholders may note that the Income-tax Act, 1961, as amended by the Finance Act, 2020, mandates that dividends paid or distributed by a Company after 1st April, 2020 shall be taxable in the hands of the shareholders. The Company shall, therefore, be required to deduct Tax at Source (TDS) at the time of making payment of final dividend, if any, declared. In order to enable us to determine the appropriate TDS rate as applicable, members are requested to submit the documents in accordance with the provisions of the Income-tax Act, 1961.

    a. For Resident Shareholders, TDS shall be deducted under Section 194 of the Income-tax Act, 1961 @ 10% on the amount of Dividend declared and paid by the Company during the financial year 2021-2022 provided PAN is registered by the shareholder. If PAN is not registered, TDS would be deducted @20% as per Section 206AA of the Income-tax Act, 1961.

       However, no tax shall be deducted on the dividend payable to resident individuals if the total dividend to be received by them from the Company during financial year 2021-2022 does not exceed Rs.5000/-. Please note that this includes the future dividends, if any, which may be declared by the Company.

       Also, in cases where the shareholder provides Form 15G (applicable to any person other than a Company or a Firm)/Form 15H (applicable to an individual above the age of 60 years), provided that the eligibility conditions are being met, no TDS shall be deducted.

    b. For Non-Resident Shareholders, taxes are required to be withheld in accordance with the provisions of Section 195 of the Income-tax Act, 1961 at the rates in force. As per the relevant provisions of the Income-tax Act, 1961, the withholding tax shall be @20% (plus applicable surcharge and cess) on the amount of dividend payable to them. However, as per Section 90 of the Income-tax Act, 1961, the non-resident shareholder has the option to be governed by the provisions of the Double Tax Avoidance Agreement (DTAA) between India and the country of tax residence of the shareholder, if they are more beneficial to them. For this purpose, i.e. to avail the Tax Treaty benefits, the non-resident shareholder will have to provide the following:

       i. Self-attested copy of Tax Residency Certificate (TRC) obtained from the tax authorities of the country of which the shareholder is a resident.

       ii. Self-declaration in Form 10F if all the

NOTICE TO THE MEMBERS

details required in this form are not mentioned in the TRC.

iii. Self attested copy of the Permanent Account Number (PAN Card) allotted by the Indian Income-tax Authorities.

iv. Self declaration, certifying the following points:

- Member is and will continue to remain a tax resident of the country of residence during the financial year 2021-2022;
- Member is eligible to claim the beneficial DTAA rate for the purposes of tax withholding on dividend declared by the Company;
- Member has no reason to believe that its claim for the benefits of the DTAA is impaired in any manner;
- Member is the ultimate beneficial owner of its shareholding in the Company and Dividend receivable from the Company; and
- Member does not have a taxable presence or a permanent establishment in India during the financial year 2021-2022.

32. Please note that the Company is not obliged to apply the beneficial DTAA rates at the time of tax deduction/withholding on dividend amounts. Application of beneficial DTAA rate shall depend upon the completeness and satisfactory review by the Company of the documents submitted by the Non-Resident shareholder.

33. Accordingly, in order to enable us to determine the appropriate TDS/withholding tax rate applicable, we request you to provide these details and documents as mentioned above before the cut-off date.

34. Members are requested to note that the aforementioned documents are available on https://linkintime.co.in/client-downloads.html (under the tab 'General') and are required to be submitted at https://linkintime.co.in/formsreg/submission-of-form-15g-15h.html on or before 7th September, 2021 ('the cut-off date') in order to enable the Company to determine and deduct appropriate TDS/withholding tax rate. No communication on the tax determination/deduction shall be entertained post 7th September, 2021. It may be further noted that in case the tax on the said dividend is deducted at a higher rate in the absence of receipt of the aforementioned details/documents from you, there would still be an option available with you to file the return of income and claim an appropriate refund, if eligible.

35. We shall arrange to send the copy of TDS certificate to you either on the last mentioned postal address available in the records of the Company or would be sent to the registered email id in due course, post payment of the said dividend.

36. Members who have not registered their email addresses so far are requested to register their email addresses for receiving all communications including Annual Report, Notices, Circulars, etc. from the company electronically, as provided for in the Companies Act, 2013 and the Rules made thereunder.

37. The Company has transferred to the Investor Education and Protection Fund (IEPF) unpaid/unclaimed dividend amounting to Rs.2,18,877/- pertaining to the Financial Year 2012-2013. Members who have not encashed their dividend warrants for the financial year 2013-2014 or subsequent financial years are requested to immediately write to the Company enclosing their uncashed Dividend Warrant and Bank Details for or cancelled cheque for electronic transfer against such invalid dividend warrants before such

NOTICE TO THE MEMBERS

unclaimed dividend becomes due for transfer to the IEPF. The details of dividend amount already transferred to IEPF are available on the Company's website https://www.transpek.com/index.php/policies-and-other-information. After the unpaid/unclaimed dividend is transferred to IEPF, the shareholder can claim it from IEPF following the procedure provided on the IEPF website www.iepf.gov.in.

GENERAL INFORMATION:

38. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their Demat Accounts. Members holding shares in physical form shall submit their PAN to the Company/R & T Agent viz. Link Intime India Pvt. Ltd., Vadodara.

39. Members holding shares in single name and in physical form are advised to make nomination in respect of their shareholding in the Company. Nomination form is available on the RTA's website and on Company's website, which may be printed, filled up, signed and sent to the Company/R & T Agent viz. Link Intime India Pvt. Ltd., Vadodara.

40. Members who hold shares in physical form in multiple folios in identical names or joint holding in the same order of names are requested to send the share certificates to Link Intime India Private Limited, Vadodara for consolidation into a single folio.

41. As per Regulation 40 of SEBI Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialised w.e.f. 1st April, 2019, except in the case of request received for transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialised form.

42. Details as required in Regulation 36(3) of the SEBI Listing Regulations and Secretarial Standards on General Meetings issued by the Institute of Company Secretaries of India in respect of Directors seeking re-appointment at the AGM are provided below:

Name of Director	Atul G. Shroff
Date of Birth	23rd December, 1947
Date of re-appointment	1st December, 2017
Expertise in Specific Functional Areas	Management, Operations, Technical, Commercial, Marketing, New Business Development, Research & Development, Strategy. Shri Atul G. Shroff also provides his expertise and services to various public and private limited companies as a Director / Chairman on their Boards.
Qualifications	S.S.C

NOTICE TO THE MEMBERS

Brief Resume of Shri Atul G. Shroff	Shri Atul G. Shroff was appointed as the Managing Director of the Company in 1981 and had retired from that position on 30th November, 2017. He had been associated with the Company since its inception in 1965. A people's man, he was known to be found moving on the shop-floor, and having a direct rapport with most of its workforce which constitutes the Transpek family. His vision envisaged the setting up of a global network. His keen sense of understanding the chemical processes had resulted in the development of several innovative and appropriate improvements in our various plants. He strived to harness the most innovative and appropriate technologies for manufacturing chemicals having complex chemistry with due concern to the environment and safety of all employees and the neighborhood. After hiving off the Sulphoxylates Business to a Joint Venture Company, Transpek-Silox Industry Ltd., (now Transpek-Silox Industry Private Ltd.) he had steered the Company out of the difficulties into a self-sustaining organization of international standard by providing entrepreneurial inputs and adding products that have new applications and by arranging backward and forward integration synergy – thus improving in-house generation of important raw-materials and increasing in-house consumption of existing products.
Listed Companies in which Directorship held	• Transpek Industry Limited • Excel Industries Limited
Listed Companies in which Shareholdership of Committees of Directors held	He is a member/Chairman of the following Committees in Transpek Industry Limited - Finance and Capex Committee : Chairman - CSR Committee of Directors: Member - Nomination and Remuneration Committee: Member - Stakeholders Relationship Committee : Member
Relationship with other Directors or Key Managerial Personnel	Shri Atul Shroff, Director is neither a relative of any of the Directors nor a relative of any Key Managerial Personnel of the Company.
No. of shares held in the Company as at 31.03.2021	38,317

Annexure to the Notice

STATEMENT PURSUANT TO SECTION 102 (1) OF THE COMPANIES ACT, 2013

The following Statement sets out all material facts relating to the Special Business mentioned in the accompanying Notice.

Item No. 4:

Pursuant to the provisions of Section 188 (1) (a) to (g) of the Companies Act, 2013 read with Rule 15 of the Companies (Meetings of the Board and its Powers) Rules, 2014, the related party transactions entered into by the Company with TML Industries Limited as mentioned in clauses (a) to (g) of Section 188 (1) would require approval of the Board of Directors and subsequently of the members of the Company by way of an Ordinary Resolution in case the value of the Related Party Transaction exceeds the stipulated thresholds prescribed in the Rules.

As per the provisions of Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, ('SEBI LODR Regulations'), approval of the members by way of Ordinary Resolution is required for material related party transactions (i.e. transactions exceeding 10% of the consolidated turnover of the Company as per the latest audited financial statements of the Company).

The Company carries out following Related Party Transactions with TML Industries Limited:

1) Arrangement for manufacture of the Company's products on job-work basis at TML's factory premises situated at Village: Karakhadi, District: Vadodara and Village: Piludra, District: Bharuch; and

2) Entering into a Lease Agreement for leasing of the Company's Capital Assets to TML for which the Company is paid Lease Rent.

The Related Party Transactions (RPT) mentioned above have been carried out by obtaining prior approval of the Audit Committee of Directors and the Board of Directors of the Company from time to time as under the Act and SEBI (LODR) Regulations

The Company was not required to obtain shareholders approval for these related party transactions because the value of these transactions were within the threshold limits as mentioned in section 188 of the Companies Act, 2013 read with Rule 15 (3) of the Companies (Meetings and Powers of the Board) Rules, 2014 and SEBI (LODR) Regulations.

However, the related party transactions of the Company entered into or to be entered into during the financial year 2021-2022 with TML Industries Limited, a related party of the Company under SEBI LODR Regulations may exceed 10% of the annual consolidated turnover of the Company for the financial year 2020-2021. Therefore, as abundant caution, the approval of the members of the Company through Ordinary Resolution is sought.

As per Regulation 23(7) of SEBI (LODR) Regulations, 2015, all the entities falling under the definition of related parties shall not vote to approve the relevant transaction irrespective of whether the entity is a party to the particular transaction or not.

The following disclosures for the related party transactions are made in accordance with the provisions of Section 188 of the Companies Act, 2013 and Rule 15 of Companies (Meetings of Board and its Powers) Rule, 2014:

Particulars	Remarks
Name of the Related Party	TML Industries Limited
Name of the Director or KMP who is related	Shri Dipesh K. Shroff and Shri Ravi A. Shroff, Directors of the Company.
Nature of Relationship	Shri Dipesh K. Shroff and Shri Ravi A. Shroff, Directors of the Company are also Directors in TML Industries Limited and hold along with their relatives more than 2% shares in TML Industries Limited.

STATEMENT PURSUANT TO SECTION 102 (1) OF THE COMPANIES ACT, 2013

Nature, material terms, monetary value and particulars of the contract or arrangement	The Company has arrangements with TML Industries Limited for job work manufacturing of the Company's products and the Company has leased its assets to TML Industries Limited on lease rent basis. The aggregate monetary value of the said contracts/arrangements/ transactions relating to sale/purchase of goods/availing of services and Leasing of Assets to TML Industries Limited for the Financial Year 2021-2022 may exceed 10% of the annual audited consolidated turnover of the Company as at 31st March, 2021.
Any other information relevant or important for the members to take a decision on the proposed resolution	None.

The Board commends the Ordinary Resolution under Item No. 4 of the Notice for the approval of the Shareholders.

Except Shri Dipesh K. Shroff and Shri Ravi A. Shroff, none of the Directors, their relatives, Key Managerial Personnel of the Company or their respective relatives is any way interested or concerned in this Resolution.

Item No. 5:

The Board, on the recommendation of the Audit Committee, has approved the appointment and remuneration of the Cost Auditor to conduct the audit of the cost records of the Company for the financial year ending 31st March, 2022 as per the following details:

Name of the Cost Auditor	Type Of Industry	Audit Fees
Y. S. Thakar and Co. Cost Accountants Firm Regn. No. 000318	Chemical	Rs.1.54 Lakhs plus applicable taxes.

In accordance with the provisions of section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditor has to be ratified by the shareholders of the Company.

Accordingly, consent of the Shareholders is sought by passing an Ordinary Resolution as set out at item no. 5 of the Notice for ratification of the remuneration payable to the Cost Auditor for the financial year ending 31st March, 2022.

The Board commends the Ordinary Resolution under Item No. 5 of the Notice for the approval of the Shareholders.

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

Regd. Office:

4th Floor, Lilleria 1038,
Gotri – Sevasi Road,
Vadodara – 390021
Dated: 25th May, 2021

By Order of the Board of Directors

For Transpek Industry Limited

Alak D. Vyas
Company Secretary &
Compliance Officer

Directors' Report

DIRECTORS' REPORT

To
The Members,
Transpek Industry Limited

Your Directors have pleasure in presenting the **Fifty Fifth Annual Report** together with the Stand alone and Consolidated Audited Financial Statements of the Company for the financial year ended 31st March, 2021.

1. FINANCIAL RESULTS (Stand-alone):

	2020-2021 Rs.in Lakhs	2019-2020 Rs.in Lakhs
Net Sales including Trading and Operating Income	**32940.03**	56563.78
Other Income	**1721.31**	1748.46
Cash Profit/(Loss) before Extraordinary Items and Taxes	**5404.86**	11942.24
Profit/(Loss) before Tax	**2554.31**	9352.16
Provision for Taxation		
Current:		
(i) Current Tax	**476.70**	2051.18
(ii) Deferred Tax (Asset) / Liability	**(253.84)**	112.29
(iii) Tax adjustment for earlier years	**(83.30)**	(105.67)
Profit/(Loss) after Tax	**2331.45**	7294.36
Balance brought forward from Previous Year	**20734.31**	15471.11
Amount available for appropriation	**22909.05**	20734.31

Note: Previous year figures have been regrouped / rearranged wherever necessary.

2. DIVIDEND:

Your Directors have recommended a Dividend of Rs.7.5/- (i.e. 75%) per equity shares of Rs.10/- each on the Equity Share Capital of Rs.558.56 Lakhs for the year ended 31st March, 2021 (previous year Interim Dividend 100% i.e. Rs.10/- per share and Final Dividend 25% i.e. Rs.2.5/- per share).

The dividend will be paid after approval of shareholders, to the members whose names appear on the Register of Members as on 7th September, 2021, in case of physical shareholding and, in respect of shares in dematerialised form, it will be paid to members whose names are furnished by the National Securities Depository Limited and Central Depository Services (India) Limited, as beneficial owners as on that date.

3. RESULTS OF OPERATIONS AND THE STATE OF THE COMPANY'S AFFAIRS:

The net sale of the Company for the year under review is Rs.33730.17 lakhs as compared to Rs.56326.25 lakhs in the previous year, a decrease of 40.12%. Exports have decreased to Rs.26530.98 lakhs from Rs.47006.17 lakhs in the previous year i.e. a decrease of 43.56%. The Company has achieved a net profit of Rs.2331.45 lakhs for the year 2020-2021 as against Rs.7294.36 lakhs in the previous year, i.e. a decrease of 68.04%.

4. OUTLOOK:

Details on the outlook are given in the Management Discussion and Analysis Report.

DIRECTORS' REPORT

5. QUALITY, ENVIRONMENT, HEALTH AND SAFETY MANAGEMENT SYSTEMS:

The Company is accredited with Quality - Environment - Occupational Health & Safety and Energy Management systems, QMS ISO 9001:2015, EMS ISO 14001:2015, OHSMS ISO 45001:2018 and EnMS ISO 50001:2018, and TUV - Sud is the Certification agency.

The Company is committed to ensure protection of the environment and maintenance of biodiversity.

The Company continues taking several initiatives to achieve this goal. The Company places a strong emphasis on ensuring occupational health and safety of the employees and surrounding population and has very effective safety management systems in place.

The Company is a member of the Indian Chemical Council and has taken steps to implement 'Responsible Care', a globally recognised Chemical Industry initiative.

As a part of the Corporate Social Responsibility and Sustainable development, in addition to the other initiatives, the Company has continued membership with EcoVadis, and achieved Silver rating in Ecovadis audit.

In order to take preventive measures against COVID-19 pandemic, the Company has followed the guidelines of WHO and Government of India in taking necessary steps to ensure the safety and health of its employees.

6. SUBSIDIARY COMPANIES:

Transpek Industry (Europe) Limited

Transpek Industry (Europe) Limited ('TIEL') is a wholly owned subsidiary of the Company which was incorporated mainly to provide services to the Company for registration of its products under REACH (Registration, Evaluation, Authorisation and restriction of Chemicals) Regulations in the European Union. Since UK has exited the European Union (EU), the main objective with which TIEL was incorporated, has been rendered irrelevant.

Therefore, your Board of Directors had, at its meeting held on 10th February, 2021, considered and approved the proposal for striking off of TIEL, the wholly owned subsidiary of the Company, from the Companies House, United Kingdom. Presently, TIEL is in the process of getting itself struck off from the Companies House, UK.

Transpek Creative Chemistry Private Limited

Transpek Creative Chemistry Private Limited (TCCPL) is a wholly owned subsidiary of the Company which was incorporated on 6th January, 2020 with the objective of pursuing various business opportunities. The Company had decided to pursue a new project through TCCPL for which a disclosure regarding investments in TCCPL to the tune of Rs.120 Crores was made to BSE Limited. However, in the aftermath of Covid-19 Pandemic, the said project was put on hold.

The said project is still kept on hold considering the large uncertainty that still prevails due to Covid-19 Pandemic. At a later stage, the Company would further review the situation and suitably disseminate the status for the information of the members of the Company through BSE Ltd.

7. DISCLOSURE UNDER THE COMPANIES ACT, 2013:

Information given below is pursuant to various disclosure requirements prescribed under the Companies Act, 2013 (hereinafter 'the Act'), the rules thereunder and as per the Secretarial Standard IV on the Report of the Board of Directors, to the extent applicable to the Company and is in addition to those included in appropriate places in the Corporate Governance Report as prescribed under the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 [hereinafter 'SEBI LODR Regulations'] forming part of the Annual Report.

DIRECTORS' REPORT

a) **CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO:**

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 134 (3) (m) of the Act read with Rule 8 of the Companies (Accounts) Rules, 2014 and under Part – I Disclosures of Secretarial Standard IV is annexed to this report as **'Annexure – I'.**

b) **WEB ADDRESS WHERE ANNUAL RETURN REFERRED TO IN SUB-SECTION (3) OF SECTION 92 HAS BEEN PLACED:**

The Annual Return in form no. MGT – 7 as per Section 134 (3) (a) of the Act read with Rule 8 of Companies (Accounts) Rules, 2014 and Rule 12 of Companies (Management and Administration) Rules, 2014 is placed on the website of the Company **https://www.transpek.com/wp-content/uploads/2021/05/Form_MGT-7-19-20.pdf**

c) **REMUNERATION POLICY AND INFORMATION REGARDING REMUNERATION:**

Particulars of the Company's Remuneration Policy and information pursuant to Rule 5 (1) of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014 are annexed to this report as **'Annexure – II'.** A copy of Policy is placed on the website of the Company **https://www.transpek.com/wp-content/uploads/2018/04/Nomination-and-Remuneration-Committee.pdf.**

d) **CRITERIA FOR APPOINTMENT OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:**

The Nomination and Remuneration Committee shall consider the following aspects and traits for selecting a person for Directorship:

- Qualifications
- Age
- Expertise and Experience
- Understanding of Governance and Management Practices
- Independence

The Nomination and Remuneration Committee shall consider the following aspects and traits for selecting a person for appointment in Key Managerial position and other Senior Management positions

- Qualifications
- Age
- Experience and Competence
- Industry background
- Managerial and Leadership abilities

A copy of the Policy is placed on the website of the Company. The link of the said policy is mentioned at point 7 (c).

e) **PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS:**

During the year under review, your Company has not directly or indirectly-

(i) given any loan to any person or other body corporate other than usual advances envisaged in a contract for supply of materials or equipment or job work, if any;

(ii) given any guarantee or provided security in connection with a loan to any other body corporate or person; and

(iii) acquired by way of subscription, purchase or otherwise, the securities of any other body corporate, except as subscriber of the newly incorporated subsidiary company –Transpek Creative Chemistry Private Limited.

DIRECTORS' REPORT

f) **RELATED PARTY TRANSACTIONS:**

During the year under review, all the Related Party Transactions of repetitive nature were in the ordinary course of business and on an arm's length basis. Those transactions were placed before the Audit Committee of Directors for prior approval in the form of omnibus approval as provided in SEBI LODR Regulations and Rule 6A of the Companies (Meetings of Board and its Powers) Rules, 2014.

Apart from these, the Company has carried out transactions with the following related parties as per the contracts approved by the Audit Committee and Board of Directors of the Company as required under the Act and the SEBI LODR Regulations:

- continued the arrangement with M/s. TML Industries Limited ('TML') for manufacture of the Company's product on job-work basis at TML's factory premises situated at Village: Piludra, Dist: Bharuch and Village: Karakhadi, Dist: Vadodara;
- receipt of lease rent for leasing of the Company's assets to TML pursuant to Lease Agreement;
- Payment of Commission on Sales to M/s. Anshul Life Science as a Distributor of the Company's products; and
- Supply agreement between the Company and Transpek – Silox Industry Private Limited ('TSIPL') for supply of Oleum 65% and Sulphur Dioxide.

Considering the turnover of the Company and as per the criteria laid down under Section 188 of the Act and the Rules framed thereunder and under Regulation 23 of the SEBI LODR Regulations, all the aforementioned transactions were not "material" requiring shareholders' approval.

Details relating to these transactions have been given in **'Annexure – III'** to this report in the prescribed form AOC – 2 pursuant to clause (h) of sub-section (3) of Section 134 of the Act read with Rule 8 (2) of the Companies (Accounts) Rules, 2014.

The policy on materiality of related party transactions etc., as approved by the Board is placed on the Company's website on the link: **http://www.transpek.com/pdf/policy-on-materiality-of-events.pdf.**

Your Directors draw attention of the members to Note no. 44 to the financial statement which sets out related party disclosures.

g) **RISK MANAGEMENT:**

The Company has formulated a policy to identify and evaluate business risks and opportunities in compliance with the provisions of Section 134 (3) (n) of the Act. This policy framework ensures transparency, minimizes adverse impact on the business objectives and enhances the Company's competitive advantage.

On the basis of ISO: 31000 standard, the Company has adopted the Risk Management Procedures and has also put a mechanism in place for managing risk factors in technical and commercial areas. A brief analysis of the Company's opportunities and threats are given in Management Discussion and Analysis Report.

During the year under review, your Company has re-constituted the Risk Management Committee comprising the following to monitor and review the Risk Management Plan of the Company, pursuant to amendments in the provisions of Regulation 21 of the SEBI LODR Regulations, 2015:

1. Shri Bimal V. Mehta : Managing Director
2. Shri Ravi A. Shroff : Director
3. Shri Anand M. Tiwari : Independent Director
4. Shri Ninad D. Gupte : Independent Director

DIRECTORS' REPORT

h) **EVALUATION OF THE PERFORMANCE OF THE BOARD, COMMITTEES OF DIRECTORS AND INDIVIDUAL DIRECTORS:**

Pursuant to the provisions of Sections 134 (3) (p) and 178 of the Act, Rule 8 (4) of the Companies (Accounts) Rules, 2014 and Regulations 17 and 19 of SEBI LODR Regulations, the Board has carried out an annual performance evaluation of its own performance, the directors individually, evaluation of the Chairman of the Board as well as of the working of the Audit, Nomination & Remuneration and other Committees of the Board. The manner in which the evaluation has been carried out has been explained in the 'Corporate Governance Report' which forms a part of this Annual Report.

i) **MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN THE END OF FINANCIAL YEAR OF THE COMPANY TO WHICH THE FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT:**

There were no material changes and commitments that have affected the financial position of the Company which have occurred between the financial year ended on 31st March, 2021 and the date of this report.

j) **ADEQUACY OF INTERNAL FINANCIAL CONTROLS:**

The Company has laid down adequate and effective Internal Financial Controls with reference to financial statements, commensurate with its size and nature of business operations. During the year, such controls were tested and upgraded, where necessary, and no reportable material weaknesses in their design or operation were observed.

k) **LEGAL COMPLIANCE:**

The Board has devised proper systems commensurate with the size and operations of the Company to monitor and ensure compliance of all the applicable laws, Rules and Standards and the said system is found adequate and operating effectively. The functional heads of the different departments responsible for compliance submit compliance reports to the Managing Director, based on which the Company Secretary and the Managing Director provide compliance certificate to the Board on a quarterly basis.

l) **CORPORATE SOCIAL RESPONSIBILITY (CSR):**

The organizations to whom your Company had provided funds for carrying out its CSR activities did excellent work by changing their strategies.

Unified Growth Foundation (UGF) works for children. **SaMvitti Foundation** works for empowerment of women. Both institutions carried out the Company's CSR activities online. "Bal Murti" Magazine reached out to 5000 children in 143 countries. SaMvitti conducted 60 online sessions. **SAHAJ Foundation** focused on creating awareness for COVID-19 protocols along with Reproductive Health and Anemia Prevention work.

Aatapi Seva Foundation provided relief and preventive activities during the pandemic to more than 2000 marginalized farmers in 5 villages of Jambusar Block of Bharuch District.

Shroffs Foundation Trust

The Mobile Medical Unit of SFT at Chhotaudepur reached out to 5723 participants in 24 villages, creating health awareness and treating patients at their door-steps. 2500 participants were also given immunity booster, masks and sanitizers to stay safe.

Your Company supported Shardadevi Gramodyog Society for equipments like Cold Room, Cold Storage, and Quality Assurance lab to upscale their processing unit for fruits and vegetables. The Society was thus able to process 21.10 tons of fruits and vegetables which added value to the

DIRECTORS' REPORT

communities and in obtaining more lucrative price for farmers. The profit is being shared by the society with 250 tribal families.

The Farm School Training initiative trained 60 youths in multi-skills like welding, household electric repairs work, plumbing and sewing. With this training, youth were enabled in providing repair and maintenance service to local families, where no such service was available. The youth so enabled, turned self-employed and started earning from Rs. 2000/- to Rs. 8000/- per month.

Your Company supports the remote **"Dediyapada Development Centre"** of Narmada District. Under its Farm Service Initiative in collaboration with Krishi Vigyan Centre, it has worked with 70 farmers of 6 villages to improve their crop practices and introducing newer crop varities. It has grown 300 teak trees as Agro Forestry.

Under the prestigious **"Jal Jeevan Mission"** of Govt. of India, the Centre has helped 45 villages to plan distribution of water and trained the Pani Samities in the operation and maintenance of village water supply system – 'Har Ghar Jal'.

The **"Zero Waste Village"** initiative in Khanderaopura of Padra Taluka has been completed with the installation of 120 kilo liters per day Bio-Filter Plant which has been handed over by Shri Anil Mukim, Chief Secretary, Government of Gujarat, to the village panchayat for operation and maintenance.

The **"Lakhpati Kisan Yojna"**, a 6 year programme, started with a tri-partite agreement among your Company, Shroffs Foundation Trust ("SFT") and NABARD. SFT was able to leverage 4 times the amount given by the Company. The project envisages working with 500 farmers of 9 villages of Chhotaudepur to make each farmer a "Lakhpati Kisan."

CSR activities carried out directly by the Company

Your Company's own CSR team has also initiated programmes in villages in and around Ekalbara. The team has conducted coaching classes for 36 students of class IX and X, for better performance. The parents' feedback shows satisfaction and confidence in their children. The Jewellery Making Project trained 47 more women this year. They earn Rs.2000 to Rs. 2500 per month. A "Vocational Training Programme" for local youths and school drop-outs has been initiated this year. The training has started with 16 young participants in welding, wireman and lathe operator trades. It is envisaged to expand the trades in sheet metal, plumbing and solar technicians, reaching out to 200 youth. At the instance of the Collectorate of Vadodara, the rain water harvesting structures for water conservation were successfully completed in 6 primary schools of Vadodara.

A brief outline of the policy and the report on CSR activities carried out during the year is annexed to this report as **'Annexure - IV'.**

m) PARTICULARS OF EMPLOYEES:

The information required under Section 197 (12) of the Act read with Rule 5 (2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed as **'Annexure – V'** and forms part of this Report.

n) SECRETARIAL AUDITOR AND SECRETARIAL AUDITOR'S REPORT:

Pursuant to the provisions of Section 204 of the Act and the Rules made thereunder and Regulation 24A of the SEBI LODR Regulations, the Board of Directors has appointed Shri Vijay L. Vyas, Practising Company Secretary (FCS: 1602; CP No. 13175), Vadodara, as the Secretarial Auditor of the Company to conduct Secretarial Audit for the year ended 31st March, 2021. The Secretarial Auditor has submitted his Report on Secretarial Audit

DIRECTORS' REPORT

conducted by him which is annexed to this report as **'Annexure – VI'**. He has also given Secretarial Compliance Report as required under SEBI LODR Regulations. The said Reports do not contain any qualification, reservation or adverse remark.

8. DIRECTORS AND KEY MANAGERIAL PERSONNEL:

Shri Atul G. Shroff, Non-Executive and Non-Independent Director of the Company, will retire by rotation at the ensuing Annual General Meeting and, being eligible, offers himself for re-appointment. The Directors recommend his re-appointment.

9. TRANSFER OF SHARES TO INVESTOR EDUCATION AND PROTECTION FUND ACCOUNT SET UP BY GOVERNMENT OF INDIA:

During the year under review, your Company has transferred the unclaimed dividend and 3359 equity shares of the shareholders of the Company whose dividend had been lying unclaimed with the Company for a period of seven consecutive years pursuant to Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 and subsequent amendments thereto by the Ministry of Corporate Affairs, Government of India.

The list of the shareholders is available on the Company's website **https://www.transpek.com/index.php/policies-and-other-information/**.

10. DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to the requirements under Section 134 (3) (c) of the Act with respect to Directors' Responsibility Statement, the Directors state that:

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

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

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

d) The Directors had prepared the annual accounts on a going concern basis;

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

f) The Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

11. DECLARATION BY INDEPENDENT DIRECTORS:

The Company has received declarations from all the Independent Directors of the Company confirming that they meet the criteria of independence as prescribed under sub-section (6) of Section 149 the Act as well as under Regulation 25 of SEBI LODR Regulations.

12. CORPORATE GOVERNANCE:

A separate report on Corporate Governance as required under Regulation 34 of the SEBI LODR Regulations, 2015 is included in this Report along with a certificate of the Auditor confirming its compliance with the conditions of Corporate Governance stipulated under the said Regulation.

13. AUDITORS AND AUDITORS' REPORT:

a) STATUTORY AUDITORS

The members of the Company, had, at their 54th Annual General Meeting held on 23rd September,

DIRECTORS' REPORT

2020, appointed M/s. Bansi S. Mehta & Co., Chartered Accountants, Mumbai as Statutory Auditors of the Company for a period of five years i.e. from the conclusion of the 54th Annual General Meeting upto the conclusion of 59th Annual General Meeting to be held in the year 2025 as prescribed under Section 139(1) and (2) of the Act and relevant rules framed thereunder.

The Auditors' Report does not contain any qualification, reservation or adverse remark or disclaimer. The Notes on financial statement referred to in the Auditors' Report are self-explanatory and do not call for any further comments.

b) <u>COST AUDIT COMPLIANCE:</u>

The Board has re-appointed M/s. Y.S.Thakar & Co., Cost Accountants, as the Cost Auditors for conducting cost audit of cost records of the Company for the Financial Year 2021-2022 under Section 148 (1) of the Act.

Pursuant to Section 148 of the Companies Act, 2013 and the Companies (Cost Records and Audit) Rules, 2014, Cost Audit Report for the financial year ended 31st March, 2020 was submitted to the Central Government on 8th September, 2020. Necessary resolution for approval of their remuneration for the FY 2021-22 is being proposed at the ensuing 55th Annual General Meeting. Their Report does not contain any qualification, reservation or adverse remark or disclaimer.

14. <u>DISCLOSURES:</u>

a) <u>AUDIT COMMITTEE:</u>

Details of the composition of the Audit Committee of Directors of the Company have been mentioned in the Corporate Governance Report. During the year under review, there were no instances wherein the Board of Directors of the Company did not accept the recommendations of the Audit Committee.

More details about all the Committees of Directors are given in the Corporate Governance Report.

b) <u>MEETINGS OF THE BOARD:</u>

During the year under review 5 (five) board meetings were held. For further details, please refer to the Report on Corporate Governance.

c) <u>VIGIL MECHANISM/WHISTLE BLOWER:</u>

The Company has established a Vigil Mechanism/Whistle Blower Policy to report genuine concerns about unethical behaviour, actual or suspected fraud or violation of code of conduct, details of which have been given in the Corporate Governance Report. The Whistle Blower Policy has been posted on the website of the Company and can be accessed at link –**<u>http://www.transpek.com/pdf/whistle-blower-policy.pdf.</u>**

15. <u>CHANGE IN THE NATURE OF BUSINESS:</u>

During the year under review, there was no change in the nature of the business of the Company.

16. <u>FIXED DEPOSITS:</u>

During the year under review, your Company has accepted/renewed deposits amounting to Rs.13,44,86,000/-, only from the shareholders of the Company. The deposits which matured and remained unclaimed as at 31st March, 2021 amount to Rs.24,80,000/-. The Company had sent written reminders to the Depositors for their appropriate action in this regard and as on the date of this report deposits amounting to Rs.24,80,000/- only have remained unclaimed.

The Deposits and Interest which remained unclaimed for the last seven years have been transferred to the Investor Education and Protection Fund as required under Section 125 of the Act. The list of the depositors

DIRECTORS' REPORT

whose deposits and interest are transferred to IEPF is available on the Company's website **https://www.transpek.com/index.php/policies-and-other-information/.**

During the year, there has been no default in repayment of deposits or payment of interest thereon. Also, during the year, there were no deposits accepted by the Company which did not comply with the requirements of Chapter V of the Act.

17. STOCK EXCHANGE:

The Company's equity shares are listed on the BSE Limited and the Listing Fees of the Company for the Financial Year 2020-2021 have been paid. The address of the said Exchange is as under:

BSE Limited

Phiroze Jeejeebhoy Towers,

Dalal Street, Fort, Mumbai – 400 001.

Scrip ID: 'transpek'; Scrip Code: 506687;
Group/Index: 'X'; ISIN: INE687A01016

18. HEALTH CARE AND WELFARE OF EMPLOYEES:

Employees' Welfare Schemes such as subsidized food in the Company's canteen at the factory, medical facilities, Group Term Life Insurance, Group Mediclaim Insurance and Group Accident Insurance continued to be maintained by the Company. The Company has also availed a top up medical insurance policy of Rs.5,00,000/- for all its employees so that they can avail proper medical facilities in case they get affected by CoVID-19. Sports and cultural activities are given due importance. The Company has also set up a place for doing Yoga, playing Table Tennis and a Gym for the employees. Employees are also given core long-term health offering which includes making available preventive medical examinations to cover fields of mental health, fitness and nutrition. Employees are offered training programmes and workshops on health-oriented leadership. Monetary support is also given to employees who wish to acquire higher educational qualifications.

The Company had also taken following steps to combat CoVID-19 pandemic situation:

- Suspension of all domestic and international travels.
- Engagement with employees to emphasize use of masks, sanitiser, social distancing, hygiene, and self-isolation wherever applicable.
- As a preventive measure masks were distributed to Company's Employees and contractual employees. The practice of providing masks still continues.
- Enhanced sanitation and cleaning at the factory. Body temperature screening of all employees was done at all the gates of the Company as well as at the Corporate Office.
- Providing employees with kits of ayurvedic medicines as well as homeopathic medicines to help boost immunity.
- Regular service of homeopathy doctor has been started at all three sites and more than 60 employees are seeing good results in their health issues.

Merit awards are given to employees' children for their academic achievements. The Company promotes innovation, rewards for performance and provides opportunities for people to grow. In addition, your Company has put in place a range of initiatives for attracting and retaining a high-performance work force. The Company also rewards exemplary performance of employees.

19. PROTECTION OF WOMEN AT WORKPLACE:

The Company has employed a number of women in various cadres. It has put in place a Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. An internal

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committee of women employees is also set up to redress complaints received which are monitored by women supervisors who are fully aware of the Policy and redressal mechanism. All employees of the Company and those of contractors as well as trainees are covered under this Policy. No complaint was received from any employee during the financial year 2020-2021 and no complaint is pending as on 31st March, 2021 for redressal.

20. MANAGEMENT DISCUSSION AND ANALYSIS:

The report on Management Discussion and Analysis as required under Regulation 34 (2) (e) and Schedule V of SEBI LODR Regulations dealing with the Operations, Business Performance, etc. is given separately and it forms part of this Annual Report.

ACKNOWLEDGEMENTS:

Your Directors wish to acknowledge the co-operation and assistance extended to the Company by the Company's Bankers and Central and State Government agencies. Your Directors also wish to place on record their appreciation of the contribution made by employees at all levels towards the growth of the Company. Your Directors acknowledge with gratitude the support of the shareholders, investors, customers and suppliers for the faith reposed in the Company and its management.

BY ORDER OF THE BOARD

PLACE: VADODARA | **A. C. SHROFF**

DATED: 25th May, 2021 | **CHAIRMAN**

'ANNEXURE – I' TO THE DIRECTORS' REPORT

Particulars of Energy Conservation, Technology Absorption and Foreign Exchange Earnings and Outgo under section 134 of the Companies Act, 2013 read with Rule 8 (3) of the Companies (Accounts) Rules, 2014.

A) CONSERVATION OF ENERGY:

(i) Steps taken for conservation of energy and for utilizing alternative sources of energy:

1. Installation of Variable Frequency Drive (VFD) in 8 Tonnes per Hour (TPH) Fluidized Bed Combustion (FBC) Boiler and Forced Draft (FD) and Induced Draft (ID) Fans to reduce power consumption.
2. Installed and commissioned new 150 Tonnes of Refrigeration (TR) chilled water plant with Evaporative condenser to get lower condensing temperature to reduce power consumption.
3. Installed 250 TR evaporative condenser in place of shell and tube type condenser to reduce power consumption.
4. Replaced 60 Horse Power (HP) pump by 15 HP in utility cooling after commissioning of new chilled water plant based on evaporative condenser.
5. Temperature controller was installed in TC Cooling tower fan to save power.
6. In Thionyl Chloride plant cooling tower the existing 100 HP pump was modified to 75HP to cater to the supply to distillation section from reaction section to reduce power consumption.
7. Contract Demand in KVA was reduced which resulted in reduced fixed charges of electricity.
8. Installed line tube cleaning system in 8 TPH FBC Boiler to improve heat transfer efficiency which resulted in better steam to fuel ratio.
9. Operated multiple distillation units on single ejector in 2 of the Acid Chloride Plants to decrease

DIRECTORS' REPORT

steam consumption and effluent generation.

10. Eliminating operation of primary pump in brine circuit by modifying secondary circuit to reduce power consumption.

11. Modified chilled water, cooling water and steam piping with main isolation valve to stop the wastage of utilities in case of partial operation of the plant.

12. Commissioning of high efficiency Turbine in place of old low efficiency one to get additional steam from the Sulphuric acid plant as a waste heat.

13. Stoppage of 30 HP chilled water pump in TC plant by providing chilled water from SO2 plant by installing 3 HP booster pump.

(ii) The investment in various energy conservation activities was approx. Rs.108.50 Lakhs and the estimated approx. annual saving works out to Rs.274.00 Lakhs.

B) TECHNOLOGY ABSORPTION:

(i) Efforts made towards technology absorption:

The Company has been making substantial efforts in reduction of process waste and effluent. Over the years, there has been a significant reduction in the generation of wastes by adopting better process methodology at the source.

(ii) Benefits derived:

The Company has been able to derive benefits through R & D activities in manufacturing of Pharmaceutical Intermediates, new Acid Chlorides with multiple end uses, new organic chlorides with multiple uses, intermediates of personal care chemicals, etc. Also, the Company has improved process efficiency by using better catalysts.

(iii) Information regarding imported technology: (Imported during last three years):

Your Company has not imported any technology during the last three years.

C) EXPENDITURE INCURRED ON R&D: **(Rs. in Lakhs)**

Particulars	Current Year 2020-2021	Previous Year 2019-2020
Capital	**100.81**	190.53
Recurring	**308.37**	172.11
Total	**409.18**	362.64
Total R&D Expenditure as a % of total turnover	**1.21**	0.90

D) FOREIGN EXCHANGE EARNINGS AND OUTGO: **(Rs. in Lakhs)**

Particulars	Current Year 2020-2021	Previous Year 2019-2020
a) Earned by way of export of goods and claims	**26349.11**	48042.95
b) Used by way of Imports (Capital/Revenue)	**5279.70**	7564.74

'ANNEXURE – II' TO THE DIRECTORS' REPORT

Policy for Remuneration to Directors, Key Managerial Personnel and Senior Management and Other Employees.

Preamble

This policy is made to define criteria and methodology for determining remuneration of Directors, Key Managerial Personnel and Senior Management Personnel and other employees.

Definitions

For the purpose of this policy the meaning of the terms 'Directors' and 'Key Managerial Personnel' shall be as defined in the Companies Act, 2013 and the terms 'Senior Management Personnel' and 'Other Employees' shall mean officers/personnel of the listed entity who are members of its core management team excluding board of directors and normally this shall comprise all members of management one level below the chief executive officer/managing director/whole-time director/manager (including chief executive officer/manager, in case they are not part of the board) and shall specifically include company secretary and chief financial officer.

The remuneration shall include salary, perquisites, commission, incentives and any other benefits.

Guiding Principle

The level and composition of remuneration shall be reasonable and sufficient to attract, retain and motivate Directors, Key Managerial Personnel (KMP), Senior Management Personnel and other employees.

Determination of Remuneration

The Committee will determine individual remuneration packages for Directors, KMPs and Senior Management Personnel of the Company taking into account factors it deems relevant, including but not limited to market conditions, business performance, practices in comparable companies, having due regard to the financial and commercial health of the Company as well as prevailing laws and government/other guidelines.

The remuneration shall be linked to performance and will comprise of Fixed Pay and Incentive.

Fixed remuneration shall be competitive and based on the individual's responsibilities and performance.

The Committee may recommend fixed salary as well as variable salary, which may be calculated as a percentage of profits and may also have an overall ceiling limit for total variable salary payable to the individual.

The Committee may, at its sole discretion, conduct Remuneration Surveys in order to determine appropriate amount of remuneration for Directors, Key Managerial Personnel, Senior Management Personnel and other employees.

The Committee shall give due consideration to the views and recommendations of the Managing Director in determining the remuneration payable to Key Managerial Personnel and Senior Management Personnel.

Stock Options

The Company may offer Stock Options to whole-time Directors and employees. The Committee shall be responsible to formulate, implement and monitor the scheme of Stock Options.

Remuneration of Other Employees

For deciding the remuneration of other employees the management of the Company shall broadly consider the factors it deems relevant, including but not limited to the nature of work, responsibilities, relevant educational qualifications, length and type/quality of experience required, availability of such personnel, need of the Company, cost to the Company, financial and commercial health of the Company, practices followed in other comparable companies, market conditions, applicable laws, industrial conditions etc.

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Deviations from this policy

Deviations on elements of this policy will be made in extraordinary circumstances, or when deemed necessary in the interests of the Company, or if there are specific reasons to do so in an individual case.

Disclosure in the Board's Report under Section 197 (12) of the Act and Rule 5 (1) of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014:

Sr. No.	Particulars	Director's Name	Ratio to median Remuneration
(i)	The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2020-2021	Shri Ashwin C. Shroff	0.65:1
		Shri Bimal V. Mehta	53.30:1
		Shri Atul G. Shroff	0.95:1
		Shri Dipesh K. Shroff	1.12:1
		Shri Ravi A. Shroff	0.73:1
		Shri Ninad D. Gupte	1.24:1
		Dr. Bernd Dill	0.90:1
		Shri Nimish U. Patel	1.37:1
		Smt. Geeta A. Goradia	1.12:1
		Shri Hemant J. Bhatt	1.29:1
		Shri Anand Mohan Tiwari	1.03:1
(ii)	The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager if any in the financial year 2020-21	Directors/CFO/CEO/CS/ Manager Name	% increase in Remuneration
		Shri Ashwin C. Shroff, Chairman	-64.06%
		Shri Bimal V. Mehta, Managing Director	-11.47%
		Shri Atul G. Shroff, Director	-55.89%
		Shri Dipesh K. Shroff, Director	-45.82%
		Shri Ravi A. Shroff, Director	-60.29%
		Shri Ninad D. Gupte, Independent Director	-42.08%
		Dr. Bernd Dill, Independent Director	-51.15%
		Shri Nimish U. Patel, Independent Director	-43.91%
		Smt. Geeta A. Goradia, Independent Director	-42.31%

		Shri Hemant J. Bhatt, Independent Director	-41.26%
		Shri Anand Mohan Tiwari, Independent Director	-35.33%
		Shri Alak D. Vyas, Company Secretary & Compliance Officer	1.72%
		Shri Pratik P. Shah, Chief Financial Officer	-0.32%
(iii)	Percentage increase in the median remuneration of employees in the financial year 2020-2021	6.32%	
(iv)	Number of permanent employees on the rolls of the Company	**As on 31.03.2021** 557	**As on 31.03.2020** 586
(v)	Average percentile increase in the salaries of employees other than Managerial Personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration. Justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration.	The average increase in employees' salary during the year 2020-2021 is 6.32% and the average increase in managerial remuneration is -11.47%. The Profit Before Tax for the year ended 31.03.2021 decreased by 72.69%. Normal industry standards are followed for increase in Managerial Remuneration.	

The Board of Directors of the Company affirms that the remuneration is fixed and paid as per the remuneration policy of the Company.

'ANNEXURE – III' TO THE DIRECTORS' REPORT

Form No. AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto.

1. **Details of Contracts or arrangements or transactions not at arm's length basis:**

   Not Applicable. There were no contracts or arrangements or transactions not on arm's length basis.

2. **Details of material contracts or arrangement or transactions at arm's length basis:**

   Not Applicable. There were no material contracts or arrangements or transactions.

DIRECTORS' REPORT

'ANNEXURE – IV' TO THE DIRECTORS' REPORT

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITIES (CSR) ACTIVITIES:

1. A brief outline of the Company's CSR policy.

   CSR policy is stated herein below.

   Web-link: **http://www.transpek.com/pdf/csr-policy.pdf**

2. The composition of the CSR Committee

Sr. No.	Name of Director	Designation/Nature of Directorship	Number of Meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Smt. Geeta A. Goradia	Chairperson/ Non-Executive Independent Director	2	2
2.	Shri Nimish U. Patel	Member/Non-Executive Independent Director	2	2
3.	Shri Anand Mohan Tiwari	Member/Non-Executive Independent Director	2	2
4.	Shri Atul G. Shroff	Member/Non-Executive Non Independent Director	2	2
5.	Shri Dipesh K. Shroff	Member/Non-Executive Non Independent Director	2	2

3. Provide the details of impact assessment of CSR projects carried out in pursuance of sub-rule (3) of Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report) – **Not Applicable**

4. Details of the amount available for set off in pursuance of sub-rule (3) of Rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any

Sr. No.	Financial Year	Amount available for set off from preceding Financial Year (in Rs.)	Amount required to be set off for the Financial Year, if any (in Rs.)
1.	2020-2021	NIL	Rs.22,94,801/-
Total		**NIL**	**Rs.22,94,801/-**

5. Average net profit of the Company as per section 135(5) – Rs.8062 Lakhs

6. (a) Two percent of average net profit of the Company as per section 135(5) – Rs.161 Lakhs

   (b) Deficit arising out of CSR projects or programmes or activities of the previous financial years – Rs.20.00 Lakhs

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(c) Surplus arising out of CSR projects or programmes or activities of the previous financial years – Rs.NIL

(d) Amount required to be set off for the financial year, if any – Rs. NIL

(e) Total CSR Obligation for the Financial Year – Rs.181 Lakhs

7. (a) CSR amount spent or unspent for the financial year

Total Amount Spent for the Financial Year (in Rs.)	Amount Unspent (in Rs.)				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
2,03,94,801/-	NIL	NA	NA	NIL	NA

7. (b) Details of CSR amount spent against **ongoing projects** for the Financial Year

(1) Sr. No.	(2) Name of the Project	(3) Item from the list of activities in Schedule VII to the Act	(4) Local area (Yes/No)	(5) Location of the project		(6) Project duration	(7) Amount allocated for the project (in Rs.)	(8) Amount spent in the current financial year (in Rs.)	(9) Amount transfer-red to Unspent CSR Acc-ount for the proj-ect as per Section 135(6) (in Rs.)	(10) Mode of Implem-entation –Direct (Yes/No)	(11) Mode of Implementation Through Implementing Agency	
				State	District						Name	CSR Regd. No.
Not Applicable												

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7. (c) Details of CSR amount spent against **other than ongoing projects** for the financial year

(1) Sr. No.	(2) Name of the Project	(3) Item from the list of activities in Schedule VII to the Act	(4) Local area (Yes/No)	(5) Location of the project		(6) Amount spent for the project (in Rs.)	(7) Mode of Implem--entation –Direct (Yes/No)	(8) Mode of Implementation Through Implementing Agency	
				State	District			Name	CSR Regd. No.
				Health					
1.	Operation of Mobile Medical Unit	Clause (i)	No	Gujarat	Chhotaudepur	Rs. 12,00,000/-	No	Shroffs Fou-ndation Trust (SFT)	CSR00 000276
2.	Interventions in Health and Hygiene	Clause (i)	No	Gujarat	Jambusar, Bharuch	Rs.30,00,000/-	No	Aatapi Seva Foundation	CSR00 001876
3.	Reproductive Health and Anemia Prevention	Clause (i)	Yes	Gujarat	Padra, Vadodara	Rs. 4,86,297/-	No	Sahaj Foundation	CSR00 002597
				Education					
4	Online Education	Clause (ii)	No	Gujarat	Vadodara	Rs. 12,26,610/-	No	Unified Growth Foundation	CSR00 000545
5	Story Sharing Sessions to enhance knowledge	Clause (ii)	No	Gujarat	Vadodara	Rs. 4,95,000/-	No	SaMvitti	They are in process of obt-aining CSR Regd. No.
6	Development of Anganwadi	Clause (ii)	No	Gujarat	Vadodara	Rs.3,21,875/-	No	Nutan Bal Sikshan Sangh	They are in process of obt-aining CSR Regd. No.
7	Balak Sangh for education of children	Clause (ii)	No	Gujarat	Vadodara	Rs.58,250/-	No	Ram Krishna Mission	They are in process of obt-aining CSR Regd. No.

DIRECTORS' REPORT

(1) Sr. No.	(2) Name of the Project	(3) Item from the list of activities in Schedule VII to the Act	(4) Local area (Yes/No)	(5) Location of the project		(6) Amount spent for the project (in Rs.)	(7) Mode of Implem--entation –Direct (Yes/No)	(8) Mode of Implementation Through Implementing Agency	
				State	District			Name	CSR Regd. No.
8	Tod Fod Jod	Clause (ii)	No	Gujarat	Vadodara	Rs.40,000/-	No	Vadodara Innovation Council	They are in process of obt-aining CSR Regd. No.
9	Extra Classes Program	Clause (ii)	Yes	Gujarat	Padra Block in Vadodara	Rs.1,85,650/-	Yes	-	-
10	Special Teach--ing Program	Clause (ii)	Yes	Gujarat	Padra Block in Vadodara	Rs.7,583/-	Yes	-	-
11	Basic Computer & Tally Course	Clause (ii)	No	Gujarat	Mook Dhwani Trust, Vadodara	Rs.1,925/-	Yes	-	-
				Rural Development Project					
12	Tribal Develo--pment in Dediyapada	Clause (x)	No	Gujarat	Dediyapada, Rajpipla	Rs.20,00,000/-	No	SFT	CSR00 000276
13	Lakhpati Kisan Project	Clause (x)	No	Gujarat	Chhotaudepur	Rs.60,50,000/-	No	SFT	CSR00 000276
14	Rural, Bandla Haat	Clause (x)	No	Gujarat	Chhotaudepur	Rs.25,50,000/-	No	SFT	CSR00 000276
15	Food Processing Unit	Clause (x)	No	Gujarat	Chhotaudepur	Rs.6,98,000/-	No	SFT	CSR00 000276
				Livelihood					
16	Jewellery Making	Clause (ii)	Yes	Gujarat	Padra, Vadodara	Rs. 42,625/-	Yes	-	-
17	Vocational Training Centre (VTC)	Clause (ii)	Yes	Gujarat	Padra, Vadodara	Rs. 2,87,989/-	Yes	-	-
				Environment					
18	Rain Water Harvesting	Clause (iv)	Yes	Gujarat	Padra, Vadodara	Rs. 15,92,997/-	No	Baroda Water Management Consultants	They are in process of obt--aining CSR Regd. No.

DIRECTORS' REPORT

(1) Sr. No.	(2) Name of the Project	(3) Item from the list of activities in Schedule VII to the Act	(4) Local area (Yes/No)	(5) Location of the project		(6) Amount spent for the project (in Rs.)	(7) Mode of Implem--entation –Direct (Yes/No)	(8) Mode of Implementation Through Implementing Agency	
				State	District			Name	CSR Regd. No.
19	A Zero Energy Campus	Clause (iv)	No	Maharashtra	Mumbai	Rs.1,50,000/-	No	Education Park Society	They are in process of obtaining CSR Regd. No.
	TOTAL					**2,03,94,801**			

7. (d) Amount spent in administrative overheads: NIL

7. (e) Amount spent on impact assessment, if applicable: Not Applicable

7. (f) Total amount spent for the financial year: Rs.2,03,94,801/-

7. (g) Excess amount for set off, if any

Sr. No.	Particulars	Amount (in Rs.)
(i)	Two percent of average net profit of the company as per section 135(5)	Rs. 1,81,00,000/-*
(ii)	Total amount spent for the Financial Year	Rs. 2,03,94,801/-
(iii)	Excess amount spent for the financial year [(ii) –(i)]	Rs. 22,94,801/-
(iv)	Surplus arising out of the CSR projects or programs or activities of the previous financial years, if any	Rs. NIL
(v)	Amount available for set off in succeeding financial years [(iii) – (iv)]	Rs. 22,94,801/-

* The amount includes unspent amount of Rs.20,00,000/- for the Financial Year 2018-2019 carried forward for the 2% to be spent in the Financial Year 2019-2020.

8. (a) CSR amount spent or unspent for the financial year:

Sr. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135(6) (in Rs.)	Amount spent in the reporting Financial Year (in Rs.)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any			Amount remaining to be spent in succeeding financial year (in Rs.)
				Name of the Fund	Amount (in Rs.)	Date of transfer	
Not Applicable							

DIRECTORS' REPORT

8. (b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial years:

(1) Sr. No.	(2) Project ID	(3) Name of the Project	(4) Financial Year in which the project was commenced	(5) Project duration	(6) Total amount allocated for the project (in Rs.)	(7) Amount spent on the project in the reporting Financial Year (in Rs.)	(8) Cumulative amount spent at the end of reporting Financial Year (in Rs.)	(9) Status of the Project- Completed/ Ongoing
Not Applicable								

9. In case of creation or acquisition of capital asset, furnish the details relating to the assets so created or acquired through CSR spent in the financial year (asset-wise details): **NIL**
10. Specify the reason(s), if the Company has failed to spend 2% of the average net profit as per section 135(5): **Not Applicable.**
11. A responsibility statement of the CSR Committee that the implementation and monitoring of CSR policy is in compliance with CSR objectives and Policy of the Company: Statement is given below:

RESPONSIBILITY STATEMENT

The Responsibility Statement of the Corporate Social Responsibility Committee of the Board of Directors of the Company is reproduced below:

'The implementation and monitoring of Corporate Social Responsibility (CSR) Policy is in compliance with CSR objectives and policy of the Company.'

Sd/-	**Sd/-**
Bimal V. Mehta	**Geeta A. Goradia**
Managing Director	**Chairperson of the CSR Committee**
Date: 25th May, 2021	

Corporate Social Responsibility Policy

Introduction:

Transpek Industry Limited ("TIL"), a part of Shroff Group of organizations and a listed company, engaged in the development and manufacturing of chemical products, has been serving the community towards improving the quality of life of all its stakeholders since its inception, much before the legal framework of CSR was announced by the Govt. of India through the Companies Act, 2013 ('the Act').

Philosophy:

TIL recognizes that business enterprises are the vital instruments of an economy and contribute significantly towards the well-being of the nation. TIL believes that the success of a company is measured not only in terms of financial results but also in terms of its commitment and contribution towards social and environmental performance which can generate multiplier impact towards enhancing societal sustainability and foster inclusive and equitable growth.

TIL's CSR strategy is a holistic, long term strategy that aligns with the group's core values of "Customer Focus", "Innovation", "Passion to Win" and "Fair play" for all stakeholders. This entails understanding the needs of communities, addressing them through need-based projects and making them work together to help create game changing development for sustainable growth.

Vision:

To actively contribute towards creating innovative and sustainable solutions in the fields of health, education, vocational training and skill building and in doing so, build a better sustainable way of life for the weaker sections of the society.

Objectives:

1. Transpek will make significant contribution in improving quality of education by establishing innovative models in under-served schools in the State of Gujarat.
2. Transpek will encourage/nurture development of human capital by providing inclusive and

DIRECTORS' REPORT

vocational education through demonstrated models of excellence in technical training and skill building to help enhance the employability of aspiring students.

3. Transpek will drive measurable improvements in health and hygiene standards in communities in which it operates by supporting primary healthcare initiatives.

CSR Policy:

1. TIL is committed to manage its business with integrity, align business values with operations seeking to enrich the society in which it operates.
2. To undertake CSR programmes which largely fall within the State of Gujarat.
3. To engage in vocational training and skill building to enhance employability and help create livelihood for the society.
4. To provide preventive healthcare, sanitation and drinking water for the disadvantaged sections of the society and help improve their health and hygiene standards.
5. To promote awareness towards "Safety" and "Environment" while working closely with the communities.
6. To develop the required capability and self-reliance of women at the grass root level, enable empowerment and provide opportunities to promote gender equality.
7. To promote collaborative partnership with government authorities, village panchayats, NGO's and industry associations in order to have a multiplier impact. TIL will also be responsible in times of natural calamities and disasters.
8. To ensure an increased commitment at all levels in the organization and operate its business in an economically, socially and environmentally sustainable manner while recognizing the interests of all its stakeholders.

Governance Structure:

The governance structure for driving TIL's CSR Policy will incorporate the requirements under the law and also take into account the optimal structure required for maximizing impact. The CSR policy will be in compliance with the provisions of Companies (Corporate Social Responsibility) Rules, 2014 read with Section 135 and Schedule VII of the Companies Act, 2013 ('CSR Regulations').

Governance:

The Board will set up a committee of Directors known as 'Corporate Social Responsibility Committee' ("CSR Committee") which will be a responsible body for formulating policy and driving the strategy to fulfil its objectives.

TIL will seek to identify suitable programmes for implementation in line with the CSR objectives of the Company and CSR Regulations. The CSR Committee may assign the task of implementation of the specified CSR Plan/project/programmes within specified budgets and timeframes to such trust, society or company (established under section 25 of the Companies Act, 1956 or under section 8 of the Act by the Company, either singly or along with its holding or subsidiary or associate Company, or along with any other Company or holding or subsidiary or associate Company of such other Company, or otherwise) which would execute the said CSR Plan/ project/ programmes.

In case of programme execution by NGO's/Voluntary organizations, the following minimum criteria would need to be ensured:

1. The NGO / Agency has a permanent office/address in India, preferably in Gujarat.
2. The NGO is a professionally managed registered society under Societies Registration Act or a non-profit entity under Section 25 of the Companies Act, 1956 / Section 8 of the Companies Act, 2013 or

DIRECTORS' REPORT

a Trust registered under the laws applicable to charitable trusts and has an established track record of minimum three years in undertaking similar programmes or projects.

3. Possesses a valid Income Tax Exemption Certificate;

4. The NGO shall execute/implement the Company's specified CSR Plan/project/programmes within specified budgets with modalities of utilization of funds, timeframes and monitoring and reporting mechanism;

5. The capacity building expenditure including administrative overheads shall not exceed five percent of the total CSR expenditure of the Company;

6. The antecedents of the NGO/ Agency are verifiable/subject to confirmation.

7. The Company can collaborate with any Private or Public Company incorporated under the Companies Act, 1956 or Companies Act, 2013 as may be permissible under the CSR Regulations for carrying out CSR activities.

The CSR Committee/Board of the Company will approve flagship programmes, periodically monitor the progress of activities and review strategy.

Ethical business is given priority at Transpek. We strictly follow and practise the principle of accountability, honesty and integrity in all aspects of our business and diligently comply with all applicable laws and regulations. We are additionally committed to provide equal opportunities in all respects of employment and will not engage in workplace conduct that can be construed as discrimination, intimidation and harassment.

'ANNEXURE – V' - TO THE DIRECTORS' REPORT

Particulars of Employees pursuant to Section 134(3)(g) of the Act read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:

Name of the Employee	Age (Yrs.)	Designation/ Nature of Duties	Qualification	Total Experience (Yrs.)	Remuneration paid/ payable (Rs. in Lakhs)	Date of commencement of employment	Last employment
Bimal V. Mehta	56	Managing Director	Chartered Accountant	34	250.72	09/04/2010	Nibbana Limited
Radhakrushna B. Shetty	59	Sr. VP (Technical)	Diploma in Mechanical Engineering	36	65.53	07/07/1988	Meher (P) Ltd.
Ashish B. Pathak	51	VP (Strategy & Business Development	MBA (Marketing)	29	57.54	10/10/2016	Fortius Precision Engg. Pvt. Ltd.
Sharad R. Patil	57	VP (Marketing)	Diploma in Mechanical Engineering	39	56.54	04/01/1993	L&T Construction
Ashok G. Jadeja	55	VP (MM)	B.Com.	31	53.54	01/11/1990	-
Pratik P. Shah	42	VP (Finance) & CFO	Chartered Accountant	21	42.52	01/06/2017	Diamond Power Infrastructure Limited
Vipul P. Parikh	50	GM (Engineering Services)	Bachelors in Mechanical Engineering	30	40.52	05/11/2018	Sun Pharmaceutical Industrial Limited

DIRECTORS' REPORT

Name of the Employee	Age (Yrs.)	Designation/ Nature of Duties	Qualification	Total Experience (Yrs.)	Remuneration paid/ payable (Rs. in Lakhs)	Date of commencement of employment	Last employment
Hemant B. Shah	48	GM (Project, Planning & Control)	BE (Chemical), PGDBM, IEM	24	32.66	02/10/2015	Atul Limited
Mandar S. Prabhune	52	DGM (Bio-Lab)	M.Sc (EST)	31	32.38	08/11/1994	Excel Industries Ltd.
Sureshpratap D. Singh	56	DGM (Process Development)	M.Sc (Chemistry)	33	29.33	04/09/2017	Sam Fine O Chem Limited

NOTES:

1) The nature of employment of the Managing Director is contractual for a period of five years.

2) Remuneration mentioned above includes Salary, Perquisites, Provident Fund, Superannuation Fund, Gratuity and Commission payable in the case of Shri Bimal V. Mehta.

3) The Commission payable to Shri Bimal V. Mehta is as per his terms of appointment.

4) None of the employees is relative of any of the Directors of the Company.

'ANNEXURE – VI'- TO THE DIRECTORS' REPORT

SECRETARIAL AUDIT REPORT

25th May, 2021

To
TRANSPEK INDUSTRY LIMITED
4th Floor, Lilleria 1038,
Gotri Sevasi Road
Vadodara - 390021

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

1. Maintenance of Secretarial record is the responsibility of the management of the company. My responsibility is to express an opinion on these secretarial records based on my audit.

2. Due to the restrictions announced by the Government on account of Corona Pandemic the Company has provided either physical copies of check lists or scanned copies of the registers and records required for audit along with a declaration from the Company Secretary regarding completeness and correctness of the records and registers so provided. Reliance has been placed on the same for the purpose of the Secretarial Audit Report for the year 2020-2021.

3. I have followed the audit practices and processes as were appropriate in the prevalent pandemic situation to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, I followed provide a reasonable basis for my opinion.

DIRECTORS' REPORT

4. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.

5. Where ever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.

6. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedures on test basis.

7. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy of effectiveness with which the management has conducted the affairs of the company.

Thanking you,
Yours faithfully,

CS VIJAY L VYAS
COMPANY SECRETARY IN PRACTICE
FCS: 1602: CP: 13175

SECRETARIAL AUDIT REPORT

FORM NO. MR - 3

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2021

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

25th May, 2021

To
The Members,
TRANSPEK INDUSTRY LIMITED
VADODARA 390 021

I, Vijay L Vyas, Practising Company Secretary, have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **TRANSPEK INDUSTRY LIMITED** (hereinafter called 'the Company'). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

I have conducted verification & examination of records, as provided by the Company through email or in electronic mode, due to Covid-19 pandemic situation and following restrictions and guidelines issued by the Government, for the purpose of issuing this report.

Based on my verification of **TRANSPEK INDUSTRY LIMITED's** books, papers, minute books, certificates, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives (in physical form/electronic mode) during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended March 31, 2021, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2021 according to the provisions of:-

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

DIRECTORS' REPORT

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

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

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

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

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

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

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

(d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; - *Not applicable, as the Company did not issue any security during the financial year under review;*

(e) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; - *Not applicable, as the Company has not granted any Stock Options to its employees during the financial year under review;*

(f) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; - *Not applicable, as the Company has not issued or listed any debt securities during the financial year under review;*

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

(h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; *Not applicable, as the Company has not delisted its equity shares from any stock exchange during the financial year under review; and*

(i) The Securities and Exchange Board of India (Buyback of Securities) Regulations,2018; - *No buyback of Securities was done during the year under review.*

(vi) Environment Protection Act, 1986 and other environmental laws;

(vii) Explosives Act,1864;

(viii) Factories Act, 1948;

(ix) Public Liability Insurance Act,1991;

I have also examined compliance with the applicable clauses of the Secretarial Standards issued by The Institute of Company Secretaries of India.

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

I am informed, the Company has responded appropriately to notices received from various statutory / regulatory authorities including initiating actions for corrective measures, wherever found necessary.

I further report that –

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors, including woman Director. During the period under review the changes in the composition of the Board of Directors were carried out in compliance with the

DIRECTORS' REPORT

provisions of the Act;

Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting. Urgent business, if any, is considered at a shorter notice with the consent of the Directors present including Independent Director. Majority decision is carried through while the dissenting members' views, if any, are captured and recorded as part of the minutes. Recording of meetings held by video conferencing are maintained by the Company.

I further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines. I have relied on the representations made by the Company and its officers in respect of the systems and processes and mechanism formed for compliances under the laws at (vi) to (ix) above and other applicable laws.

I further report that during the audit period, there were no instances of:

i) Public / Rights / Preferential issue of shares / debentures / sweat equity;

ii) Merger / amalgamation / reconstruction etc.;

iii) Foreign technical collaborations.

I further report that during the FY 2020-2021, no resolution was passed through Postal Ballot.

CS VIJAY L VYAS
COMPANY SECRETARY IN PRACTICE
FCS No.: 1602; C P No.: 13175
Unique Code No. I2014GJ1154300
ICSI UDIN: F001602C000369607

Place: VADODARA
Date: 25th May, 2021

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

This report includes discussion on the following matters within the limits set by the Company's competitive position:

INDUSTRY STRUCTURE AND DEVELOPMENTS

Through our portfolio of products, we operate in multiple application areas and industry/sector ranging from Polymers, Pharmaceuticals, Agrochemicals, Dyes and Pigments.

A significant volume of our business is supplying to global and Indian Chemical and Pharmaceutical giants. We export to many countries and have a very strong reputation and presence globally.

Our strong focus on safety and environment protection and health and well-being of our employees and communities around our manufacturing facilities has continued unabated from the previous year. While the current period has been challenging in the context of COVID-19 pandemic, a gradual unfolding of opportunities and potential for growth are being seen and expected to continue.

The Company is poised to capture the growth potential expected at present and in the future.

OUTLOOK FOR THE INDUSTRY

While the world markets took a hit in the wake of COVID-19 pandemic and a significant amount of uncertainty prevailed over the business and markets, the outlook for

DIRECTORS' REPORT

the Indian Chemical Industry has been quite positive and industry has seen a good number of opportunities and growth in the last few months which is expected to continue.

We are closely monitoring the developments and are preparing ourselves to capture the opportunities as they arise.

SNAPSHOT OF PERFORMANCE

Your Company has entered into a long-term strategic contract with a global customer which significantly increased the scale of business and profits in the earlier years. This gave the Company the much-needed financial stability and strength to sustain during the challenging times of COVID-19 pandemic beginning from March, 2020, until now and work on exploring new opportunities and potential for future growth.

As COVID-19 situation heavily impacted certain application areas like aerospace and automotive, the Company faced a significant reduction in its business volume especially in the case of polymers for which we make raw materials that are used in these Industries.

As the underlying business model of these industries and the potential for future growth has not significantly changed, the Company is now looking at gradual improvements in these application areas.

POLYMERS AND SPECIALITY PLASTICS AND PERFORMANCE MATERIALS

While the global markets for Polymers, Specialty Plastics and Performance Materials had a short-term setback due to COVID-19, it shall continue to grow for years to come due to continuous innovations and focus to replace metals with such high strength and light weight polymers.

Your Company manufactures multiple products that are supplied to many global companies manufacturing Polymers and Specialty Plastics.

The Company expects a gradual and steady improvement in this application area.

PHARMA

The Company is working closely with various pharma customers that include many leading pharma companies in India to capture opportunities and realise potential and growth that may come from significant developments in the Industry.

The Company is developing raw materials and intermediaries for its Pharma customers which are expected to provide long-term growth to the Company.

AGROCHEMICALS

The Company has a few products that go into making agrochemicals. The market for the Company's products has remained stagnant and it is not expected to have any significant change in the near future.

Your Company has already started manufacturing and supplying a new product to few customers.

OPPORTUNITIES AND THREATS

Opportunities:

The Chemical and Pharma Industries in India and globally have been seeing good growth barring the setback during the first few months of COVID-19 pandemic. This trend is expected to continue and would provide many opportunities for growth.

The Company has been able to establish its presence as a leading Acid Chlorides manufacturer amongst global chemical giants. The Company has added three more Acid Chlorides to its list.

A significant amount of work is going into developing products which use chemistries other than chlorination either as extension of Acid Chlorides or independent of it. Various products are at R&D stage and Pilot Plant stage.

The Company has consciously been working on expanding its customer base, product portfolio and regional presence to minimize the risk of

DIRECTORS' REPORT

product/customer concentration and work on bigger canvas for a balanced growth.

Threats:

The continued negative impact of COVID-19 pandemic might affect the Company's business adversely. However, at present, the Company does not expect any significant issue in this regard. This may change if the world faces a more serious impact of COVID-19.

The Company imports substantial quantity of raw materials. These raw materials are produced by only a small number of manufacturers globally.

Recently, there has been some shortage as well as significant increase in the prices of some of the raw materials. While the Company has been able to pass on this increase largely to its customers, there may be an adverse impact in future if the Company is unable to sustain the current pricing due to competitive pressures.

RISKS AND CONCERNS

The Company has recognised concentration risk in terms of its applications profile and customers. This, combined with a need to create a balanced growth, has led your Company to start focused work on broad-basing the applications profile, regional concentration and customer concentration. This is a strategic move and hence the process may take anywhere between 2-3 years.

It has become utmost important for the businesses to have a strong risk management policy and continuous risk assessment of the overall business.

The Company has a well-established Risk Management Policy and process which is constantly reviewed by the Board of Directors. It helps in eliminating maximum possible risks to the business.

Considering the hazardous nature of the products that the Company manufactures, it makes all efforts to ensure safety of people, plant, the environment and the surrounding population as well as provides people systematic training and personal protective equipment.

PREPARING FOR THE FUTURE

The Company strongly believes that the future of chemical industries lies in ensuring sustainable and safe operations while continually optimising costs, yield, output and efficiency. With this understanding, the Company has embarked upon an ambitious project of centralised, online real time process monitoring mechanism that provides critical data for process improvement, safety improvement and early warning for unexpected incidents.

The data collected through this system will be compiled, collated and analysed to make more effective and far-reaching decisions as well as to build Artificial Intelligence (AI's) models to drive safe and sustainable future growth.

COVID-19 INITIATIVES TAKEN BY THE COMPANY

Your Company carried out following activities during COVID-19 pandemic for the well-being and betterment of the people/stakeholders associated with it:

- A full work place assessment was done by Dr. Kamal Jain and Dr. Nishant Mistry from Indian Association of Occupational Health (IAOH) for assessing work place practices in COVID-19 scenario and suggestions were implemented as deemed necessary.
- The benefit of Group Term Life Insurance Policy was increased from 72 times salary to 120 times salary in case of death of any employee of the Company. This amount would go to the family members of the deceased employee so as to help them meet their financial requirements for years to come.
- COVID-19 vaccination programme was organised at the Occupational Health Centre of the Company wherein a total of 112 employees were vaccinated.
- Range of medicines including cough syrups, multi vitamin tablets, antibiotics and supportive

DIRECTORS' REPORT

medicines were supplied by the Company to Mujpur Public Health Centre to aid support in treatment of COVID-19 patients.

- The Company's ambulance was sent to Government Hospital, Vadodara for transporting patients for treatment at the Hospital.
- Several filled oxygen cylinders have been stored for emergency requirements.

SEGMENT WISE PERFORMANCE

The Company has only one business segment, namely "Chemicals". The information in respect of secondary segment as per the Indian Accounting Standard (IAS-108) "Segment Reporting" issued by the Institute of Chartered Accountants of India is given under Note No.41 in the Notes forming part of the Consolidated Financial Statements.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

Your Company maintains an adequate and effective internal control system commensurate with its size and complexity. The internal control systems are supplemented through an extensive internal audit programme and periodic review by management.

DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

The net sale of the Company for the year under review is Rs.33730.17 lakhs as compared to Rs.56326.25 lakhs in the previous year, a decrease of 40.12%. Exports have decreased to Rs.26530.98 lakhs from Rs.47006.17 lakhs in the previous year i.e. a decrease of 43.56%. The Company has achieved a net profit of Rs.2331.45 lakhs for the year 2020-2021 as against Rs.7294.36 lakhs in the previous year, i.e. a decrease of 68.04%.

HUMAN RESOURCES

Human Resource Department plays a vital role in managing, assisting and dealing with employees related matters including various functions, such as policy administration, recruitment process, employment and labour laws, learning, training and development,

The Company aids in the fulfillment of the aspirations of its employees and nurture the aptitude and expertise of its workforce, providing them with various fortuities by organizing Training and Development Programmes so that skills of the employees can be upgraded which may help them to increase their knowledge, capability and capacity which, in turn, prove to be beneficial to the Company to achieve its desired goals and targets.

The Company creates an environment where changes are accepted by the employees and they are motivated and encouraged to take initiatives within the organization. Also, the Company has put in place adequate measures for recruiting talented and skilled manpower to continue its growth in the future.

Performance of the employees in the organization is monitored frequently through Systematic Performance Management Systems. Employees are regularly given feedbacks and suggestions for the work done which, in return, improves their productivity and performance.

Apart from this, various informative and interactive sessions are arranged through which proper guidance and awareness is created regarding COVID-19, HIV-Aids, Infectious Diseases, Hypertension, Soft Skills, Time Management, Emotion Management, Emergency Management and its response etc.,

Even in this Pandemic Situation the Company ensures that the employees' health is taken care by providing them with various guidelines by specialized Doctor and Team along with Homeopathic and Ayurvedic Medicines. Besides this, the Company has also provided various other facilities like gymnasium, table tennis court, meditation room etc., at its registered office for its employees' health and welfare security.

A special meeting of all the female employees is conducted every month wherein all female employees share and discuss problems, if any, faced by them during the course of their employment. Issues/grievances,

DIRECTORS' REPORT

discussed in the meeting are directly presented to the Managing Director and accordingly actions are taken/suggested.

Your Company has put in place an excellent initiative for depicting mental state of its employees. Several tokens consisting of three colours viz. Green (Happy mood), Yellow (Neutral mood) and Red (Anger mood) are kept in a bowl. Employees before and after their office timings, have to introspect their state of happiness at that point of time and accordingly have to put a token in the box. This initiative has helped employees to know their state of happiness and to improve the feeling of being happy.

A graphical analysis of the tokens placed in the bowl by its employees is conducted every week and, based on the analysis, the Managing Director of the Company personally conducts a meeting with the employees and they are being constantly made aware of striving for their happiness and well-being.

The Company has a support plan for widows of employees. A fund is being maintained from which the widows are given monthly contribution that helps them in managing their family financial requirements.

COMMUNITY ENGAGEMENT AND ENVIRONMENT MANAGEMENT

The Company strongly believes that organisations and businesses can play a significant role in creating a sustainable and inclusive future for its stakeholders. It believes in a cohesive, inclusive and integrated society in which all individuals have access to opportunities for personal and economic growth. For several decades, the Company has consistently demonstrated its concern for the community (both internal and external) and a respect for its environment and the local ecology. It has been associated with a scalable, sustainable and integrated development of communities in and around its location at Ekalbara in Vadodara District.

Sustainability concerns are an integral part of the Company's value system. Over the years, the Company has embedded these values into its operations in a variety of ways, such as promoting rural development, undertaking and establishing programmes and processes for greening and conservation and promotion of volunteerism within the organization.

The Company is a member of Global Sustainability Platform 'ECOVADIS' and has achieved Silver Rating in Ecovadis Audit.

An integrated approach is adopted towards development, wherein creating social capital within the communities that it serves is given prime importance. People participation is vital to the success of the programmes and it forms the basis of all the projects.

TRAINING PERFORMANCE

To develop the skills and instil behavioural and personality development traits in all supervisory staff and managerial cadre, the Company organized a number of training programmes during the year. These training programmes are identified through the Performance Management System by synchronizing organizational needs with individual needs.

In addition, the Company provides extensive safety training to employees every year.

INDUSTRIAL RELATIONS

Industrial peace and harmony based on healthy employee relations have continued throughout the year. The Management and the Union of employees enjoy a very cordial and mutually respectful relationship. The grievances/issues raised by the employees' Union were given due attention. The issues brought up by them were settled through regular meetings and interactions between the Management and the Union and action as mutually agreed was taken to settle them.

DIRECTORS' REPORT

DETAILS OF SIGNIFICANT CHANGES IN KEY FINANCIAL RATIOS

Sr. No.	Financial Ratio	As at 31st March, 2020	As at 31st March, 2021	Explanation in case of change of 25% or more
1.	Debtors Turnover (no. of days)	58.11	82.24	Delay in collection due to COVID-19 resulted in change of more than 25%.
2.	Inventory Turnover (no. of days)	32.19	39.74	-
3.	Interest Coverage (no. of times)	7.71	4.00	Interest Coverage Ratio is less because of lower profits during the year due to COVID-19.
4.	Current Ratio (no. of times)	1.16	1.44	-
5.	Debt Equity Ratio	0.58:1	0.42:1	-
6.	Operating Profit Margin (%)	18.55	18.99	Lower Profits due to Lower Sales and increase in raw material cost
7.	Net Profit Margin (%)	12.95	6.87	Lower Profits due to Lower Sales
8.	Return on Networth (%)	29.26	8.60	Decrease is due to lower profits.

CAUTIONARY STATEMENT

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

INDEPENDENT AUDITORS CERTIFICATE ON CERTIFICATE ON CORPORATE GOVERNANCE

To

The Members,

Transpek Industry Limited

1. We, Bansi S. Mehta & Co, Chartered Accountants, the Statutory Auditors of **Transpek Industry Limited** ("the Company"), have examined the compliance of conditions of Corporate Governance, for the year ended March 31, 2021, as stipulated in Regulations 17 to 27 and clauses (b) to (i) of Regulation 46(2) and paragraphs C, D and E of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (collectively referred to as "SEBI Listing Regulations").

Managements' Responsibility

2. The compliance of conditions of Corporate Governance is the responsibility of the Management. This responsibility includes the design, implementation and maintenance of internal control and procedures (including the preparation and maintenance of all relevant supporting records and documents) to ensure the compliance with the conditions of the Corporate Governance stipulated in the SEBI Listing Regulations.

Auditors' Responsibility

3. Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring the compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
4. We have examined the books of account and other relevant records and documents maintained by the Company for the purpose of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.
5. We have carried out an examination of the relevant records of the Company in accordance with the Guidance Note on Certification of Corporate Governance issued by the Institute of the Chartered Accountants of India (the ICAI), the Standards on Auditing specified under Section 143(10) of the Companies Act, 2013, in so far as applicable for the purpose of this certificate and as per the Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
6. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

Opinion

7. Based on our examination of the relevant records and according to the information and explanations provided to us and the representations provided by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and paras C, D and E of Schedule V of the SEBI Listing Regulations during the year ended March 31, 2021.
8. We state that such compliance is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

Restriction on use

9. The certificate is issued solely for the purpose of complying with the aforesaid SEBI Listing Regulations and should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care or for any other purpose or to any other party to whom it is shown or into whose hands it may come without our prior consent in writing. We have no responsibility to update this Certificate for events and circumstances occurring after the date of this Certificate.

For Bansi S. Mehta & Co.,
Chartered Accountants
FRN: 100991W

Paresh H. Clerk
Partner
Membership No. 36148
Place: Mumbai
Date: 25th May, 2021
UDIN: 21036148AAAABZ3917

Report on Corporate Governance

REPORT ON CORPORATE GOVERNANCE

The Directors present the Company's Report on Corporate Governance for the year ended 31st March, 2021, in terms of Regulation 34 read with Schedule – V of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI LODR Regulations')

1. COMPANY'S PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE:

The Company's philosophy on Corporate Governance is interwoven in the ethical governance practices followed by the Company commensurate with its size, complexity, international operations and traditional ethical values. We believe that success and sustainability can be achieved only with the highest standards of corporate conduct towards all stakeholders – employees, shareholders, consumers and the community at large – by following the principles of accountability, integrity and responsibility in dealings with them.

The Company has complied with all the requirements of Corporate Governance in terms of Clause-C of Schedule-V of the SEBI LODR Regulations and the best practices are followed to achieve its goals on Corporate Governance.

2. BOARD OF DIRECTORS:

(a, b & c) Composition and attendance of Directors at the meetings of the Board and at Annual General Meeting and their other Directorships etc.:

There are total eleven Directors on the Board of the Company. One out of the eleven Directors is an Executive Director (Managing Director) and the remaining ten Directors are Non-Executive Directors. Six of the ten Non-Executive Directors are Independent Directors as defined in Regulation 16 (1) (b) of the SEBI LODR Regulations and Section 149 (6) of the Companies Act, 2013 and four Directors are Promoters-Non-Executive Directors. The Chairman of the Board is a promoter–Non-Executive Director.

The composition and categories of Directors on the Board during the period 1st April, 2020 to 31st March, 2021 and details about meetings of the Board and various Committees held and attended by them, attendance in last AGM, directorships in other companies, Chairmanship/Membership in Committees of other companies, and web link where details of familiarisation programmes imparted to Independent Directors are given in the following table.

Sr. No.	Name of Director	Category of Directorship*	Number of Board Meetings (April, 2020 to March, 2021)		Attendance in last AGM held on 23rd September, 2020	No. of other Directorships held as at 31st March, 2021**	No. of Board Committee positions held as at 31st March, 2021 (including Transpek Industry Limited)	
			Held	Attended			Chairman	Member
1.	Shri Ashwin C. Shroff	PD/NED	5	5	Present	10	1	-
2.	Shri Atul G. Shroff	PD/NED	5	5	Present	3	1	2
3.	Shri Bimal V. Mehta	NPD/ MD	5	5	Present	1	-	1
4.	Shri Dipesh K. Shroff	PD/NED	5	5	Present	14	-	3
5.	Shri Ravi A. Shroff	PD/NED	5	5	Present	13	-	3
6.	Dr. Bernd Dill	NED/ID	5	4	Present	1	-	-
7.	Shri Ninad D. Gupte	NED/ID	5	5	Present	2	2	3
8.	Shri Nimish U. Patel	NED/ID	5	5	Present	9	1	4
9.	Smt. Geeta A. Goradia	NED/ID	5	5	Present	6	2	8
10.	Shri Hemant J. Bhatt	NED/ID	5	5	Present	1	1	4
11.	Shri Anand M. Tiwari	NED/ID	5	5	Present	2	-	1

REPORT ON CORPORATE GOVERNANCE

* PD - Promoter Director; MD - Managing Director; ED – Executive Director; NED - Non-Executive Director; ID - Independent Director as defined in the SEBI Listing Regulations.

** Number of other Directorships includes Directorships held in private limited companies, Section 8 companies under the Companies Act, 2013 and foreign companies.

The following are the names of the Listed Entity/Entities where the person is a Director and the category of directorship held:

Name of Directors	Names of the listed entities	Category of Directorship*
Shri Ashwin C. Shroff	Excel Industries Limited Transpek Industry Limited	PD/Chairman PD/NED
Shri Atul G. Shroff	Excel Industries Limited Transpek Industry Limited	PD/NED PD/NED
Shri Bimal V. Mehta	Transpek Industry Limited	MD
Shri Dipesh K. Shroff	Excel Industries Limited Transpek Industry Limited	PD/NED PD/NED
Shri Ravi A. Shroff	Excel Industries Limited Transpek Industry Limited	PD/MD PD/NED
Dr. Bernd Dill	Transpek Industry Limited	NED/ID
Shri Ninad D. Gupte	Sumitomo Chemical India Limited Transpek Industry Limited	NED NED/ID
Shri Nimish U. Patel	Shri Dinesh Mills Limited Ultramarine & Pigments Limited Transpek Industry Limited	PD/MD NED/ID NED/ID
Smt. Geeta A. Goradia	Transpek Industry Limited Panasonic Energy India Company Limited	NED/ID NED/ID
Shri Hemant J. Bhatt	Transpek Industry Limited	NED/ID
Shri Anand M. Tiwari	Transpek Industry Limited	NED/ID

*PD - Promoter Director; MD - Managing Director; ED – Executive Director; NED - Non-Executive Director; ID - Independent Director as defined in the SEBI LODR Regulations.

Detailed agenda notes were made available to the Directors in respect of the matters listed in Part-A of Schedule-II of the SEBI LODR, at least 7 (seven) days prior to the date of Meetings, as required under Secretarial Standard - 1 – 'Meetings of the Board of Directors'. The Company has obtained consent of all the Directors for giving notes on agenda items which are price sensitive in nature at a shorter notice.

COMMITTEES OF THE BOARD:

Currently, the Board has the following committees:

- Audit Committee
- Nomination & Remuneration Committee
- Stakeholders Relationship Committee
- Risk Management Committee

REPORT ON CORPORATE GOVERNANCE

- Corporate Social Responsibility Committee
- Finance & Capex Committee

The Non-Executive Directors are paid sitting fees for attending the meetings of the above Committees. These Committees meet at the frequency, if any, prescribed under the Act and additionally as and when the need arises and the minutes of their meetings are placed before the Board in its next meeting for the Board to take note thereof.

The constitution and terms of reference of all the mandatory Committees are decided by the Board in line with the applicable provisions of the Act, Rules and the SEBI LODR Regulations.

(d) Attendance of Directors in Board Meetings held during the year:

Date of the Board Meeting	Board Strength	No. of Directors Present
24.06.2020	11	11
10.08.2020	11	10
09.11.2020	11	11
10.02.2021	11	11
30.03.2021	11	11

(e) Disclosure of relationship between Directors inter-se:

Shri Ravi A. Shroff, Director, is the son of Shri Ashwin C. Shroff, Chairman. None of the other Directors is a relative of any Director of the Company.

(f) The Shareholding of the Directors as on 31st March, 2021

Sr. No.	Name of the Director	Shares held (Nos.)	% to total capital
(1)	Shri Ashwin C. Shroff	1,63,919	2.93
(2)	Shri Atul G. Shroff	38,317	0.69
(3)	Shri Bimal V. Mehta	-	-
(4)	Shri Dipesh K. Shroff	37,662	0.67
(5)	Dr. Bernd Dill	-	-
(6)	Shri Ravi A. Shroff	7,086	0.13
(7)	Shri Ninad D. Gupte	106	0.00
(8)	Shri Nimish U. Patel	-	-
(9)	Smt. Geeta A. Goradia	-	-
(10)	Shri Hemant J. Bhatt	-	-
(11)	Shri Anand M. Tiwari	-	-

(g) Details of Familiarisation Programme imparted to Independent Directors are disclosed on the Website of the Company i.e. **https://www.transpek.com/index.php/policies-and-other-information/**

(h) The following is the list of core skills/expertise/competence of the Directors of the Company:

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Name of Directors	Category of Directorship*
Shri Ashwin C. Shroff	Finance, Management, Operations, Technical, Commercial, Marketing, New Business Development, Research & Development, Strategy.
Shri Atul G. Shroff	Finance, Management, Operations, Technical, Commercial, Marketing, New Business Development, Research & Development, Strategy.
Shri Bimal V. Mehta	Finance, Management, Operations, Technical, Commercial, Marketing, New Business Development, Research & Development, Strategy, Legal and Compliance, IT.
Shri Dipesh K. Shroff	Finance, Management, Operations, Technical, Commercial, Marketing, New Business Development, Research & Development, Strategy.
Shri Ninad D. Gupte	Finance, Management, Operations, Technical, Commercial, Marketing, New Business Development, Research & Development, Strategy, Legal and Compliance.
Shri Ravi A. Shroff	Finance, Management, Operations, Technical, Commercial, Marketing, New Business Development, Research & Development, Strategy, Legal and Compliance, IT.
Dr. Bernd Dill	Management, Technical, Operations, Marketing, New Business Development, Strategy
Shri Nimish U. Patel	Finance, Management, Operations, Technical, Commercial, Marketing, New Business Development, Research & Development, Strategy, Legal and Compliance, IT.
Smt. Geeta A. Goradia	Finance, Management, Operations, Technical, Commercial, Marketing, New Business Development, Research & Development, Strategy, Legal and Compliance, IT.
Shri Hemant J. Bhatt	Finance, Management, Commercial, Strategy, Legal and Compliance, IT.
Shri Anand M. Tiwari	Management, Public Administration, Marketing, New Business Development, Strategy & Social Work.

(i) It is hereby confirmed that, in the opinion of the Board of Directors of the Company, the Independent Directors of the Company fulfil the conditions specified in the SEBI LODR Regulations as well as the provisions of the Companies Act, 2013 and the Rules made thereunder and are independent of the management.

(j) No Independent Director of the Company has resigned before the expiry of his/her tenure.

3. AUDIT COMMITTEE:

(a) Brief description of Terms of Reference of the Audit Committee:

- Recommendation for appointment, remuneration and terms of appointment of Statutory Auditors, Cost Auditors, Internal Auditors and Secretarial Auditors of the Company;
- Review and monitor the Auditors' independence and performance, and effectiveness of Audit process;
- Examination of the financial statement and the Auditors' report thereon;
- Approval or any subsequent modification of transactions of the Company with related parties;

REPORT ON CORPORATE GOVERNANCE

- Omnibus approval of Related Party Transactions and periodical review thereof;
- Scrutiny of inter-corporate loans and investments;
- Valuation of undertakings or assets of the Company, wherever it is necessary;
- Evaluation of internal financial controls and risk management systems;
- Monitoring the end use of funds raised through public offers and related matters.

(b) Composition, names of members and Chairperson:

The Audit Committee of the Board consists of the following three Independent Directors and one Promoter- Non-Executive Director:

1. Shri Ninad D. Gupte : Independent Director (Chairman of the Committee)
2. Shri Nimish U. Patel : Independent Director
3. Shri Hemant J. Bhatt : Independent Director
4. Shri Dipesh K. Shroff : Promoter, Non-Executive Director

All the members of the Audit Committee have accounting or financial management expertise by virtue of their having been Chief Executive Officers or possessing the requisite professional qualification or certification in accounting and management.

(c) Meetings and attendance during the year:

Details of meetings held and attended by the aforesaid Directors are as under:

Date of Audit Committee Meeting	Shri Ninad D. Gupte (Chairman) (ID/NED)	Shri Nimish U. Patel (ID/NED)	Shri Hemant J. Bhatt (ID/NED)	Shri Dipesh K. Shroff (PD/NED)
24.06.2020	Present	Present	Present	Present
10.08.2020	Present	Present	Present	Present
09.11.2020	Present	Present	Present	Present
10.02.2021	Present	Present	Present	Present
30.03.2021	Present	Present	Present	Present

Shri Bimal V. Mehta, Managing Director of the Company also attends meetings of the Audit Committee as an Invitee.

The Company Secretary & Compliance Officer of the Company acts as the Secretary of this Committee.

Audit Committee meetings are also attended by the Chief Financial Officer. Statutory Auditors, Internal Auditors and Cost Auditors of the Company are also invited to the meetings and discussions are held with them as and when required. When the Chairman of the Audit Committee is unable to attend the meeting, another Independent Director and member of the Committee chair the meeting with the unanimous consent of other Committee members.

The minutes of the meetings of the Audit Committee are circulated to the members of the Board, discussed and taken note of and the recommendations of the Audit Committee are accepted by the Board.

The Chairman of the Audit Committee was present at the last Annual General Meeting held on 23rd September, 2020.

4. NOMINATION & REMUNERATION COMMITTEE

(a) Brief description of Terms of Reference:

- Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board of Directors a policy relating to

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the remuneration of the directors, key managerial personnel and other employees;

- Formulation of criteria for evaluation of performance of independent directors and the Board of Directors;
- Devising a policy on diversity of the Board of Directors;
- Identifying persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down and recommend to the Board of Directors their appointment and removal and shall specify the manner of effective evaluation of performance of the Board, its Committees and individual Directors and review its implementation and compliance;
- Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors; and
- Recommend to the Board all remuneration, in whatever form, payable to senior management and KMPs.

(b) Composition, name of members and Chairperson:

The Nomination and Remuneration Committee of the Board consists of the following two Independent Directors and two Promoter- Non-Executive Directors

1. Shri Ninad D. Gupte : Independent Director (Chairman of the Committee)
2. Shri Nimish U. Patel : Independent Director
3. Shri Dipesh K. Shroff : Promoter, Non-Executive Director
4. Shri Atul G. Shroff : Promoter, Non-Executive Director

(c) Data on meetings of the Committee & attendance during the year

Details of meetings of the Committee held and attended by the aforesaid Directors are as under:

Date of Nomination & Remuneration Committee Meeting	Shri Ninad D. Gupte (Chairman) (ID/NED)	Shri Nimish U. Patel (ID/NED)	Shri Dipesh K. Shroff (PD/NED)	Shri Atul G. Shroff (PD/NED)
24.06.2020	Present	Present	Present	Present
09.11.2020	Present	Present	Present	Present

Shri Bimal V. Mehta, Managing Director of the Company also attends meetings of the Nomination and Remuneration Committee as an Invitee.

The Company Secretary & Compliance Officer of the Company also acts as the Secretary of this Committee.

The minutes of the meeting of the Nomination and Remuneration Committee is circulated to the members of the Board, discussed and taken note of and its recommendations are accepted by the Board.

The Chairman of the Nomination and Remuneration Committee was present at the last Annual General Meeting held on 23rd September, 2020.

(d) Performance Evaluation:

Pursuant to the provisions of section 178 of the Companies Act, 2013 and sub-regulation (4) of Regulation 19 of the SEBI LODR Regulations, the Nomination and Remuneration Committee laid down the criteria for performance evaluation of Independent Directors and other Directors, Board of Directors and its Committees and inputs were obtained from the Directors in structured questionnaires. The criteria for Performance Evaluation cover the areas relevant to their

REPORT ON CORPORATE GOVERNANCE

functioning as Director on the Board of the Company and as member of the Committees of the Board. An exercise was carried out to evaluate the performance of individual Directors including the Chairman of the Board, who were evaluated on parameters such as oversight of Management, Interaction with Senior Management, Adequacy of information and timeliness, Board dynamics, stakeholders' management, discharge of responsibility, conduct of meetings, composition and skills, preparedness and attendance at meetings, understanding the Company's operations and key competency/area of knowledge, contribution at Board meetings, quality of inputs, interpersonal skills, confidentiality etc. The performance evaluation of the Independent Directors had also been carried out by the other Directors on the Board and the Board is satisfied that the Independent Directors fulfil the criteria of independence as specified in the SEBI LODR Regulations and their independence from the management. In the above evaluation, the directors who were subject to evaluation did not participate. The Directors expressed their satisfaction with the evaluation process.

5. STAKEHOLDERS' RELATIONSHIP COMMITTEE:

(A) Stakeholders' Relationship Committee as constituted by the Board pursuant to the provisions of Section 178 of the Companies Act, 2013 and Regulation 20 of the SEBI LODR Regulations is being headed by Shri Nimish U. Patel, Non-Executive Independent Director of the Company. Other members of the Committee are: Shri Atul G. Shroff, Non-Executive Director of the Company and Shri Hemant J. Bhatt, Non-Executive Independent Director of the Company.

(B) Shri Alak D. Vyas, Company Secretary and Compliance Officer of the Company also acts as the Secretary of this Committee.

(C) During the year under review 88 (eighty eight) complaints were received, which were disposed of to the satisfaction of the respective shareholders before 31.03.2021. Hence, there were no outstanding complaints pending as at 31.03.2021, the details of which are as under.

Sr. No.	Particulars	Nos. of Complaints
1.	No. of shareholders' complaints received during the financial year 2020-21	88
2.	No. of complaints not solved to the satisfaction of the shareholders'	0
3.	No. of complaints pending as on 31-03-2021	0

5A. RISK MANAGEMENT COMMITTEE:

(a) Brief description of Terms of Reference:

1. To formulate a detailed risk management policy which shall include:
   a. A framework for identification of internal and external risks specifically faced by the Company, in particular including financial, operational, sectoral, sustainability (particularly, Environment, Social and Governance ('ESG') related risks), information, cyber security risks or any other risk as may be determined by the Committee;
   b. Measures for risk mitigation including systems and processes for internal control of identified risks;
   c. Business continuity plan.
2. To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company.
3. To monitor and oversee implementation of the Risk Management Policy, including evaluating the adequacy of Risk Management Systems.
4. To periodically review the Risk Management Policy,

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at least once in two years, including by considering the changing industry dynamics and evolving complexity.

5. To keep the Board of Directors informed about the nature and the content of its discussions, recommendations and actions to be taken.

6. The appointment, removal and the terms of remuneration of the Chief Risk Officer (if any), shall be subject to review by the Risk Management Committee.

(b) Composition, names of members and Chairperson:

The Risk Management Committee of the Company consists of the following Directors:

1. Shri Bimal V. Mehta : Managing Director
2. Shri Ravi A. Shroff : Director
3. Shri Anand M. Tiwari : Independent Director
4. Shri Ninad D. Gupte : Independent Director

(c) Data on meetings of the Committee & attendance during the year:

The Company has re-constituted the Risk Management Committee to monitor and review the Risk Management Plan of the Company as per Regulation 21 of the SEBI LODR Regulations, 2015. as the Company is now among the top 1000 listed companies. No meeting of the Risk Management Committee was held during the year 2020-2021 since it was not applicable.

6. REMUNERATION OF DIRECTORS:

(a) The details of payment of sitting fees and commission made to the non-executive directors are given below. The details of other pecuniary relationships and related party transactions of the non-executive directors are given separately in this report and in the Notes on Accounts in the Annual Report.

(b) The non-executive Directors are paid sitting fees for attending meetings of the Board and of Committees of Directors. In addition, as approved by the members of the Company, a commission not exceeding in the aggregate 1% per annum of the net profits of the Company computed in the manner laid down in Section 198 of the Companies Act, 2013, as may be recommended and authorised by the Board shall be payable to non-executive Directors of the Company.

The non-executive Directors were paid sitting fee of Rs. 20,000/- for each meeting of the Board and various Committees except in the case of meetings of Stakeholders Relationship Committee where the sitting fee paid was Rs. 10,000/- for each meeting. The non-executive Directors were also paid commission upto 1% in the aggregate for the year 2020-2021 as detailed below:

Name of non-executive Director	Sitting fees paid during the year 2020-2021 for attending Board and Committee Meetings. (In Rs.)	Commission to be paid for the year 2020-2021.* (In Rs.)
Shri Ashwin C. Shroff	1,00,000	2,05,500
Shri Dipesh K. Shroff	3,20,000	2,05,500
Dr. Bernd Dill	1,00,000	3,25,000
Shri Ravi A. Shroff	1,40,000	2,05,500
Shri Ninad D. Gupte	2,60,000	3,25,000
Shri Nimish U. Patel	3,20,000	3,25,000
Shri Hemant J. Bhatt	2,80,000	3,25,000
Smt. Geeta A. Goradia	2,00,000	3,25,000
Shri Atul G. Shroff	2,40,000	2,05,500
Shri Anand M. Tiwari	1,60,000	3,25,000

REPORT ON CORPORATE GOVERNANCE

*Commission to non-executive Directors for the year 2020-21 will be paid after adoption of the audited financial statements for the year ended 31st March, 2021 by the members of the Company at the Annual General Meeting scheduled to be held on 15th September, 2021.

6(c)(i) & (ii) All elements of remuneration package of the Managing Director for the Financial Year 2020-2021 summarized under major groups, such as salary, benefits, bonuses, stock options, pension, etc:

Particulars Fixed Components		Shri Bimal V. Mehta (Amt. in Rs.)
1.	Total Salary Upto November, 2020 – Rs.7,60,000/- P.M. w.e.f. 1st December, 2020 – Rs.8,80,000/- P.M.	96,00,000/-
2.	Total Perquisites* Variable Component	1,26,99,692/-
	Commission	27,72,000/-

* Perquisites include contributions to Provident Fund, Superannuation and Gratuity in addition to the other perquisites equivalent to the amount of Salary.

The above remuneration of the Managing Director is within the limits approved by the shareholders and the limits prescribed under the Companies Act, 2013 and SEBI LODR Regulations.

6(c)(iii) Service contracts, notice period, severance fees:

The employment of the Managing Director is contractual for a period of five years with effect from 01.12.2017. His service is terminable by either party by giving three months' advance notice. As per the terms of contract, in the event of non-renewal or premature termination of the contract by the Company, the Managing Director is entitled to receive compensation equivalent to 12 months' salary and perquisites as applicable at the time of such termination.

6(c)(iv) Stock option details, if any, and whether issued at a discount as well as the period over which accrued and over which exercisable:

The Company does not have any Stock Option Scheme and did not issue any Stock Options during the Financial Year 2020-2021.

7. GENERAL BODY MEETINGS

(A): Location, date and time, where the last three annual general meetings were held:

General Body Meeting	Date & time when held	Place where held
52nd Annual General Meeting	07-08-2018 at 4.00 p.m.	Hotel Grand Mercure Surya Palace, Opp: Parsi Agiyari, Sayajigunj, Vadodara 390 020
53rd Annual General Meeting	09-08-2019 at 4.00 p.m.	Hotel Grand Mercure Surya Palace, Opp: Parsi Agiyari, Sayajigunj, Vadodara 390 020
54th Annual General Meeting	23-09-2020 at 3.00 p.m.	54th AGM was held through Video Conferencing ("VC")/Other Audio Visual Means ("OAVM")

REPORT ON CORPORATE GOVERNANCE

(B) The Following Special Resolutions were passed during the preceding three financial years:

Sr. No.	Year	Matters on which special resolutions were passed
1.	2019-2020 AGM DATE: 23-09-2020	- None-
2.	2018-2019 AGM DATE:	1. To re-appoint Smt. Geeta A. Goradia as an Independent Director for a period of 5 (five) consecutive years from 53rd AGM till the conclusion of 58th AGM of the 09-08-2019 Company to be held in calendar year 2024. 2. To re-appoint Shri Nimish U. Patel as an Independent Director for a period of 5 (five) consecutive years from 53rd AGM till the conclusion of 58th AGM of the Company to be held in calendar year 2024. 3. To re-appoint Shri Hemant J. Bhatt as an Independent Director for a period of 5 (five) consecutive years from 53rd AGM till the conclusion of 58th AGM of the Company to be held in calendar year 2024. 4. To re-appoint Shri Ninad D. Gupte as an Independent Director for a period of 5 (five) consecutive years from 53rd AGM till the conclusion of 58th AGM of the Company to be held in calendar year 2024. 5. To re-appoint Dr. Bernd Dill as an Independent Director for a period of 5 (five) consecutive years from 53rd AGM till the conclusion of 58th AGM of the Company to be held in calendar year 2024.
3.	2017-2018 AGM DATE: 07-08-2018	- None-

(C&D) SPECIAL RESOLUTIONS PASSED THROUGH POSTAL BALLOT LAST YEAR:

During the year under review, no resolution was passed through Postal Ballot.

(E & F): None of the resolutions proposed to be passed at the ensuing AGM to be held on 15th September, 2021 is required or proposed to be conducted through postal ballot.

8. MEANS OF COMMUNICATION

(A & B) The un-audited quarterly and summarized annual audited results have been submitted to the BSE Limited and are also published in two newspapers- (one English newspaper and one vernacular) - from among Business Standard (all editions); Vadodara Samachar (Vadodara edition); Indian Express (Vadodara edition) and Financial Express (all editions). However, as per the general exemption given by SEBI vide Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated 12th May, 2020, the Financial Results for the quarter and year ended 31st March, 2020 were not published by the Company in the Newspapers.

(C) The financial results are also placed on the Company's Website – 'https://www.transpek.com/index.php/financial-results/' and are also available on the website of BSE Ltd. 'www.bseindia.com';

(D) The Company has not issued any official news releases during the year.

(E) The Company organizes investor conference calls to discuss its financial results where investors' queries are answered by the management of the Company. The investor presentations and the transcripts of the call are also uploaded on the website of the Company and sent to the Stock Exchanges.

9. **GENERAL SHAREHOLDER INFORMATION:**

a. Date, time and venue of Annual General Meeting: 15th September, 2021 by VOAC/AVC

b. Financial Year: 1st April, 2020 to 31st March, 2021

c. Dividend Payment date: within 30 days after declaration at the 55th Annual General Meeting

d. Stock Exchange Listings: The BSE Limited, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400001.

The Company has paid Annual Listing Fees to the BSE Limited for the F.Y. 2020-21.

e. Scrip code/ID: '506687'; or 'Transpek' on BSE Limited

ISIN No.: INE 687A01016 for dematerialization.

f. Market price data – high, low during each month in last financial year:

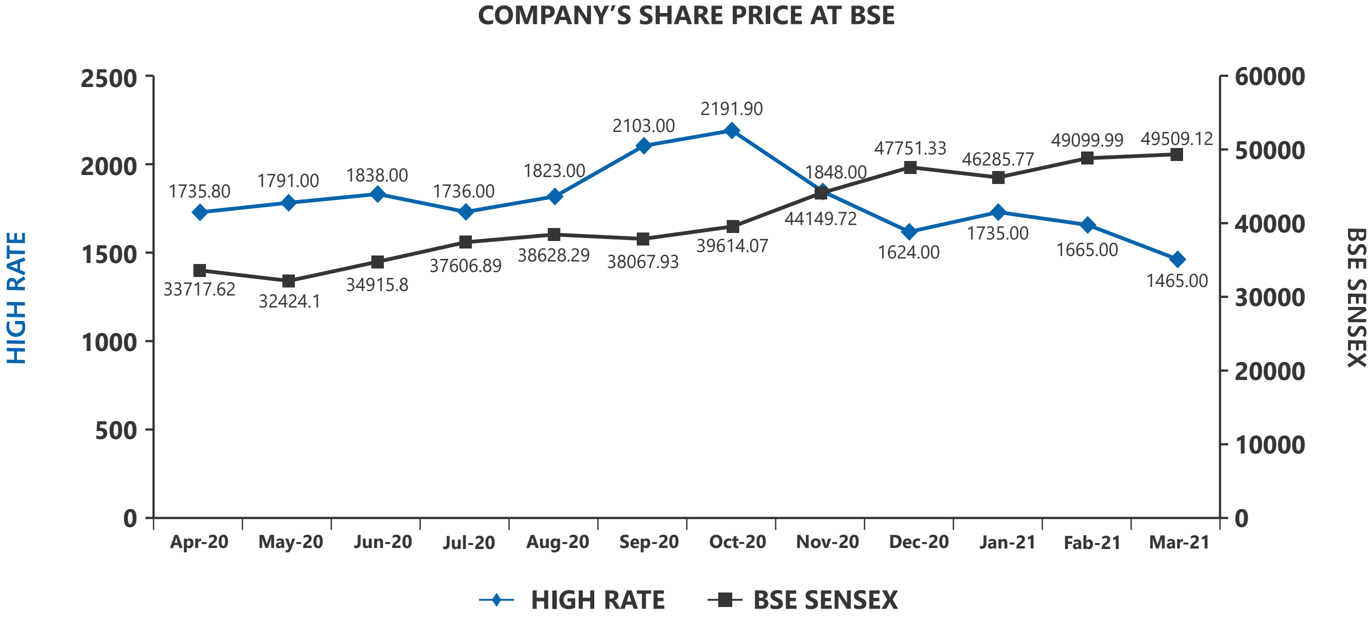
Monthly High, Low, Closing Market Price and number of shares traded during each month in the last financial year on the BSE Ltd., is furnished below:

BSE Ltd. (Mumbai)

2020-2021 (12 months)	Opening Price (Rs. Per share)	Highest Price (Rs. per share)	Lowest Price (Rs. per share)	Closing Market price (Rs. per share)	Volume of Trade (No. of shares)
April, 2020	1,220	1,735.8	1,199.95	1,581.5	95,517
May, 2020	1,573.95	1,791	1,497.75	1,718.15	79,355
June, 2020	1,718.15	1,838	1,480	1,494.35	1,43,769
July, 2020	1,518.95	1,736	1,432.2	1,504.95	3,09,241
August, 2020	1,505	1,823	1,475	1,572.7	3,43,378
September, 2020	1,582	2,103	1,551	2,037.35	5,18,894
October, 2020	2,046.05	2,191.9	1,697.25	1,739	3,14,102
November, 2020	1,750	1,848	1,475	1,537	1,75,213
December, 2020	1,545	1,624	1,485	1,568.4	1,19,133
January, 2021	1,560	1,735	1,531.5	1,538.6	1,35,631
February, 2021	1,541	1,665	1,325.5	1,385.3	1,43,896
March, 2021	1,398	1,465	1,345	1,363.45	2,42,670

REPORT ON CORPORATE GOVERNANCE

g. Share price performance in comparison to Broad-based Index BSE Sensex



h. The Company's shares were not suspended from trading on BSE during the year.

i. Registrar and Share Transfer Agent:

The Company's Registrar & Share Transfer Agent is M/s. Link Intime India Private Limited.

All correspondence regarding shares of the Company can be addressed to them. The address of the Company's RTA is as under:

(i) Registered Office:

Link Intime India Private Limited,

C-101, 247 Park,
LBS Marg, Vikhroli (W),
Mumbai 400 083

Phone: +91 22 49186270

Website www.linkintime.co.in

(ii) Branch Office:

Link Intime India Private Limited

B – 102 & 103 Shangrila Complex
1st Floor, Nr. Radhakrishna Char Rasta
Akota, Vadodara - 390020

Phone: 0265- 2356794, 2356573

Fax: 0265- 2356791

Email: alpesh.gandhi@linkintime.co.in
vadodara@linkintime.co.in

j. Share Transfer System

All the transfer requests received are processed by the Registrar and Share Transfer Agent and are approved by the Share Transfer Committee of Sr. Officials of the Company. Share transfers are registered and returned within a maximum of 15 working days from the date of lodgement if documents are complete in all respects.

With effect from 1st April, 2019, transfer of shares in physical form has been discontinued pursuant to SEBI Guidelines and therefore the Committee meets as and when share transfers requests are received and required to be approved.

REPORT ON CORPORATE GOVERNANCE

k. Distribution of shareholding as on 31st March, 2021

Category Share Range	No. of Shareholders	Percentage to Total No. of Shareholders	No. of Shares	Percentage to Capital
1 - 500	1,3977	95.7394	8,30,168	14.8627
501 - 1,000	305	2.0892	2,20,250	3.9432
1,001 - 2,000	152	1.0412	2,15,062	3.8503
2,001 - 3,000	43	0.2945	1,09,218	1.9554
3,001 - 4,000	30	0.2055	1,06,733	1.9109
4,001 - 5,000	17	0.1164	75,386	1.3497
5,001 - 10,000	29	0.1986	1,98,007	3.5450
10,001 - and above	46	0.3151	38,30, 745	68.5829
TOTAL	**14,599**	**100.00**	**55,85, 569**	**100.00**

l. Dematerialization of Shares and liquidity

The Company has entered into agreements with both National Securities Depository Ltd. (NSDL) and Central Depository Services (India) Ltd. (CDSL) whereby shareholders have an option to dematerialize their shares with either of the depositories. As on 31st March, 2021, 54,64,672 nos. of equity shares representing 97.84 % of the paid up capital are held by 12,343 shareholders in dematerialized form and 1,20,897 nos. of equity shares representing 2.16 % of the paid up capital are held by 2,256 shareholders in physical form. 31.20 % of the share capital is held by general public shareholders, Nil is held by FIIs and Nil is held by insurance companies and DIIs. FPI's hold 1.88% of the share capital. The shares of the Company are regularly traded in electronic mode on the BSE Ltd., which has nationwide online trading facility and which provides adequate liquidity.

m. There are no outstanding Global Depository Receipts or American Depository Receipts or warrants or any convertible instruments.

n. **Commodity price risk or foreign exchange risk and hedging activities:** The Company has framed a Foreign Exchange Risk Management Policy for hedging activities which takes care of foreign exchange risk.

o. Plant locations

Transpek Industry Limited

At & Post -Ekalbara 391 440,

Taluka Padra, Dist. Vadodara

Telephone : 02662-244444, 244289, 244309, 244318, 244276

Website : www.transpek.com

p. Address for correspondence

Shri Alak D. Vyas

Company Secretary & Compliance Officer

Transpek Industry Ltd,

4th Floor, Lilleria 1038,

Gotri-Sevasi Road, Vadodara - 390021

Telephone: 0265-6700300

E-mail : investorrelations@transpek.com;

Website : www.transpek.com

Shareholders holding shares in physical form should address their correspondence relating to their shareholding to the Registrar &Transfer Agents, Link Intime India Pvt. Ltd., at the address given at (i) above

REPORT ON CORPORATE GOVERNANCE

and the shareholders holding shares in electronic mode should address all their correspondence relating to their shareholding in the company to their respective Depository Participants.

q. List of credit ratings obtained during the Financial Year 2020-2021

The details of credit ratings obtained by the Company during the Financial Year 2020-2021 are as under:

Sr. No.	Particulars of the Rating Obtained	Rating	Agency from whom Rating obtained	Date of letter
1.	Ratings on Long Term Bank Facilities of the Company	A/Stable	Crisil Limited	6th February, 2021
2.	Ratings on Short Term Bank Facilities of the Company	A1	Crisil Limited	6th February, 2021
3.	Rating on Unsecured Fixed Deposits accepted from Shareholders of the Company	FA+/Stable	Crisil Limited	6th February, 2021

The rating letters are available on the Company's website and on the website of BSE Ltd.,

10. OTHER DISCLOSURES:

a. Disclosure on materially significant related party transactions that may have potential conflict with the interests of the listed entity at large

The Company has not entered into any materially significant related party transaction during the year. Among the related party transactions are contracts or arrangements made by the Company from time to time in the ordinary course of business and on arm's length basis with the companies in which the Directors are interested. All these contracts or arrangements are entered in the 'Register of Contracts in which Directors are interested' maintained under Section 189 of the Companies Act, 2013 and the said Register is placed before the Audit Committee and the Board at their meetings and signed by the Directors. Prior omnibus approval of the Audit Committee had also been obtained for entering into certain Related Party Transactions of repetitive nature and the same are reviewed by Audit Committee on a quarterly basis.

Also, the Company has entered into related party transactions with Transpek–Silox Industry Private Limited for sale of one of the Company's products, for which prior approval of the Audit Committee and the Board of Directors had been obtained.

Apart from these, the Company has carried out transactions with the following parties during the year as per the contracts approved by the Audit Committee and Board of Directors of the Company as required under the Act and the SEBI LODR Regulations:

- Contracts with M/s. TML Industries Limited ('TML') for manufacture of the Company's product on job-work basis at TML's factory premises situated at Village: Piludra, Dist: Bharuch and Village: Karakhadi, Dist: Vadodara;
- Receipt of lease rent for leasing of the Company's capital assets to TML pursuant to Lease Agreement;
- Payment of Commission on the sale of the Company's products as per the Distributorship Agreement with M/s. Anshul Life Science, a Related Party as a Distributor; and
- Donations/Contributions were given to Shroff Foundation Trust and Shroffs Family Charitable Trust for carrying out charitable activities.

REPORT ON CORPORATE GOVERNANCE

The Company has also framed a Related Party Transactions Policy pursuant to the provisions of the Companies Act, 2013 read with Regulation 23 of the Listing Regulations and the same is available on the Company's website https://www.transpek.com/wp-content/uploads/2020/09/RPT-Policy-new.pdf

Particulars of transactions between the Company and related parties as per the Indian Accounting Standard 24 "Related Party Disclosures" notified under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Audit and Accounts) Rules, 2014 are given under Note No. 44 of the Standalone Annual Accounts for the financial year 2020-2021.

b. Statutory Compliance, Penalties and Strictures

There has neither been any non-compliance of any of the provisions of law by the Company nor any penalty or stricture imposed by BSE Ltd. or SEBI or any other statutory authority on any matter related to capital markets during the last three years.

c. Whistle Blower Policy

The Company promotes ethical behaviour in all its business activities and has put in place a mechanism of reporting illegal or unethical behaviour. The Company has adopted a whistle blower policy wherein the employees are free to report violations of laws, rules, regulations or unethical conduct. The confidentiality of those reporting violations shall be maintained and they will not be subjected to any discriminatory practice. The Company affirms that no personnel have been denied access to the Audit Committee. Vigil Mechanism/Whistle Blower Policy is available on the Company's website and can be accessed at link - https://www.transpek.com/wp-content/uploads/2018/10/Whistle-Blower-Policy.pdf.

d. Details of compliance with mandatory requirements and adoption of the non-mandatory requirements

The Company has complied with all the mandatory requirements.

e. The Company does not have any material subsidiary company and hence policy for determining material subsidiaries has not been adopted.

f. Policy on dealing with related party transactions is available on the website of the Company and can be accessed at link -'https://www.transpek.com/wp-content/uploads/2018/04/Related-Party-Transactions.pdf'.

g. Commodity price risks and commodity hedging activities: The Company has framed a Foreign Exchange Risk Management Policy for hedging activities which takes care of foreign exchange risks.

h. During the year under review, the Company did not raise funds through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A).

i. Shri Vijay L. Vyas, Practising Company Secretary has certified that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of Companies by the SEBI/Ministry of Corporate Affairs or any such statutory authority. The contents of the said certificate are appended below:

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34 (3) and Schedule V para C clause (10) (i) of **Securities Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015**)

To
The Members,
TRANSPEK INDUSTRY LIMITED
4th Floor, Lilleria 1038,
Gotri-Sevasi Road, Vadodara -390021

REPORT ON CORPORATE GOVERNANCE

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Transpek Industry Limited having CIN: L23205GJ1965PLC001343 and having its registered office at 4th Floor, Lilleria 1038, Gotri-Sevasi Road, Vadodara -390021 (hereinafter referred to as the Company)produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34 (3) read with Schedule V para – C sub clause 10 (i) of **Securities Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015.**

In my opinion and to the best of my information and according to the verifications (including Director Identification Number status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2021 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, Ahmedabad or any such other statutory Authority.

Sr. No.	Name of Director	DIN	Date of Appointment
1.	Atul Govindji Shroff	00019645	07/02/1974
2.	Ashwin Champraj Shroff	00019952	02/05/1980
3.	Ninad Dwarkanath Gupte	00027523	07/06/2008
4.	Dipesh Kantisen Shroff	00030792	27/03/2001
5.	Ravi Ashwin Shroff	00033505	29/03/2008
6.	Nimishbhai Upendrabhai Patel	00039549	30/01/2010
7.	Geeta Amit Goradia	00074343	30/05/2014
8.	Bimal Vasantlal Mehta	00081171	09/04/2010
9.	Bernd Dill	01300832	22/06/2007
10.	Hemantkumar Jayantiprasad Bhatt	02657432	11/07/2014
11.	Anand Mohan Tiwari	02986260	04/11/2019

Ensuring the eligibility of the Director for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. My responsibility is to express an opinion on these based on our verification. This certificate is neither as assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

CS VIJAY L VYAS
Practising Company Secretary
M No: 1602; CP No: 13175
UDIN:

Date: 25th May, 2021
Place: Vadodara

REPORT ON CORPORATE GOVERNANCE

j. During the Financial Year 2020-2021 there were no such instances where the Board had not accepted any recommendation of any committee of the Board which is mandatorily required.

k. Details of fees paid to Statutory Auditors of the Company during the year are as under:

Particulars	2020-2021 (Rs. p.a.)
Statutory Audit	9,80,000/-
Limited Review Report	4,20,000/-
Statutory Certification	
Fixed Deposit Return	50,000/-
XBRL Certification	50,000/-
Out of pocket expenses incurred by them	(At actual as and when incurred)
Total	**15,00,000/- (excluding out of pocket and GST)**

l. Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

Sr. No.	Particulars	Nos. of Complaints
1.	No. of complaints pending at the beginning of the year (01-04-2020)	0
2.	No. of complaints received during the year 2020-21	0
3.	No. of complaints resolved/ redressed during the year	0
4.	No. of complaints pending as on 31-03-2021	0

11. The Company has complied with the requirements of corporate governance report of sub-paras (2) to (10) above.

12. Compliance of discretionary requirements under Part E of Schedule II of the SEBI Listing Regulations.

1. **The Board:** The Chairperson does not maintain his separate office at the Company's expense.
2. **Shareholder Rights:** The Company publishes the financial results in newspapers and places on its website and on the website of BSE Ltd. The Company does not send it to the shareholders.
3. **Modified opinion(s) in audit report:** The Audit opinion received by the Company has not been modified.
4. **Reporting of internal auditor:** The Internal Auditors of the Company directly report to the Audit Committee of the Company and their Internal Audit Reports are presented at the meetings of the Audit Committee.

13. **Compliance with Corporate Governance requirements specified in Regulations 17 to 27, 46 of the SEBI LODR Regulations.**

The Company has complied with Corporate Governance requirements as specified in Regulations 17 to 27 relating to Board of Directors; Maximum number of Directorship; Audit Committee; Nomination and Remuneration Committee; Stakeholders Relationship Committee; Risk Management Committee (voluntarily constituted); Vigil Mechanism; Related Party Transactions, Corporate Governance

REPORT ON CORPORATE GOVERNANCE

Requirements with respect to subsidiary company (The Company has two unlisted non-material Wholly Owned subsidiaries; one of them is incorporated outside India); Secretarial Audit; obligations with respect to Independent Directors, other Directors and Sr. Management; the Company has submitted to BSE Ltd., the quarterly compliance reports on Corporate Governance together with the details of all material transactions with related parties duly signed by the Compliance Officer. The information and documents specified under Regulation 46 of the SEBI LODR Regulations have been placed on the website of the Company.

D. CERTIFICATE OF COMPLIANCE WITH THE CODE OF CONDUCT POLICY

CERTIFICATE

This is to confirm and certify that the Company has adopted a Code of Conduct for Board Members and Senior Management Personnel. As provided under sub-regulation (3) of Regulation 26 of the Listing Regulations, the Board Members and Senior Management Personnel have confirmed compliance with the Code of Conduct and Ethics for the year ended 31st March, 2021.

Transpek Industry Ltd.
Sd/-
Bimal V. Mehta
Managing Director

Place: Vadodara
Date: 25th May, 2021

E. Compliance Certificate from the Auditors with regard to compliance of conditions of the Corporate Governance Report has been obtained and is annexed as Annexure to the Directors' Report.

F. **Disclosures with respect to demat suspense account/unclaimed suspense account:** Sixty-two (62) equity shares held in the aggregate by two (2) shareholders have been transferred to the demat suspense account during the year. Neither of the two shareholders has approached the Company for transfer of shares from the demat suspense account of the Company. Therefore, a total of 62 equity shares held by 2 shareholders lie in the demat suspense account of the Company at the end of the year on 31/03/2021. Voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares.

Business Responsibility Report

BUSINESS RESPONSIBILITY REPORT FOR THE YEAR ENDED 31ST MARCH, 2021

Section A: General Information about the Company

1. **Corporate Identity Number (CIN) of the Company:** L23205GJ1965PLC001343
2. **Name of the Company:** Transpek Industry Limited
3. **Registered Address :** 4th Floor, Lilleria 1038, Gotri-Sevasi Road, Vadodara - 390021
4. **Website:** www.transpek.com
5. **Email ID:** investorrelations@transpek.com
6. **Financial Year reported :** 1st April, 2020 to 31st March, 2021
7. **Sector(s) that the Company is engaged in (industrial activity code-wise):**

Group	Description
20299	Manufacture of various other chemical products n.e.c. (antiknock preparations, anti-freeze preparations, liquids for hydraulic transmission, composite diagnostic or laboratory reagents, writing or drawing ink, chemical substance used in manufacture of pesticides and other chemical products)
20119	Manufacture of organic and inorganic chemical compounds n.e.c.

8. **List three key products/services that the Company manufactures/provides (as in balance sheet):**
   - Thionyl Chloride
   - Acid Chlorides
   - Sulphur Dioxide
9. **Total number of locations where business activity is undertaken by the Company:**
   - Number of International Locations: NIL
   - Number of National Locations: Padra and Vadodara, Gujarat State
10. **Markets served by the Company – Local/State/National/International: All**

Section B: Financial Details of the Company as on 31st March, 2021:

Sr. No.	Particulars	Standalone	Consolidated
1.	Paid-up Capital	Rs. 558.56 Lakhs	Rs. 558.56 Lakhs
2.	Total Turnover	Rs. 33730.17 Lakhs	Rs. 33730.17 Lakhs
3.	Total Profit after Taxes	Rs. 2331.45 Lakhs	Rs. 2331.30 Lakhs
4.	Total spending on CSR as percentage of profit after tax (%)	The Company has spent Rs. 2.03 crores on CSR activities of the Company during the FY 2020-21, which is 2.08% of the average net profit of the previous three financial years.	
5.	List of activities in which expenditure in 4 above has been incurred	• Promoting Healthcare including preventive healthcare • Sanitation and making available clean drinking water • Promoting education including special education especially amongst children, women, elderly and the differently abled • Employment enhancing vocational skills • Livelihood enhancement projects • Promoting gender equality, empowering women • Rural development projects	

Transpek
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BUSINESS RESPONSIBILITY REPORT FOR THE YEAR ENDED 31ST MARCH, 2021

Section C: Other Details:

1.	Does the Company have any Subsidiary Company/Companies?	Yes, the number of Subsidiary Companies of Transpek Industry Limited as on 31st March, 2021 is 2 (two).
2.	Do the Subsidiary Company/Companies participate in the BR Initiatives of the parent Company? If yes, then indicate the number of such subsidiary Company(s)	No.
3.	Do any other entity/entities (e.g. Suppliers, distributors etc.) that the Company does business with, participate in the BR initiative of the Company? If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30-60%, More than 60%]	No.

Section D: BR Information:

1. Details of Director/BR head responsible for the implementation of the BR policy:

1.	DIN	00081171
2.	Name	Shri Bimal V. Mehta
3.	Designation	Managing Director
4.	Telephone No.	0265-6700300
5.	E-mail ID	bmehta@transpek.com

2. Principle-wise (as per NVGs) BR policy/policies:

The National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business ('NVGs') released by the Ministry of Corporate Affairs has adopted nine areas of Business Responsibility. These are briefly mentioned as under:

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

BUSINESS RESPONSIBILITY REPORT FOR THE YEAR ENDED 31ST MARCH, 2021

a) **Details of Compliance:**

Sr. No.	Question	P1	P2	P3	P4	P5	P6	P7	P8	P9
1.	Do you have a policy/policies for	Y	Y	Y	Y	Y	Y	Y	Y	Y
2.	Has the policy being formulated in consultation with relevant stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
3.	Does the policy confirm to any national/ international standards? If yes, specify?*	Y	Y	Y	Y	Y	Y	Y	Y	Y
4.	Has the Policy been approved by the Board? If yes, has it been signed by MD/owner/CEO/ appropriate Board Director	Y	Y	Y	Y	Y	Y	Y	Y	Y
5.	Does the Company have a specified committee of the Board/Director/Official to oversee the implementation of the Policy?	Y	Y	Y	Y	Y	Y	Y	Y	Y
6.	Indicate the link for the policy to be viewed online?	https://www.transpek.com/index.php/policies-and-other-information/								
7.	Has the policy been formally communicated to all relevant internal and external stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
8.	Does the Company have in-house structure to implement the policy/policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
9.	Does the Company have a grievance redressal mechanism related to the policy/policies to address stakeholders' grievances related to policy/policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
10.	Has the Company carried out independent audit/evaluation of the working of this policy by an internal or external agency?	Y	Y	Y	Y	Y	Y	Y	Y	Y

* Being associated with several global chemical giants, the Company believes in adhering to global standards and practices to the best possible extent and wherever possible.

b) **If answer to Sr.No.1 against any principle is 'No', please explain why: (Tick upto 2 options):**

Sr. No.	Question	P1	P2	P3	P4	P5	P6	P7	P8	P9
1.	The Company has not understood the principles	-	-	-	-	-	-	-	-	-
2.	The Company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles	-	-	-	-	-	-	-	-	-

BUSINESS RESPONSIBILITY REPORT FOR THE YEAR ENDED 31ST MARCH, 2021

Sr. No.	Question	P1	P2	P3	P4	P5	P6	P7	P8	P9
3.	The Company does not have financial or manpower resources available for the task	-	-	-	-	-	-	-	-	-
4.	It is planned to do within next six months	-	-	-	-	-	-	-	-	-
5.	It is planned to do within next one year	-	-	-	-	-	-	-	-	-
6.	Any other reason (please specify)	-	-	-	-	-	-	-	-	-

3. <u>Governance related to BR:</u>

1. Indicate the frequency with which the Board of Directors, Committees of the Board or CEO assesses the BR performance of the Company. Within 3 months, 3-6 months, annually, more than 1 year:

   Annually.

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

   The Company includes the BR Report in the Annual Report of the Company. One can view this report in the Annual Report of the Company uploaded on the website of the Company.

<u>Section E: Principle-wise Performance:</u>

<u>Principle 1: Ethics, Transparency & Accountability:</u>

Businesses should conduct and govern themselves with ethics, transparency and accountability

1. Does the policy relating to ethics, bribery and corruption cover only the Company?

   - No.

2. Does it extend to the Group/Joint Ventures/ Suppliers/Contractors/NGOs/Others?

   - The Company has adopted a Code of Conduct & Ethics (referred to as 'Code') that helps maintain the standards of business conduct. The main purpose of the code is to deter wrongdoing and promote ethical conduct. The code applies to all Directors, Key Managerial Personnel, Sr. Executives and majority of the employees in the middle level management and they are required to act consistently in accordance with the Code.

     The Company has also framed a Code of Conduct & Ethics for Suppliers and the suppliers are made aware of the code and asked to abide by it.

3. How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the Management? If so, provide details thereof, in about 50 words or so?

   - The Company did not receive any ethics related complaint from stakeholders in the financial year 2020-21.

<u>Principle 2: Sustainability:</u>

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

1. List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities?

   - Acid Chlorides
   - Thionyl Chloride &
   - Logistics through ISO Tanks

2. For each such product, provide the following details in respect of resource use (energy, water, raw material, etc.) per unit of product (optional)?

   i. Reduction during sourcing/production/ distribution achieved since the previous year

BUSINESS RESPONSIBILITY REPORT FOR THE YEAR ENDED 31ST MARCH, 2021

throughout the value chain –

- Effluent water is reused through Biofilter technology.

- Reduction in plastic/metal use for packaging.

ii. Reduction during usage by consumers (energy, water) has been achieved since previous year –

- Not known.

3. Does the Company have procedures in place for sustainable sourcing (including transportation) If yes, what percentage of your inputs was sourced sustainably? Also, provide details thereof, in about 50 words or so.

- The Company sources its majority of raw materials (approximately 65%) from renowned suppliers who have embraced sustainable practices in their systems and processes. The Company also tries to minimize packaging in drums and brings in material in tankers, to the extent possible. Some of the accessories like pellets received together with raw materials are being recycled or used in dispatch of Company's products.

  The Company is constantly working with suppliers to further improve and reinforce sustainable practices.

4. Has the Company taken any steps to procure goods and services from local and small producers, including communities surrounding their place of work? If yes, what steps have been taken to improve the capacity and capability of local and small vendors?

- Over the years, the Company has promoted local contractors and service providers and provides them opportunity to engage themselves with the Company. Additionally, the Company has also promoted skills and livelihood development in the neighbouring community through various training programmes.
- The Company has also contributed in the upgradation of training facilities at the Industrial Training Institute (ITI) at Padra and also conducted short term courses on plumbing, masonry and wiring for the inmates of the Vadodara Central Jail with a view to equipping them to earn their livelihood in a dignified manner post their release from the Jail.
- The Company also provides opportunities for local communities whenever there is a need for services like loading, unloading material movement, gardening, plantation etc.

5. Does the Company have a mechanism to recycle products and waste? If yes, what is the percentage of recycling of products and waste? (Separately as <5%, 5-10%,>10%). Also, provide details thereof, in about 50 words or so.

- Our processes are designed to conserve all resources and minimize waste generation and damage to natural systems. We believe in delivering sustainable products through efficient processes which are safe for our employees and environment. We use bio filter waste water treatment technology to treat effluents and sewage water. In-house incinerator facility is also available to incinerate solid waste generated within the Company. We have self sustained water source of bore well with rain water recharge system.
- The Company also carries out recycling of process by-products as raw materials as well as recycling of waste as co-processing for cement kiln.

Principle 3: Welfare of Employees:

Businesses should promote the well-being of all employees

BUSINESS RESPONSIBILITY REPORT FOR THE YEAR ENDED 31ST MARCH, 2021

1. Please indicate the total number of employees:

   Total number of Employees as on 31st March, 2021 was 557.

2. Please indicate the total number of employees hired on temporary/contractual/casual basis:

   Total number of employees hired by the Company as temporary/contractual/casual basis as on 31st March, 2021 was 161. The employees of labour contractor in the organisation as on 31st March, 2021 were 279.

3. Please indicate the number of permanent women employees:

   Total number of permanent women employees as on 31st March, 2021 was 22 and 2 women employees were contractual employees.

4. Please indicate the number of permanent employees with disabilities:

   Total number of permanent employees with disabilities as on 31st March, 2021 was 11 and 0 employees with disability were contractual employees.

5. Do you have an employee association that is recognized by management?

   Yes. The Company has a Workers' Union recognized by the management.

6. What percentage of your permanent employees are members of this recognized employee association?

   100% of the employees in worker category form part of the workers' union.

7. Please indicate the number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of financial year?

Sr. No.	Category	No. of complaints filed during the financial year	No. of complaints pending as on end of the financial year
1.	Child labour/forced labour/ involuntary labour	NIL	NIL
2.	Sexual Harassment	NIL	NIL
3.	Discriminatory Employment	NIL	NIL

8. What percentage of your Permanent Employees, Permanent Women Employees, Casual/ Temporary/Contractual Employees/Employees with disability were given safety and skill upgradation training last year?

   More than 85% of the Company's employees undergo training for fire, safety and skill upgradation every year. For the Financial Year 2020-2021, trainings organized were less as compared to previous year because of prudent measure taken for gathering less people together to avoid getting infected due to COVID-19.

   All the employees are given necessary safety trainings at the time of joining as well as during their employment. It is mandatory for all employees to go through the safety training at Company's factory site.

   All the newly recruited employees have to undergo safety test and training at the time of joining the organisation.

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

1. Has the Company mapped its internal and external stakeholders?

BUSINESS RESPONSIBILITY REPORT FOR THE YEAR ENDED 31ST MARCH, 2021

Yes.

2. Out of the above, has the Company identified the disadvantaged, vulnerable and marginalised?

   Yes, the Company has identified the disadvantaged, vulnerable and marginalised which need focused intervention. These communities in areas in and around the Company's manufacturing site. The criteria for selecting these communities are based on the Mission, Vision and Objectives as laid down in the Company's CSR Policy.

   Their needs are identified through listening to and learning about them. Their needs are prioritized based on the parameters that help balance both the needs of the community and the Company's vision to help contribute in building a better life for the underprivileged society.

3. Are there any special initiatives taken by the Company to engage with the disadvantaged, vulnerable and marginalised stakeholders? If so, provide the details thereof, in about 50 words or so.

   Yes, the Company follows a holistic approach driven by its CSR Policy through which it is committed to develop the disadvantaged, marginalised and vulnerable sections of the society. The Company endeavours to reach out to different sections of the society with socially relevant projects that benefit these communities and in small ways enhance the quality of their lives, especially the community residing in nearby vicinity of the Company by providing them better education facilities, by promoting healthcare including preventive healthcare, empowering women and promoting gender equality, providing sanitation and clean drinking water facilities and teaching better livelihood skills to help them earn money independently. The Company has also appointed several differently abled individuals as employees.

   The Company aims to constantly identify and implement unique initiatives which are scalable and sustainable and which have capacity to create a positive impact on the lives of people especially the weaker and less privileged sections.

Principle 5: Businesses should respect and promote human rights

1. Does the policy of the Company on human rights cover only the company or extend to the Group/Joint Ventures/Suppliers/Contractors /NGOs/Others?

   The Code of Conduct of the Company covers aspects of Human Rights. The code supports respects and protects the human rights of the persons connected directly or indirectly with the Company.

2. How many Stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?

   The Company did not receive any complaint with respect to human rights violation in the financial year 2020-21.

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

1. Does the policy related to Principle 6 cover only the Company or extends to the Group/Joint Venture/Suppliers/Contractors/NGOs/Others?

   Yes. The policy for Environment, Health and Safety of the Company extends to include Suppliers and Contractors also apart from the Employees.

2. Does the Company have strategies/initiatives to address global environmental issues such as climate change, global warming, etc. If yes, please give hyperlink for webpage etc.?

   Yes. The Company uses Agro Waste Fluidized Bed Combustion based boiler and oil heating system to

BUSINESS RESPONSIBILITY REPORT FOR THE YEAR ENDED 31ST MARCH, 2021

reduce Furnace Oil consumption to conserve natural resources. The Company has also planted more than 30,000 trees and formed a green belt in the factory premises. The Company also recycles By-product and process waste.

Hyperlink for the web-page is https://www.transpek.com/index.php/environment-health-safety/.

3. Does the Company identify and assess potential environmental risks?

   Yes, the Company has an Environment Protection Department (EPD) that has a formal process in place that identifies and assesses potential environmental risks and relevant action plans are prepared to mitigate such risks. It is periodically reviewed and also presented to the Board of Directors.

   The Company has also adopted ISO-14001:2015 systems to ensure adherence to environment protection. It has also taken steps to implement 'Responsible Care', a globally recognized Chemical Industry initiative by Indian Chemical Council and is in the process of obtaining formal approval/certification.

   The Company is also a member of ECOVADIS and has obtained silver rating for its environment protection, health and human rights practices.

   The Company applies production processes that avoid adverse effect on the environment by employing responsible waste management, energy efficiency and conservation and recycling of natural resources.

4. Does the Company have any project related to Clean Development Mechanism? If so, provide details thereof in about 50 words or so. Also, if yes, whether any environmental compliance report is filed?

   No. Presently, the Company does not have any project related to Clean Development Mechanism.

5. Has the Company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy, etc.? If yes, please give hyperlink to web page etc.

   The Company has taken various initiatives on renewable energy and energy efficiency. Some of the initiatives taken by the Company are as under:

   Renewable Source of Energy:

   - The Company has bought two (2) windmills to harness the power of wind for generating electricity.

   Waste Management:

   - The Company has laid down comprehensive guidelines on waste management which cover hazardous as well as non-hazardous waste and monitoring of performance for each unit is carried out on a regular basis.

   Besides this, the Company also endeavours to reduce indirect energy consumption. Some of the initiatives are as follows:

   - Timely Preventive Maintenance to ensure reduced downtime and smooth operations
   - Premium Efficiency Motors to replace rewound motors
   - LED Lights at various places on the manufacturing site.

   In addition, the Company has taken several steps for reducing the Energy Consumption and these details have been mentioned in Annexure – I to the Directors' Report.

6. Are the emissions/Waste generated by the Company within the permissible limits given by CPCB/SPCB for the financial year being reported?

BUSINESS RESPONSIBILITY REPORT FOR THE YEAR ENDED 31ST MARCH, 2021

Yes, the emissions/Waste generated by the Company are within the permissible limits given by CPCB/SPCB for the financial year and are being reported as per the prescribed norms.

7. Number of show cause/legal notices received from GPCB/SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year?

   None.

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

1. Is your Company a member of any trade and chambers or association? If yes, name only those major ones that your business deals with.

   The Company utilized the following trade and industry chambers and associations to undertake policy advocacy.

   - Federation of Gujarat Industries
   - Indian Chemical Council
   - Chemexcil
   - Exim India
   - Vadodara Chamber of Commerce and Industry
   - Pesticides Manufacturers & Formulators Association of India

2. Have you advocated/lobbied through above associations for the advancement or improvement of public good? If yes, specify the broad areas (drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy Security, Water, Food Security, Sustainable Business Principles, Others).

   Yes. The Company has suggested improvements in administrative hurdles faced by Chemical Industries through above associations for the advancement or improvement of public good during the financial year 2020-2021.

Principle 8: Businesses should support inclusive growth and equitable development

1. Does the Company have specified programmes/ initiatives/projects in pursuit of the policy related to Principle 8? If yes, details thereof.

   Yes, the Company follows an integrated approach to support the principles of inclusive growth and equitable development. It has the following elements:

   Building Economic Capital

   - Contributed in providing training facilities to the rural students of Industrial Training Institute (ITI) to enable them to learn livelihood skills and obtain employment
   - Conducted short term courses on plumbing, masonry and wiring for the inmates of the Vadodara Central Jail to equip them to earn livelihood in dignified manner post their release from jail
   - Partnered with Shroffs Foundation Trust for setting up a Unique Vocational Training Institute that helps many tribal students to gain knowledge and skill and makes them capable of being employed in industries and earn decent wages.
   - The Company has also set up a Vocational Training Centre at its factory premises at Ekalbara, Padra which will help enhance skills of many unemployed rural youth.
   - Conducted Beauty Parlour Courses for females residing in the villages in nearby vicinity of manufacturing site of the Company to help them earn livelihood for themselves and become Independent and self-

BUSINESS RESPONSIBILITY REPORT FOR THE YEAR ENDED 31ST MARCH, 2021

employed.

Ensuring Environmental Integrity

- Acquired Windmills to use natural energy resource and generate electricity.
- Developed In-house Biofilter waste water treatment technology to treat effluent and sewage water. Water treated through Biofilter technology can be used in irrigation, farming and household activities.
- Planted more than 30,000 trees and formed a green belt in the factory premises.

Social, Economic and Environmental development

- The Company had organized health awareness camps and training programmes for the residents of the nearby villages. The Company also conducted focused programmes on Anaemia and good numbers of women were medically examined.
- Provided support to Shroffs Foundation Trust in running a fully equipped Mobile Medical Unit for providing door step medical services in tribal area of Chhotaudepur as well as donated funds for setting up a hospital.
- Education - Supported children for Primary, Secondary, Higher Secondary, extra classes and special teaching programmes in education field for rural, tribal area students in Vadodara and Chhotaudepur Districts.

Relief Programmes:

- During CoVID-19 pandemic, your Company supported the Government and local communities by providing sanitizers, masks and homeopathic and ayurvedic tablets to the residents of the villages of Padra Taluka of Vadodara District.

2. Are the programmes/projects undertaken through in-house team/own foundations/external NGO/government structures/any other organisations.

   The Company's CSR projects are implemented by In-house CSR team as well as through several NGOs that are associated with the Company as the Company's Implementing Agencies.

3. Have you done any impact assessment of your initiative?

   The Company carries out annual impact assessment of the activities undertaken by the company directly and through the Implementing Agency to understand the impact of the programme, community satisfaction, need identification and future planning.

4. What is the Company's direct contribution to community development projects – Amount in INR and details of projects undertaken?

   For FY 2020-2021, the amount directly spent by the Company on community development projects is Rs.5,25,772/-.

   The details of the project undertaken are as under:

   - Education - Supported children for Primary, Secondary, Higher Secondary, extra classes and Special Teaching programme in the field of education for students in Vadodara and Chhotaudepur Districts; and
   - Women Empowerment.

5. Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words or so.

   Yes. Community is our key stakeholder and the Company believes that development of the community is only possible through engagement

BUSINESS RESPONSIBILITY REPORT FOR THE YEAR ENDED 31ST MARCH, 2021

and partnership from all stakeholders.

The projects undertaken by the Company for community development are constantly monitored and evaluated to assess and measure impact through which community adoption is ensured.

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

1. What percentages of customer complaints/ consumer cases are pending as on the end of the financial year?

   No customer complaints/consumer cases are pending as at the end of the financial year.

2. Does the Company display product information on the product label, over and above what is mandated as per local laws? Yes/No./N.A./Remarks (additional information)

   Yes. The Company displays all the product information on the product label as mandated under the law.

3. Is there any case filed by any stakeholder against the Company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years and pending as on the end of financial year? If so, provide details thereof, in about 50 words or so)

   There were no instances of unfair trade practices, irresponsible advertising and/or anti-competitive behaviour case during the last five years and pending as on the end of the financial year 2020-21. Hence no case has been filed by any stakeholder against the Company in the last five years and pending as at the end of the financial year 2020-21.

4. Did your Company carry out any consumer survey/consumer satisfaction trends?

   Yes.

For and on behalf of the Board

Bimal V. Mehta
Managing Director

Date: 25th May, 2021
Place: Vadodara

TEN YEARS HIGHLIGHTS

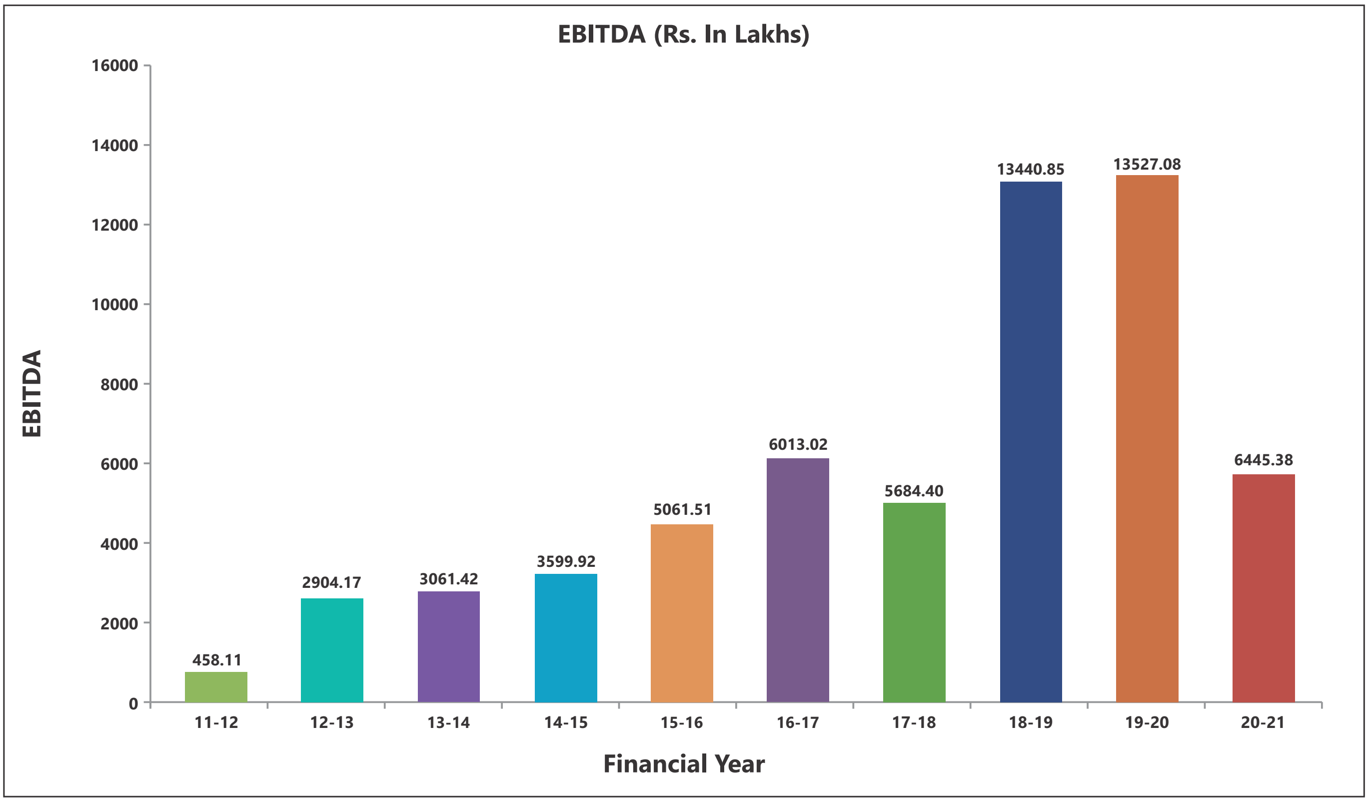
TEN YEARS HIGHLIGHTS

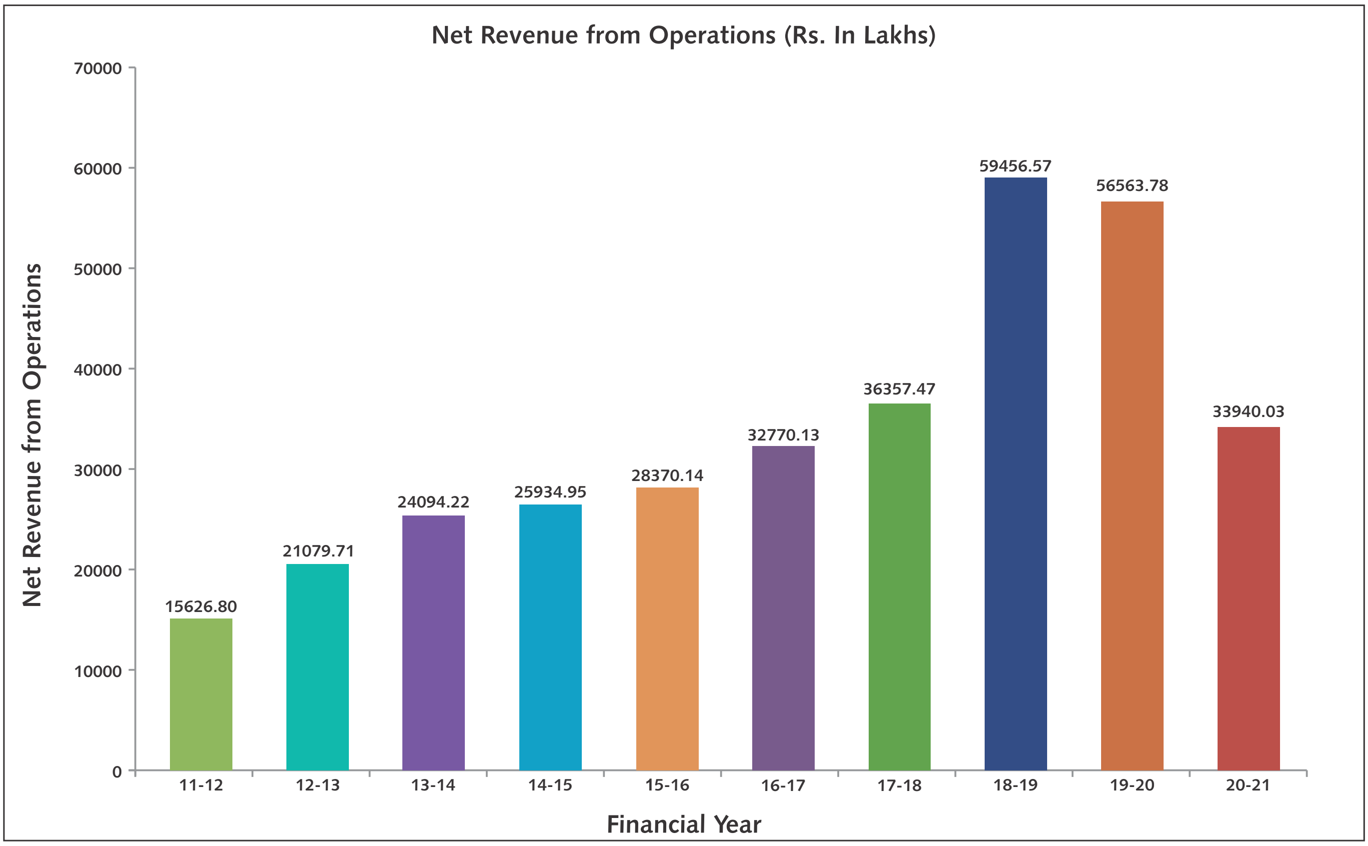
₹ in Lakhs

		2020-21	2019-20	2018-19	2017-18	2016-17	2015-16	2014-15	2013-14	2012-13	2011-12
I	**CAPITAL ACCOUNTS**										
	A Share Capital	558.56	558.56	558.56	558.56	558.56	587.20	587.20	587.20	587.20	587.20
	B Reserves	26548.52	24373.78	19110.58	13133.39	10110.45	8487.26	6889.54	6136.04	5588.04	4770.66
	C Shareholders' Fund (A+B)	27107.08	24932.34	19669.14	13691.95	10669.01	9074.46	7476.74	6723.24	6175.24	5357.86
	D Borrowings	7130.24	7687.67	12020.23	18013.74	6984.33	5644.21	7158.35	5906.59	6789.16	6579.04
	E Fixed Assets										
	i Gross Block	41754.09	39950.86	34901.36	28029.58	20660.09	17548.16	16823.37	16188.85	15703.11	14931.21
	ii Net Block	27151.23	27065.03	23645.11	17860.90	11713.61	9391.44	9227.04	9297.79	9444.09	9286.53
	F Debt-Equity Ratio	0.42:1	0.30:1	0.61:1	1.31:1	0.65:1	0.62:1	0.96:1	0.88:1	1.10:1	1.23:1
II	**REVENUE ACCOUNTS**										
	A Sales Turnover										
	i Domestic	7199.18	9320.09	10881.15	9939.12	9649.92	10085.89	9587.62	9139.03	7622.96	7055.86
	ii Export	26530.98	47006.16	48352.26	25250.78	20448.97	18002.56	16150.96	14256.67	13079.49	8299.24
	TOTAL	**33730.16**	**56326.25**	**59233.41**	**35189.90**	**30098.89**	**28088.45**	**25738.58**	**23395.70**	**20702.45**	**15355.10**
	B EBIDTA	3294.81	13527.08	13440.85	5684.38	6013.02	5061.51	3599.92	3061.42	2904.17	458.11
	C Profit after tax	2331.45	7294.37	6573.70	2640.29	2997.62	2127.78	1105.80	719.75	1023.48	(1031.85)
	D Return on Shareholders' Fund %	8.60	29.26	33.42	19.28	28.10	23.45	14.79	10.71	16.57	(19.26)
III	**EQUITY SHAREHOLDERS' EARNINGS**										
	A Earning per Equity Share Rs.	41.74	130.59	117.69	47.27	51.89	36.24	18.83	12.26	17.43	(17.57)
	B Dividend per Equity Share Rs.	7.50	12.50	20.00	9.00	9.00	7.50	5.00	2.50	3.00	-
	C Dividend Payout Ratio %	17.97	12.37	20.49	22.95	20.57	24.91	31.86	23.86	20.14	-
	D Net Worth per Equity Share Rs.	485.30	446.37	352.14	245.13	191.01	154.54	127.33	114.50	105.16	91.24
	E Market price of Share as on 31st March	1363.45	1228.35	1502.60	1233.10	590.35	396.20	241.20	119.45	60.00	85.05

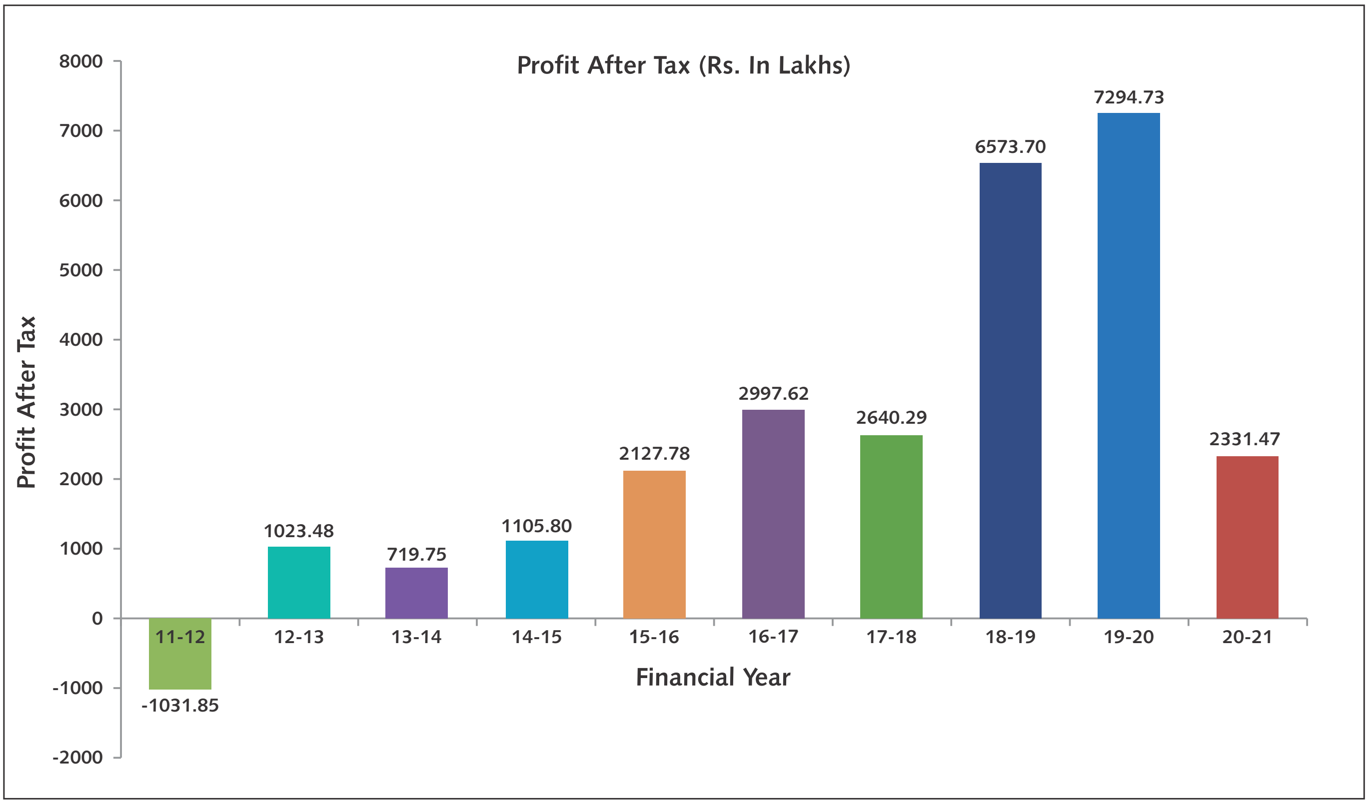
PERFORMANCE OVERVIEW

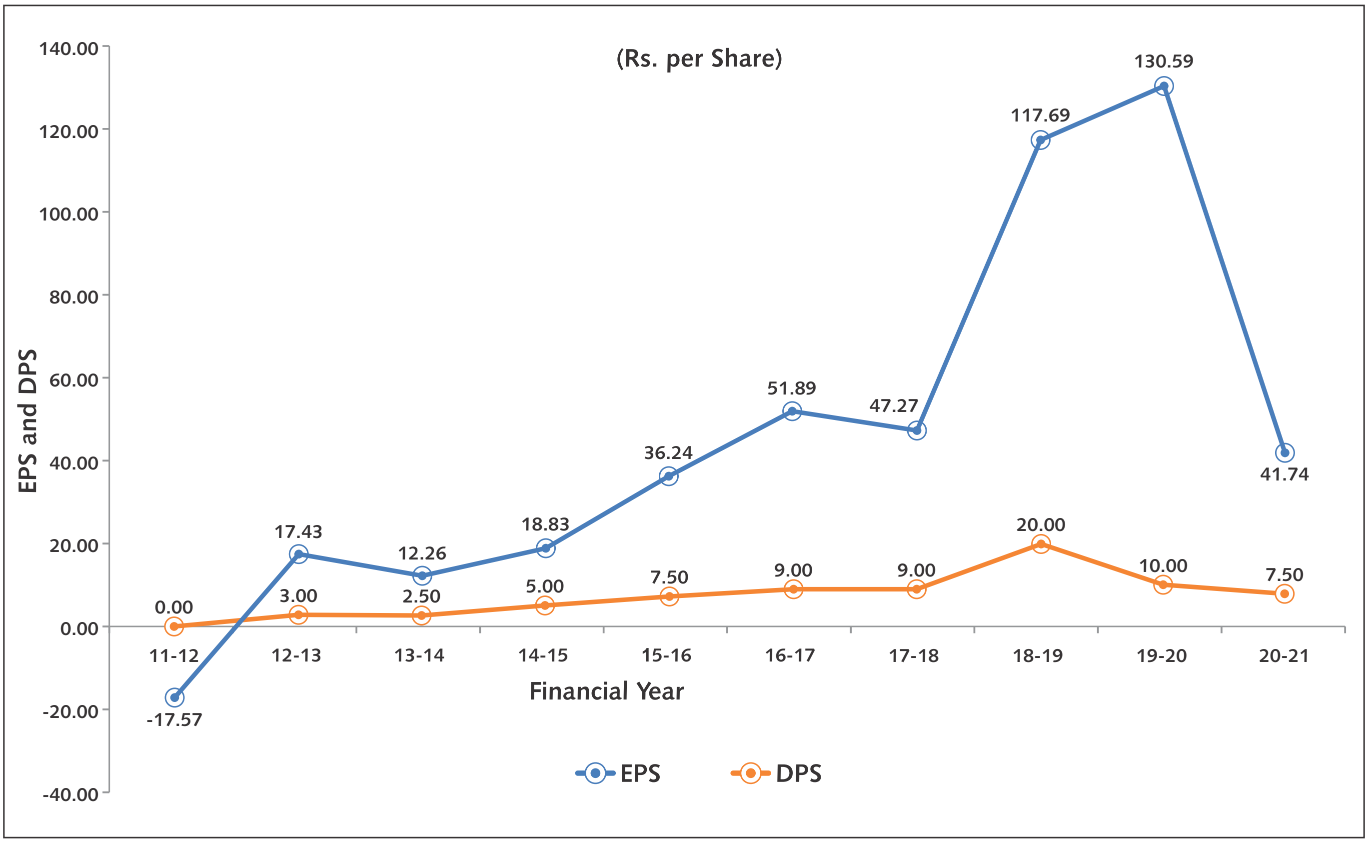
PERFORMANCE OVERVIEW





PERFORMANCE OVERVIEW





INDEPENDENT AUDITOR'S REPORT

INDEPENDENT AUDITOR'S REPORT

To the Members of Transpek Industry Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of **Transpek Industry Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2021, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity, the Statement of Cash Flows for the year then ended, and notes to the Standalone Financial Statements, including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, its profit and total comprehensive income, the changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, for the year ended March 31, 2021 and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report:

Key Audit Matter	How the matter was addressed in our audit
Adoption of Ind AS 116 Leases	
Ind AS 116, as adopted by the Company from the financial year 2019-20, introduces a new lease accounting model, wherein lessees are required to recognise a Right-of-Use Asset and a Lease Liability arising from a lease on the balance sheet. The lease liabilities are initially measured by discounting future lease payments during the lease term as per the contract/ arrangement.	Our audit procedures included, among others, the following : • Assessed and tested processes and controls in respect of lease accounting and modification thereof; • Assessed the Company's evaluation on the identification of modification of leases based on the changes in contractual agreements;

INDEPENDENT AUDITOR'S REPORT

Key Audit Matter	How the matter was addressed in our audit
Reduction in lease rentals and hire off of ISO tanks during the year has resulted in change in consideration of leases, that is, a lease modification. Considering the materiality of lease modification, this matter is considered as a key audit matter. [Refer Note 2.1(R) and Note 42 to the standalone financial statements].	• Assessed changes in key terms and conditions on sample basis of each lease with the underlying lease contract and evaluated re-computation of Lease Liabilities and Right-of-Use Assets in terms of the requirements of lease modifications under Ind AS 116 and its effect on standalone financial statements.

Key Audit Matter	How the matter was addressed in our audit
Evaluation of uncertain tax positions and litigations	
The Company has uncertain tax matters pending litigations under direct tax and various indirect tax laws. The litigation involves significant judgement to determine the possible outcome based on which accounting treatment is given to the disputed amount. These matters are considered to be key audit matter given the magnitude of potential outflow of economic resources and uncertainty of potential outcome. [Refer Note 37 to the standalone financial statements].	Our audit procedures included, among others, the following : • Obtained from the management details of all completed/pending tax assessments and other litigations; • Gained the understanding of the status of pending tax demands and potential liability for other pending litigations; • Read and analysed relevant communication with the authorities; • Considered the legal advice obtained by the management for determining the possible outcome of the litigation; • Discussed with senior management and evaluated management's assumptions regarding provisions made; • Assessed the disclosures in accordance with the requirements of Ind AS 37 on "Provisions, Contingent Liabilities and Contingent Assets".

Key Audit Matter	How the matter was addressed in our audit
Transactions with Related Parties	
The Company in its course of operations has entered into transactions with related parties. The identification of these related parties, transactions entered into with them and the determination of arm's length price involves significant judgement and estimates. Considering the volume of transactions and materiality	Our audit procedures included, among others, the following : • Evaluated and tested the design of internal controls and the secretarial process followed relating to identification of related parties and transactions with these parties;

INDEPENDENT AUDITOR'S REPORT

of the amounts, this matter is considered to be key audit matter.

[Refer Note 44 to the standalone financial statements].

- Confirmed the regulatory requirements for the identification of related parties and transactions with these related parties, the determination of arm's length pricing and the disclosures for the same in the standalone financial statements;
- Evaluated management judgments and assumptions regarding transactions with Related Parties at Arm's Length Price;
- Reviewed sample agreements/contracts to compare the terms of the related parties' transaction to those of identical or similar transaction with one or more unrelated parties and evaluated the business rationale for the same;
- Assessed whether the disclosures for Related Party Transactions are in accordance with Ind AS 24.

Information Other than the Standalone Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report, Management Discussion and Analysis, Corporate Governance and Shareholder's Information, but does not include the standalone financial statements and our auditor's report thereon.

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

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

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation and presentation of these standalone financial statements that give a true and fair view of the financial position, financial performance (including other comprehensive income), changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Ind AS specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation

INDEPENDENT AUDITOR'S REPORT

and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

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

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

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We

INDEPENDENT AUDITOR'S REPORT

consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matter

The comparative financial information of the Company for the year ended March 31, 2020, included in these standalone financial statements, are based on the previously issued financial statements and financial information prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015 and other accounting principles generally accepted in India and audited by the predecessor auditors who expressed an unmodified opinion by their report of June 24, 2020.

Our opinion on the standalone financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matter.

Report on Other Legal and Regulatory Requirements

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

   a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;

   b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

   c. The Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity, the Statement of Cash Flows and notes to the standalone financial statements dealt with by this Report are in agreement with the books of account;

   d. In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended;

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

   f. With respect to the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure A";

   g. With respect to the matters to be included in the Auditor's Report in accordance with requirement of Section 197(16) of the Act, as

INDEPENDENT AUDITOR'S REPORT

amended,

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid during the current year by the Company to its directors is in accordance with the provisions of Section 197 read with Schedule V of the Act and is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

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

i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements – Refer Note 37 to the standalone financial statements;

ii. The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses as required under the applicable law or accounting standards;

iii. There has been no delay in transferring amounts, required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2021.

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

For **BANSI S. MEHTA & CO.**
Chartered Accountants
Firm Registration No. 100991W

PARESH H. CLERK
Partner
Membership No. 36148
UDIN : 21036148AAAABX2941

PLACE : Mumbai
DATED : May 25, 2021

ANNEXURE A TO THE INDEPENDENT AUDITORS' REPORT

Referred to in paragraph 1 (f) under the heading of "Report on Other Legal and Regulatory Requirements" in our Independent Auditor's Report of even date on the Standalone Financial Statements for the year ended March 31, 2021.

Report on the Internal Financial Controls with reference to Financial Statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

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

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by ICAI and deemed to be prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to financial statements.

Meaning of Internal Financial Controls with reference to Financial Statements

A company's internal financial control with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements includes those policies and procedures that

a. pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the

ANNEXURE A TO THE INDEPENDENT AUDITORS' REPORT

company;

b. provide reasonable assurance that transactions are recorded as necessary to permit preparation of the financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and

c. provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to Financial Statements

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls with reference to the standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as at March 31, 2021, based on the internal controls over financial reporting criteria established by the Company, considering the essential components of internal control stated in the Guidance Note.

For **BANSI S. MEHTA & CO.**
Chartered Accountants
Firm Registration No. 100991W

PARESH H. CLERK
Partner
Membership No. 36148
UDIN : 21036148AAAABX2941

PLACE : Mumbai
DATED : May 25, 2021

ANNEXURE B TO THE INDEPENDENT AUDITORS' REPORT

Referred to in paragraph 2 under the heading of "Report on Other Legal and Regulatory Requirements" of our Independent Auditors' Report of even date on the Standalone Financial Statements for the year ended March 31, 2021.

Report on the Companies (Auditor's Report) Order, 2016, issued in terms of Section 143(11) of the Companies Act, 2013 ("the Act") of Transpek Industry Limited ("the Company"):

i. a. The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment ("PPE").

b. PPE have been physically verified by the management according to a phased programme designed to cover all the PPE over a period of three years, which, in our opinion, provides for physical verification of

ANNEXURE A TO THE INDEPENDENT AUDITORS' REPORT

all the items of PPE at reasonable intervals. The discrepancies reported on such verification are not material and have been properly dealt with in the books of account.

c. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties, as included in Note 3 to the standalone financial statements, are held in the name of the Company.

ii. Inventories have been physically verified by the management during the year. In our opinion, the frequency of verification is reasonable. The discrepancies noticed on verification between physical stock and book records were not material in relation to the operations of the Company and the same have been properly dealt with in the books of account.

iii. According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, limited liability partnership or any other parties covered in the register maintained under section 189 of the Companies Act, 2013. Therefore, reporting requirements as per provisions of Clause 3(a), 3(b) and 3(c) of the Order are not applicable to the Company.

iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Act, with respect to the loans and investments made. The Company has not given any guarantee or provided any security in connection with a loan to any person or other body corporate and accordingly, the question of commenting on compliance with the provisions in respect thereof does not arise.

v. In our opinion and according to the information and explanations given to us, the Company has complied with directives issued by Reserve Bank of India and the provision of Sections 73 to 76, or any other relevant provisions of the Act and the Companies (Acceptance and Deposits) Rules, 2014, as amended, with regard to deposit accepted from the public. According to the information and explanations given to us, no order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal.

vi. We have broadly reviewed the books of account and records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014 as specified by the Central Government for maintenance of cost records under Section 148(1) of the Act, in respect of the products manufactured by the Company and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the said accounts and records with a view to determine whether they are accurate or complete.

vii. a. According to the information and explanations given to us and on the basis of the books and records examined by us, the Company has been regular in depositing undisputed statutory dues including Provident Fund, Income-tax, Goods and Service Tax, Duty of Customs, Employees' State Insurance, Cess and other material statutory dues as applicable to it with the appropriate authorities. There are no arrears of outstanding statutory dues on the last day of the financial year, for a period of more than six months from the date they become payable.

b. According to the information and explanations given to us and on the basis of the books and records of the Company examined by us, as may be applicable, given herein below are the details of dues of Income-tax, Goods and Service Tax, Sales-tax, Duty of Customs, Duty of Excise, Value Added Tax which have not been deposited on account of disputes and the forum where the dispute is pending:

ANNEXURE A TO THE INDEPENDENT AUDITORS' REPORT

Sr. No.	Name of Statute	Nature of the dues	Amount (in lakhs)	Period to which the Amount Relates	Forum where dispute is pending
1.	Central Excise Act, 1944	Excise Duty (including penalty)	26.06 *(1.50)	2006 to 2012	CESTAT, Ahmedabad
2.	Service Tax	Service Tax (including penalty)	121.52 *(4.56)	2015 to 2017	Commissioner (Appeals), Vadodara
3.	Service Tax	Service Tax (including penalty)	167.86 *(7.08)	2013 to 2015	CESTAT, Ahmedabad
4.	Service Tax	Service Tax (including penalty)	259.81 *(22.16)	2013 to 2017	Commissioner, Vadodara
5.	Central Excise Act, 1944	Excise Duty (including penalty)	30.57 *(4.93)	2007 to 2014	CESTAT, Mumbai

* indicates amount deposited or paid under dispute.

viii. According to the information and explanations given to us, as also on the basis of the books and records examined by us, the Company has not defaulted in repayment of dues to financial institutions or banks. The Company has not taken any loan or borrowing from Government and has not issued any debenture during the year.

ix. According to the information and explanations given to us and on the basis of the books and records examined by us, the Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, paragraph 3 (ix) of the Order in respect thereof is not applicable. Moneys raised by way of term loans were applied for the purposes for which those are raised.

x. During the course of our examination of the books of account and records of the Company, carried out in accordance with the generally accepted auditing practices in India and according to the information and explanations given to us, we have neither come across any incidence of fraud on or by the Company noticed or reported during the year, nor we have been informed of any such case by the management.

xi. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration during the financial year 2020-21, in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

xii. The Company is not a Nidhi Company. Accordingly, paragraph 3(xii) of the Order is not applicable to the Company.

ANNEXURE A TO THE INDEPENDENT AUDITORS' REPORT

xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with Sections 177 and 188 of the Act, where applicable, and the details of such transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.

xiv. According to the information and explanations given to us and on the basis of the books and records examined by us, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, reporting under paragraph 3(xiv) of the Order is not applicable.

xv. According to the information and explanations given to us and on the basis of the books and records examined by us, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.

xvi. According to the information and explanations given to us and on the basis of the books and records examined by us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, paragraph 3(xvi) of the Order is not applicable to the Company.

For **BANSI S. MEHTA & CO.**
Chartered Accountants
Firm Registration No. 100991W

PARESH H. CLERK
Partner
Membership No. 36148
UDIN : 21036148AAAABX2941

PLACE : Mumbai
DATED : May 25, 2021

Standalone Balance Sheet as at March 31, 2021

STANDALONE BALANCE SHEET AS AT MARCH 31, 2021

₹ in Lakhs

Sr. No.	Particulars	Note No.	As at March 31, 2021	As at March 31, 2020
A	**ASSETS**			
1.	**Non-current Assets**			
a.	Property, Plant and Equipment	3	27,151.29	27,067.75
b.	Capital Work-in-progress	4	1,392.94	1,862.90
c.	Right-of-Use Assets	5	1,556.85	1,599.72
d.	Financial Assets			
	i. Investments	6	14,205.71	11,789.46
	ii. Loans	7	93.42	178.97
	iii. Other Financial Assets	8	124.00	130.00
e.	Other Non-current Assets	9	28.05	386.54
	Sub-total-Non-current Assets		**44,552.26**	**43,015.34**
2.	**Current Assets**			
a.	Inventories	10	3,672.26	4,966.81
b.	Financial Assets			
	i. Trade Receivables	11	7,599.20	8,968.03
	ii. Cash and Cash Equivalents	12	1,538.53	40.88
	iii. Bank Balances other than ii. above	13	671.99	70.67
	iv. Loans	14	4.19	2.61
	v. Other Financial Assets	15	304.59	212.76
c.	Other Current Assets	16	1,559.12	1,588.70
	Sub-total-Current Assets		**15,349.88**	**15,850.46**
	Total Assets		**59,902.14**	**58,865.80**
B.	**EQUITY AND LIABILITIES**			
1.	**Equity**			
a.	Equity Share Capital	17	558.56	558.56
b.	Other Equity	18	37,423.00	33,286.20
	Total Equity		**37,981.56**	**33,844.76**

STANDALONE BALANCE SHEET AS AT MARCH 31, 2021

₹ in Lakhs

Sr. No.	Particulars	Note No.	As at March 31, 2021	As at March 31, 2020
Liabilities				
2.	**Non-current Liabilities**			
a.	Financial Liabilities			
	i. Borrowings	19	4,427.93	4,461.08
	ii. Lease Liabilities	20	710.13	959.15
b.	Provisions	21	311.91	359.02
c.	Deferred Tax Liabilities (Net)	22	5,847.65	5,652.98
	Sub-total-Non-current Liabilities		**11,297.62**	**11,432.23**
3.	**Current Liabilities**			
a.	Financial Liabilities			
	i. Borrowings	23	2,702.31	3,226.59
	ii. Trade Payables	24		
	- total outstanding dues of micro enterprises and small enterprises		309.10	511.94
	- total outstanding dues of creditors other than micro enterprises and small enterprises		3,276.77	4,699.23
	iii. Lease Liabilities	25	916.38	904.43
	iv. Other Financial Liabilities	26	3,243.95	4,073.18
b.	Other Current Liabilities	27	128.42	144.59
c.	Provisions	28	28.56	28.84
d.	Current Tax Liabilities (Net)	29	17.47	-
	Sub-total-Current Liabilities		**10,622.96**	**13,588.81**
Total Equity and Liabilities			**59,902.14**	**58,865.80**
Notes (Including Significant Accounting Policies)		**1-56**		
Forming part of the Standalone Financial Statements				

As per our attached report of even date

For BANSI S. MEHTA & CO.
Chartered Accountants
Firm Registration No. 100991W

PARESH H. CLERK
Partner
Mem. No. : 36148

Place : Mumbai
Date : May 25, 2021

For and on behalf of the Board of Directors
TRANSPEK INDUSTRY LIMITED

Ashwin C. Shroff (Chairman) DIN : 00019952
Bimal V. Mehta (Managing Director) DIN : 00081171
Ninad D. Gupte (Director) DIN : 00027523
Alak D. Vyas (Company Secretary & Compliance Officer) ACS : 31731
Pratik P. Shah (Chief Financial Officer) ACA: 118400

Place : Vadodara
Date : May 25, 2021

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

₹ in Lakhs

Sr. No.	Particulars	Note No.	For the year ended March 31, 2021	For the year ended March 31, 2020
Income				
I	Revenue from Operations	30	33,940.03	56,563.78
II	Other Income	31	1,721.31	1,739.15
III	**Total Income (I+II)**		**35,661.34**	**58,302.93**
IV	**Expenses**			
	a. Cost of Materials Consumed	32	15,934.35	25,311.16
	b. Changes in inventories of Finished Goods, Stock-in-trade and Work-in-progress	33	323.57	722.12
	c. Employee Benefits Expense	34	4,442.00	4,908.30
	d. Finance Costs	35	1,040.50	1,584.83
	e. Depreciation and Amortisation Expense	3 and 4	2,850.55	2,590.08
	f. Other Expenses	36	8,516.04	13,834.27
	Total Expenses (IV)		**33,107.01**	**48,950.76**
V	**Profit / (Loss) before Exceptional Items and Tax (III-IV)**		**2,554.33**	**9,352.17**
VI	Exceptional Items		-	-
VII	**Profit / (Loss) beforeTax (V-VI)**		**2,554.33**	**9,352.17**
VIII	**Tax Expense**			
	a. Current Tax		560.00	2,051.18
	b. Excess / (Short) Provision for tax of earlier years		(83.30)	(105.67)
	c. Deferred Tax	22	(253.84)	112.29
	Total Tax Expense		**222.86**	**2,057.80**
IX	**Net Profit / (Loss) for the year (VII-VIII)**		**2,331.47**	**7,294.38**
X	**Other Comprehensive Income :**			
	Items that will not be reclassified to profit or loss			
	a. Remeasurement Gain / (Loss) on Defined Benefit Plans		(22.80)	(15.59)
	b. Equity Instruments through Other Comprehensive Income		2,416.27	(3,110.04)
	c. Income tax relating to items that will not be reclassified to profit or loss			
	- Remeasurement gain / (loss) on defined benefit plans		5.74	4.54

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

₹ in Lakhs

Sr. No.	Particulars	Note No.	For the year ended March 31, 2021	For the year ended March 31, 2020
	- Equity instruments through Other Comprehensive Income		(454.23)	551.31
	Other Comprehensive Income for the year (net of tax)		**1,944.98**	**(2,569.78)**
XI	**Total Comprehensive Income for the year (IX+X)**		**4,276.45**	**4,724.59**
XII	Earnings per share (of ₹ 10/- each):	39		
	Basic (₹)		41.74	130.59
	Diluted (₹)		41.74	130.59
	Notes (Including Significant Accounting Policies)			
	Forming part of the Standalone Financial Statements 1-56			

As per our attached report of even date

For BANSI S. MEHTA & CO.
Chartered Accountants
Firm Registration No. 100991W

PARESH H. CLERK
Partner
Mem. No. : 36148

Place : Mumbai
Date : May 25, 2021

For and on behalf of the Board of Directors
TRANSPEK INDUSTRY LIMITED

Ashwin C. Shroff (Chairman) DIN : 00019952
Bimal V. Mehta (Managing Director) DIN : 00081171
Ninad D. Gupte (Director) DIN : 00027523
Alak D. Vyas (Company Secretary & Compliance Officer) ACS : 31731
Pratik P. Shah (Chief Financial Officer) ACA: 118400

Place : Vadodara
Date : May 25, 2021

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

₹ in Lakhs

Sr. No.	Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
A.	Cash flow from Operating Activities		
	Profit / (Loss) beforeTax	**2,554.33**	**9,352.17**
	Adjustments for :		
	Depreciation and Amortisation Expense	2,850.55	2,590.08
	Interest Income	(61.05)	(38.28)
	Allowance for Doubtful Debts	18.18	8.41
	Provision for Impairment in carrying value of Investments	0.02	-
	Gain/(Loss) on Lease Modifcation	(65.26)	-
	Net loss on Foreign Currency Transactions	46.29	45.40
	Finance Costs	1,040.50	1,584.83
	Dividend Income	(299.95)	(316.67)
	Profit on Sale of Property, Plant and Equipment (Net)	(104.87)	54.46
	Excess Provision Written Back	(65.98)	-
	Operating Profit before Working Capital Changes	**5,912.76**	**13,280.40**
	Working Capital Changes		
	(Increase) / Decrease in Trade Receivables	1,368.84	392.28
	(Increase) / Decrease in Inventories	1,294.55	642.89
	(Increase) / Decrease in Loans and Advances	83.97	72.07
	(Increase) / Decrease in Other Financial Assets	(92.57)	128.79
	(Increase) / Decrease in Other Current and Non-current Assets	34.65	242.30
	Increase / (Decrease) in Trade Payables	(1,625.30)	(775.48)
	Increase / (Decrease) in Other Financial Liabilities	(766.50)	221.96
	Increase / (decrease) in Current and Non-current Provisions	(47.39)	(700.94)
	Increase / (Decrease) in Other Current and Non-current Liabilities	(16.17)	(25.00)
	Cash (Used) / Generated from Operations	**6,146.84**	**13,479.27**
	Income Taxes paid (Net)	(375.64)	(2,420.85)
	Net Cash from Operating Activities (A)	**5,771.20**	**11,058.42**
B.	Cash flows from Investing Activities		
	Purchase of Property, Plant and Equipment (PPE) [Refer Note 2 below]	(1,753.66)	(3,736.46)
	Proceeds from disposal of Property, Plant and Equipment	311.62	75.78
	Investments in Subsidiary	-	(1.00)
	Investments in Bank Deposits	(607.27)	-
	Earmarked Balances with Banks	3.94	-

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

₹ in Lakhs

Sr. No.	Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
	Deposits held as Margin Money	2.02	-
	Interest Received	67.79	28.22
	Dividend Received	299.95	316.67
	Net Cash (Used) / Generated in Investing Activities (B)	**(1,675.62)**	**(3,316.79)**
C.	**Cash flow from Financing Activities :**		
	Proceeds from Long-term Borrowings	960.00	-
	Repayments of Long-term Borrowings	(993.15)	(1,745.77)
	Repayment of Short-term Borrowings	(524.28)	(1,915.53)
	Finance Costs paid	(929.69)	(1,341.11)
	Dividend paid (including Dividend Distribution Tax)	(139.64)	(2,020.11)
	Payment of Principal Portion of Lease Liabilities	(829.49)	(535.75)
	Payment of Interest Portion of Lease Liabilities	(141.64)	(165.42)
	Net Cash (Used) / Generated in Financing Activities (C)	**(2,597.89)**	**(7,723.69)**
	Balances with Banks in Current Accounts	14.29	4.83
	Cash on Hand	26.59	18.10
	Cash and Cash Equivalents at the Beginning of the Year	**40.88**	**22.93**
	Net Increase In Cash and Cash Equivalents [(A) + (B) + (C)]	**1,497.69**	**17.96**
	Balances with Banks in Current Accounts	1,131.50	14.29
	Cash on Hand	7.03	26.59
	Bank deposits with maturity less than three months	400.00	-
	Cash and Cash Equivalents at the End of the Year	**1,538.53**	**40.88**

Notes

1. The above Statement of Cash Flows has been prepared under the 'Indirect Method' as set out in Ind AS 7, 'Statement of Cash Flows'.
2. Purchase of Property, Plant and Equipment includes additions to Other Intangible Assets and adjusted for movement from Capital Work-inprogress and Capital Advances.
3. Changes in liabilities arising from financing activities, including changes from cash flows and non-cash changes:

₹ in Lakhs

Particulars	As at April 1, 2020	Cash Flows	Non-cash	As at March 31, 2021
Long-term Borrowings	4,461.08	(33.15)	-	4,427.93
Short-term Borrowings	3,226.59	(524.28)	-	2,702.31
Lease Liabilities	1,863.58	(971.13)	734.06	1,626.51

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

₹ in Lakhs

Particulars	As at April 1, 2019	Cash Flows	Non-cash	As at March 31, 2020
Long-term Borrowings	6,878.11	(2,417.03)	-	4,461.08
Short-term Borrowings	5,142.12	(1,915.53)	-	3,226.59
Lease Liabilities	-	(701.17)	2,564.75	1,863.58

4. Figures in the brackets are outflows/deductions.
5. Previous year figures have been regrouped wherever necessary.

As per our attached report of even date

For BANSI S. MEHTA & CO.
Chartered Accountants
Firm Registration No. 100991W

PARESH H. CLERK
Partner
Mem. No. : 36148

Place : Mumbai
Date : May 25, 2021

For and on behalf of the Board of Directors
TRANSPEK INDUSTRY LIMITED

Ashwin C. Shroff (Chairman) DIN : 00019952
Bimal V. Mehta (Managing Director) DIN : 00081171
Ninad D. Gupte (Director) DIN : 00027523
Alak D. Vyas (Company Secretary & Compliance Officer) ACS : 31731
Pratik P. Shah (Chief Financial Officer) ACA: 118400

Place : Vadodara
Date : May 25, 2021

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

a. Equity Share Capital : ₹ in Lakhs

Particulars	Number of Shares	Balance
As at April 1, 2019	**5,585,569**	**558.56**
Changes during the year	-	-
As at March 31, 2020	**5,585,569**	**558.56**
Changes during the year	-	-
As at March 31, 2021	**5,585,569**	**558.56**

b. Other Equity (Refer Note 18): ₹ in Lakhs

Particulars	Reserves and Surplus					Equity Instruments through other Compreh-ensive Income	Total Equity
	Capital Reserve	Securities Premium	Capital Redemption Reserve	General Reserve	Retained Earnings		
Balance as at April 1, 2019	**19.00**	**202.75**	**28.65**	**3,417.71**	**15,471.11**	**11,442.48**	**30,581.70**
Profit/(Loss) for the year	-	-	-	-	7,294.38	-	7,294.38
Other Comprehensive Income for the year (net of tax) :							
Remeasurement of net benefit benefit plans	-	-	-	-	(11.05)	-	(11.05)
Net fair value gain / (loss) on investment in Equity Instruments through OCI	-	-	-	-	-	(2,558.73)	(2,558.73)
Total Comprehensive Income for the year	-	-	-	-	7,283.34	(2,558.73)	4,724.60
Dividend paid including dividend tax thereon	-	-	-	-	(1,346.74)	-	(1,346.74)
Interim Dividend paid including dividend tax thereon	-	-	-	-	(673.37)	-	(673.37)
Balance as at March 31, 2020	**19.00**	**202.75**	**28.65**	**3,417.71**	**20,734.34**	**8,883.75**	**33,286.20**
Profit/(Loss) for the year	-	-	-	-	2,331.47	-	2,331.47
Other Comprehensive Income for the year (net of tax) :							
Remeasurement of net benefit benefit plans	-	-	-	-	(17.06)	-	(17.06)

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

Particulars	Reserves and Surplus					Equity Instruments through other Compreh-ensive Income	Total Equity
	Capital Reserve	Securities Premium	Capital Redemption Reserve	General Reserve	Retained Earnings		
Net fair value gain / (loss) on investment in Equity Instruments through OCI	-	-	-	-	-	1,962.04	1,962.04
Total Comprehensive Income for the year	-	-	-	-	2,314.40	1,962.04	4,276.44
Dividend paid including dividend tax thereon	-	-	-	-	(139.64)	-	(139.64)
Balance as at March 31, 2021	**19.00**	**202.75**	**28.65**	**3,417.71**	**22,909.10**	**10,845.79**	**37,423.00**

As per our attached report of even date

For BANSI S. MEHTA & CO.
Chartered Accountants
Firm Registration No. 100991W

PARESH H. CLERK
Partner
Mem. No. : 36148

Place : Mumbai
Date : May 25, 2021

For and on behalf of the Board of Directors
TRANSPEK INDUSTRY LIMITED

Ashwin C. Shroff (Chairman) DIN : 00019952
Bimal V. Mehta (Managing Director) DIN : 00081171
Ninad D. Gupte (Director) DIN : 00027523
Alak D. Vyas (Company Secretary & Compliance Officer) ACS : 31731
Pratik P. Shah (Chief Financial Officer) ACA: 118400

Place : Vadodara
Date : May 25, 2021

Notes Forming Part of the Standalone Financial Statements

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

NOTE : 1

CORPORATE INFORMATION

Transpek Industry Limited ("the Company") is into the manufacturing and export of a range of chemicals servicing the requirements of customers from a diverse range of industries - Textiles, Pharmaceuticals, Agrochemicals, Advanced Polymers, etc.

The Company is a public limited company incorporated and domiciled in India and has its registered office at Vadodara, Gujarat, India. The equity shares of the Company are listed on Bombay Stock Exchange Limited (BSE).

The Standalone Financial Statements for the year ended March 31, 2021 are approved by the Company`s Board of Directors and authorised for issue in the meeting held on May 25, 2021

NOTE : 2.1

BASIS OF PREPARATION

i. Compliance with Ind AS

The Financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 ("the Act") to be read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and the relevant amendment rules issued thereafter.

ii. Historical Cost Convention

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

- Certain financial assets that are measured at fair value;
- Employee's Defined Benefit Plan – Plan Assets measured at fair value as per independent actuarial valuation.

iii. Functional and Presentation Currency

These financial statements are presented in Indian Rupees, which is the Company's functional currency, and all values are rounded to the nearest lakhs, up to two decimals except where otherwise indicated.

SIGNIFICANT ACCOUNTING POLICIES

A. Current versus Non-current Classification :

The Company presents assets and liabilities in the Balance Sheet based on current/non-current classification.

An asset is treated as current when it is -

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for atleast twelve months after the reporting period.

The Company classifies all other assets as non-current.

A liability is treated as current when it is -

- Expected to be settled in normal operating cycle
- Held primarily for the purpose of trading
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

Based on the nature of products and the time between acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has identified twelve months as its operating cycle for the purpose of current / non-current classification of assets and liabilities.

B. Property, Plant and Equipment ("PPE"):

Recognition and Measurement

An item of PPE is recognised as an asset when it is probable that future economic benefits associated

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

with the item will flow to the Company and the cost of the item can be measured reliably. Freehold land is carried at historical cost. All other items of PPE are stated at cost, which includes capitalised borrowing costs, less accumulated depreciation, and impairment loss, if any. Cost includes purchase price, including non-refundable duties and taxes, expenditure that is directly attributable to bring the assets to the location and condition necessary for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located, if any.

Properties in the course of construction for production, supply or administrative purposes are carried at cost, less any recognised impairment loss. Cost includes professional fees and borrowing costs (for qualifying assets) capitalised in accordance with the Company's accounting policies. Such properties are classified to the appropriate categories of PPE when completed and ready for intended use depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

Spare parts are treated as capital assets when they meet the definition of PPE. Otherwise, such items are classified as inventory.

If significant parts of an item of PPE have different useful lives, then they are accounted for, as separate items (major components) of PPE. Any gains or losses on their disposal, determined by comparing sales proceeds with carrying amount, are recognised in the Statement of Profit or Loss.

Subsequent Expenditure

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

Derecognition

An item of PPE is derecognised upon disposal or when no future economic benefits are expected to arise from its use. Any gain or loss arising from its derecognition is measured as the difference between the net disposal proceeds and the carrying amount of the asset and is recognised in the Statement of Profit and Loss when the asset is derecognised.

Depreciation Methods, Estimated Useful Lives and Residual Value

Depreciation on PPE is provided using the straight-line method based on the life and in the manner prescribed in Schedule II to the Act, and is generally recognised in the Statement of Profit and Loss. Freehold land is not depreciated.

Depreciation on PPE is provided based on the useful life and in the manner prescribed in Schedule II to the Act, except in respect of the following categories of assets, where the useful life of the PPE have been determined by the Management based on the technical assessment / evaluation:

Category of Property, Plant and Equipment	Useful Life in Years	
	As per Schedule II	As per the Company's Assessment
Plant and Machinery (Continuous Process Plant)	25	20

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

Depreciation method, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate. Based on technical evaluation and consequent advice, the management believes that its estimates of useful lives as given above best represent the period over which management expects to use these assets. Depreciation on additions (disposals) is provided on pro-rata basis, i.e. from (upto) the date on which asset is ready for use (disposed of).

Capital Work-in-Progress

Plant and properties in the course of construction for production, supply or administrative purposes are carried at cost, less any recognised impairment loss. Cost includes professional fees and borrowing costs (for qualifying asset) capitalised in accordance with the Company's accounting policies. Such plant and properties are classified and capitalised to the appropriate categories of PPE when completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

Advances paid towards the acquisition of PPE outstanding at each Balance Sheet date are classified as capital advances under "Other Non-current Assets" and the cost of assets not put to use upto the year-end is disclosed under 'Capital work-in-progress'.

C. Intangible Assets:

Recognition and Measurement

Intangible assets are recognised only if it is probable that the future economic benefits that are attributable to the assets will flow to the enterprise and the cost of the assets can be measured reliably. Intangible Assets are stated at cost of acquisition less accumulated amortisation and accumulated impairment, if any.

Research costs are expensed as incurred. Product development expenditure incurred on individual product project is recognised as an intangible asset when the Company can demonstrate:

- The technical feasibility of completing the intangible asset so that it will be available for use or sale;
- Its intention to complete the asset and use or sell it;
- Its ability to use or sell the asset;
- The availability of adequate resources to complete the development and to use or sell the intangible asset; and
- The ability to measure reliably the expenditure attributable to the intangible asset during development.

Amortisation

Any expenditure capitalised as technical know-how is amortised on a straight-line basis over the period over which the benefit is derived by the Company.

Derecognition of Intangible Assets

Intangible asset is derecognised on disposal or when no future economic benefits are expected from its use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, and are recognised in the Statement of Profit and Loss when the asset is derecognised.

D. Impairment of Non-financial Assets :

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

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

individual CGU, or otherwise they are allocated to the smallest group of CGU for which a reasonable and consistent allocation basis can be identified.

The Company's corporate assets do not generate independent cash inflows. To determine impairment of a corporate asset, recoverable amount is determined for the CGUs to which the corporate asset belongs.

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognised in the Statement of Profit and Loss. Impairment loss recognised in respect of a CGU is allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets of the CGU (or group of CGUs) on a pro rata basis.

E. Inventories :

Inventories are measured at lower of cost and net realisable value. Cost of inventories is determined on a First In First out ("FIFO") (as mentioned below), after providing for obsolescence and other losses as considered necessary. Cost includes expenditure incurred in acquiring the inventories, reduction and conversion costs and other costs incurred in bringing them to their present location and condition.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

Raw materials and other supplies held for use in the production of finished products are not written down below cost except in cases where material prices have declined and it is estimated that the cost of the finished products will exceed their net realisable value.

Items of Inventory are valued on the principle laid down by the Ind AS 2 on Inventories on the basis given below:

a.	Raw Materials, Stores and Spares (that are not capitalised) and Fuel	Lower of cost (determined on FIFO) basis and net realisable value.
b.	Packing Material	Lower of cost (determined on FIFO) basis and net realisable value.
c.	Traded Goods	Lower of cost and net realisable value.
d.	Work-in-Progress	Lower of cost and net realisable value. Cost includes direct materials, labour and a proportion of manufacturing overheads based on normal operating capacity.
e.	Finished Goods	Lower of cost and net realisable value. Cost includes direct materials, labour, a proportion of manufacturing overheads based on normal operating capacity, duties and taxes where credit is not available.

The comparison of cost and net realisable value is made on an item-by-item basis.

F. Financial Instruments :

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial Assets -

Initial Recognition, Classification and Measurement

All financial assets are recognised initially at fair value and, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

acquisition of the financial asset.

Debt Instruments at Amortised Cost

A 'debt instrument' is measured at amortised cost if both the following conditions are met:

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the Effective Interest Rate ("EIR") method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in other income in the Statement of Profit or Loss. The losses arising from impairment are recognised in the Statement of Profit or Loss.

Debt Instrument at Fair Value through Other Comprehensive Income ("FVTOCI")

A 'debt instrument' is classified at FVTOCI if both the following criteria are met:

- The objective of the business model is achieved both by collecting contractual cash flows and selling the financial Assets, and
- The asset's collecting contractual cash flows represent Solely Payments of Principal and Interest ("SPPI") on the principal amount outstanding.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognised in the Other Comprehensive Income ("OCI"). However, the company recognises interest income, impairment losses and reversals and foreign exchange gain or loss in the Profit and Loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to Profit and Loss. Interest earned while holding FVTOCI debt instrument is reported as interest income using the EIR method.

Debt Instrument at Fair Value through Profit and Loss ("FVTPL")

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorisation as at amortised cost or as FVTOCI, is classified as FVTPL.

In addition, the Company may elect to designate a debt instrument, which otherwise meets amortised cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The Company has designated certain debt instrument as at FVTPL.

Debt instruments included within the FVTPL category are measured at fair value with all changes recognised in the Statement of Profit and Loss.

Equity Investments

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable. If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognised in the OCI. There is no recycling of the amounts from OCI to Statement of Profit and Loss, even on sale of investment. However, the Company

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognised in the Statement of Profit and Loss.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a company of similar financial assets) is primarily derecognised (i.e. removed from the Company's Balance Sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either
  - the Company has transferred substantially all the risks and rewards of the asset, or
  - the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Impairment of Financial Assets

In accordance with Ind AS 109, the company applies Expected Credit Loss ("ECL") model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- Financial assets that are debt instruments, and are measured at amortised cost, e.g. loans, debt securities, deposits, trade receivables and bank balance
- Financial assets that are debt instruments and are measured as at FVTOCI
- Trade receivables or any contractual right to receive cash or another financial asset.

The Company follows 'simplified approach' for recognition of impairment loss allowance for:

- Trade receivables and
- Other receivables

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Company does not reduce impairment allowance from the gross carrying amount.

Financial Liabilities -

Initial Recognition and Measurement

The Company's financial liabilities include trade and other payables, loans and borrowings. All financial liabilities are recognised initially at fair value and in the case of loans, borrowings and payables recognised net of directly attributable transaction costs.

Subsequent Measurement

The measurement of financial liabilities depends on their classification, as described below :

Financial Liabilities at FVTPL

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

derivative financial instruments entered into by the company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Gains or losses on liabilities held for trading are recognised in the Statement of Profit and Loss.

Loans and Borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the Statement of Profit and Loss.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

Offsetting of Financial Instruments

Financial assets and financial liabilities are offset and the net amount is reported in the Balance Sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

G. Derivative Financial Instruments :

The Company uses derivative financial instruments such as forward contracts to hedge its foreign currency risks relating to highly probable transactions or firm commitments. Such forward Exchange Contracts are marked to market and resulting gains or losses are recorded in the Statement of Profit and Loss. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

H. Cash and Cash Equivalents :

Cash and cash equivalents in the Balance Sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the Statement of Cash Flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

I. Cash Flows :

Cash flows are reported using the indirect method, whereby profit for the year is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated. The Company considers all highly liquid investments that are readily convertible to known amounts of cash to be cash equivalents.

J. Foreign Currency Translation :

Initial Recognition

Foreign currency transactions are recorded in the reporting currency by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

date of the transaction.

Conversion

Foreign currency monetary items are reported using the closing rate. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction and non-monetary items which are carried at fair value or other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when the values were determined.

K. Revenue Recognition :

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. The Company assesses promises in the contract that are separate performance obligations to which a portion of transaction price is allocated.

Sale of Goods

Revenue from the sale of goods is recognised at a point in time when control of the asset is transferred to the customer, generally on the delivery of the goods.

The Company considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated. In determining the transaction price, the Company considers the effects of variable consideration, the existence of significant financing component and consideration payable to the customer like return and trade discounts.

Sales are disclosed excluding net of sales returns and Goods and Service Tax (GST).

Conversion Charges

Income is recorded on accrual basis on dispatch of material and as per terms of agreement.

Income from Wind Operated Power Generators

Income from Sale of Wind Operated Power is accounted on accrual basis on confirmation of units generated and supplied to the State Electricity Board as per the agreement.

Sale of Scrap

Revenue from sale of scrap is recognised as and when scrap is sold.

L. Other Income :

Interest Income

Interest income from the financial assets is recognised on a time basis, by reference to the principle outstanding using the effective interest method provided it is probable that the economic benefits associated with the interest will flow to the Company and the amount of interest can be measured reliably. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of that financial asset.

Export Benefits

Duty free imports of raw materials under Advance License for imports as per the Import and Export Policy are matched with the exports made against the said licenses and the net benefit/obligation is accounted by making suitable adjustments in raw material consumption.

The benefits accrued under the duty drawback scheme and Merchandise Export from India Scheme (MEIS) as per the Import and export Policy in respect of exports under the said scheme are recognised when there is a reasonable assurance that the benefit will be received and the company will comply with all attached conditions. The above benefits have been included under the head 'Export Incentives.'

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

Dividend Income

Dividend income from Investments is recognised when the Company's right to receive the payment is established, which is generally when shareholders approve the dividend.

Insurance Claims

Insurance claims are accounted on accrual basis when there is reasonable certainty of realisability of the claim amount.

Commission Income

Income on account of commission is accounted on accrual basis based on the Terms of Agreement.

M. Employee Benefits:

Employee benefits includes short term employee benefits, contribution to defined contribution schemes, contribution to defined benefit plan and compensated absences.

Short-term Employee Benefits

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employee's services up to the end of the reporting 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.

Contribution towards defined benefit contribution schemes

Contribution towards provident fund and superannuation fund is made to the regulatory authorities. Contributions to the above scheme are charged to the Statement of Profit and Loss in the year when the contributions are due. Such benefits are classified as defined Contribution Schemes as the Company does not carry any further obligations, apart from the contributions to be made.

Defined Benefit Plan

Gratuity Plan

The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of service is eligible for gratuity on post-employment at 15 days salary (last drawn salary) for each completed year of service as per the rules of the Company. The aforesaid liability is provided for on the basis of an actuarial valuation on projected unit credit method made at the end of the financial year. The scheme is funded with an insurance Company in the form of a qualifying insurance policy. Current service cost, Past-service costs are recognised immediately in Statement of profit or loss.

Remeasurement

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to equity in other comprehensive income in the period in which they arise. They are included in retained earnings in the statement of changes in equity and in the Balance Sheet. Remeasurements are not reclassified to profit or loss in subsequent periods.

Compensated Absences

Accumulated compensated absences, which are expected to be availed or encashed within 12 months from the end of the year end are treated as short term employee benefits. The obligation towards the same is measured at the expected cost of accumulating compensated absences as the additional amount expected to be paid as a result of the unused entitlement as at the year end.

Accumulated compensated absences, which are expected to be availed or encashed beyond 12 months from the end of the year end are treated as other long term employee benefits. The Company's liability is actuarially determined (using

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

the Projected Unit Credit method) at the end of each year. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of government bonds. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in profit or loss in the period in which they arise.

N. Borrowing Costs :

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale. All other borrowing costs are expensed in the period in which they are incurred.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

O. Income Taxes :

The tax expense comprises of current income tax and deferred tax.

Current Income Tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. Current Income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961 enacted in India. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred Tax

Deferred tax is recognised on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax liabilities are generally recognised for all taxable temporary differences.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilised, except:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss

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

Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss

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(either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if there is a legally enforceable right to offset current tax assets against current tax liabilities and deferred tax assets and liabilities relate to the income tax levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the current tax liabilities and assets on a net or simultaneous basis.

P. Provisions and Contingent Liabilities and Contingent Assets :

Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) 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 a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the Statement of Profit and Loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Provisions are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates.

Contingent Liabilities and Contingent Assets

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliably. The Company does not recognise a contingent liability but discloses its existence in the financial statements.

A contingent asset is not recognised unless it becomes virtually certain that an inflow of economic benefits will arise. When an inflow of economic benefits is probable, contingent assets are disclosed in the financial statements.

Contingent liabilities and contingent assets are reviewed at each Balance Sheet date.

Q. Earnings per Share:

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Partly paid equity shares are treated as a fraction of an equity share to the extent that they were entitled to participate in dividends relative to a fully paid equity share during the reporting period.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

R. Leases:

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

- The contract involves the use of an identified asset – this may be specified explicitly or implicitly and should be physically distinct or represent substantially all of the capacity of a physically distinct asset. If the supplier has a substantive substitution right, the asset is not identified.
- The Company has the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use; and
- The Company has the right to direct the use of the asset - the Company has the right when it has the decision-making rights that are most relevant to changing how and for what purpose the asset is used. In rare cases, where the decision about how and for what purpose the asset is used is predetermined, the Company has the right to direct the use of the asset if either:
  - The Company has the right to operate the asset; or
  - The Company designed the asset in a way that predetermined how and for what purpose it will be used

This policy is applied to all contracts entered into, or changed, on or after April 1, 2019.

Company as a Lessee

Lease Liability

At the commencement date, the Company measures the lease liability at the present value of the lease payments that are not paid at that date. The lease payments shall be discounted using incremental borrowing rate. Generally, the Company uses its incremental borrowing rate as the discount rate.

Lease payments included in the measurement of the Lease Liability comprise the following:

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

The Company presents Lease Liabilities under "Financial Liabilities" in the Balance Sheet.

Right-of-Use Assets (ROU Assets)

Initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located less any lease incentives.

The Company presents ROU assets that meet the definition of investment property are presented within investment property otherwise under "Property, Plant and Equipment".

Subsequent Measurement

Lease Liability

Company measure the lease liability by (a) increasing the carrying amount to reflect interest on the lease liability; (b) reducing the carrying

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

amount to reflect the lease payments made; and (c) remeasuring the carrying amount to reflect any reassessment or lease modifications.

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

Right-of-Use Assets

Subsequently measured at cost less accumulated depreciation and impairment losses. Right-of-use assets are depreciated from the commencement date on a straight line basis over the shorter of the lease term and useful life of the under lying asset. The estimated useful lives of ROU assets are determined on the same basis as those of property and equipment.

When a Lease Liability is remeasured, a corresponding adjustment is made to the carrying amount of the ROU asset, or is recorded in the Statement of profit or loss if the carrying amount of the ROU asset has been reduced to zero.

Impairment

Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

Short-term Lease and Leases of low-value asset:

Short term lease is that, at the commencement date, has a lease term of 12 months or less. A lease that contains a purchase option is not a short-term lease. If the company elected to apply short term lease, the lessee shall recognise the lease payments associated with those leases as an expense on either a straight-line basis over the lease term or another systematic basis. The lessee shall apply another systematic basis if that basis is more representative of the pattern of the lessee's benefit.

Company as a Lessor

Leases for which the Company is a lessor is classified as a finance or operating lease. To classify each lease, the Company makes an overall assessment of whether the lease transfers substantially the entire risks and rewards incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease; if not, then it is an operating lease. As part of this assessment, the Company considers certain indicators such as whether the lease is for the major part of the economic life of the asset.

S. Segment Reporting

Based on "Management Approach" as defined in Ind AS 108 "Operating Segments", the Chief Operating Decision Maker evaluates the Company's performance and allocates the resources based on an analysis of various performances. The analysis of geographical segments is based on the geographical location of the customers wherever required.

Unallocable items include general corporate income and expense items which are not allocated to any business segment.

Segment Policies

The Company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the Company as a whole. Common

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

allocable costs are allocated to each segment on an appropriate basis.

T. Exceptional Items :

Certain occasions when the size, type or incidence of an item of income or expense, pertaining to the ordinary activities of the Company is such that its disclosure improves the understanding of the performance of the Company, such income or expense is classified as an exceptional item and accordingly disclosed in the notes accompanying the financial statements.

NOTE : 2.2

Use of Judgements, Estimates and Assumptions

The preparation of the Company's financial statements requires management to make estimates and assumptions that affect the reported amounts of revenue, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Estimates and Assumptions

The key assumptions concerning the future and other key sources of estimation of uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

1. Determination of The Estimated Useful Life of Tangible Assets

Useful life of tangible assets is based on the life prescribed in Schedule II of the Companies Act, 2013. In cases, where the useful life are different from that prescribed in Schedule II, they are based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers' warranties and maintenance support.

2. Defined Benefit Plans (Gratuity Benefits)

A liability in respect of defined benefit plans is recognised in the Balance Sheet, and is measured as the present value of the defined benefit obligation at the reporting date less the fair value of the plan's assets. The present value of the defined benefit obligation is based on expected future payments which arise from the fund at the reporting date, calculated annually by independent actuaries. Consideration is given to expect future salary levels, experience of employee, departures and periods of service.

3. Taxes

There are many transactions and calculations undertaken during the ordinary course of business for which the ultimate tax determination is uncertain. Where the final tax outcome of these matters is different from the amounts initially recorded, such differences will impact the current and deferred tax provisions in the period in which the tax determination is made. The assessment of probability involves estimation of a number of factors including future taxable income.

4. Fair Value Measurement of Financial Instruments

When the fair values of financial assets and financial liabilities recorded in the Balance Sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques. The inputs to these models are taken from observable markets where possible,

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

but where this is not feasible, a degree of judgment is required in establishing fair values. Judgments include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

5. **Provision against Obsolete and Slow-moving Inventories**

The Company reviews the condition of its inventories and makes provision against obsolete and slow-moving inventory items which are identified as no longer suitable for sale or use. Company estimates the net realisable value for such inventories based primarily on the latest invoice prices and current market conditions. The Company carries out an inventory review at each Balance Sheet date and makes provision against obsolete and slow-moving items. The Company reassesses the estimation on each Balance Sheet date.

6. **Impairment of Financial Assets**

The Company assesses impairment based on ECL model on trade 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 analysed.

7. **Impairment of Non- financial Assets**

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's fair value less costs of disposal and its value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre- tax discount rate that reflects current market assessment of the time value of money and the risk specific to the asset. In determining fair value less cost of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used.

These calculations are corroborated by valuation multiples, quoted share price for publicly traded subsidiaries or other available fair value indicators.

8. **Other Provisions**

Significant estimates are involved in the determination of provisions. Legal proceedings often involve complex legal issues and are subject to substantial uncertainties. Accordingly, considerable judgment is part of determining whether it is probable that there is a present obligation as a result of a past event at the end of the reporting period, whether it is probable that such a Legal Proceeding will result in an outflow of resources and whether the amount of the obligation can be reliably estimated.

NOTE : 2.23

Recent Pronouncement

The Ministry of Corporate Affairs ("MCA") through a notification of March 24, 2021, amended Schedule III to the Companies Act, 2013. The amendments revise Division I, II and III of Schedule III and are applicable from April 1, 2021. Key amendments relating to Division II which relate to companies whose financial statements are required to comply with Companies (Indian

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

Accounting Standards) Rules, 2015 are:

Balance Sheet:

- Lease liabilities should be separately disclosed under the head 'financial liabilities', duly distinguished as current or non-current.
- Certain additional disclosures in the statement of changes in equity such as changes in equity share capital due to prior period errors and restated balances at the beginning of the current reporting period.
- Specified format for disclosure of shareholding of promoters.
- Specified format for ageing schedule of trade receivables, trade payables, capital work-in-progress and intangible asset under development.
- If a company has not used funds for the specific purpose for which it was borrowed from banks and financial institutions, then to disclose details of where it has been used.
- Specific disclosure under 'additional regulatory requirement' such as compliance with approved schemes of arrangements, compliance with number of layers of companies, title deeds of immovable property not held in name of company, loans and advances to promoters, directors, key managerial personnel (KMP) and related parties, details of benami property held, etc.

Statement of Profit and Loss:

- Additional disclosures relating to Corporate Social Responsibility (CSR), undisclosed income and crypto or virtual currency specified under the head 'additional information' in the notes forming part of the financial statements.

The amendments are extensive and the Company will evaluate the same to give effect to those as required by law.

3 Property, Plant & Equipments

₹ in Lakhs

Particulars	Free Hold Land	Factory Buildings	Office Building	Electric Instal-lations	Plant and Machinery	Data Processing Machines	Research & Deve-lopment Equipment	Furniture and Fixtures	Vehicles	Office equip ment	Wind Power Gene-ration plant	Tech nical Books	Total
I. Gross Block													
Balance as at April 1, 2020	**405.32**	**1,922.50**	**122.39**	**601.78**	**26,486.40**	**226.90**	**946.40**	**197.99**	**467.78**	**86.62**	**430.50**	**2.77**	**31,897.35**
Additions	32.37	93.37	-	57.74	1,718.43	68.92	102.44	15.03	90.95	12.92	-	-	2,192.17
Disposals	(10.23)	(6.69)	-	(2.69)	(229.58)	-	(1.63)	(0.32)	(58.21)	(2.25)	-	-	(311.59)
Balance as at March 31, 2021	**427.45**	**2,009.18**	**122.39**	**656.83**	**27,975.26**	**295.82**	**1,047.21**	**212.70**	**500.52**	**97.29**	**430.50**	**2.77**	**33,777.93**
II. Accumulated Depreciation													
Balance as at April 1, 2020	**-**	**320.94**	**9.44**	**94.51**	**3,790.41**	**134.45**	**165.09**	**85.23**	**127.07**	**34.64**	**68.64**	**0.54**	**4,830.95**
Depreciation / amortisation expense for the year	-	91.48	2.36	57.49	1,491.30	48.15	56.47	17.58	60.83	15.07	105.83	0.09	1,946.67
Eliminated on disposal of assets	-	(0.53)	-	(1.82)	(110.62)	-	(0.14)	(0.02)	(37.71)	(1.26)	-	-	(152.10)
Balance as at March 31, 2021	**-**	**411.89**	**11.81**	**150.18**	**5,171.09**	**182.60**	**221.43**	**102.79**	**150.19**	**48.44**	**174.47**	**0.64**	**6,625.52**
III. Net Block													
Balance as at March 31, 2021	**427.45**	**1,597.29**	**110.58**	**506.65**	**22,804.17**	**113.23**	**825.79**	**109.92**	**350.33**	**48.85**	**256.03**	**2.14**	**27,151.29**
Balance as at March 31, 2020	**405.32**	**1,601.55**	**112.95**	**507.28**	**22,695.99**	**92.45**	**781.31**	**112.76**	**340.71**	**51.98**	**361.86**	**2.23**	**27,067.75**

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

₹ in Lakhs

Particulars	Free Hold Land	Factory Buildings	Office Building	Electric Instal-lations	Plant and Machinery	Data Processing Machines	Research & Deve-lopment Equipment	Furniture and Fixtures	Vehicles	Office equip ment	Wind Power Gene-ration plant	Tech nical Books	Total
I. Gross Block													
Balance as at April 1, 2019	**405.32**	**1,714.69**	**122.39**	**316.97**	**22,510.51**	**200.83**	**755.87**	**152.32**	**382.19**	**63.49**	**220.50**	**2.77**	**26,847.93**
Additions	-	207.81	-	317.50	4,195.67	26.99	190.53	45.67	122.52	23.13	210.00	-	5,339.82
Disposals	-	-	-	(32.69)	(219.78)	(0.92)	-	-	(36.93)	-	-	-	(290.32)
Balance as at March 31, 2020	**405.32**	**1,922.50**	**122.39**	**601.78**	**26,486.40**	**226.90**	**946.40**	**197.99**	**467.78**	**86.62**	**430.50**	**2.77**	**31,897.43**
II. Accumulated Depreciation													
Balance as at April 1, 2019	**-**	**228.91**	**7.08**	**77.22**	**2,465.54**	**88.82**	**113.97**	**67.08**	**92.90**	**21.90**	**38.95**	**0.45**	**3,202.82**
Depreciation / amortisation expense for the year	-	92.03	2.36	43.60	1,435.58	46.50	51.12	18.15	56.36	12.74	29.69	0.09	1,788.24
Eliminated on disposal of assets	-	-	-	(26.31)	(110.71)	(0.87)	-	-	(22.19)	-	-	-	(160.08)
Balance as at March 31, 2020	**-**	**320.94**	**9.44**	**94.51**	**3,790.41**	**134.45**	**165.09**	**85.23**	**127.07**	**34.64**	**68.64**	**0.54**	**4,830.98**
III. Net Block (I-II)													
Balance as at March 31, 2020	**405.32**	**1,601.55**	**112.95**	**507.28**	**22,695.99**	**92.45**	**781.31**	**112.76**	**340.71**	**51.98**	**361.86**	**2.23**	**27,067.75**
Balance as at March 31, 2019	**405.32**	**1,485.78**	**115.31**	**239.75**	**20,044.97**	**112.00**	**641.90**	**85.24**	**289.29**	**41.59**	**181.55**	**2.32**	**23,645.11**

Notes:

3.1 Assets pledged as security:

The Freehold Land and Buildings, all movable Plant and Machineries and other assets are pledged as security on *pari passu* basis to the bankers under a mortgage. The Company is not allowed to sell these assets to other entity.

3.2 The Company is in the process for transfer of ownership related to wind power generators.

4. Capital Work-in-progress

₹ in Lakhs

Particulars	As at March 31, 2021	As at March 31, 2020
Capital Work-in-progress	1,392.94	1,862.90

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

5. Right-of-Use Assets

₹ in Lakhs

Particulars	ISO Tanks	Office Building	Furniture and Fixtures	Total
Gross Block				
Balance as at April 1, 2019				
Transition on account of adoption of Ind AS 116	2401.56	-	-	**2401.56**
Additions [Refer Note 42]	-	-	-	-
Disposals	-	-	-	-
Balance as at March 31, 2020	**2401.56**	**-**	**-**	**2401.56**
Additions [Refer Note 42]	-	755.41	216.03	971.44
Disposals	-	-	-	-
Less : Lease Modification	119.30	-	-	119.30
Balance as at March 31, 2021	**2282.26**	**755.41**	**216.03**	**3253.70**
Accumulated Depreciation and Impairment				
Balance as at April 1, 2019				
Charge for the year [Refer Note 42]	801.84	-	-	801.84
Disposals	-	-	-	-
Balance as at March 31, 2020	**801.84**	**-**	**-**	**801.84**
Charge for the year [Refer Note 42]	802.92	62.95	29.14	895.01
Disposals	-	-	-	-
Balance as at March 31, 2021	**802.92**	**62.95**	**29.14**	**895.01**
Net Block				
Balance as at March 31, 2021	**677.50**	**692.46**	**186.89**	**1556.85**
Balance as at March 31, 2020	**1599.72**	**-**	**-**	**1599.72**

6. Investments : Non-current

₹ in Lakhs

Particulars	As at March 31, 2021	As at March 31, 2020
Investments In Equity Instruments		
Investments carried at cost		
Subsidiaries		
Unquoted [Fully paid up]		
20 [Previous Year : 20] Equity Shares of Transpek Industry (Europe) Limited of GBP 1 each	0.02	0.02
Less: Provision for Impairment in carrying value of Investments	(0.02)	-
10,000 [Previous Year : 10,000] Equity Shares of Transpek Creative Chemistry Private Limited of ₹ 10 each	1.00	1.00

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

₹ in Lakhs

Particulars	As at March 31, 2021	As at March 31, 2020
Investments measured at Fair Value through Other Comprehensive Income [FVTOCI]		
Quoted [Fully paid up]		
1,56,650 [Previous Year : 1,56,650] Equity Shares of Excel Industries Limited of ₹ 5 each	1,321.42	700.30
Unquoted [Fully paid up]		
9,49,315 [Previous Year : 9,49,315] Equity Shares of Transpek-Silox Industry Private Limited of ₹ 10 each	12,883.15	11,088.00
400 [Previous Year : 400] Equity shares of Co-operative Bank of Baroda Limited of ₹ 25 each	0.10	0.10
10 [Previous Year : 10] Equity Shares of Pragati Sahakari Bank Limited of ₹ 10 each #	0.00	0.00
Investments measured at Amortised Cost In Government Securities		
12 Years National Defence Certificate	0.01	0.01
7 Years National Saving Certificate	0.03	0.03
Total	**14,205.71**	**11,789.46**
Aggregate amount of Quoted Investments		
Carrying Value	1,321.42	700.30
Market Value	1,321.42	700.30
Unquoted Investments		
Carrying Value (Net of Impairment)	12,884.29	11,089.16
Provision for Impairment Value	0.02	-

Amount less than thousand

7. Loans : Non-current

₹ in Lakhs

Particulars	As at March 31, 2021	As at March 31, 2020
Unsecured, Considered Good		
Security Deposits	93.42	178.97
Total	**93.42**	**178.97**

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

8. Other Financial Assets : Non-current

₹ in Lakhs

Particulars	As at March 31, 2021	As at March 31, 2020
Earmarked Bank Deposits with Maturity more than twelve months [Refer Note 8.1]	124.00	130.00
Total	**124.00**	**130.00**

8.1 The above deposits are maintained for the purpose of Deposit Repayment Reserve Account as required under Section 73(5) of the Companies Act, 2013 and the Rules made thereunder.

9. Other Non-current Assets

₹ in Lakhs

Particulars	As at March 31, 2021	As at March 31, 2020
Unsecured, Considered Good		
Capital Advances [Refer Note 37C(i)]	13.14	171.28
Balances with Government authorities		
Taxes paid in Advance [Net of Provisions]	-	195.29
VAT Recoverable	14.91	19.97
Total	**28.05**	**386.54**

10. Inventories

₹ in Lakhs

Particulars	As at March 31, 2021	As at March 31, 2020
Raw Materials	1,228.01	2,258.67
Raw Materials-in-transit	163.07	-
Packing Materials	51.69	75.71
Work-in-progress	74.75	133.75
Finished Goods	1,401.17	1,742.54
Finished Goods-in-transit	76.80	-
Stores and Spares	631.20	703.79
Fuel	45.57	52.35
Total	**3,672.26**	**4,966.81**

10.1 The cost of inventories recognised as an expense during the year is ₹ 18,746.90 Lakhs [Previous Year : ₹ 29,644,94 Lakhs] as included in Notes 32 and 36.

10.2 There is no write down of inventories to net realisable value, nor there is reversal of any such write down of inventories.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

10.3 For mode of valuation of inventories : Refer Note 2.1 (E).

10.4 The above inventories are given as security to the bankers by way of first pari passu charge against the fund based and non-fund based credit limits availed or to be availed by the Company and by way of second pari passu charge for Term Loans. [Refer Note 19.1 and 23.1].

11. Trade Receivables

₹ in Lakhs

Particulars	As at March 31, 2021	As at March 31, 2020
Unsecured		
Considered Good	7,599.20	8,968.03
Credit Impaired	44.77	26.59
Less : Allowance for bad and doubtful debts	(44.77)	(26.59)
Total	**7,599.20**	**8,968.03**

11.1 In determining the allowances for credit losses of Trade Receivables, the Company has used a practical expedient by computing the Expected Credit Loss Allowance for Trade Receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and is adjusted for forward looking information. The Expected Credit Loss allowance is based on the ageing of the receivables that are due and the rates used in the provision matrix.

11.2 Since the Company calculates impairment under the simplified approach for Trade Receivables, it is not required to separately track changes in credit risk of Trade Receivables as the impairment amount represents Lifetime Expected Credit Loss. Accordingly, based on a harmonious reading of Ind AS 109 and the break-up requirements under Schedule III, the disclosure for all such Trade Receivables is made as shown above.

11.3 Reconciliation of Credit Loss allowance

₹ in Lakhs

Particulars	As at March 31, 2021	As at March 31, 2020
Balance at the beginning of the year	**26.58**	**18.17**
Add : Allowance for expected credit loss during the year	18.19	8.41
Balance at the end of the year	**44.77**	**26.58**

11.4 The Trade Receivables are given as security to the bankers by way of first pari passu charge against the fund based and non-fund based credit limits availed or to be availed by the Company and by way of second pari passu charge for Term Loans. [Refer Note 19.1 and 23.1].

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

12. Cash and Cash Equivalents

₹ in Lakhs

Particulars	As at March 31, 2021	As at March 31, 2020
Balances with Banks in Current Accounts	1,131.50	14.29
Cash on Hand	7.03	26.59
Bank deposits with maturity less than three months	400.00	-
Total	**1,538.53**	**40.88**

13. Bank balances other than Cash and Cash Equivalents

₹ in Lakhs

Particulars	As at March 31, 2021	As at March 31, 2020
Balances with Banks		
Bank deposits with maturity more than three months but less than twelve months [Refer Note 13.1]	608.68	1.40
Held as margin money against letters of credit issued by banks and Bill Discounting	-	2.02
Earmarked Balances		
Unpaid Dividend	46.75	39.59
Unpaid Interest on Fixed Deposits	16.56	27.66
Total	**671.99**	**70.67**

13.1 The above includes -

a. Fixed Deposits pledged with Government authorities as at March 31, 2021 is ₹ 1.47 Lakhs [Previous Year ₹ 1.40 Lakhs].

b. Fixed Deposits of ₹ 6 Lakhs [Previous Year - ₹ 6 Lakhs] which is maintained for the purpose of Deposit Repayment Reserve Account as required under Section 73(5) of the Companies Act, 2013 and the Rules made thereunder.

14. Loans : Current

₹ in Lakhs

Particulars	As at March 31, 2021	As at March 31, 2020
Unsecured, Considered Good		
Loans to Employees	4.19	2.61
Total	**4.19**	**2.61**

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

15. Other Financial Assets : Current

₹ in Lakhs

Particulars	As at March 31, 2021	As at March 31, 2020
Unsecured, considered good unless otherwise stated		
Interest Accrued on Fixed Deposits with Banks	3.43	10.17
Export Benefit Receivable	301.16	202.59
Total	**304.59**	**212.76**

16. Other Current Assets

₹ in Lakhs

Particulars	As at March 31, 2021	As at March 31, 2020
Unsecured, considered good unless otherwise stated		
Advances other than Capital Advances		
Deposits	14.89	1.30
Prepaid Expenses	200.81	175.85
Advance to Suppliers		
Considered Good	408.17	366.62
Considered Doubtful	5.02	5.02
Less : Allowance for Doubtful Advances	(5.02)	(5.02)
Advance to Related Parties - Subsidiary [Refer Note 49]	-	4.15
Other Advances		
Balances with Government Authorities	891.87	1,032.48
Balance with Gratuity Fund [Refer Note 40]	35.32	-
Others	8.06	8.30
Total	**1,559.12**	**1,588.70**

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

17. Share Capital

Particulars	As at March 31, 2021		As at March 31, 2020	
	Number of shares	Amount ₹ in Lakhs	Number of shares	Amount ₹ in Lakhs
Authorised Shared Capital				
Equity Shares of ₹ 10 each	7,500,000	750.00	7,500,000	750.00
8% Redeemable Non-convertible Non-cumulative Preference Shares of ₹ 100 each	500,000	500.00	500,000	500.00
Total	**8,000,000**	**1,250.00**	**8,000,000**	**1,250.00**
Issued, Subscribed and Paid-up Share capital				
Equity Shares of ₹ 10 each Fully Paid-up	5,585,569	558.56	5,585,569	558.56
Total	**5,585,569**	**558.56**	**5,585,569**	**558.56**

17.1 Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

Particulars	As at March 31, 2021		As at March 31, 2020	
	Number of shares	Amount ₹ in Lakhs	Number of shares	Amount ₹ in Lakhs
At the beginning of the year	5,585,569	558.56	5,585,569	558.56
Increase /(decrease) during the year	-	-	-	-
At the end of the year	**5,585,569**	**558.56**	**5,585,569**	**558.56**

17.2 Rights, preferences and restrictions attached to Equity shares

The Company has only one class of Equity Shares referred to as Equity Shares having a par value of ₹10. Each holder of equity share is entitled to one vote per share. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any remaining assets of the Company, after distribution of all preferential amounts and repayment towards Preference share holders, if any.

17.3 Details of shareholders holding more than 5% shares in the Company

Shareholders	As at March 31, 2021		As at March 31, 2020	
	Number of shares	% of Share holding	Number of shares	% of Share holding
Anshul Speciality Molecules Private limited	1,376,440	24.64	1,376,440	24.64
Kamaljyot Investments Limited	702,703	12.58	702,703	12.58
Shruti A. Shroff	307,225	5.50	307,225	5.50
Total	**2,386,368**	**42.72**	**2,386,368**	**42.72**

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

17.4 Details of Shares bought back by the Company in the immediately preceding five years from the date of Balance sheet

The Company had bought back 2,86,471 shares. The details of the same are as under:

Year	Number of Shares	Face Value per share (₹)	Total Face Value (₹ in Lakhs)	Premium Per Share ₹	Total Premium (₹ in Lakhs)	Grand Total (₹ in Lakhs)
2016-17	2,86,471	10	28.65	461.25	1,321.33	1,349.97

18. Other Equity

₹ in Lakhs

Particulars	As at March 31, 2021	As at March 31, 2020
Capital Reserve	19.00	19.00
Securities Premium	202.75	202.75
Capital Redemption Reserve	28.65	28.65
General Reserve	3,417.71	3,417.71
Retained Earnings	22,909.10	20,734.34
Equity Instruments through Other Comprehensive Income	10,845.79	8,883.75
Total	**37,423.00**	**33,286.20**
Capital Reserve		
Opening Balance	**19.00**	**19.00**
Add/(Less): Changes during the year	-	-
Closing Balance	**19.00**	**19.00**
Securities Premium		
Opening Balance	**202.75**	**202.75**
Add/(Less): Changes during the year	-	-
Closing Balance	**202.75**	**202.75**
Capital Redemption Reserve		
Opening Balance	**28.65**	**28.65**
Add/(Less): Changes during the year	-	-
Closing Balance	**28.65**	**28.65**
General Reserve		
Opening Balance	**3,417.71**	**3,417.71**
Add/(Less): Changes during the year	-	-
Closing Balance	**3,417.71**	**3,417.71**

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

₹ in Lakhs

Particulars	As at March 31, 2021	As at March 31, 2020
Retained Earnings		
Opening Balance	**20,734.34**	**15,471.11**
Add/(Less) : Profit/(Loss) for the Year	2,331.47	7,294.38
Add/(Less) : Remeasurement of net benefit benefit plans (net of tax)	(17.06)	(11.05)
Less : Dividend paid including dividend tax thereon	(139.64)	(1,346.74)
Less : Interim Dividend paid including dividend tax thereon	-	(673.37)
Closing Balance	**22,909.10**	**20,734.34**
Equity Instruments through Other Comprehensive Income		
Opening Balance	**8,883.75**	**11,442.48**
Add/(Less): Changes during the year	1,962.04	(2,558.73)
Closing Balance	**10,845.79**	**8,883.75**
Total	**37,423.00**	**33,286.20**

The description of the nature and purpose of each reserve within equity is as follows :

a. Capital Reserve

This Reserve represents the difference between value of the net assets transferred to the Company in the course of business combinations and the consideration paid for such combinations.

b. Securities Premium

This Reserve represents the premium on issue of shares and can be utilised in accordance with the provisions of the Companies Act, 2013.

c. Capital Redemption Reserve

Capital Redemption Reserve is created due to buyback of Equity Share Capital in earlier years.

d. General Reserve

The Company has transferred a portion of the net profit of the Company before declaring dividend to general reserve pursuant to the earlier provisions of Companies Act 1956. Mandatory transfer to general reserve is not required under the Companies Act, 2013. There is no movement in General Reserve during the current and previous year.

e. Retained Earnings

Retained Earnings are the profits that the Company has earned till date, less any transfer to General Reserve, dividends or other distributions paid to shareholders.

The Company has declared dividend for the year ended March 31, 2021 at the rate 75% i.e. ₹ 7.5/- per equity share, as approved by the Board of Directors at the Board Meeting held on May 25, 2021 [Refer Note 53].

f. Equity Instruments through Other Comprehensive Income

The Company has elected to recognise changes in the fair value of investments in equity instruments in other comprehensive income. These changes are accumulated within the FVOCI equity investments within equity. The balance in Other Comprehensive Income is transferred to retained earnings on disposal of the investment.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

19. Borrowings : Non-current

₹ in Lakhs

Particulars	As at March 31, 2021	As at March 31, 2020
Secured		
Term Loans		
From Banks (including Working Capital Term Loans) [Refer Notes 19.1 and 19.2]	2,244.42	2,566.21
Unsecured		
Deposits from Members [Refer Note 19.3]		
Related Parties [Refer Note 44]	164.08	4.61
Others	2,019.43	1,890.26
Total	**4,427.93**	**4,461.08**

Nature of security

19.1 The above Term Loans, including Working Capital Term Loans, are secured by first charge by way of hypothecation of all movable machinery financed or to be financed under the said Term Loans by the respective banks on *pari passu* basis. The above loans are further secured by first charge by way of an equitable mortgage on the whole of the immovable assets of the Company, both present and future, on *pari passu* basis. The said loans are further secured by second charge by way of hypothecation over entire current assets including inventories and trade receivables with current charge holders on *pari passu* basis. The Working Capital Term Loans are secured against second charge by way of hypothecation over entire current assets and second pari passu charge on entire fixed assets of the company.

19.2 Maturity profile of Secured Term loans are set out below:

₹ in Lakhs

Particulars	Term Loans - From Bank
1 - 2 Years	1,300.00
2 - 3 Years	1,540.00
3 - 4 Years	240.00
4 - 5 Years	240.00
5 - 6 Years	240.00
Amortised Cost Adjustments	(15.58)
Total	**3,544.42**

19.3 Deposits from members are repayable within a period of 2-3 years from the date of acceptance.

The interest rate for the same ranges from 7.75% to 8.94% per annum.

19.4 There is no default in terms of repayment of principal borrowings and interest thereon.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

20. Lease Liabilities : Non-current

₹ in Lakhs

Particulars	As at March 31, 2021	As at March 31, 2020
Lease Liabilities [Refer Note 42]	710.13	959.15
Total	**710.13**	**959.15**

21. Provisions : Non-current

₹ in Lakhs

Particulars	As at March 31, 2021	As at March 31, 2020
Provision for Employee Benefits		
Provision for Compensated Absences [Refer Note 40]	311.91	359.02
Total	**311.91**	**359.02**

22. Deferred Tax Liabilities (Net)

₹ in Lakhs

Particulars	As at March 31, 2021	As at March 31, 2020
Deferred Tax Liabilities		
Property, Plant and Equipment and Intangible Asset	3,146.93	3,419.42
Financial Assets at Fair Value through Other Comprehensive Income	2,841.39	2,387.16
Remeasurements of the defined benefit plans	-	0.49
Total	**5,988.32**	**5,807.07**
Deferred Tax Assets		
Provision For Employee Benefits	85.69	111.88
Remeasurements of the defined benefit plans	5.25	-
Lease Liabilities	35.88	31.80
Others	13.85	10.41
Total	**140.67**	**154.09**
Deferred tax (Assets) / Liabilities (Net)	**5,847.65**	**5,652.98**

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

Movement of Deferred Tax

Deferred Tax (Assets) / Liabilities in relation to the year ended March 31, 2021

₹ in Lakhs

Particulars	Balance as at April 1, 2020	Recognised in Statement of Profit and Loss	Recognised in Other Comprehensive Income	Balance as at March 31, 2021
Property, Plant and Equipment	3,419.42	(272.51)	-	3,146.93
Fair Value changes of Equity Instruments through OCI	2,387.16	-	454.23	2,841.39
Remeasurements of the Defined Benefit Plans	0.49	-	(5.74)	(5.25)
Lease Liabilities	(31.80)	(4.08)	-	(35.88)
Provision For Employee Benefits	(111.88)	26.19	-	(85.69)
Other	(10.41)	(3.44)	-	(13.85)
Total	**5,652.98**	**(253.84)**	**(448.49)**	**5,847.65**

Deferred Tax (Assets) / Liabilities in relation to the year ended March 31, 2020

₹ in Lakhs

Particulars	Balance as at April 1, 2019	Recognised in Statement of Profit and Loss	Recognised in Other Comprehensive Income	Balance as at March 31, 2020
Property, Plant and Equipment	3,285.29	134.13	-	3,419.42
Fair Value changes of Equity Instruments through OCI	2,938.47	-	(551.31)	2,387.16
Remeasurements of the Defined Benefit Plans	5.03	-	(4.54)	0.49
Lease Liabilities	-	(31.80)	-	(31.80)
Provision For Employee Benefits	(125.90)	14.02	-	(111.88)
Other	(6.35)	(4.06)	-	(10.41)
Total	**6,095.54**	**112.29**	**(555.85)**	**5,652.98**

23. Borrowings : Current

₹ in Lakhs

Particulars	As at March 31, 2021	As at March 31, 2020
Secured		
Loans Repayable on Demand		
From Banks	2,140.02	2,202.77
Acceptances from Banks [Refer Note 23.1]	562.29	1,023.82
Total	**2,702.31**	**3,226.59**

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

23.1 The above Cash/ Export packing credit facilities, Buyers credit and Bills discounting from Consortium bankers, i.e., State Bank of India, Axis Bank Limited, Bank of Baroda and IDBI Bank Limited are secured by first charge by way of hypothecation of stock of raw materials, packing materials, consumable stores, finished goods, semi-finished goods and book debts of the Company, on pari passu basis. The aforesaid credit facilities are further secured by way of charge on all the fixed assets (now known as Property, Plant and Equipment) of the Company ranking second and subservient for the charges created in respect of borrowings obtained from them. The interest rate for the same ranges from 7.80 % to 8.95 % per annum for the cash credit facilities sanctioned to the company.

24. Trade Payables

₹ in Lakhs

Particulars	As at March 31, 2021	As at March 31, 2020
Trade payables		
-Total outstanding dues of micro enterprises and small enterprises [Refer Note 45]	309.10	511.94
-Total outstanding dues of creditors other than micro enterprises and small enterprises	3,276.77	4,699.23
Total	**3,585.87**	**5,211.17**

The dues payable to Micro and Small enterprises is based on the information available with the Company and takes into account only those suppliers who have responded to the enquiries made by the Company for this purpose.

25. Lease Liabilities : Current

₹ in Lakhs

Particulars	As at March 31, 2021	As at March 31, 2020
Lease Liabilities [Refer Note 42]	916.38	904.43
Total	**916.38**	**904.43**

26. Other Financial Liabilities : Current

₹ in Lakhs

Particulars	As at March 31, 2021	As at March 31, 2020
Current Maturities of Long-term Borrowings	1,300.00	1,466.67
Current Maturities of Deposits from Members	1,027.98	1,583.89
Interest Accrued but not due on Borrowings	218.95	281.67
Unpaid Dividend [Refer Note 26.1]	46.77	39.60
Unpaid Matured Deposits and interest accrued thereon [Refer Note 26.1]	28.62	3.65
Security Deposits	11.05	11.05
Payable to Related Parties - Subsidiary [Refer Note 49]	7.46	-
Salary and Wages Payable	381.59	252.76
Other Payables	221.53	433.89
Total	**3,243.95**	**4,073.18**

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

26.1 All amounts required to be transferred to the Investor Education and Protection Fund by the Company have been transferred within the time prescribed for the same.

27. Other Current Liabilities

₹ in Lakhs

Particulars	As at March 31, 2021	As at March 31, 2020
Advances from Customers	5.81	2.99
Statutory Dues	46.09	59.50
Other Payables	76.52	82.10
Total	**128.42**	**144.59**

28. Provisions : Current

₹ in Lakhs

Particulars	As at March 31, 2021	As at March 31, 2020
Provision for Employee Benefits		
Compensated Absences [Refer Note 40]	28.56	25.20
Gratuity (Net) [Refer Note 40]	-	3.64
Total	**28.56**	**28.84**

29. Current Tax Liabilities (Net)

₹ in Lakhs

Particulars	As at March 31, 2021	As at March 31, 2020
Provision for Income Tax [Net of Advance Tax]	17.47	-
Total	**17.47**	**-**

30. Revenue from Operations

₹ in Lakhs

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Sale of Products	33,730.17	56,326.26
Other Operating Revenue	209.86	237.52
Total	**33,940.03**	**56,563.78**

30.1 Other Operating Revenue Comprises of

₹ in Lakhs

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Income from Wind Power	121.96	154.23
Income from Sale of Scrap and Other Items	87.90	83.29
Total	**209.86**	**237.52**

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

31. Other Income

₹ in Lakhs

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Interest Income on		
Fixed Deposits with Banks	33.33	14.96
Financial Assets measured at Amortised Cost	1.71	-
Income-tax Refunds	16.50	10.05
Others	9.51	13.27
	61.05	38.28
Dividend Income	299.95	316.67
Export Incentives and Duty Drawbacks	608.60	1,367.35
Lease Rentals	504.58	-
Gain/(Loss) on Lease Modifcation	65.26	-
Technical Know-how Fees	5.87	12.40
Other Non-Operating Income		
Insurance claims	-	4.45
Profit on Sale of Property, Plant and Equipment (Net)	104.87	-
Excess Provision Written Back	65.98	-
Others	5.15	-
	176.00	4.45
Total	**1,721.31**	**1,739.15**

32. Cost of Materials Consumed

₹ in Lakhs

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Raw Materials		
Opening Stock	2,258.67	2,534.47
Add : Purchases	15,066.76	25,035.36
	17,325.43	**27,569.83**
Less : Closing Stock	1,391.08	2,258.67
Total	**15,934.35**	**25,311.16**

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

33. Changes in inventories of Finished Goods, Stock-in-trade and Work-in- progress

₹ in Lakhs

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Inventories at the beginning of the year		
Finished Goods	1,742.54	2,198.82
Work-in-progress (Semi-Finished Goods)	133.75	399.59
	1,876.29	**2,598.41**
Inventories at the end of the year		
Finished Goods	1,477.97	1,742.54
Work-in-progress (Semi-Finished Goods)	74.75	133.75
	1,552.72	**1,876.29**
Net Change in Inventories	**323.57**	**722.12**

34. Employee Benefits Expense

₹ in Lakhs

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Salaries, Wages and Bonus	3,608.71	3,950.90
Contribution to Provident and Other Funds	496.12	464.90
Gratuity Expenses	77.76	76.38
Staff Welfare Expenses	259.41	416.12
Total	**4,442.00**	**4,908.30**

35. Finance Costs

₹ in Lakhs

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Interest Expense on		
Borrowings	676.59	1,097.27
Lease Liabilities	141.60	165.42
Others	31.94	32.89
	850.13	1,295.58
Other Borrowing Costs	190.37	289.25
Total	**1,040.50**	**1,584.83**

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

36. Other Expenses

₹ in Lakhs

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Consumption of Stores and Spares	112.83	127.55
Power and Fuel	2,364.28	3,850.94
Consumption of Packing Materials	335.44	355.29
Effluent Treatment Expenses	178.47	94.15
Research and Development Expenses	89.96	120.99
Rent [Refer Note 42]	6.94	7.64
Repairs and Maintenance		
Buildings	49.20	40.17
Machinery	994.56	1,548.62
Others	213.96	299.72
	1,257.72	1,888.53
Insurance	268.62	248.77
Rates and Taxes	11.09	11.48
Freight and Forwarding	1,800.35	4,208.74
Contractor's Charges	225.77	312.02
Commission on Sales	301.30	531.60
Travelling and Conveyance Expenses	177.67	286.40
Legal and Professional Expenses	292.60	314.64
Sales Promotion Expenses	14.90	119.69
Payment to Auditors [Refer Note 36.1]	15.52	14.81
Directors' Sitting Fees	21.20	19.20
Non-Executive Director's Commission	27.72	59.77
Donation and Contributions [Refer Note 48]	163.34	309.86
Loss on Sale of Property, Plant and Equipment (Net)	-	54.46
Net loss on Foreign Currency Transactions	46.29	81.78
Corporate Social Responsibility Expense [Refer Note 47]	181.00	108.40
Allowance for Doubtful Debts	18.18	8.41
Provision for Impairment in carrying value of Investments [Refer Note 55]	0.02	-
Miscellaneous Expenses	604.83	699.16
Total	**8,516.04**	**13,834.27**

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

36.1 Payment to Auditors

₹ in Lakhs

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
As an Auditor:		
Statutory Audit	9.80	9.25
Limited Review	4.05	3.75
In other capacity:		
Certification	1.00	1.50
Reimbursement of Expenses	0.67	0.31
Total	**15.52**	**14.81**

37. Contingent Liabilities and Capital Commitments

₹ in Lakhs

Sr. No.	Particulars	As on March 31, 2021	As on March 31, 2020
A.	**Contingent Liabilities (to the extent not provided for)**		
	i. Claims against the company not acknowledged as debts	13.24	13.24
	[No provision has been made for following demands raised by the authorities since the Company has reason to believe that it would get relief at the appellate stage as the said demand are excessive and erroneous]		
	ii. Disputed Income tax Liability	-	13.16
	Against which amount already paid as at March 31, 2021 ₹ Nil Lakhs (As at March 31, 2020 ₹ 13.16 Lakhs)		
	iii. Disputed Sales tax Liability	6.63	6.63
	Against which amount already paid as at March 31, 2021 ₹ 6.63 Lakhs (As at March 31, 2020 ₹ 6.63 Lakhs)		
	iv. Disputed Excise and Service Tax Liability	687.02	739.24
	Against which amount already paid as at March 31, 2021 ₹ 123.65 Lakhs (As at March 31, 2020 ₹ 115.64 Lakhs)		
Total		**706.89**	**772.27**
B.	**Guarantees issued by Banks to third parties on behalf of the Company**	**248.31**	253.31
C.	**Commitments**		
	i. Estimated amount of contracts remaining to be executed on capital account and not provided for [net of advances as at March 31, 2021 ₹ 13.13 Lakhs [As at March 31, 2020 ₹ 171.28 Lakhs]		
	Property, Plant and Equipment	341.03	1,104.11

Other Commitments

a. The Company has a commitment to pay ₹ 6.45 Lakhs per month (subject to indexation) (Previous Year - ₹6.36 Lakhs per month) to Mr. Atul Shroff (Director) during his lifetime and thereafter 50% of the commitment to his spouse during her lifetime.

b. The Company has entered into an agreement with TML Industries Limited whereby the Company has to pay fixed amount of ₹127.65 Lakhs (Previous Year - ₹ 60 Lakhs) on monthly basis against the entire facility reserved by the above related party exclusively for the Company for carrying manufacturing activities of its products.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

38. Components of Income Tax Expense / (Income)

₹ in Lakhs

Particulars	March 31, 2021	March 31, 2020
Income tax expense recognised in the Statement of Profit and Loss		
Current Tax:		
Current Tax on Profits for the year	560.00	2,051.18
(Excess) / Short Provision of tax of earlier years	(83.30)	(105.67)
Deferred Tax	(253.84)	112.29
Total Income Tax Expense	**222.86**	**2,057.79**

₹ in Lakhs

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Deferred Tax related to items recognised in Other Comprehensive Income		
Tax effect on remeasurement (loss) /gain on defined benefit plans	5.74	4.54
Tax effect on fair value of Equity Instruments through OCI	(454.23)	551.31
Income Tax Expense reported in Other Comprehensive Income	**(448.49)**	**555.85**

Reconciliation of Income Tax Expense and Accounting Profit

The reconciliation between estimated Income Tax expense at statutory income tax rate into income tax expense reported in the Statement of Profit and Loss is given below.

₹ in Lakhs

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Reconciliation of tax expense and the accounting profit multiplied by India's tax rate		
Profit / (Loss) before Tax	2,554.33	9,352.17
Tax at the Indian tax rate	25.17%	29.12%
Tax on Accounting Profit	642.93	2,723.35
Tax effect of :		
Tax-exempt income - Dividend	-	(91.07)
Non-deductible tax expenses :		
CSR Expenses	45.56	31.57
Donation and Charity	41.11	(24.88)
Disallowances Under Section 14A	-	1.51

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

₹ in Lakhs

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Deductible tax expenses :		
Research and Development Expenditure Under Section 35(2AB) / 35(i)(iv)	(25.41)	(119.64)
Allowances Under Section 43B	(11.01)	8.20
Depreciation Expense	46.77	75.73
Other items	9.41	85.24
Effect of Deferred tax balances due to the change in income tax rate	(443.20)	(526.55)
Excess / (Short) Provision for tax of earlier years	(83.30)	(105.67)
Tax Expense / (Income) recognised in Statement of Profit and Loss	**222.86**	**2,057.79**
Effective Tax Rate	**8.72%**	**22.00%**

As per the Taxation Laws (Amendment) Act, 2019, a new Section 115BAA has been inserted which provides an option to the assessee to pay the Income Tax at reduced rates as per the provisions/conditions defined in the said section. Since the Company has opted to pay the tax at the reduced rates, the provision for tax as also deferred tax assets and liabilities are measured at the reduced rates.

39. Disclosures under Indian Accounting Standard (Ind AS)

Earnings per share (EPS)

₹ in Lakhs

Sr. No.	Particulars	Year ended March 31, 2021	Year ended March 31, 2020
i.	**Profit computation for both Basic and Diluted Earnings per Equity Share of ₹ 10 each :**		
	Net Profit / (Loss) after Tax as per Statement of Profit and Loss available for Equity Shareholders (₹ in Lakhs)	2,331.47	7,294.38
ii.	**Number of Equity Shares**		
	Number of Equity Shares at the beginning of the year	5,585,569	5,585,569
	Add : Shares allotted during the year	-	-
	Number of Equity Shares at the end of the year	5,585,569	5,585,569
	Weighted average number of equity shares		
	For basic earnings	5,585,569	5,585,569
	For diluted earnings	5,585,569	5,585,569
	Face value per Equity Share (in ₹)	10.00	10.00
iii.	**Earnings per share**		
	Basic (in ₹)	41.74	130.59
	Diluted (in ₹)	41.74	130.59

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

40. Disclosure pursuant to Ind AS 19 on "Employee benefits

a. Defined Benefit Plan

The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service. The scheme is funded. The following tables summaries the components of net benefit expense recognised in the Statement of Profit and Loss and the funded status and amounts recognised in the Balance Sheet for the gratuity plan.

Risks associated with Defined Benefit Plan

Interest Rate Risk :

A fall in the discount rate which is linked to the Government securities rate will increase the present value of the liability requiring higher provision. A fall in the discount rate generally increases the mark to market value of the assets depending on the duration of asset.

Salary Risk:

The present value of the defined benefit plan liability is calculated by reference to the future salaries of members. As such, an increase in the salary of the members more than assumed level will increase the plan's liability.

Investment Risk:

The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. If the return on plan asset is below this rate, it will create a plan deficit. Currently, for the plan in India, it has a relatively balanced mix of investments in government securities, and other debt instruments.

Asset Liability Matching (ALM) Risk:

The plan faces the ALM risk as to the matching cash flow. Since the plan is invested in lines of Rule 101 of Income Tax Rules, 1962, this generally reduces ALM risk.

Mortality Risk:

Since the benefits under the plan is not payable for life time and payable till retirement age only, plan does not have any longevity risk.

Concentration Risk:

Plan has a concentration risk as all the assets are invested with the insurance company and a default will wipe out all the assets. Although probability of this is very less as insurance companies have to follow regulatory guidelines.

Characteristics of Defined Benefit Plans

The Company has a defined benefit gratuity plan in India (funded). The Company's defined benefit gratuity plan is a final salary plan for employees, which requires contributions to be made to a separately administered fund.

The fund is managed by a trust which is governed by the Board of Trustees. The Board of Trustees are responsible for the administration of the plan assets and for the definition of the investment strategy.

During the year, there were no plan amendments, curtailments and settlements.

The following table sets out the status of the gratuity plan and the amounts recognised in the Company's Financial Statements as at March 31, 2021.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

₹ in Lakhs

Reconciliation in Present Value of Obligations (PVO) - Defined Benefit Obligation	Gratuity - Funded as on March 31, 2021	March 31, 2020
PVO at the Beginning of the year	**1,411.54**	**1,328.74**
Current Service Cost	77.51	72.55
Interest Cost	96.55	103.24
Actuarial (Gains)/Losses on Obligations- Due to Change in Financial Assumption	4.04	(6.70)
Actuarial (Gains)/Losses on Obligations- Due to Experience	26.42	8.98
Benefits Paid from the Fund	(92.35)	(95.27)
PVO at the End of the year	**1,523.71**	**1,411.54**

₹ in Lakhs

Change in Fair Value of Plan Assets	Gratuity - Funded as on March 31, 2021	March 31, 2020
Fair Value of Plan Assets at the Beginning of the year	**1,407.90**	**1,279.42**
Interest Income	96.30	99.41
Return on Plan Assets, Excluding Interest Income	7.65	(13.31)
Contributions by the Employer	139.43	137.65
Benefits Paid from the Fund	(92.35)	(95.27)
Fair Value of Plan Assets at the end of the year	**1,558.93**	**1,407.90**

₹ in Lakhs

Reconciliation of PVO and Fair Value of Plan Assets	Gratuity - Funded as on March 31, 2021	March 31, 2020
PVO at the end of the year	1,523.71	1,411.54
Fair Value of Planned Assets at the end of year	1,558.93	1,407.90
Funded Status Surplus/ (Deficit)	35.32	(3.64)
Net Asset/(Liability) recognised in the Balance Sheet	35.32	(3.64)

₹ in Lakhs

Net Interest Cost for Current Year	March 31, 2021	March 31, 2020
PVO at the Beginning of the year	1,411.54	1,328.74
Fair Value of Plan Assets at the Beginning of the year	(1,407.90)	(1,279.41)
Net Asset/(Liability) at the Beginning of the year	3.64	49.32
Interest cost	96.55	103.24
Interest Income	(96.30)	(99.41)
Net Interest Cost for Current Year	0.25	3.83

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

₹ in Lakhs

Expense Recognised in the Statement of Profit or Loss for Current Year	March 31, 2021	March 31, 2020
Current Service Cost	77.51	72.55
Net Interest Cost	0.25	3.83
Expense Recognised in the Statement of Profit or Loss for Current Year	**77.76**	**76.38**

₹ in Lakhs

Expenses Recognised in the Other Comprehensive Income (OCI) for Current Year	March 31, 2021	March 31, 2020
Actuarial (Gains)/Losses on Obligation for the year	30.46	2.28
Return on Plan Assets, Excluding Interest Income	(7.65)	13.31
Net (Income)/ Expense recognised in OCI for Current Year	**22.81**	**15.59**

₹ in Lakhs

Balance Sheet Reconciliation	March 31, 2021	March 31, 2020
Opening Net Liability	3.64	49.32
Expense Recognised in Statement of Profit or Loss	77.76	76.38
Expense Recognised in OCI	22.81	15.59
Employer's Contribution	(139.53)	(137.65)
Net Liability/(Asset) Recognised in the Balance Sheet	**(35.32)**	**3.64**

₹ in Lakhs

Category of Assets	March 31, 2021	March 31, 2020
Insurance Fund	1,558.93	1,407.90
Total	**1,558.93**	**1,407.90**

₹ in Lakhs

Other Details	March 31, 2021	March 31, 2020
No. of Active Members	552.00	587.00
Per Month Salary for Active Members	144.65	141.57
Weighted Average Duration of the Projected Benefit Obligation	8.00	8.00
Average Expected Future Service	13.00	14.00
Projected Benefit Obligation	1,523.71	1,411.54
Prescribed Contribution for Next Year (12 Months)	43.42	81.15

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

₹ in Lakhs

Major Category of Assets	Gratuity - Funded as on March 31, 2021	March 31, 2020
Insurer Managed funds	1,558.93	1,407.90

₹ in Lakhs

Assumptions used in accounting for the Gratuity Plan	Gratuity - Funded as on March 31, 2021	March 31, 2020
Expected Return on Plan Assets	6.80%	6.84%
Rate of Discounting	6.80%	6.84%
Rate of Salary Increase	7.00%	7.00%
Rate of Employee Turnover	2.00%	2.00%
Mortality Rate During Employment	Indian Assured Lives Mortality (2006-08)	Indian Assured Lives Mortality (2006-08)

Notes

1 Discount rate is determined by reference to market yields at the balance sheet date on Government bonds, where the currency and terms of the Government bonds are consistent with the currency and estimated terms for the benefit obligation.

2 The estimate of future salary increase takes into account inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.

3 100% of the plan assets are invested in group gratuity scheme offered by LIC of India.

₹ in Lakhs

Maturity Analysis of the Benefit Payments :From the Fund	March 31, 2021	March 31, 2020
1st Following Year	162.51	111.40
2nd Following Year	72.73	96.49
3rd Following Year	91.09	112.90
4th Following Year	129.15	89.57
5th Following Year	206.50	120.46
Sum of Years 6 to 10	885.66	857.63
Sum of Years 11 and above	1,154.04	1,181.17

Sensitivity analysis

₹ in Lakhs

Particulars	March 31, 2021	March 31, 2020
Projected Benefit Obligation on Current Assumptions	1,523.70	1,411.54
Delta Effect of +1 % Change in Rate of Discounting	(95.14)	(92.41)
Delta Effect of -1 % Change in Rate of Discounting	108.03	105.02
Delta Effect of +1 % Change in Rate of Salary Increase	106.75	103.81
Delta Effect of -1 % Change in Rate of Salary Increase	(95.82)	(93.10)
Delta Effect of +1 % Change in Rate of Employee Turnover	(1.96)	(1.71)
Delta Effect of -1 % Change in Rate of Employee Turnover	2.13	1.84

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

The sensitivity analysis have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

The sensitivity analysis presented above may not be representative of the actual change in the projected benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated. Furthermore, in presenting the above sensitivity analysis, the present value of the projected benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same method as applied in calculating the projected benefit obligation as recognised in the Balance Sheet.

There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.

Based on the actuarial valuation obtained in this respect, the following table sets out the status of the gratuity plan and the amounts recognised in the Company's Financial Statements as at Balance Sheet date:

₹ in Lakhs

Particulars	Note	March 31, 2021	March 31, 2020
Total employee benefit liabilities/ (Assets)			
Non-current	0	-	-
Current	16 and 28	(35.32)	3.64

b. Other Long Term Benefit:

The Company's Long Term benefits includes Leave Encashment payable at the time of retirement subject to, policy of maximum leave accumulation of the Company. The scheme is not funded.

Changes in the Present Value of the Obligation in respect of Leave Encashment

₹ in Lakhs

Particulars	March 31, 2021	March 31, 2020
Obligation at the Beginning of the year	384.22	356.07
Actuarial (gains) / losses on obligation	(43.74)	28.15
Obligation at the End of the year	340.48	384.22

c. Defined Contribution Plans

Superannuation Fund

The Company has a superannuation plan for the benefit of some of its employees. Employees who are members of the defined benefit superannuation plan are entitled to benefits depending on the years of service and salary drawn. Separate irrevocable trusts are maintained for employees covered and entitled to benefits. The contributions are recognised as an expense as and when incurred and the Company does not have any further obligations beyond this contribution.

Provident Fund and pension

In accordance with the Employee's Provident Fund and Miscellaneous Provisions Act, 1952 eligible employees of the Company are entitled to receive benefits in respect of provident fund, a defined contribution plan, in which both employees and the Company make monthly contributions at a specified percentage of the covered employees' salary.

The contributions, as specified under the law, are made to the provident fund set up as an irrevocable trust by the Company, post contribution of amount specified under the law to Employee Provident Fund Organisation on account of employee pension scheme.

Amounts recognised as expense for the period towards contribution to the following funds:

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

₹ in Lakhs

Particulars	March 31, 2021	March 31, 2020
Employer's contribution to:		
Provident Fund	248.44	236.02
Superannuation Fund	233.83	216.32
Employee State Insurance Fund	9.83	8.97
Gujarat Labour Welfare Fund	0.17	0.17
Gratuity	77.76	76.38
Others	3.86	3.42
Total	**573.89**	**541.28**

41 Segment Reporting As Per Ind AS 108 on "Operating Segments"

The segment information is presented under the Notes forming part of the Consolidated Financial Statements as required under the Ind AS 108 on "Operating Segments".

42. Disclosures under Ind AS 116 on "Leases"

The Company has adopted Ind AS 116, effective annual reporting period beginning April 1, 2019 and applied the standard to its leases applying modified retrospective approach. This has resulted in recognising a right-of-use asset of ₹ 2,401.56 Lakhs and a corresponding lease liability of equal amount. In the statement of profit and loss for the current year, the nature of expenses in respect of operating leases has changed from lease rent amounting to 858.07 Lakhs to depreciation cost for the right to use asset amounting to ₹ 801.84 Lakhs and finance cost amounting to ₹ 165.42 Lakhs for interest accrued on lease liability. Due to above change, there is additional impact of ₹109.19 Lakhs on statement of Profit and Loss for the year ended March 31, 2020. The total cash outflow for leases is ₹ 703.39 Lakhs for the year ended March 31, 2020.

Company as a Lessee

i. Maturity Analysis of Lease Liabilities

The table below provides details regarding the contractual maturities of Lease Liabilities on an undiscounted basis :

₹ in Lakhs

Particulars	As on March 31, 2021	As on March 31, 2020
Maturity Analysis - Contractual undiscounted Cash Flows		
Less than one year	1,037.70	904.43
One to five years	937.67	833.51
More than five years	312.94	-
Total Undiscounted Lease Liabilities	**2,288.31**	**1,737.94**

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

ii. The following is the break-up of Current and Non-current Lease Liabilities :

₹ in Lakhs

Particulars	As on March 31, 2021	As on March 31, 2020
Non-current	710.13	959.15
Current	916.38	904.43
Total	**1,626.51**	**1,863.58**

The Company does not face a liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

iii. The following amounts are recognised in the Statement of Profit and Loss :

₹ in Lakhs

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Depreciation charge on Right-of-Use Assets	903.88	801.84
Interest expense on Lease Liabilities	141.60	165.42
Gain on termination of leases	65.26	-
Expense relating to short-term leases	6.94	7.07

iv. The following is the movement in Lease Liabilities :

₹ in Lakhs

Particulars	March 31, 2021	March 31, 2020
Opening Balance	1,863.59	-
Transition on account of adoption of Ind AS 116	-	2,401.56
Additions	950.78	-
Interest expense on Lease Liabilities	141.60	165.42
Lease Modification	(358.36)	-
Payment of Lease Liabilities	(971.09)	(703.39)
Closing Balance	**1,626.52**	**1,863.59**

Company as a Lessor

The Company has given Plant and Machinery to TML. The lease agreements are for a period of five years. The table below provides details regarding the contractual maturities of lease payments to be received, on assets given on an operating lease on an undiscounted basis :

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

₹ in Lakhs

Particulars	March 31, 2021	March 31, 2020
Lease Rental Income		
Total of lease rent income for a period		
Less than one year	792.00	-
One to five years	2,640.00	-
More than five years	-	-
Total Undiscounted Lease Rental Income	**3,432.00**	**-**
Lease Income recognised in the Statement of Profit and Loss for the year	**504.58**	**-**

43. Disclosures under Ind AS 115 - Revenue from Contracts with Customers

Revenue from contracts with customers disaggregated based on geography

₹ in Lakhs

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Domestic Sales	7,199.19	9,320.09
Other Domestic Revenue	209.86	237.52
Export Sales	26,530.98	47,006.16
Total	**33,940.03**	**56,563.78**

Reconciliation of contract price with Revenue from Operations

₹ in Lakhs

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Contract price	33,951.88	56,361.45
Less: Discounts and rebates	11.85	35.19
Revenue from Contracts with Customers (as per Statement of Profit and Loss)	**33,940.03**	**56,326.26**

Contract Balances

The following table provides information about Trade Receivables and Contract Liabilities from contracts with customers:

₹ in Lakhs

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Trade Receivables (Gross) [Refer Note 11]	7,643.97	8,994.62
Less: Loss Allowance	(44.77)	(26.59)
Net Receivables	**7,599.20**	**8,968.03**
Contract Liabilities		
Advance from Customers [Refer Note 27]	5.81	2.99
Total Contract Liabilities	**5.81**	**2.99**

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

Related Party Disclosures:

44. (i) Names of related parties and description of relationship with whom transactions have taken place:

Subsidiary Companies	Transpek Industry (Europe) Limited Transpek Creative Chemistry Private Limited (incorporated on January 6, 2020)
Enterprises owned or significantly influenced by Key Management Personnel or their relatives	Excel Industries Limited Transpek Silox Industry Private Limited TML Industries Limited Anshul Specialty Molecules Private Limited Anshul Life Science Madison Investments Private Limited Agrocel Industries Private Limited Transchem Agritech Private Limited Kamaljyot Investments Limited Shroffs Foundation Trust Shroff Family Charitable Trust
Key Management Personnel	Bimal V. Mehta (Managing Director) Ashwin C. Shroff (Chairman and Non Executive Director) Atul G. Shroff (Non- Executive Director) Ravi A. Shroff (Non Executive Director) Dipesh K.Shroff (Non Executive Director) Ninad D. Gupte (Independent Director) Dr. Bernd Dill (Independent Director) Nimish U. Patel (Independent Director) Geeta A. Goradia (Independent Director) Hemant J. Bhatt (Independent Director) Anand Mohan Tiwari (Independent Director w.e.f December 24, 2019) Pratik P. Shah (Chief Financial Officer) Alak D. Vyas (Company Secretary)
Relatives of Key Management Personnel	Vishwa A. Shroff Shruti A. Shroff Minoti N. Gupte Hanny B. Mehta Kumud V. Mehta Kavit B. Mehta Parul Benani Rachna P. Shah Bela D. Vyas

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

(ii) Key management personnel compensation

₹ in Lakhs

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Short-term Employee Benefits	245.06	322.07
Post Employment Benefits	38.43	33.18
Long-term Employee Benefits	43.25	46.43
Total Compensation	**326.74**	**401.68**

(iii) Particulars of Transactions with Related Parties

Transactions with related parties for the period ended March 31, 2021 are as follows: (Previous Year's figures are shown in brackets)

₹ in Lakhs

Particulars	Subsidiary	Enterprises owned or significantly influenced by key management personnel or their relatives	Key Management Personnel and their relatives	Total
Sale of Goods	-	192.41	-	192.41
	-	(333.49)	-	(333.49)
Services Rendered	-	5.87	-	5.87
	-	(12.40)	-	(12.40)
Windmill Income	-	121.96	-	121.96
	-	(154.23)	-	(154.23)
Dividend Received	-	296.19	-	296.19
	-	(312.74)	-	(312.74)
Interest Received	-	-	-	-
	-	(5.13)	-	(5.13)
Processing Charges	-	1,949.79	-	1,949.79
	-	(2,574.09)	-	(2,574.09)
Purchase of Property, Plant and Equipment	-	-	-	-
	-	(210.00)	-	(210.00)
Dividend Paid	-	53.81	15.82	69.63
	-	(645.70)	(189.84)	(835.54)
Commission Paid	-	55.69	-	55.69
	-	(47.07)	-	(47.07)
Donations Paid	-	112.22	-	112.22
	-	(164.30)	-	(164.30)
Corporate Social Responsibility Expense	-	125.82	-	125.82
	-	(75.96)	-	(75.96)

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

₹ in Lakhs

Particulars	Subsidiary	Enterprises owned or significantly influenced by key management personnel or their relatives	Key Management Personnel and their relatives	Total
Interest Paid	-	0.32	15.83	16.15
	-	(1.15)	(24.44)	(25.59)
Consumable Item Purchase	-	-	-	-
	-	(3.42)	-	(3.42)
Reimbursement charged to the Company	52.27	610.13	-	662.40
	(50.42)	(1,101.90)	-	(1,152.32)
Managerial Remuneration(*)	-	-	283.49	283.49
	-	-	(355.24)	(355.24)
Other Benefit to Director	-	-	76.68	76.68
	-	-	(75.16)	(75.16)
Commission Paid to Independent and	-	-	75.00	75.00
Non-Executive Directors	-	-	(90.00)	(90.00)
Directors' Sitting Fees	-	-	19.20	19.20
	-	-	(18.00)	(18.00)
CSR Meeting Fees	-	-	2.00	2.00
	-	-	(1.20)	(1.20)
Security Deposit Received Back	-	120.00	-	120.00
	-	(50.00)	-	(50.00)
Inter Corporate Deposit Repaid	-	-	-	-
	-	(75.00)	-	(75.00)
Deposit Taken	-	-	57.47	57.47
	-	-	-	-
Deposit Repaid	-	-	51.00	51.00
	-	-	(255.00)	(255.00)
Fixed Assets and Scrap	-	5.41	-	5.41
	-	-	-	-
Lease Rent Income	-	504.58	-	504.58
	-	-	-	-

* As the liabilities for leave encashment are provided on an actuarial basis for the Company as a whole, the amounts pertaining to the directors is not separately determined and hence are not included in above.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

Balance Outstanding at the year end:

₹ in Lakhs

Particulars	Subsidiary	Enterprises owned or significantly influenced by key management personnel or their relatives	Key Management Personnel and their relatives	Total
Accounts Payable	-	43.65	-	43.65
	-	(289.96)	-	(289.96)
Accounts Receivable including Trade Advance	(7.46)	416.90	-	409.44
	(4.09)	(344.87)	-	(348.96)
Agency Deposit	-	4.00	-	4.00
	-	(4.00)	-	(4.00)
Deposits	-	-	164.08	164.08
	-	-	(156.61)	(156.61)
Investment in Shares	1.02	517.72	-	518.74
	(1.02)	(517.72)	-	(518.74)
Commission payable to Managing Director	-	-	27.72	27.72
	-	-	(97.97)	(97.97)
Commission payable to Independent and	-	-	27.67	27.67
Non - Executive Directors	-	-	(75.00)	(75.00)

(iv) Significant transactions with related parties:

₹ in Lakhs

Particulars	For the Year Ended March 31, 2021	For the Year Ended March 31, 2020
A) Transactions during the year:		
Sale of Goods		
Transpek Silox Industry Private Limited	136.14	273.22
TML Industries Limited	27.33	44.29
Anshul Specialty Molecules Private Limited	10.00	2.40
Agrocel Industries Private Limited	18.94	13.58
Services Rendered		
Transchem Agritech Private Limited	5.87	12.40
Windmill Income		
TML Industries Limited	121.96	154.23

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

₹ in Lakhs

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Dividend Received		
Transpek Silox Industry Private Limited	296.19	267.71
Excel Industries Limited	-	45.04
Interest Received		
TML Industries Limited	-	5.13
Processing Charges		
TML Industries Limited	1,949.79	2,574.09
Anshul Specialty Molecules Private Limited	-	-
Purchase of Property, Plant and Equipment		
TML Industries Limited	-	210.00
Dividend Paid		
Shruti A. Shroff	7.68	92.17
Vishwa Shroff	1.96	23.58
Atul G Shroff	0.96	11.50
Ashwin C. Shroff	4.10	49.17
Dipesh K. Shroff	0.94	11.31
Ravi A. Shroff	0.18	2.12
Kamaljyot Investments Limited	17.57	210.81
Anshul Specialty Molecules Private Limited	34.41	412.93
Madison Investment P. Ltd	1.83	21.95
Commission Paid		
Anshul Life Science	55.69	47.07
Donation Paid		
Shroffs Foundation Trust	30.88	100.00
Shroff Family Charitable Trust	81.34	64.30
Corporate Social Responsibility Expense		
Shroffs Foundation Trust	125.82	75.96
Interest Paid		
Ashwin C. Shroff	-	20.42
Agrocel Industries Private Limited	-	0.83
Parul Benani	2.95	2.10
Kavit Mehta	0.08	0.09
Rachna P. Shah	2.64	1.98

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

₹ in Lakhs

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Shruti Shroff	0.06	0.22
Vishwa Shroff	7.07	4.60
Bela D. Vyas	0.40	0.32
Ninad D. Gupte	1.17	1.49
Minoti N. Gupte	1.45	-
Anshul Life Science	0.32	0.32
Reimbursements charged to the Company (Expense)		
TML Industries Limited	610.13	1,094.56
Anshul Life Science	-	7.35
Transpek Industry (Europe) Limited	52.27	50.42
Remuneration		
Bimal V.Mehta	223.00	294.85
Pratik P Shah	43.34	43.49
Alak D Vyas	17.16	16.91
Other Benefit to Directors		
Atul G. Shroff	76.68	75.16
Commission Paid to Independent and Non-Executive Directors		
Ashwin C. Shroff	7.50	10.00
Atul G Shroff	7.50	10.00
Dipesh K. Shroff	7.50	10.00
Ravi A. Shroff	7.50	10.00
Ninad D. Gupte	7.50	10.00
Dr. Bernd Dill	7.50	10.00
Nimish U. Patel	7.50	10.00
Geeta A. Goradia	7.50	10.00
Hemant J. Bhatt	7.50	10.00
Anand Mohan Tiwari	7.50	-
Director Sitting Fees		
Atul G Shroff	2.00	2.20
Ashwin C. Shroff	1.00	1.00
Ravi A. Shroff	1.40	1.20
Dr. Bernd Dill	1.00	1.20
Geeta A. Goradia	1.60	1.20

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

₹ in Lakhs

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Hemant J. Bhatt	2.80	2.80
Nimish U. Patel	2.80	3.60
Ninad D. Gupte	2.60	2.60
Anand Mohan Tiwari	1.20	-
Dipesh K. Shroff	2.80	2.20
CSR Meeting Fees		
Atul G Shroff	0.40	0.40
Dipesh K. Shroff	0.40	-
Geeta A. Goradia	0.40	0.40
Nimish U. Patel	0.40	0.40
Anand Mohan Tiwari	0.40	-
Consumable Items Purchase		
Excel Industries Limited	-	3.42
Security Deposit Received Back		
TML Industries Limited	120.00	50.00
Inter Corporate Deposit Repaid		
Agrocel Industries Private Limited	-	75.00
Deposit Taken		
Ninad D. Gupte	14.00	-
Minoti N. Gupte	15.00	-
Rachna P. Shah	26.72	-
Parul Benani	0.75	-
Bela D. Vyas	1.00	-
Deposit Repaid		
Ashwin C. Shroff	-	250.00
Shruti A. Shroff	-	5.00
Ninad D. Gupte	14.00	-
Minoti N. Gupte	15.00	-
Rachna P. Shah	21.00	-
Bela D. Vyas	1.00	-

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

₹ in Lakhs

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
B) Closing Balance as at end of the year :		
Accounts Payable		
TML Industries Limited	28.78	280.20
Anshul Life Science	14.86	9.76
Receivables Including Trade Advance		
TML Industries Limited	344.86	302.82
Transpek Silox Industry Private Limited	62.69	27.35
Transchem Agritech Limited	1.36	14.63
Agrocel Industries Private Limited	7.99	0.06
Transpek Industry (Europe) Limited	(7.46)	4.09
Deposits		
Ninad D. Gupte	14.00	14.00
Minoti N. Gupte	17.50	17.50
Parul Benani	24.05	23.30
Kavit Mehta	0.95	0.95
Rachna P. Shah	30.72	25.00
Shruti Shroff	0.61	0.61
Vishwa Shroff	71.50	71.50
Bela D. Vyas	4.75	3.75
Indenting Agency Deposit		
Anshul Life Science	4.00	4.00
Investment in Shares		
Transpek Industry (Europe) Limited	0.02	0.02
Transpek Creative Chemistry Private Limited	1.00	1.00
Transpek Silox Industry Private Limited	290.96	290.96
Excel Industries Limited	226.76	226.76
Fixed Assets and Scrap		
TML Industries Limited	5.41	-
Lease Rent Income		
TML Industries Limited	504.58	-

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

45. Other Disclosures :

Disclosure under the Micro, Small and Medium Enterprises Development Act, 2006

On the basis of confirmation obtained from the Suppliers who have registered themselves under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act, 2006) and based on the information available with the Company, the following are the details:

₹ in Lakhs

Sr. No.	Particulars	As on March 31, 2021	As on March 31, 2020
i.	The principal amount and the interest due thereon remaining unpaid to any Supplier at the end of each accounting year :		
	Principal Amount	309.10	511.94
	Interest Due thereon		
ii.	The amount of interest paid by the buyer in terms of Section 16 of the MSMED Act, 2006 (27 of 2006), along with the amount of the payment made to the supplier beyond the appointed day during each accounting year.	-	-
iii.	The amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006.	-	-
iv.	The amount of interest accrued and remaining unpaid at the end of each accounting year, and	-	-
v.	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under Section 23 of the MSMED Act, 2006	-	-

46. Research and Development Expenses (as certified by the Management) debited to the Statement of Profit and Loss are as under:

₹ in Lakhs

Sr. No.	Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
i.	Capital Expenditure included in Property, Plant and Equipment	100.81	190.53
ii.	Revenue Expenditure charged to Statement of Profit and Loss		
	Revenue Expenses Debited to Appropriate Heads of Account	252.04	268.50
	Depreciation on Research and Development Asset	56.34	51.12
	Total	**409.19**	**510.15**

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

47. As per Section 135 of the Act, a Corporate Social Responsibility (CSR) Committee has been formed by the Company. The areas for CSR activities are promoting education, art and culture, healthcare, destitute care and rehabilitation and rural development projects as specified in Schedule VII of the Act. The details of amount required to be spent and actual expenses spent during the year is as under:

    a. Gross amount required to be spend by the Company during the year : ₹ 162.69 Lakhs [Previous Year ₹128.60 Lakhs].

    b. Amount spent during the year on:

₹ in Lakhs

Sr. No.	Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
i.	**Construction/Acquisition of Assets**		
	- Spent	-	-
	- To be Spent	-	-
ii.	**On purpose other than(i) above**		
	- Spent	203.00	108.40
	- To be Spent	-	20.20
	Total	**203.00**	**128.60**

Excess Amount Spent

₹ in Lakhs

Opening Balance	Amount required to be spent during the year	Amount spent during the year	Closing Balance
-	181.00	203.00	*22.00

*Included in Prepaid Expenses [Refer Note 16]

48. Donation includes donation made to Political party ₹ Nil [Previous Year : ₹ 79.00 Lakhs].

49. Additional disclosure as required by the amended Clause 34 and 53 of the Listing Agreements and Section 186 of the Act (Previous Year's figures are shown in brackets)

₹ in Lakhs

Sr. No.	Name	Nature of transaction	Balance as at March 31, 2021	Maximum amount outstanding during the year
i.	**Investments in Subsidiaries**			
	Transpek Industry (Europe) Limited	Investment	0.02	0.02
			(0.02)	(0.02)
	Transpek Creative Chemistry Private Limited (w.e.f. January 6, 2020)	Investment	1.00	1.00
			(1.00)	(1.00)

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

₹ in Lakhs

Sr. No.	Name	Nature of transaction	Balance as at March 31, 2021	Maximum amount outstanding during the year
ii.	**Loans and Advances to Subsidiaries**			
	Transpek Industry (Europe) Limited	Advances	-*	4.15
			(4.15)	(4.15)
	Transpek Creative Chemistry Private Limited (w.e.f. January 6, 2020)	Advances	-	-
			(0.06)	(0.06)

* At the year end, the amount payable is ₹ 7.46 Lakhs

50. Financial Instruments

i. Accounting Classification and Fair Values

Carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy, are presented below. Financial assets and financial liabilities such as cash and cash equivalents, other bank balances, trade receivables, loans, trade payables and unpaid dividends of which the carrying amount is a reasonable approximation of fair value due to their short term nature, are disclosed at carrying value.

₹ in Lakhs

Particulars	As at 31st March, 2021			As at 31st March, 2020		
	FVTPL	FVOCI	Amortized Cost	FVTPL	FVOCI	Amortized Cost
Financial Assets						
Investments						
Equity Instruments	-	14,204.68	-	-	11,788.40	-
Others	-	-	0.04	-	-	0.04
Deposits	-	-	93.42	-	-	178.97
Trade Receivables	-	-	7,599.20	-	-	8,968.03
Cash and Cash Equivalents	-	-	1,538.53	-	-	40.88
Bank Balances other than above	-	-	671.99	-	-	70.67
Loans	-	-	4.19	-	-	2.61
Other Financial Assets	-	-	428.59	-	-	342.76
Total Financial Assets	**-**	**14,204.68**	**10,335.96**	**-**	**11,788.40**	**9,603.96**
Financial Liabilities						
Borrowings	-	-	7,130.24	-	-	7,687.67
Lease Liabilities	-	-	1,626.51	-	-	1,863.58
Other Financial Liabilities	-	-	3,243.95	-	-	4,073.18
Trade Payables	-	-	3,585.87	-	-	5,211.17
Total Financial Liabilities	**-**	**-**	**15,586.57**	**-**	**-**	**18,835.60**

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

ii. Fair value hierarchy

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

Financial Assets and Liabilities measured at fair value - recurring fair value measurements

₹ in Lakhs

As at March 31, 2021	Notes	Level 1	Level 2	Level 3	Total
Financial Assets at FVOCI					
Equity Instruments	6	1,321.42	12,883.29	-	14,204.71
Financial Assets at Amortised Cost					
Deposits	7	-	93.42	-	93.42
Total Financial Assets		**1,321.42**	**12,976.71**	**-**	**14,298.13**
Financial Liabilities at Amortised Cost					
Borrowings (Non-current)	19	-	4,427.93	-	4,427.93
Total Financial Liabilities		**-**	**4,427.93**	**-**	**4,427.93**

Financial Assets and Liabilities measured at fair value - recurring fair value measurements

₹ in Lakhs

As at March 31, 2020	Notes	Level 1	Level 2	Level 3	Total
Financial Assets at FVOCI					
Equity Instruments	6	700.30	11,088.14	-	11,788.44
Financial Assets at Amortised Cost					
Deposits	7	-	178.97	-	178.97
Total Financial Assets		**700.30**	**11,267.11**	**-**	**11,967.41**
Financial Liabilities at Amortised Cost					
Borrowings (Non-current)	19	-	4,461.08	-	4,461.08
Total Financial Liabilities		**-**	**4,461.08**	**-**	**4,461.08**

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

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

There are no transfers between levels 1 and 2 during the year.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

iii. Valuation technique used to determine Fair Value

Valuation techniques and significant unobservable inputs

The following tables show the valuation techniques used in measuring Level 1 and Level 2 fair values, as well as the significant unobservable inputs used.

Financial instruments are measured at fair value

Type	Valuation Technique	Significant Unobservable Inputs	Inter - Relationship Between Significant Unobservable Inputs And Fair Value Measurements
Investments in Equity Instruments-Quoted	Current Bid Price (Quoted Price)	Not Applicable	Not Applicable
Investments in Equity Instruments-Unquoted	Market Multiple	Not Applicable	Not Applicable
Derivative Financial Instruments	MTM from Banks/using Discounted Analysis	Not Applicable	Not Applicable

51. Financial Risk Management

The Company has exposure to the following risks arising from financial instruments:

Credit risk

Market risk

Liquidity risk

This note explains the sources of risk which the entity is exposed to and how the entity manages the risk.

The Company's Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Board of Directors has established the Risk Management Committee, which is responsible for developing and monitoring the Company's risk management policies. The committee reports to the Board of Directors on its activities.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed periodically to reflect changes in market conditions and the Company's activities. The Company, through its training, standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Audit Committee oversees how Management monitors compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The Audit Committee is assisted in its oversight role by Internal Auditors. Internal Auditors undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the Audit Committee.

i. Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers and investment securities. Credit risk is managed through credit approvals, establishing credit limits

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business. The Company establishes an allowance for doubtful debts and impairment that represents its estimate of incurred losses in respect of trade and other receivables and investments.

a. **Trade Receivables**

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the customer, including the default risk of the industry and country in which the customer operates, also has an influence on credit risk assessment. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business. The Company also has credit insurance and ECGC for export supplier. In addition to above, there are no major delays in receipt of payment from the Trade Receivables.

In determining the allowances for credit losses of Trade Receivables, the Company has used a practical expedient by computing the expected credit loss allowance for Trade Receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and is adjusted for forward looking information. The expected credit loss allowance is based on the ageing of the receivables that are due and rates used in the provision matrix.

b. **Cash and Cash Equivalents, Derivative Financial Instruments and Financial Guarantees**

Credit risks from balances with banks and financial institutions are managed in accordance with the Company policy. For derivative financial instruments, the Company attempts to limit the credit risk by only dealing with reputable banks and financial institutions having high credit-ratings assigned by credit-rating agencies.

In addition, the Company is exposed to credit risk in relation to financial guarantees given to banks. The Company's maximum exposure in this respect is the maximum amount the Company would have to pay if the guarantee is called upon.

c. **Loans and Advances**

In the case of loans to employees, the same is managed by establishing limits. (Which in turn is based on the employees salaries and number of years of service put in by the concerned employee)

ii. **Liquidity risk**

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time or at reasonable price. The Company manages liquidity risk by continuously monitoring forecast and actual cash flows on daily, monthly and yearly basis. Loan arrangements, credit limits with various banks including working capital and monitoring of operational and working capital issues are always kept in mind for better liquidity management. In addition, processes and policies related to such risks are overseen by senior management.

Maturities of financial liabilities

The table below provides details regarding the remaining contractual maturities of financial liabilities at the reporting date based on contractual undiscounted payments.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

Contractual maturities of Financial Liabilities

₹ in Lakhs

	< 1 year	1-5 years	> 5 years	Total
As at March 31, 2021				
Financial Liabilities				
Borrowings	2,702.31	4,427.93	-	7,130.24
Other Financial Liabilities	3,243.95	710.13	-	3,954.08
Trade Payables	3,585.87	-	-	3,585.87
Total Financial Liabilities	**9,532.13**	**5,138.06**	**-**	**14,670.19**
As at March 31, 2020				
Financial Liabilities				
Borrowings	3,226.59	4,461.08	-	7,687.67
Other Financial Liabilities	4,073.18	959.15	-	5,032.33
Trade Payables	5,211.17	-	-	5,211.17
Total Financial Liabilities	**12,510.94**	**5,420.23**	**-**	**17,931.17**

iii. Market risk

Market risk is the risk that changes in market prices – such as foreign exchange rates, interest rates and equity prices – will affect the Company's income or the value of its holdings of financial instruments. Market risk is attributable to all market risk sensitive financial instruments including foreign currency receivables and payables and long term debt. We are exposed to market risk primarily related to foreign exchange rate risk. Thus, our exposure to market risk is a function of revenue generating and operating activities in foreign currency. The objective of market risk management is to avoid excessive exposure in our foreign currency revenues and costs. The Company uses derivative to manage market risk. Generally, the Company seeks to apply hedge accounting to manage volatility in profit or loss.

Currency risk

The Company is exposed to currency risk on account of its operations in other countries. The functional currency of the Company is Indian Rupee (INR). The exchange rate between the INR and foreign currencies has changed substantially in recent periods and may continue to fluctuate substantially in the future. Consequently, the Company uses both derivative instruments, i.e., foreign exchange forward contracts to mitigate the risk of changes in foreign currency exchange rates in respect of its highly probable forecasted transactions and recognised assets and liabilities.

The Company enters into foreign currency forward contracts which are not intended for trading or speculative purposes but for hedge purposes to establish the amount of reporting currency required or available at the settlement date of certain payables/receivables.

Following is the derivative financial instruments to hedge the foreign exchange rate risk:

Currency	March 31, 2021			March 31, 2020		
	Trade receivable and other Receivable	Hedges available	Net exposure to foreign currency risk	Trade receivable and other Receivable	Hedges available	Net exposure to foreign currency risk
USD (in Lakhs)	74.57	69.81	4.75	89.02	66.86	22.16
Equivalent INR (In Lakhs)	5,452.19	5,104.06	348.12	6,711.53	5,040.45	1,671.08

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

Currency	March 31, 2021			March 31, 2020		
	Trade receivable and other Receivable	Hedges available	Net exposure to foreign currency risk	Trade receivable and other Receivable	Hedges available	Net exposure to foreign currency risk
USD (in Lakhs)	10.29	-	10.29	17.37	-	17.37
Equivalent INR (In Lakhs)	752.35	-	752.35	1,309.69	-	1,309.69

The sensitivity of profit or loss to changes in the exchange rates arises mainly from unhedged foreign currency denominated financial instruments.

₹ in Lakhs

Particulars	Impact on profit after tax	
	As at March 31, 2021	As at March 31, 2020
USD sensitivity		
INR/USD increases by 5%	(20.21)	18.07
INR/USD decreases by 5%	20.21	(18.07)

52. Capital Management

For the purpose of Company's Capital Management, equity includes equity share capital and all other equity reserves attributable to the equity holders of the Company. The Company manages its capital to optimise returns to the share holders and make adjustments to it in the light of changes in economic conditions or its business requirements. The Company's objective is to safe guard continuity, maintain a strong credit rating and healthy capital ratios in order to support its business and provide adequate return to share holders through continuing growth and maximise the share holders value. The Company funds its operations through internal accruals and long term borrowings competitive rate. The Management and Board of Directors monitor the return of capital as well as the level of dividend to share holders.

Gearing Ratio

The gearing ratio at the end of the reporting period was as follows

₹ in Lakhs

Particulars	As at March 31, 2021	As at March 31, 2020
Debt	14,487.40	17,623.70
Lease liabilities (Non-current and Current)	1,626.51	1,863.58
Net debt	**16,113.91**	**19,487.28**
Total equity	**37,952.91**	**33,816.11**
Net debt to equity ratio	0.42	0.58

Debt is defined as long-term borrowings, short-term borrowings and current maturities of long-term borrowings.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

53. Events after the reporting period

Proposed dividend on Equity Shares:

₹ in Lakhs

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Proposed dividend on Equity Shares :		
Proposed dividend for the year	418.92	139.64
Current Year ₹ 7.50 Per share (Previous year ₹ 2.50 per share)	**418.92**	**139.64**

This proposed dividend are subject to the approval of shareholders in the ensuing annual general meeting and therefore are not recognised as liability as year end.

54. The Company has evaluated the impact of COVID-19 on its financial statements based on the internal and external information upto the date of approval of these financial statements. The Company expects to recover the carrying amount of inventories, receivables and other assets and does not foresee any material impact on liquidity and assumption of going concern. The full extent to which the pandemic will impact future financial results of the Company cannot be reasonably ascertained and will depend on how the overall situation on COVID-19 unfolds over a period of time.

55. Since the United Kingdom (UK) has exited the European Union (EU), the main objective with which Transpek Industry (Europe) Limited ("TIEL"), the Wholly Owned Subsidiary was formed is no longer relevant, the Board of Directors of TIEL, at its meeting held on February 10, 2021, has considered and approved to take steps to strike off its name from the Companies House, UK. In these circumstances, it is not be appropriate for TIEL to prepare its financial statements on a going concern basis. However, since assets of TIEL consist of current assets and current liabilities and the same would be received and/or settled at the value at which those are stated in its balance sheet, no adjustment is required to give effect for non-going accounting principles, say, to make adjustment to write down any asset to its recoverable amount and/or providing for contractual commitments which may have become onerous. Further, since assets and liabilities of TIEL are that of current in nature, no reclassification of assets or liabilities is required.

56. The figures of previous year have been re-arranged and regrouped wherever necessary to make them comparable with those of the current year.

As per our attached report of even date

For BANSI S. MEHTA & CO.
Chartered Accountants
Firm Registration No. 100991W

PARESH H. CLERK
Partner
Mem. No. : 36148

Place : Mumbai
Date : May 25, 2021

For and on behalf of the Board of Directors
TRANSPEK INDUSTRY LIMITED

Ashwin C. Shroff (Chairman) DIN : 00019952
Bimal V. Mehta (Managing Director) DIN : 00081171
Ninad D. Gupte (Director) DIN : 00027523
Alak D. Vyas (Company Secretary & Compliance Officer) ACS : 31731
Pratik P. Shah (Chief Financial Officer) ACA: 118400

Place : Vadodara
Date : May 25, 2021

Independent Auditor's Report

INDEPENDENT AUDITOR'S REPORT

To the Members of Transpek Industry Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of **Transpek Industry Limited** ("the Holding Company") and its Subsidiaries (the Holding Company and its Subsidiaries collectively referred to as "the Group") which comprise the Consolidated Balance Sheet as at March 31, 2021, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity, the Consolidated Statement of Cash Flows for the year then ended, and notes to the Consolidated Financial Statements, including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of report of other auditors on separate financial statements of the subsidiary as were audited by other auditors, referred to in the Other Matters paragraph below, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2021, its consolidated profit and consolidated total comprehensive income, the consolidated changes in equity and its consolidated cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act (SAs).Our responsibilities under those Standards are further described in the "Auditor's Responsibilities for the Audit of the Consolidated Financial Statements" section of our report. We are independent of the Group in accordance with the "Code of Ethics" issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act, and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters section below is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, for the year ended March 31, 2021 and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report:

Key Audit Matter	How the matter was addressed in our audit
Adoption of Ind AS 116 Leases Ind AS 116, as adopted by the Group from the financial year 2019-20, introduces a new lease accounting model, wherein lessees are required to recognise a Right-of-Use	Our audit procedures included, among others, the following : • Assessed and tested processes and controls in respect of lease accounting and modification

INDEPENDENT AUDITOR'S REPORT

Key Audit Matter	How the matter was addressed in our audit
Asset and a Lease Liability arising from a lease on the balance sheet. The lease liabilities are initially measured by discounting future lease payments during the lease term as per the contract/ arrangement. Reduction in lease rentals and hire off of ISO tanks during the year has resulted in change in consideration of leases, that is, a lease modification. Considering the materiality of lease modification, this matter is considered as a key audit matter. [Refer Note 2.1(R) and Note 42 to the consolidated financial statements].	thereof; • Assessed the Group's evaluation on the identification of modification of leases based on the changes in contractual agreements; • Assessed changes in key terms and conditions on sample basis of each lease with the underlying lease contract and evaluated re-computation of Lease Liabilities and Right-of-Use Assets in terms of the requirements of lease modifications under Ind AS 116 and its effect on consolidated financial statements.
Evaluation of uncertain tax positions and litigations The Group has uncertain tax matters pending litigations under various indirect tax laws. The litigation involves significant judgement to determine the possible outcome based on which accounting treatment is given to the disputed amount. These matters are considered to be key audit matter given the magnitude of potential outflow of economic resources and uncertainty of potential outcome. [Refer Note 37 to the consolidated financial statements].	Our audit procedures included, among others, the following : • Obtained from the management details of all completed/pending tax assessments and other litigations; • Gained the understanding of the status of pending tax demands and potential liability for other pending litigations; • Read and analysed relevant communication with the authorities; • Considered the legal advice obtained by the management for determining the possible outcome of the litigation; • Discussed with senior management and evaluated management's assumptions regarding provisions made; • Assessed the disclosures in accordance with the requirements of Ind AS 37 on "Provisions, Contingent Liabilities and Contingent Assets".
Transactions with Related Parties The Group in its course of operations has entered into transactions with related parties. The identification of these related parties, transactions entered into with them and the determination of arm's length price involves significant judgement and estimates.	Our audit procedures included, among others, the following : • Evaluated and tested the design of internal controls and the secretarial process followed relating to identification of related parties and transactions with these parties;

INDEPENDENT AUDITOR'S REPORT

Key Audit Matter	How the matter was addressed in our audit
Considering the volume of transactions and materiality of the amounts, this matter is considered to be key audit matter. [Refer Note 44 to the consolidated financial statements].	• Confirmed the regulatory requirements for the identification of related parties and transactions with these related parties, the determination of arm's length pricing and the disclosures for the same in the consolidated financial statements; • Evaluated management judgments and assumptions regarding transactions with Related Parties at Arm's Length Price; • Reviewed sample agreements/contracts to compare the terms of the related parties' transaction to those of identical or similar transaction with one or more unrelated parties and evaluated the business rationale for the same; • Assessed whether the disclosures for Related Party Transactions are in accordance with Ind AS 24.

Information Other than the Financial Statements and Auditor's Report Thereon

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report, Management Discussion and Analysis, Corporate Governance and Shareholder's Information, but does not include the consolidated financial statements and our auditor's report thereon.

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information, compare with the financial statements of the Subsidiary audited by the other auditors, to the extent it relates to the Subsidiary and, in doing so, place reliance on the work of the other auditors and consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. Other information so far as it relates to the Subsidiary is traced from the financial statements audited by the other auditors.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation and presentation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance (including other comprehensive income), consolidated changes in equity and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Ind AS specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.

INDEPENDENT AUDITOR'S REPORT

The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of the appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company and its subsidiary incorporated in India have adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related

INDEPENDENT AUDITOR'S REPORT

disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements, of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have has been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audit carried out by them. We remain solely responsible for our audit opinion. Our responsibilities in this regard are further prescribed in section titled "Other Matters" to this audit report.

Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the consolidated financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the consolidated financial statements.

We communicate with those charged with governance of the Holding Company and such other subsidiaries included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

a. We did not audit the financial statements and the financial information of the subsidiary incorporated outside India, whose financial statements and financial information reflect total assets of ₹ 28.56 lakhs as at March 31, 2021, total revenues of ₹ 5.04 lakhs and net cash inflow amounting to ₹ 7.60 lakhs for the year ended on that date, as considered in preparation of consolidated financial statements. These unaudited financial statements and financial information have been certified by the management of the Holding Company and our opinion on the consolidated financial statements,

INDEPENDENT AUDITOR'S REPORT

in so far as it relates to the amounts and disclosures in respect of this subsidiary, is based solely on such financial statements and financial information. In our opinion and according to the information and explanations given to us by the management of the Holding Company, these unaudited financial statements and financial information are not material to the Group.

b. We did not audit the financial statements and the financial information of the Subsidiary incorporated in India, whose financial statements and financial information reflect total assets of ₹ 0.74 lakhs as at March 31, 2021, total revenues of ₹ NIL lakhs, total net profit of ₹ (0.31) lakhs and net cash inflows amounting to ₹ 0.71 lakhs for the year ended on that date, as considered in preparation of consolidated financial statements. The financial statements and financial information of the Subsidiary have been prepared in accordance with accounting principles generally accepted in India. These financial statements and financial information have been audited by other auditors whose reports have been furnished to us by the management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of the Subsidiary, is based solely on the reports of the other auditors.

c. The comparative financial information of the Group for the year ended March 31, 2020, included in these consolidated financial statements, are based on the previously issued financial statements and financial information prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015 and other accounting principles generally accepted in India and audited by the predecessor auditors who expressed an unmodified opinion by their report of June 24, 2020.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements and financial information certified by the management of the Holding Company.

Report on Other Legal and Regulatory Requirements

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

   a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the aforesaid consolidated financial statements;

   b. In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors;

   c. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity, the Consolidated Statement of Cash Flows and notes to the consolidated financial statements dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements;

   d. In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended;

   e. On the basis of the written representations received from the directors of the Holding Company and its subsidiary incorporated in India as on March 31, 2021 taken on record by the Board of Directors of the Holding Company, none of the directors of the

INDEPENDENT AUDITOR'S REPORT

Holding Company and its subsidiary incorporated in India, are disqualified as on March 31, 2021 from being appointed as a director of the respective company in terms of Section 164(2) of the Act;

f. With respect to the internal financial controls with reference to financial statements of the Holding Company and its subsidiary incorporated in India and the operating effectiveness of such controls, refer to our separate report in "Annexure A"; and

g. With respect to the matters to be included in the Auditor's Report in accordance with requirement of Section 197(16) of the Act, as amended,

   In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid during the current year by the Holding Company to its directors is in accordance with the provisions of Section 197 read with Schedule V of the Act and is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.

   Subsidiary incorporated in India have not paid any remuneration to its directors.

h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us and as reported by the auditors of the subsidiary referred to the Other Matters paragragh above:

   i. The consolidated financial statements disclose the impact of pending litigations on its consolidated financial position of the Group– Refer Note 37 to the consolidated financial statements;

   ii. The Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as required under the applicable law or accounting standards;

   iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company during the year ended March 31, 2021.

For **BANSI S. MEHTA & CO.**
Chartered Accountants
Firm Registration No. 100991W

PARESH H. CLERK
Partner
Membership No. 36148
UDIN : 21036148AAAABY2501

PLACE : Mumbai
DATED : May 25, 2021

ANNEXURE "A" TO THE INDEPENDENT AUDITORS' REPORT

Referred to in paragraph 1 (f) under the heading of "Report on Other Legal and Regulatory Requirements" in our Independent Auditor's Report of even date on the Consolidated Financial Statements for the year ended March 31, 2021.

Report on the Internal Financial Controls with reference to Consolidated Financial Statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the consolidated financial statements of the Holding Company as of and for the year ended March 31, 2021, we have audited the internal financial controls with reference to the financial statements of **Transpek Industry Limited** ("the Holding Company") and it's Subsidiary, which is incorporated in India, as at March 31, 2021.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding Company and its subsidiary, which is incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the respective companies, considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ("the Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to financial statements of the Holding Company and its subsidiary, which is incorporated in India, based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by ICAI and deemed to be prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors of the subsidiary, which is incorporated in India, in terms of their reports referred to in the Other Matter section below is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to financial statements of the Holding Company and its subsidiary, which is incorporated in India.

Meaning of Internal Financial Controls with reference to Financial Statements

A company's internal financial control with reference to

ANNEXURE "A" TO THE INDEPENDENT AUDITORS' REPORT

financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to financial statements includes those policies and procedures that:

a. pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;

b. provide reasonable assurance that transactions are recorded as necessary to permit the preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and

c. provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to Financial Statements

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Holding Company and its subsidiary, which is incorporated in India, have, in all material respects, adequate internal financial controls with reference to the consolidated financial statements and such internal financial controls with reference to the consolidated financial statements were operating effectively as at March 31, 2021, based on the internal controls over financial reporting criteria established by the respective companies, considering the essential components of internal control stated in the Guidance Note.

Other Matter

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to financial statements insofar as it relates to its subsidiary, which are incorporated in India, are based on the corresponding report of the auditors of such subsidiary incorporated in India.

For **BANSI S. MEHTA & CO.**
Chartered Accountants
Firm Registration No. 100991W

PARESH H. CLERK
Partner
Membership No. 36148
UDIN : 21036148AAAABY2501

PLACE : Mumbai
DATED : May 25, 2021

Consolidated Balance Sheet as at March 31, 2021

CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2021

₹ in Lakhs

Sr. No.	Particulars	Note No.	As at March 31, 2021	As at March 31, 2020
A.	**ASSETS**			
1.	**Non-current Assets**			
a.	Property, Plant and Equipment	3	27,151.30	27,067.61
b.	Capital Work-in-progress	4	1,392.94	1,862.90
c.	Right-of-Use Assets	5	1,556.85	1,599.72
d.	Financial Assets			
	i. Investments	6	14,204.71	11,788.44
	ii. Loans	7	93.42	178.96
	iii. Other Financial Assets	8	124.00	130.00
e.	Other Non-current Assets	9	28.05	386.54
Sub-total-Non-current Assets			**44,551.27**	**43,014.18**
2.	**Current Assets**			
a.	Inventories	10	3,672.26	4,966.81
b.	Financial Assets			
	i. Trade Receivables	11	7,612.00	8,974.88
	ii. Cash and Cash Equivalents	12	1,547.55	41.57
	iii. Bank Balances other than ii. above	13	671.99	70.67
	iv. Loans	14	4.19	2.61
	v. Other Financial Assets	15	304.59	212.76
c.	Other Current Assets	16	1,559.12	1,588.70
Sub-total-Current Assets			**15,371.70**	**15,858.00**
Total Assets			**59,922.96**	**58,872.19**
B.	**EQUITY AND LIABILITIES**			
1.	**Equity**			
a.	Equity Share Capital	17	558.56	558.56
b.	Other Equity	18	37,422.49	33,285.97
Total Equity			**37,981.05**	**33,844.53**

CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2021

₹ in Lakhs

Sr. No.	Particulars	Note No.	As at March 31, 2021	As at March 31, 2020
2.	**Liabilities**			
Non-current Liabilities				
a.	Financial Liabilities			
	i. Borrowings	19	4,427.93	4,461.08
	ii. Lease Liabilities	20	710.13	959.15
b.	Provisions	21	311.91	359.02
c.	Deferred Tax Liabilities (Net)	22	5,847.65	5,652.98
Sub-total-Non-current Liabilities			**11,297.62**	**11,432.23**
Current Liabilities				
a.	Financial Liabilities			
	i. Borrowings	23	2,702.31	3,226.59
	ii. Trade Payables	24		
	- total outstanding dues of micro enterprises and small enterprises		309.10	511.94
	- total outstanding dues of creditors other than micro enterprises and small enterprises		3,305.56	4,705.85
	iii. Lease Liabilities	25	916.38	904.43
	iv. Other Financial Liabilities	26	3,236.49	4,073.18
b.	Other Current Liabilities	27	128.42	144.59
c.	Provisions	28	28.56	28.84
d.	Current Tax Liabilities (Net)	29	17.47	-
Sub-total-Current Liabilities			**10,644.29**	**13,595.42**
Total Equity and Liabilities			**59,922.96**	**58,872.19**
Notes (Including Significant Accounting Policies)		**1-55**		
Forming part of the Consolidated Financial Statements				

As per our attached report of even date

For BANSI S. MEHTA & CO.
Chartered Accountants
Firm Registration No. 100991W

PARESH H. CLERK
Partner
Mem. No. : 36148

Place : Mumbai
Date : May 25, 2021

For and on behalf of the Board of Directors
TRANSPEK INDUSTRY LIMITED

Ashwin C. Shroff (Chairman) DIN : 00019952
Bimal V. Mehta (Managing Director) DIN : 00081171
Ninad D. Gupte (Director) DIN : 00027523
Alak D. Vyas (Company Secretary & Compliance Officer) ACS : 31731
Pratik P. Shah (Chief Financial Officer) ACA: 118400

Place : Vadodara
Date : May 25, 2021

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

₹ in Lakhs

Sr. No.	Particulars	Note No.	For the year ended March 31, 2021	For the year ended March 31, 2020
	Income			
I	Revenue from Operations	30	33,940.03	56,563.78
II	Other Income	31	1,726.35	1,739.15
III	**Total Income (I+II)**		**35,666.38**	**58,302.93**
IV	**Expenses**			
	a. Cost of Materials Consumed	32	15,934.35	25,311.16
	b. Changes in inventories of Finished Goods, Stock-in-trade and Work-in-progress	33	323.57	722.12
	c. Employee Benefits Expense	34	4,486.63	4,942.24
	d. Finance Costs	35	1,040.57	1,584.83
	e. Depreciation and Amortisation Expense	3 and 4	2,850.55	2,590.08
	f. Other Expenses	36	8,476.68	13,800.53
	Total Expenses (IV)		**33,112.35**	**48,950.96**
V	**Profit / (Loss) before Exceptional Items and Tax (III-IV)**		**2,554.03**	**9,351.97**
VI	**Exceptional Items**		-	-
VII	**Profit / (Loss) beforeTax (V-VI)**		**2,554.03**	**9,351.97**
VIII	**Tax Expense**			
	a. Current Tax		560.00	2,051.18
	b. Excess / (Short) Provision for tax of earlier years		(83.30)	(105.67)
	c. Deferred Tax	22	(253.84)	112.29
	Total Tax Expense		**222.86**	**2,057.80**
IX	**Net Profit / (Loss) for the year (VII-VIII)**		**2,331.17**	**7,294.17**
X	**Other Comprehensive Income :**			
	Items that will not be reclassified to profit or loss			
	a. Remeasurement gain / (loss) on defined benefit plans		(22.80)	(15.59)
	b. Equity Instruments through Other Comprehensive			

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

₹ in Lakhs

Sr. No.	Particulars	Note No.	For the year ended March 31, 2021	For the year ended March 31, 2020
	Income		2,416.27	(3,110.04)
	c. Income tax relating to items that will not be reclassified to profit or loss			
	- Remeasurement gain / (loss) on defined benefit plans		5.74	4.54
	- Equity instruments through Other Comprehensive Income		(454.23)	551.31
	Other Comprehensive Income for the year (net of tax)		**1,944.98**	**(2,569.78)**
XI	**Total Comprehensive Income for the year (IX+X)**		**4,276.15**	**4,724.39**
XII	Earnings per share (of ₹ 10/- each):	39		
	Basic (₹)		41.74	0.00
	Diluted (₹)		41.74	0.00
	Notes (Including Significant Accounting Policies)			
	Forming part of the Consolidated Financial Statements	**1-55**		

As per our attached report of even date

For BANSI S. MEHTA & CO.
Chartered Accountants
Firm Registration No. 100991W

PARESH H. CLERK
Partner
Mem. No. : 36148

Place : Mumbai
Date : May 25, 2021

For and on behalf of the Board of Directors
TRANSPEK INDUSTRY LIMITED

Ashwin C. Shroff (Chairman) DIN : 00019952
Bimal V. Mehta (Managing Director) DIN : 00081171
Ninad D. Gupte (Director) DIN : 00027523
Alak D. Vyas (Company Secretary & Compliance Officer) ACS : 31731
Pratik P. Shah (Chief Financial Officer) ACA: 118400

Place : Vadodara
Date : May 25, 2021

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED MARCH 31, 2021

₹ in Lakhs

	Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
A.	Cash flow from Operating Activities		
	Profit / (Loss) before Tax	**2,554.03**	**9,351.97**
	Adjustments for :		
	Depreciation and Amortisation Expense	2,850.55	2,590.08
	Interest Income	(61.05)	(38.28)
	Loss on Sale of Property, Plant and Equipment (Net)	18.18	8.41
	Gain/(Loss) on Lease Modifcation	(65.26)	-
	Net loss on Foreign Currency Transactions	46.29	45.40
	Finance Costs	1,040.57	1,584.83
	Dividend Income	(299.95)	(316.67)
	Profit on Sale of Property, Plant and Equipment (Net)	(104.87)	54.46
	Excess Provision Written Back	(65.98)	-
	Operating Profit before Working Capital Changes	**5,912.51**	**13,280.21**
	Working Capital Changes		
	(Increase) / Decrease in Trade Receivables	1,361.72	381.62
	(Increase) / Decrease in Inventories	1,294.55	642.89
	(Increase) / Decrease in Loans and Advances	83.96	72.07
	(Increase) / Decrease in Other Financial Assets	(92.57)	134.84
	(Increase) / Decrease in Other Current and Non-current Assets	34.65	247.81
	Increase / (Decrease) in Trade Payables	(1,603.13)	(775.48)
	Increase / (Decrease) in Other Financial Liabilities	(773.97)	221.96
	Increase / (decrease) in Current and Non-current Provisions	(47.39)	(700.94)
	Increase / (Decrease) in Other Current and Non-current Liabilities	(16.17)	(25.00)
	Cash (Used) / Generated from Operations	**6,154.18**	**13,479.99**
	Income Taxes paid (Net)	(375.64)	(2,420.85)
	Net Cash from Operating Activities (A)	**5,778.53**	**11,059.14**
B.	Cash flows from Investing Activities		
	Purchase of Property, Plant and Equipment (PPE) [Refer Note 2 below]	(1,753.66)	(3,736.46)
	Proceeds from disposal of Property, Plant and Equipment	311.62	75.78
	Investment in Subsidiary	-	(1.00)
	Investment in Bank Deposit	(607.27)	-
	Earmarked Balances with Banks	3.94	-
	Deposits held as Margin Money	2.02	-

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED MARCH 31, 2021

₹ in Lakhs

	Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
	Interest Received	67.79	28.22
	Dividend Received	299.95	316.67
	Net Cash (Used) / Generated in Investing Activities (B)	**(1,675.62)**	**(3,316.79)**
C.	**Cash flow from Financing Activities :**		
	Proceeds from of Long-term Borrowings	960.00	-
	Repayments of Long-term Borrowings	(993.15)	(1,745.77)
	Repayment of Short-term Borrowings	(524.28)	(1,915.53)
	Finance Costs paid	(929.75)	(1,341.11)
	Dividend paid (including Dividend Distribution Tax)	(139.64)	(2,020.11)
	Payment of Principal Portion of Lease Liabilities	(829.49)	(535.75)
	Payment of Interest Portion of Lease Liabilities	(141.60)	(165.42)
	Proceeds from issue of Equity Share Capital	1.00	-
	Net Cash (Used) / Generated in Financing Activities (C)	**(2,596.91)**	**(7,723.69)**
	Balances with Banks in Current Accounts	14.91	4.83
	Cash on Hand	26.66	18.10
	Cash and Cash Equivalents at the Beginning of the Year	**41.57**	**22.93**
	Net Increase In Cash and Cash Equivalents [(A) + (B) + (C)]	**1,506.01**	**18.65**
	Balances with banks in current accounts and deposit account	1,140.50	14.91
	Cash on hand	7.05	26.66
	Bank deposits with maturity less than three months	400.00	-
	Cash and Cash Equivalents at the End of the Year	**1,547.55**	**41.57**

Notes

1. The above Statement of Cash Flows has been prepared under the 'Indirect Method' as set out in Ind AS 7, 'Statement of Cash Flows'.
2. Purchase of Property, Plant and Equipment includes additions to Other Intangible Assets and adjusted for movement from Capital Work-inprogress and Capital Advances.
3. Changes in liabilities arising from financing activities, including changes from cash flows and non-cash changes:

₹ in Lakhs

Particulars	As at April 1, 2020	Cash Flows	Non-cash	As at March 31, 2021
Long-term Borrowings	4,461.08	(33.15)	-	4,427.93
Short-term Borrowings	3,226.59	(524.28)	-	2,702.31
Lease Liabilities	1,863.58	(971.09)	734.02	1,626.51

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED MARCH 31, 2021

₹ in Lakhs

Particulars	As at April 1, 2019	Cash Flows	Non-cash	As at March 31, 2020
Long-term Borrowings	6,878.11	(2,417.03)	-	4,461.08
Short-term Borrowings	5,142.12	(1,915.53)	-	3,226.59
Lease Liabilities	-	(701.17)	2,564.75	1,863.58

4. Figures in the brackets are outflows/deductions.
5. Previous year figures have been regrouped wherever necessary.

As per our attached report of even date

For BANSI S. MEHTA & CO.
Chartered Accountants
Firm Registration No. 100991W

PARESH H. CLERK
Partner
Mem. No. : 36148

Place : Mumbai
Date : May 25, 2021

For and on behalf of the Board of Directors
TRANSPEK INDUSTRY LIMITED

Ashwin C. Shroff (Chairman) DIN : 00019952
Bimal V. Mehta (Managing Director) DIN : 00081171
Ninad D. Gupte (Director) DIN : 00027523
Alak D. Vyas (Company Secretary & Compliance Officer) ACS : 31731
Pratik P. Shah (Chief Financial Officer) ACA: 118400

Place : Vadodara
Date : May 25, 2021

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

a. Equity Share Capital : ₹ in Lakhs

Particulars	Number of Shares	Balance
As at April 1, 2019	**5,585,569**	**558.56**
Changes during the year	-	-
As at March 31, 2020	**5,585,569**	**558.56**
Changes during the year	-	-
As at March 31, 2021	**5,585,569**	**558.56**

b. Other Equity (Refer Note 18): ₹ in Lakhs

Particulars	Reserves and Surplus					Other Comprehensive Income		Total Equity
	Capital Reserve	Securities Premium	Capital Redemption Reserve	General Reserve	Retained Earnings	Equity Instruments through other Comprehensive Income	Foreign Currency Translation Reserve	
Balance as at April 1, 2019	**19.00**	**202.75**	**28.65**	**3,417.71**	**15,471.11**	**11,442.48**	**0.02**	**30,581.70**
Profit/(Loss) for the year	-	-	-	-	7,294.17	-	(0.02)	7,294.15
Other Comprehensive Income for the year (net of tax) :								
Remeasurement of net benefit benefit plans	-	-	-	-	(11.05)	-	-	(11.05)
Net fair value gain / (loss) on investment in Equity Instruments through OCI	-	-	-	-		(2,558.73)	-	(2,558.73)
Total Comprehensive Income for the year	-	-	-	-	7,283.12	(2,558.73)	(0.02)	4,724.36
Dividend paid including dividend tax thereon	-	-	-	-	(1,346.74)	-	-	(1,346.74)
Interim Dividend paid including dividend tax thereon	-	-	-	-	(673.37)	-		(673.37)
Balance as at March 31, 2020	**19.00**	**202.75**	**28.65**	**3,417.71**	**20,734.12**	**8,883.75**		**33,285.95**
Profit/(Loss) for the year	-	-	-	-	2,331.17	-	0.00	2,331.17
Other Comprehensive Income for the year (net of tax) :								
Remeasurement of net benefit benefit plans	-	-	-	-	(17.06)	-		(17.06)
Net fair value gain / (loss) on investment in Equity Instruments through OCI	-	-	-	-	-	1,962.04	-	1,962.04

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

Particulars	Reserves and Surplus					Other Comprehensive Income		
	Capital Reserve	Securities Premium	Capital Redemption Reserve	General Reserve	Retained Earnings	Equity Instruments through other Comprehensive Income	Foreign Currency Translation Reserve	Total Equity
Total Comprehensive Income for the year	-	-	-	-	2,314.11	1,962.04	0.00	4,276.14
Dividend paid including dividend tax thereon	-	-	-	-	(139.64)	-		(139.64)
Balance as at March 31, 2021	**19.00**	**202.75**	**28.65**	**3,417.71**	**22,908.59**	**10,845.79**	**0.00**	**37,422.49**

As per our attached report of even date

For BANSI S. MEHTA & CO.
Chartered Accountants
Firm Registration No. 100991W

PARESH H. CLERK
Partner
Mem. No. : 36148

Place : Mumbai
Date : May 25, 2021

For and on behalf of the Board of Directors
TRANSPEK INDUSTRY LIMITED

Ashwin C. Shroff (Chairman) DIN : 00019952
Bimal V. Mehta (Managing Director) DIN : 00081171
Ninad D. Gupte (Director) DIN : 00027523
Alak D. Vyas (Company Secretary & Compliance Officer) ACS : 31731
Pratik P. Shah (Chief Financial Officer) ACA: 118400

Place : Vadodara
Date : May 25, 2021

Notes Forming Part of the Consolidated Financial Statements

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

NOTE: 1

CORPORATE INFORMATION

Transpek Industry Limited ("the Company") is into the manufacturing and export of a range of chemicals servicing the requirements of customers from a diverse range of industries - Textiles, Pharmaceuticals, Agrochemicals, Advanced Polymers, etc.

The Company is a public limited company incorporated and domiciled in India and has its registered office at Vadodara, Gujarat, India. The equity shares of the Company are listed on Bombay Stock Exchange Limited (BSE).

The Consolidated Financial Statements for the year ended March 31, 2021 are approved by the Group`s Board of Directors and authorised for issue in the meeting held on May 25, 2021.

NOTE: 2.1

CONSOLIDATION

- The Consolidated financial statements comprise the financial statements of Transpek Industry Limited (herein after referred to as 'the Holding Company') and its subsidiaries companies, hereinafter collectively referred to as 'the Group'.
- Details of the subsidiary company considered in the Consolidated Financial statements are as under:

Name of the Company	Country of Incorporation	% of Shareholding	
		As at March 31, 2021	As at March 31, 2020
Transpek Industry (Europe) Limited	United Kingdom	100	100
Transpek Creative Chemistry Private Limited*	India	100	100

*With the effect from January 6, 2020.

NOTE: 2.2

BASIS OF PREPARATION

i. Compliance with Ind AS

The Consolidated financial statements have been prepared in accordance with Indian Accounting Standards ("Ind AS") notified under Section 133 of the Companies Act, 2013 ("the Act") to be read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and the relevant amendment rules issued thereafter.

ii. Historical Cost Convention

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

- Certain financial assets that are measured at fair value;
- Employee's Defined Benefit Plan – Plan Assets is measured at fair value measured as per independent actuarial valuation

iii. Principles of Consolidation

The Consolidated Financial Statements have been prepared on the following basis:

- The financial statements of the Company and its subsidiary have been combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after fully eliminating intra-group balances and intra-group transactions resulting in unrealised profits or losses as per Ind AS - 110.
- "Non-Controlling Interest" represents the amount of equity attributable to minority shareholders at the date on which investment in the subsidiary is made and its share of movements in the equity since that date. Non-Controlling interest's share of net profit/

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

loss for the year of the subsidiary is identified and adjusted against the profit after tax of the group.

- Intra-group balances and intra-group transactions and resulting unrealised profits have been eliminated.
- Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances except where it is not practicable to do so.
- The exchange difference arising on monetary item relating to foreign operations shall be recognised initially in other comprehensive Income and accumulated in the separate component of equity and shall be reclassified from equity to Consolidated Statement of Profit and Loss on disposal of investment in foreign operation .
- The excess of cost to the company of its investment in the subsidiaries, on the acquisition dates over and above the company's share of equity in the subsidiaries, is recognised in the consolidated financial statements as Goodwill on consolidation. The said Goodwill is tested for impairment at each Balance Sheet date and the impairment loss, if any is provided for.

iv. Functional and Presentation Currency

These consolidated financial statements are presented in Indian Rupees, which is the Group's functional currency, and all values are rounded to the nearest lakhs up to two decimals, except where otherwise indicated.

SIGNIFICANT ACCOUNTING POLICIES

A. Current Versus Non-Current Classification

The Group presents assets and liabilities in the Balance Sheet based on current/ non-current classification.

An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for atleast twelve months after the reporting period

The Group classifies all other assets as non-current.

A liability is treated as current when it is:

- Expected to be settled in normal operating cycle
- Held primarily for the purpose of trading
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Group classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

Based on the nature of products and the time between acquisition of assets for processing and their realisation in cash and cash equivalents, the Group has identified twelve months as its operating cycle for the purpose of current / non-current classification of assets and liabilities.

B. Property, Plant and Equipment ("PPE"):

Recognition and Measurement

An item of PPE is recognised as an asset when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. Freehold land is carried at historical cost. All other items of PPE are stated at cost, which includes capitalised borrowing costs, less accumulated depreciation, and impairment loss, if any. Cost includes purchase price, including non-refundable duties and taxes,

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

expenditure that is directly attributable to bring the assets to the location and condition necessary for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located, if any.

Properties in the course of construction for production, supply or administrative purposes are carried at cost, less any recognised impairment loss. Cost includes professional fees, and borrowing costs (for qualifying assets) capitalised in accordance with the Group's accounting policies. Such properties are classified to the appropriate categories of PPE when completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

Spare parts are treated as capital assets when they meet the definition of PPE. Otherwise, such items are classified as inventory.

If significant parts of an item of PPE have different useful lives, then they are accounted for, as separate items (major components) of PPE. Any gains or losses on their disposal, determined by comparing sales proceeds with carrying amount, are recognised in the consolidated Statement of Profit or Loss.

Subsequent Expenditure;

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Group.

Derecognition:

An item of PPE is derecognised upon disposal or when no future economic benefits are expected to arise from its use. Any gain or loss arising from its derecognition is measured as the difference between the net disposal proceeds and the carrying amount of the asset and is recognised in Consolidated Statement of Profit and Loss when the asset is derecognised.

Depreciation Methods, Estimated Useful Lives and Residual Value:

Depreciation on PPE is provided using the straight-line method based on the life and in the manner prescribed in Schedule II to the Act, and is generally recognised in the consolidated Statement of Profit and Loss. Freehold land is not depreciated.

Depreciation on PPE is provided based on the useful life and in the manner prescribed in Schedule II to the Act, except in respect of the following categories of assets, where the useful life of the PPE have been determined by the Management based on the technical assessment / evaluation:

Category of Property, Plant and Equipment	Useful Life in Years	
	As per Schedule II	As per Group's Assessment
Plant and Machinery (Continuous Process Plant)	25	20

Depreciation method, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate. Based on technical evaluation and consequent advice, the management believes that its estimates of useful lives as given above best represent the period over which management expects to use these assets. Depreciation on additions (disposals) is provided on a pro-rata basis i.e. from (upto) the date on which asset is ready for use (disposed of).

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Capital Work-in-Progress

Plant and properties in the course of construction for production, supply or administrative purposes are carried at cost, less any recognised impairment loss. Cost includes professional fees and, borrowing costs(for qualifying asset) capitalised in accordance with the Group's accounting policies. Such plant and properties are classified and capitalised to the appropriate categories of PPE when completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets, commences when the asset are ready for their intended use.

Advances paid towards the acquisition of PPE outstanding at each Balance Sheet date are classified as capital advances under "Other Non-current Assets" and the cost of assets not put to use upto the year-end is disclosed under 'Capital work-in-progress'.

C. Intangible Assets:

Recognition and Measurement

Intangible assets are recognised only if it is probable that the future economic benefits that are attributable to the assets will flow to the Group and the cost of the assets can be measured reliably. Intangible Assets are stated at cost of acquisition less accumulated amortisation and accumulated impairment, if any.

Research costs are expensed as incurred. Product development expenditure incurred on individual product project is recognised as an intangible asset when the Group can demonstrate:

- The technical feasibility of completing the intangible asset so that it will be available for use or sale;
- Its intention to complete the asset and use or sell it;
- Its ability to use or sell the asset;
- The availability of adequate resources to complete the development and to use or sell the intangible asset; and
- The ability to measure reliably the expenditure attributable to the intangible asset during development.

Amortisation

Any expenditure capitalised as technical know-how is amortised on a straight-line basis over the period over which the benefit is derived by the Group.

Derecognition of Intangible Assets:

Intangible asset is derecognised on disposal or when no future economic benefits are expected from its use or disposal. Gains or losses arising from de-recognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Consolidated Statement of Profit and Loss when the asset is derecognised.

D. Impairment of Non-financial Assets:

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

The Group's corporate assets do not generate

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

independent cash inflows. To determine impairment of a corporate asset, recoverable amount is determined for the CGUs to which the corporate asset belongs.

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognised in the consolidated Statement of Profit and Loss. Impairment loss recognised in respect of a CGU is allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets of the CGU (or group of CGUs) on a pro rata basis.

E. Inventories:

Inventories are measured at lower of cost and net realisable value. Cost of inventories is determined on a First In First out ("FIFO")(as mentioned below), after providing for obsolescence and other losses as considered necessary. Cost includes expenditure incurred in acquiring the inventories, reduction and conversion costs and other costs incurred in bringing them to their present location and condition.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

Raw materials and other supplies held for use in the production of finished products are not written down below cost except in cases where material prices have declined and it is estimated that the cost of the finished products will exceed their net realisable value.

Items of Inventory are valued on the principle laid down by the Ind AS 2 on Inventories on the basis given below:

a.	Raw Materials, Stores and Spares (that are not capitalised) and Fuel	Lower of cost (determined on FIFO) basis and net realisable value.
b.	Packing Material	Lower of cost (determined on FIFO) basis and net realisable value.
c.	Traded Goods	Lower of cost and net realisable value.
d.	Work-in-Progress	Lower of cost and net realisable value. Cost includes direct materials, labour and a proportion of manufacturing overheads based on normal operating capacity.
e.	Finished Goods	Lower of cost and net realisable value. Cost includes direct materials, labour, a proportion of manufacturing overheads based on normal operating capacity duties and taxes where credit is not available.

The comparison of cost and net realisable value is made on an item-by-item basis.

F. Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial Assets:

Initial Recognition, Classification and Measurement

All financial assets are recognised initially at fair value and, in the case of financial assets not

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

Debt Instruments at Amortised Cost

A 'debt instrument' is measured at amortised cost if both the following conditions are met:

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the Effective Interest Rate ("EIR") method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in other income in the consolidated statement of profit or loss. The losses arising from impairment are recognised in the consolidated statement of profit or loss.

Debt Instrument at Fair Value through Other Comprehensive Income ("FVTOCI")

A 'debt instrument' is classified at FVTOCI if both of the following criteria are met:

- The objective of the business model is achieved both by collecting contractual cash flows and selling the financial Assets, and
- The asset's collecting contractual cash flows represent Solely Payments of Principal and Interest ("SPPI") on the principal amount outstanding.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognised in the Other Comprehensive Income ("OCI"). However, the Group recognises interest income, impairment losses and reversals and foreign exchange gain or loss in the consolidated Statement of Profit and Loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to Consolidated Statement of Profit and Loss. Interest earned while holding FVTOCI debt instrument is reported as interest income using the EIR method.

Debt Instrument at Fair Value through Profit and Loss ("FVTPL")

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorisation as at amortised cost or as FVTOCI, is classified as FVTPL.

In addition, the Group may elect to designate a debt instrument, which otherwise meets amortised cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The Group has designated certain debt instrument as at FVTPL.

Debt instruments included within the FVTPL category are measured at fair value with all changes recognised in the consolidated Statement of Profit and Loss.

Equity Investments

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Group may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Group makes such election on an instrument-by instrument basis. The classification is made on initial recognition and is irrevocable. If the Group decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognised in the OCI. There is no recycling of the amounts from OCI to consolidated Statement of Profit and Loss, even on sale of investment. However, the Group may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognised in the consolidated Statement of Profit and Loss.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a Group of similar financial assets) is primarily derecognised (i.e. removed from the Group's Balance Sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either
  - the Group has transferred substantially all the risks and rewards of the asset, or
  - the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Impairment of Financial Assets

In accordance with Ind AS 109, the Group applies Expected Credit Loss ("ECL") model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance
- Financial assets that are debt instruments and are measured as at FVTOCI
- Trade receivables or any contractual right to receive cash or another financial asset.

The Group follows 'simplified approach' for recognition of impairment loss allowance for:

- Trade receivables and
- Other receivables

The application of simplified approach does not require the Group to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the Balance Sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Group does not reduce impairment allowance from the gross carrying amount

Financial Liabilities:

Initial Recognition and Measurement

The Group's financial liabilities include trade and other payables, loans and borrowings. All financial liabilities are recognised initially at fair value and in the case of loans, borrowings and payables recognised net of directly attributable transaction costs.

Subsequent Measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial Liabilities at FVTPL

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

in the near term. This category also includes derivative financial instruments entered into by the Group that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Gains or losses on liabilities held for trading are recognised in the consolidated Statement of Profit and Loss.

Loans and Borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the consolidated Statement of Profit and Loss.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the consolidated Statement of Profit and Loss.

Offsetting of Financial Instruments

Financial assets and financial liabilities are offset and the net amount is reported in the Balance Sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

G. Derivative Financial Instruments

The Group uses derivative financial instruments such as forward contracts to hedge its foreign currency risks relating to highly probable transactions or firm commitments. Such forward Exchange Contracts are marked to market and resulting gains or losses are recorded in the consolidated Statement of Profit and Loss. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

H. Cash and Cash Equivalents

Cash and cash equivalents in the Balance Sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the consolidated statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Group's cash management.

I. Cash Flows

Cash flows are reported using the indirect method, whereby profit for the year is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Group are segregated. The Group considers all highly liquid investments that are readily convertible to known amounts of cash to be cash equivalents.

J. Foreign Currency Translation:

Initial Recognition:

Foreign currency transactions are recorded in the reporting currency by applying to the foreign

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

Conversion:

Foreign currency monetary items are reported using the closing rate. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction and non-monetary items which are carried at fair value or other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when the values were determined.

K. Revenue Recognition:

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services. The Group assesses promises in the contract that are separate performance obligations to which a portion of transaction price is allocated.

Sale of Goods

Revenue from the sale of goods is recognised at a point in time when control of the asset is transferred to the customer, generally on the delivery of the goods.

The Group considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated. In determining the transaction price, the Group considers the effects of variable consideration, the existence of significant financing component and consideration payable to the customer like return and trade discounts.

Sales are disclosed excluding net of sales returns and Goods and Service Tax (GST).

Conversion Charges

Income is recorded on accrual basis on dispatch of material and as per terms of agreement.

Income from Wind Operated Power Generators

Income from Sale of Wind Operated Power is accounted on accrual basis on confirmation of units generated and supplied to the State Electricity Board as per the agreement.

Sale of Scrap

Revenue from sale of scrap is recognised as and when scrap is sold.

L. Other Income

Interest Income

Interest income from the financial assets is recognised on a time basis, by reference to the principle outstanding using the effective interest method provided it is probable that the economic benefits associated with the interest will flow to the Group and the amount of interest can be measured reliably. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of that financial asset.

Export Benefits

Duty free imports of raw materials under Advance License for imports as per the Import and Export Policy are matched with the exports made against the said licenses and the net benefit/obligation is accounted by making suitable adjustments in raw material consumption.

The benefits accrued under the duty drawback scheme and Merchandise Export from India Scheme (MEIS) as per the Import and export Policy in respect of exports under the said scheme are recognised when there is a reasonable assurance that the benefit will be received and the Group will comply with all attached conditions. The above benefits have been included under the head 'Export Incentives.'

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Dividend Income

Dividend income from Investments is recognised when the Group's right to receive the payment is established, which is generally when shareholders approve the dividend.

Insurance Claims:

Insurance claims are accounted on accrual basis when there is reasonable certainty of realisability of the claim amount.

Commission Income:

Income on account of commission is accounted on accrual basis based on the Terms of Agreement.

M. Employee Benefits:

Employee benefits includes short term employee benefits, contribution to defined contribution schemes, contribution to defined benefit plan and compensated absences.

Short-term Employee Benefits

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employee's services up to the end of the reporting 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.

Contribution towards Defined Benefit Contribution Schemes

Contribution towards provident fund and superannuation fund is made to the regulatory authorities. Contributions to the above scheme are charged to the consolidated Statement of Profit and Loss in the year when the contributions are due. Such benefits are classified as defined Contribution Schemes as the Group does not carry any further obligations, apart from the contributions to be made.

Defined Benefit Plan

Gratuity Plan

The Group has a defined benefit gratuity plan. Every employee who has completed five years or more of service is eligible for gratuity on post-employment at 15 days salary (last drawn salary) for each completed year of service as per the rules of the Group. The aforesaid liability is provided for on the basis of an actuarial valuation on projected unit credit method made at the end of the financial year. The scheme is funded with an insurance Company in the form of a qualifying insurance policy. Current service cost, Past-service costs are recognised immediately in consolidated Statement of profit or loss.

Remeasurement

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to equity in other comprehensive income in the period in which they arise. They are included in retained earnings in the consolidated statement of changes in equity and in the Balance Sheet. Remeasurements are not reclassified to profit or loss in subsequent periods.

Compensated Absences

Accumulated compensated absences, which are expected to be availed or encashed within 12 months from the end of the year end are treated as short term employee benefits. The obligation towards the same is measured at the expected cost of accumulating compensated absences as the additional amount expected to be paid as a result of the unused entitlement as at the year end.

Accumulated compensated absences, which are expected to be availed or encashed beyond 12 months from the end of the year end are treated as other long term employee benefits. The Group's

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of government bonds. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in profit or loss in the period in which they arise.

N. Borrowing Costs:

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale. All other borrowing costs are expensed in the period in which they are incurred.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

O. Income Taxes :

The tax expense comprises of current income tax and deferred tax.

Current Income Tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. Current Income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961 enacted in India. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred Tax

Deferred tax recognised on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax liabilities are generally recognised for all taxable temporary differences.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilised, except:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

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

Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if there is a legally enforceable right to offset current tax assets against current tax liabilities and deferred tax assets and liabilities relate to the income tax levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the current tax liabilities and assets on a net or simultaneous basis.

P. Provisions and Contingent Liabilities and Contingent Assets :

Provisions:

Provisions are recognised when the Group has a present obligation (legal or constructive) 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 a reliable estimate can be made of the amount of the obligation. When the Group expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the consolidated Statement of Profit and Loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Provisions are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates.

Contingent Liabilities and Contingent Assets:

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliably. The Group does not recognise a contingent liability but discloses its existence in the consolidated financial statements.

A contingent asset is not recognised unless it becomes virtually certain that an inflow of economic benefits will arise. When an inflow of economic benefits is probable, contingent assets are disclosed in the consolidated financial statements.

Contingent liabilities and contingent assets are reviewed at each Balance Sheet date.

Q. Earnings per Share:

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Partly paid equity shares are treated as a fraction of an equity share to the extent that they were entitled to participate in dividends relative to a fully paid equity share during the reporting period.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

R. Leases:

A contract is, or contains, a lease if the contract

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conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether:

- The contract involves the use of an identified asset – this may be specified explicitly or implicitly and should be physically distinct or represent substantially all of the capacity of a physically distinct asset. If the supplier has a substantive substitution right, the asset is not identified.
- The Group has the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use; and
- The Group has the right to direct the use of the asset. The Group has the right when it has the right decision-making rights that are most relevant to changing how and for what purpose the asset is used. In rare cases, where the decision about how and for what purpose the asset is used is predetermined, the Group has the right to direct the use of the asset if either:
  - The Group has the right to operate the asset; or
  - The Group designed the asset in a way that predetermined how and for what purpose it will be used

This policy is applied to all contracts entered into, or changed, on or after April 1, 2019.

Group as a Lessee

Lease Liability

At the commencement date, the Group measures the lease liability at the present value of the lease payments that are not paid at that date. The lease payments shall be discounted using incremental borrowing rate. Generally, the Group uses its incremental borrowing rate as the discount rate.

Lease payments included in the measurement of the Lease Liability comprise the following:

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

The Group presents Lease Liabilities under "Financial Liabilities" in the Balance Sheet.

Right-of-Use Assets ("ROU Asset")

Initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located less any lease incentives.

The Group presents ROU assets that meet the definition of investment property are presented within investment property otherwise under "Property, Plant and Equipment".

Subsequent Measurement

Lease Liability

Group measure the lease liability by (a) increasing the carrying amount to reflect interest on the lease liability; (b) reducing the carrying amount to reflect

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

the lease payments made; and (c) remeasuring the carrying amount to reflect any reassessment or lease modifications.

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

Right-of-Use Assets

Subsequently measured at cost less accumulated depreciation and impairment losses. Right-of-use assets are depreciated from the commencement date on a straight line basis over the shorter of the lease term and useful life of the under lying asset. The estimated useful lives of ROU assets are determined on the same basis as those of property and equipment.

When a Lease Liability is remeasured, a corresponding adjustment is made to the carrying amount of the ROU asset, or is recorded in the Statement of Profit or Loss if the carrying amount of the ROU asset has been reduced to zero.

Impairment

Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

Short-term Lease and Leases of low-value asset:

Short term lease is that, at the commencement date, has a lease term of 12 months or less. A lease that contains a purchase option is not a short-term lease. If the Group elected to apply short term lease, the lessee shall recognise the lease payments associated with those leases as an expense on either a straight-line basis over the lease term or another systematic basis. The lessee shall apply another systematic basis if that basis is more representative of the pattern of the lessee's benefit.

Group as a Lessor

Leases for which the Group is a lessor is classified as a finance or operating lease. To classify each lease, the Group makes an overall assessment of whether the lease transfers substantially entire risks and rewards incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease; if not, then it is an operating lease. As part of this assessment, the Group considers certain indicators such as whether the lease is for the major part of the economic life of the asset.

S. Segment Reporting

Based on "Management Approach" as defined in Ind AS 108 -Operating Segments, the Chief Operating Decision Maker evaluates the Group's performance and allocates the resources based on an analysis of various performances. The analysis of geographical segments is based on the geographical location of the customers wherever required.

Unallocable items include general corporate income and expense items which are not allocated to any business segment.

Segment Policies:

The Group prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the consolidated financial statements of the Group as a whole. Common allocable costs are allocated to each

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

segment on an appropriate basis.

T. Exceptional Items:

Certain occasions when the size, type or incidence of an item of income or expense, pertaining to the ordinary activities of the Group is such that its disclosure improves the understanding of the performance of the Group, such income or expense is classified as an exceptional item and accordingly, disclosed in the notes accompanying to the consolidated financial statements.

NOTE : 2.3

Use of Judgements, Estimates and Assumptions

The preparation of the Group's consolidated financial statements requires management to make estimates and assumptions that affect the reported amounts of revenue, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods

Estimates and Assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Group based its assumptions and estimates on parameters available when the consolidated financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

1. Determination of the Estimated Useful Life of Tangible Assets

Useful life of tangible assets is based on the life prescribed in Schedule II of the Companies Act, 2013. In cases, where the useful life are different from that prescribed in Schedule II, they are based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers' warranties and maintenance support.

2. Defined Benefit Plans (Gratuity Benefits)

A liability in respect of defined benefit plans is recognised in the Balance Sheet, and is measured as the present value of the defined benefit obligation at the reporting date less the fair value of the plan's assets. The present value of the defined benefit obligation is based on expected future payments which arise from the fund at the reporting date, calculated annually by independent actuaries. Consideration is given to expect future salary levels, experience of employee departures and periods of service.

3. Taxes

There are many transactions and calculations undertaken during the ordinary course of business for which the ultimate tax determination is uncertain. Where the final tax outcome of these matters is different from the amounts initially recorded, such differences will impact the current and deferred tax provisions in the period in which the tax determination is made. The assessment of probability involves estimation of a number of factors including future taxable income.

4. Fair Value Measurement of Financial Instruments

When the fair values of financial assets and financial liabilities recorded in the Balance Sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgments

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

5. **Provision against Obsolete and Slow-moving Inventories**

The Group reviews the condition of its inventories and makes provision against obsolete and slow-moving inventory items which are identified as no longer suitable for sale or use. Group estimates the net realisable value for such inventories based primarily on the latest invoice prices and current market conditions. The Group carries out an inventory review at each Balance Sheet date and makes provision against obsolete and slow-moving items. The Group reassesses the estimation on each Balance Sheet date.

6. **Impairment of Financial Assets**

The Group assesses impairment based on ECL model on trade receivables. The Group 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 analysed.

7. **Impairment of Non- financial Assets**

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's fair value less costs of disposal and its value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre- tax discount rate that reflects current market assessment of the time value of money and the risk specific to the asset. In determining fair value less cost of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used.

These calculations are corroborated by valuation multiples, quoted share price for publicly traded subsidiaries or other available fair value indicators.

8. **Other Provisions**

Significant estimates are involved in the determination of provisions. Legal proceedings often involve complex legal issues and are subject to substantial uncertainties. Accordingly, considerable judgment is part of determining whether it is probable that there is a present obligation as a result of a past event at the end of the reporting period, whether it is probable that such a Legal Proceeding will result in an outflow of resources and whether the amount of the obligation can be reliably estimated.

NOTE : 2.23

Recent Pronouncement

The Ministry of Corporate Affairs ("MCA") through a notification of March 24, 2021, amended Schedule III to the Companies Act, 2013. The amendments revise Division I, II and III of Schedule III and are applicable from April 1, 2021. Key amendments relating to Division II which relate to companies whose financial statements are required to comply with Companies (Indian Accounting Standards) Rules, 2015 are:

Balance Sheet:

- Lease liabilities should be separately disclosed

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

under the head 'financial liabilities', duly distinguished as current or non-current.

- Certain additional disclosures in the statement of changes in equity such as changes in equity share capital due to prior period errors and restated balances at the beginning of the current reporting period.
- Specified format for disclosure of shareholding of promoters.
- Specified format for ageing schedule of trade receivables, trade payables, capital work-in-progress and intangible asset under development.
- If a company has not used funds for the specific purpose for which it was borrowed from banks and financial institutions, then to disclose details of where it has been used.
- Specific disclosure under 'additional regulatory requirement' such as compliance with approved schemes of arrangements, compliance with number of layers of companies, title deeds of immovable property not held in name of company, loans and advances to promoters, directors, key managerial personnel (KMP) and related parties, details of benami property held, etc.

Statement of Profit and Loss:

- Additional disclosures relating to Corporate Social Responsibility (CSR), undisclosed income and crypto or virtual currency specified under the head 'additional information' in the notes forming part of the financial statements.

The amendments are extensive and the Company will evaluate the same to give effect to those as required by law.

3 Property, Plant & Equipments

₹ in Lakhs

Particulars	Land Free-hold	Factory Buildings	Office Building	Electric Instal-lations	Plant and Machinery	Data Processing Machines	Research & Deve-lopment Equipment	Furniture and Fixtures	Vehicles	Office equipment	Wind Power Generation Plant	Technical Books	Total
I. Gross Block													
Balance as at April 1,2020	405.32	1,922.50	122.39	601.78	26,486.40	226.90	946.40	197.99	467.78	86.62	430.50	2.77	31,897.35
Additions	32.37	93.37	-	57.74	1,718.43	68.92	102.44	15.03	90.95	12.92	-	-	2,192.17
Disposals	(10.23)	(6.69)	-	(2.69)	(229.58)	-	(1.63)	(0.32)	(58.21)	(2.25)	-	-	(311.59)
Balance as at March 31, 2021	427.45	2,009.18	122.39	656.83	27,975.26	295.82	1,047.21	212.70	500.52	97.29	430.50	2.77	33,777.93
II. Accumulated Depreciation													
Balance as at April 1, 2020	-	320.94	9.44	94.51	3,790.41	134.45	165.09	85.23	127.07	34.64	68.64	0.54	4,830.95
Depreciation / amortisation expense for the year	-	91.48	2.36	57.49	1,491.30	48.15	56.47	17.58	60.83	15.07	105.83	0.09	1,946.67
Eliminated on disposal of assets	-	(0.53)	-	(1.82)	(110.62)	-	(0.14)	(0.02)	(37.71)	(1.26)	-	-	(152.10)
Balance as at March 31, 2021	-	411.89	11.81	150.18	5,171.09	182.60	221.43	102.79	150.19	48.44	174.47	0.64	6,625.52
III. Net Block													
Balance as at March 31, 2021	427.45	1,597.29	110.58	506.65	22,804.17	113.23	825.79	109.92	350.33	48.85	256.03	2.14	27,151.30
Balance as at March 31, 2020	405.32	1,601.55	112.95	507.28	22,695.99	92.45	781.31	112.76	340.71	51.98	361.86	2.23	27,067.62

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Property, Plant and Equipment

₹ in Lakhs

Particulars	Land Free-hold	Factory Buildings	Office Building	Electric Instal-lations	Plant and Machinery	Data Processing Machines	Research & Deve-lopment Equipment	Furniture and Fixtures	Vehicles	Office equipment	Wind Power Generation Plant	Technical Books	Total
I. Gross Block													
Balance as at April 1, 2019	**405.32**	**1,714.69**	**122.39**	**316.97**	**22,510.51**	**200.83**	**755.87**	**152.32**	**382.19**	**63.49**	**220.50**	**2.77**	**26,847.93**
Additions	-	207.81	-	317.50	4,195.67	26.99	190.53	45.67	122.52	23.13	210.00	-	5,339.82
Disposals	-	-	-	(32.69)	(219.78)	(0.92)	-	-	(36.93)	-	-	-	(290.32)
Balance as at March 31, 2020	**405.32**	**1,922.50**	**122.39**	**601.78**	**26,486.40**	**226.90**	**946.40**	**197.99**	**467.78**	**86.62**	**430.50**	**2.77**	**31,897.43**
II. Accumulated Depreciation													
Balance as at April 1, 2019	**-**	**228.91**	**7.08**	**77.22**	**2,465.54**	**88.82**	**113.97**	**67.08**	**92.90**	**21.90**	**38.95**	**0.45**	**3,202.82**
Depreciation/amortisation expense for the year	-	92.03	2.36	43.60	1,435.58	46.50	51.12	18.15	56.36	12.74	29.69	0.09	1,788.24
Eliminated on disposal of assets	-	-	-	(26.31)	(110.71)	(0.87)	-	-	(22.19)	-	-	-	(160.08)
Balance as at March 31, 2020	**-**	**320.94**	**9.44**	**94.51**	**3,790.41**	**134.45**	**165.09**	**85.23**	**127.07**	**34.64**	**68.64**	**0.54**	**4,830.98**
III. Net Block (I-II)													
Balance as at March 31, 2020	**405.32**	**1,601.55**	**112.95**	**507.28**	**22,695.99**	**92.45**	**781.31**	**112.76**	**340.71**	**51.98**	**361.86**	**2.23**	**27,067.70**
Balance as at March 31, 2019	**405.32**	**1,485.78**	**115.31**	**239.75**	**20,044.97**	**112.00**	**641.90**	**85.24**	**289.29**	**41.59**	**181.55**	**2.32**	**23,645.11**

Notes:

3.1 Assets pledged as security :

The Freehold Land and Buildings, all movable Plant and Machineries and other assets are pledged as security on *pari passu* basis to the bankers under a mortgage. The Holding Company is not allowed to sell these assets to other entity.

3.2 The Holding Company is in the process for transfer of ownership related to wind power generators.

4. Capital Work-in-progress

₹ in Lakhs

Particulars	As at March 31, 2021	As at March 31, 2020
Capital Work-in-progress	1,392.94	1,862.90

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

5. Right-of-Use Assets

₹ in Lakhs

Particulars	ISO Tanks	Office Building	Furniture and Fixtures	Total
Gross Block				
Balance as at April 1, 2019				
Transition on account of adoption of Ind AS 116	2401.56	-	-	**2401.56**
Additions [Refer Note 42]	-	-	-	-
Disposals	-	-	-	-
Balance as at March 31, 2020	**2401.56**	**-**	**-**	**2401.56**
Additions [Refer Note 42]	-	755.41	216.03	971.44
Disposals	-	-	-	-
Less : Lease Modification	119.30	-	-	119.30
Balance as at March 31, 2021	**2282.26**	**755.41**	**216.03**	**3253.70**
Accumulated Depreciation and Impairment				
Balance as at April 1, 2019				
Charge for the year [Refer Note 42]	801.84	-	-	801.84
Disposals	-	-	-	-
Balance as at March 31, 2020	**801.84**	**-**	**-**	**801.84**
Charge for the year [Refer Note 42]	802.92	62.95	29.14	895.01
Disposals	-	-	-	-
Balance as at March 31, 2021	**802.92**	**62.95**	**29.14**	**895.01**
Net Block				
Balance as at March 31, 2021	**677.50**	**692.46**	**186.89**	**1556.85**
Balance as at March 31, 2020	**1599.72**	**-**	**-**	**1599.72**

6. Investments : Non-current

₹ in Lakhs

Particulars	As at March 31, 2021	As at March 31, 2020
Investments In Equity Instruments		
Investments measured at Fair Value through Other Comprehensive Income [FVTOCI]		
Quoted [Fully paid up]		
1,56,650 [Previous Year : 1,56,650] Equity Shares of Excel Industries Limited of ₹ 5 each	1,321.42	700.30

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

₹ in Lakhs

Particulars	As at March 31, 2021	As at March 31, 2020
Unquoted [Fully paid up]		
9,49,315 [Previous Year : 9,49,315] Equity Shares of Transpek-Silox Industry Private Limited of ₹ 10 each	12,883.15	11,088.00
400 [Previous Year : 400] Equity shares of Co-operative Bank of Baroda Limited of ₹ 25 each	0.10	0.10
10 [Previous Year : 10] Equity Shares of Pragati Sahakari Bank Limited of ₹ 10 each #	0.00	0.00
Investments measured at Amortised Cost		
In Government Securities		
12 Years National Defence Certificate	0.01	0.01
7 Years National Saving Certificate	0.03	0.03
Total	**14,204.71**	**11,788.44**
Aggregate amount of		
Quoted Investments		
Carrying Value	1,321.42	700.30
Market Value	1,321.42	700.30
Unquoted Investments		
Carrying Value	12,883.29	11,088.14

Amount less than thousand

7. Loans : Non-current

₹ in Lakhs

Particulars	As at March 31, 2021	As at March 31, 2020
Unsecured, Considered Good		
Security Deposits	93.42	178.97
Total	**93.42**	**178.97**

8. Other Financial Assets : Non-current

₹ in Lakhs

Particulars	As at March 31, 2021	As at March 31, 2020
Earmarked Bank Deposits with Maturity more than twelve months [Refer Note 8.1]	124.00	130.00
Total	**124.00**	**130.00**

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

8.1 The above deposits are maintained for the purpose of Deposit Repayment Reserve Account as required under Section 73(5) of the Companies Act, 2013 and the Rules made thereunder.

9. Other Non-current Assets

₹ in Lakhs

Particulars	As at March 31, 2021	As at March 31, 2020
Unsecured, Considered Good		
Capital Advances [Refer Note 37C(i)]	13.14	171.28
Balances with Government authorities		
Taxes paid in Advance [Net of Provisions]	-	195.29
VAT Recoverable	14.91	19.97
Total	**28.05**	**386.54**

10. Inventories

₹ in Lakhs

Particulars	As at March 31, 2021	As at March 31, 2020
Raw Materials	1,228.01	2,258.67
Raw Materials-in-transit	163.07	-
Packing Materials	51.69	75.71
Work-in-progess	74.75	133.75
Finished Goods	1,401.17	1,742.54
Finished Goods-in-transit	76.80	-
Stores and Spares	631.20	703.79
Fuel	45.57	52.35
Total	**3,672.26**	**4,966.81**

10.1 The cost of inventories recognised as an expense during the year is ₹ 18,746.90 Lakhs [Previous Year : ₹ 29,644,94 Lakhs] as included in Notes 32 and 36.

10.2 There is no write down of inventories to net realisable value, nor there is reversal of any such write down of inventories.

10.3 For mode of valuation of inventories : Refer Note 2.2 (E)

10.4 The above inventories are given as security to the bankers by way of first pari passu charge against the fund based and non-fund based credit limits availed or to be availed by the Group and by way of second pari passu charge for Term Loans. [Refer Note 19.1 and 23.1].

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

11. Trade Receivables

₹ in Lakhs

Particulars	As at March 31, 2021	As at March 31, 2020
Unsecured		
Considered Good	7,612.00	8,974.88
Credit Impaired	44.77	26.59
Less : Allowance for bad and doubtful debts	(44.77)	(26.59)
Total	**7,612.00**	**8,974.88**

11.1 In determining the allowances for credit losses of Trade Receivables, the Group has used a practical expedient by computing the Expected Credit Loss Allowance for Trade Receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and is adjusted for forward looking information. The Expected Credit Loss allowance is based on the ageing of the receivables that are due and the rates used in the provision matrix.

11.2 Since the Group calculates impairment under the simplified approach for Trade Receivables, it is not required to separately track changes in credit risk of Trade Receivables as the impairment amount represents Lifetime Expected Credit Loss. Accordingly, based on a harmonious reading of Ind AS 109 and the break-up requirements under Schedule III, the disclosure for all such Trade Receivables is made as shown above.

11.3 Reconciliation of Credit Loss allowance

₹ in Lakhs

Particulars	As at March 31, 2021	As at March 31, 2020
Balance at the beginning of the year	**26.58**	**18.17**
Add : Allowance for expected credit loss during the year	18.19	8.41
Balance at the end of the year	**44.77**	**26.58**

11.4 The Trade Receivables are given as security to the bankers by way of first pari passu charge against the fund based and non-fund based credit limits availed or to be availed by the Holding Company and by way of second pari passu charge for Term Loans. [Refer Note 19.1 and 23.1].

12. Cash and Cash Equivalents

₹ in Lakhs

Particulars	As at March 31, 2021	As at March 31, 2020
Balances with Banks in Current Accounts	1,140.50	14.91
Cash on Hand	7.05	26.66
Bank deposits with maturity less than three months	400.00	-
Total	**1,547.55**	**41.57**

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

13. Bank balances other than Cash and Cash Equivalents

₹ in Lakhs

Particulars	As at March 31, 2021	As at March 31, 2020
Balances with Banks		
Bank deposits with maturity more than three months but less than twelve months [Refer Note 13.1]	608.68	1.40
Held as margin money against letters of credit issued by banks and Bill Discounting	-	2.02
Earmarked Balances		
Unpaid Dividend	46.75	39.59
Unpaid Interest on Fixed Deposits	16.56	27.66
Total	**671.99**	**70.67**

13.1 The above includes -

a. Fixed Deposits pledged with Government authorities as at March 31, 2021 is ₹ 1.47 Lakhs [Previous Year ₹ 1.40 Lakhs].

b. Fixed Deposits of ₹ 6 Lakhs [Previous Year - ₹ 6 Lakhs] which is maintained for the purpose of Deposit Repayment Reserve Account as required under Section 73(5) of the Companies Act, 2013 and the Rules made thereunder.

14. Loans : Current

₹ in Lakhs

Particulars	As at March 31, 2021	As at March 31, 2020
Unsecured, Considered Good		
Loans to Employees	4.19	2.61
Total	**4.19**	**2.61**

15. Other Financial Assets : Current

₹ in Lakhs

Particulars	As at March 31, 2021	As at March 31, 2020
Unsecured, considered good		
Interest Accrued on Fixed Deposits with Banks	3.43	10.17
Export Benefit Receivable	301.16	202.59
Total	**304.59**	**212.76**

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

16. Other Current Assets

₹ in Lakhs

Particulars	As at 31st March, 2021	As at 31st March, 2020
Unsecured, considered good unless otherwise stated		
Advances other than Capital Advances		
Deposits	14.89	1.30
Prepaid Expenses	200.81	175.85
Advance to Suppliers		
Considered Good	408.17	366.62
Considered Doubtful	5.02	5.02
Less : Allowance for Doubtful Advances	(5.02)	(5.02)
Other Advances		
Balances with Government Authorities	891.87	1,032.48
Balance with Gratuity Fund [Refer Note 40]	35.32	-
Others	8.06	8.30
Total	**1,559.12**	**1,588.70**

17. Share Capital

Particulars	As at March 31, 2021		As at March 31, 2020	
	Number of shares	Amount ₹ in Lakhs	Number of shares	Amount ₹ in Lakhs
Authorised Shared Capital				
Equity Shares of ₹ 10 each	7,500,000	750.00	7,500,000	750.00
8% Redeemable Non-convertible Non-cumulative Preference Shares of ₹ 100 each	500,000	500.00	500,000	500.00
Total	**8,000,000**	**1,250.00**	**8,000,000**	**1,250.00**
Issued, Subscribed and Paid-up Share capital				
Equity Shares of ₹ 10 each Fully Paid-up	5,585,569	558.56	5,585,569	558.56
Total	**5,585,569**	**558.56**	**5,585,569**	**558.56**

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

17.1 Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

Particulars	As at March 31, 2021		As at March 31, 2020	
	Number of shares	Amount ₹ in Lakhs	Number of shares	Amount ₹ in Lakhs
At the beginning of the year	5,585,569	558.56	5,585,569	558.56
Increase /(decrease) during the year	-	-	-	-
At the end of the year	**5,585,569**	**558.56**	**5,585,569**	**558.56**

17.2 Rights, preferences and restrictions attached to Equity shares

The Group has only one class of Equity Shares referred to as Equity Shares having a par value of ₹ 10. Each holder of equity share is entitled to one vote per share. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation of the Holding Company, the holders of equity shares will be entitled to receive any remaining assets of the Holding Company, after distribution of all preferential amounts and repayment towards Preference share holders, if any.

17.3 Details of shareholders holding more than 5% shares in the Group

Shareholders	As at March 31, 2021		As at March 31, 2020	
	Number of shares	% of Share holding	Number of shares	% of Share holding
Anshul Speciality Molecules Private limited	1,376,440	24.64	1,376,440	24.64
Kamaljyot Investments Limited	702,703	12.58	702,703	12.58
Shruti A. Shroff	307,225	5.50	307,225	5.50
Total	**2,386,368**	**42.72**	**2,386,368**	**42.72**

17.4 Details of Shares bought back by the Holding Company in the immediately preceding five years from the date of Balance sheet

The Holding Company had bought back 2,86,471 shares. The details of the same is as under:

Year	Number of Shares	Face Value per share ₹	Total Face Value (₹ in Lakhs)	Premium Per Share ₹	Total Premium (₹ in Lakhs)	Grand Total (₹ in Lakhs)
2016-17	2,86,471	10	28.64	461.25	1,321.33	1,349.97

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

18. Other Equity

₹ in Lakhs

Particulars	As at March 31, 2021	As at March 31, 2020
Capital Reserve	19.00	19.00
Securities Premium	202.75	202.75
Capital Redemption Reserve	28.65	28.65
General Reserve	3,417.71	3,417.71
Retained Earnings	22,908.59	20,734.12
Equity Instruments through Other Comprehensive Income	10,845.79	8,883.75
Foreign Currency Translation Reserve	0.00	0.00
Total	**37,422.49**	**33,285.97**
Capital Reserve		
Opening Balance	19.00	19.00
Add/(Less): Changes during the year	-	-
Closing Balance	**19.00**	**19.00**
Securities Premium		
Opening Balance	202.75	202.75
Add/(Less): Changes during the year	-	-
Closing Balance	**202.75**	**202.75**
Capital Redemption Reserve		
Opening Balance	28.65	28.65
Add/(Less): Changes during the year	-	-
Closing Balance	**28.65**	**28.65**
General Reserve		
Opening Balance	3,417.71	3,417.71
Add/(Less): Changes during the year	-	-
Closing Balance	**3,417.71**	**3,417.71**
Retained Earnings		
Opening Balance	20,734.12	15,471.11
Add/(Less) : Profit/(Loss) for the Year	2,331.17	7,294.17
Add/(Less) : Remeasurement of net benefit benefit plans (net of tax)	(17.06)	(11.05)
Less : Dividend paid including dividend tax thereon	(139.64)	(1,346.74)
Less : Interim Dividend paid including dividend tax thereon	-	(673.37)
Closing Balance	**22,908.59**	**20,734.12**

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

₹ in Lakhs

Particulars	As at 31st March, 2021	As at 31st March, 2020
Equity Instruments through Other Comprehensive Income		
Opening Balance	8,883.75	11,442.48
Add/(Less): Changes during the year	1,962.04	(2,558.73)
Closing Balance	**10,845.79**	**8,883.75**
Foreign Currency Translation Reserve		
Opening Balance	-	0.02
Add/(Less): Changes during the year	0.00	(0.02)
Closing Balance	**0.00**	**-**
Total	**37,422.49**	**33,285.97**

The description of the nature and purpose of each reserve within equity is as follows :

a. Capital Reserve

This Reserve represents the difference between value of the net assets transferred to the Group in the course of business combinations and the consideration paid for such combinations.

b. Securities Premium

This Reserve represents the premium on issue of shares and can be utilised in accordance with the provisions of the Companies Act, 2013.

c. Capital Redemption Reserve

Capital Redemption Reserve is created due to buyback of Equity Share Capital in earlier years.

d. General Reserve

The Holding Company has transferred a portion of the net profit of the Company before declaring dividend to general reserve pursuant to the earlier provisions of Companies Act 1956. Mandatory transfer to general reserve is not required under the Companies Act, 2013. There is no movement in General Reserve during the current and previous year.

e. Retained Earnings

Retained Earnings are the profits that the Holding Company has earned till date, less any transfer to General Reserve, dividends or other distributions paid to shareholders.

The Holding Company has declared dividend for the year ended March 31, 2021 at the rate 75% i.e. ₹ 7.5/- per equity share, as approved by the Board of Directors at the Board Meeting held on May 25, 2021 [Refer Note 53]."

f. Equity Instruments through Other Comprehensive Income

The Holding Company has elected to recognise changes in the fair value of investments in equity instruments in other comprehensive income. These changes are accumulated within the FVTOCI equity investments within equity. The balance in Other Comprehensive Income is transferred to retained earnings on disposal of the investment.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

19. Borrowings : Non-current

₹ in Lakhs

Particulars	As at March 31, 2021	As at March 31, 2020
Secured		
Term Loans		
From Banks (including Working Capital Term Loans) [Refer Notes 19.1 and 19.2]	2,244.42	2,566.21
Unsecured		
Deposits from Members [Refer Note 19.3]		
Related Parties [Refer Note 44]	164.08	4.61
Others	2,019.43	1,890.26
Total	**4,427.93**	**4,461.08**

Nature of security

19.1 The above Term Loans, including Working Capital Term Loans, are secured by first charge by way of hypothecation of all movable machinery financed or to be financed under the said Term Loans by the respective banks on *pari passu* basis. The above loans are further secured by first charge by way of an equitable mortgage on the whole of the immovable assets of the Company, both present and future, on *pari passu* basis. The said loans are further secured by second charge by way of hypothecation over entire current assets including inventories and trade receivables with current charge holders on *pari passu* basis. The Working Capital Term Loans are secured against second charge by way of hypothecation over entire current assets and second pari passu charge on entire fixed assets of the company.

19.2 Maturity profile of Secured Term loans are set out below:

₹ in Lakhs

Particulars	Term Loans - From Bank
1 - 2 Years	1,300.00
2 - 3 Years	1,540.00
3 - 4 Years	240.00
4 - 5 Years	240.00
5 - 6 Years	240.00
Amortised Cost Adjustments	(15.58)
Total	**3,544.42**

19.3 Deposits from members are repayable within a period of 2-3 years from the date of acceptance. The interest rate for the same ranges from 7.75% to 8.94% per annum.

19.4 There is no default in terms of repayment of principal borrowings and interest thereon.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

20. Lease Liabilities : Non-current

₹ in Lakhs

Particulars	As at March 31, 2021	As at March 31, 2020
Lease Liabilities [Refer Note 42]	710.13	959.15
Total	**710.13**	**959.15**

21. Provisions : Non-current

₹ in Lakhs

Particulars	As at March 31, 2021	As at March 31, 2020
Provision for Employee Benefits		
Provision for Compensated Absences [Refer Note 40]	311.91	359.02
Total	**311.91**	**359.02**

22. Deferred Tax Liabilities (Net)

₹ in Lakhs

Particulars	As at March 31, 2021	As at March 31, 2020
Deferred Tax Liabilities		
Property, Plant and Equipment and Intangible Asset	3,146.93	3,419.42
Financial Assets at Fair Value through Other Comprehensive Income	2,841.39	2,387.16
Remeasurements of the defined benefit plans	-	0.49
Total	**5,988.32**	**5,807.07**
Deferred Tax Assets		
Provision For Employee Benefits	85.69	111.88
Remeasurements of the defined benefit plans	5.25	-
Lease Liabilities	35.88	31.80
Others	13.85	10.41
Total	**140.67**	**154.09**
Deferred tax (Assets) / Liabilities (net)	**5,847.65**	**5,652.98**

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Movement of Deferred Tax

Deferred Tax Assets / (Liabilities) in relation to the year ended March 31, 2021

₹ in Lakhs

Particulars	Balance as at April 1, 2020	Recognised in Statement of Profit and Loss	Recognised in Other Comprehensive Income	Balance as at March 31, 2021
Property, Plant and Equipment	3,419.42	(272.51)	-	3,146.93
Fair Value changes of Equity Instruments through OCI	2,387.16	-	454.23	2,841.39
Remeasurements of the Defined Benefit Plans	0.49	-	(5.74)	(5.25)
Lease Liability	(31.80)	(4.08)	-	(35.88)
Provision For Employee Benefits	(111.88)	26.19	-	(85.69)
Other	(10.41)	(3.44)	-	(13.85)
Total	**5,652.98**	**(253.84)**	**448.49**	**5,847.65**

Deferred Tax Assets / (Liabilities) in relation to the year ended March 31, 2020

₹ in Lakhs

Particulars	Balance as at April 1, 2019	Recognised in Statement of Profit and Loss	Recognised in Other Comprehensive Income	Balance as at March 31, 2020
Property, Plant and Equipment	3,285.29	(134.13)	-	3,419.42
Fair Value changes of Equity Instruments through OCI	2,938.47	-	(551.31)	2,387.16
Remeasurements of the Defined Benefit Plans	5.03	-	(4.54)	0.49
Lease Liability	-	(31.80)	-	(31.80)
Provision For Employee Benefits	(125.90)	14.02	-	(111.88)
Other	(6.35)	(4.06)	-	(10.41)
Total	**6,096.54**	**112.29**	**(555.85)**	**5,652.98**

23. Borrowings : Current

₹ in Lakhs

Particulars	As at March 31, 2021	As at March 31, 2020
Secured		
Loans Repayable on Demand		
From Banks	2,140.02	2,202.77
Acceptances from Banks [Refer Note 23.1]	562.29	1,023.82
Total	**2,702.31**	**3,226.59**

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

23.1 The above Cash/ Export credit facilities, Buyers credit and Bills discounting from Consortium bankers, i.e., State Bank of India, Axis Bank Limited, Bank of Baroda and IDBI Bank Limited are secured by first charge by way of hypothecation of stock of raw materials, packing materials, consumable stores, finished goods, semi-finished goods and book debts of the Company, on pari passu basis. The aforesaid credit facilities are further secured by way of charge on all the fixed assets (now known as Property, Plant and Equipment) of the Holding Company ranking second and subservient for the charges created in respect of borrowings obtained from them. The interest rate for the same ranges from 7.80% to 8.95 % per annum.

24. Trade Payables

₹ in Lakhs

Particulars	As at March 31, 2021	As at March 31, 2020
Trade payables		
-Total outstanding dues of micro enterprises and small enterprises [Refer Note 45]	309.10	511.94
-Total outstanding dues of creditors other than micro enterprises and small enterprises	3,305.56	4,705.85
Total	**3,614.66**	**5,217.79**

The dues payable to Micro and Small enterprises is based on the information available with the Group and takes into account only those suppliers who have responded to the enquiries made by the Group for this purpose.

25. Lease Liabilities : Current

₹ in Lakhs

Particulars	As at March 31, 2021	As at March 31, 2020
Lease Liabilities [Refer Note 42]	916.38	904.43
Total	**916.38**	**904.43**

26. Other Financial Liabilities : Current

₹ in Lakhs

Particulars	As at March 31, 2021	As at March 31, 2020
Current Maturities of Long-term Borrowings	1,300.00	1,466.67
Current Maturities of Deposits from Members	1,027.98	1,583.89
Interest Accrued but not due on Borrowings	218.95	281.67
Unpaid Dividend [Refer Note 26.1]	46.77	39.60
Unpaid Matured Deposits and interest accrued thereon [Refer Note 26.1]	28.62	3.65
Security Deposits	11.05	11.05
Salary and Wages Payable	381.59	252.76
Other Payables	221.53	433.89
Total	**3,236.49**	**4,073.18**

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

26.1 All amounts required to be transferred to the Investor Education and Protection Fund by the Holding Company have been transferred within the time prescribed for the same.

27. Other Current Liabilities

₹ in Lakhs

Particulars	As at March 31, 2021	As at March 31, 2020
Advances from Customers	5.81	2.99
Statutory Dues	46.09	59.50
Other Payables	76.52	82.10
Total	**128.42**	**144.59**

28. Provisions : Current

₹ in Lakhs

Particulars	As at March 31, 2021	As at March 31, 2020
Provision for Employee Benefits		
Compensated Absences [Refer Note 40]	28.56	25.20
Gratuity (Net) [Refer Note 40]	-	3.64
Total	**28.56**	**28.84**

29. Current Tax Liabilities (Net)

₹ in Lakhs

Particulars	As at March 31, 2021	As at March 31, 2020
Provision for Income Tax (Net of Advance Tax)	17.47	-
Total	**17.47**	**-**

30. Revenue from Operations

₹ in Lakhs

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Sale of Products	33,730.17	56,326.26
Other Operating Revenue	209.86	237.52
Total	**33,940.03**	**56,563.78**

30.1 Other Operating Revenue Comprises of:

₹ in Lakhs

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Income from Wind Power	121.96	154.23
Income from Sale of Scrap and Other Items	87.90	83.29
Total	**209.86**	**237.52**

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

31. Other Income

₹ in Lakhs

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Interest Income on		
Fixed Deposits with Banks	33.33	14.96
Financial Assets measured at Amortised Cost	1.71	-
Income-tax Refunds	16.50	10.05
Others	9.51	13.27
	61.05	38.28
Dividend Income	299.95	316.67
Export Incentives and Duty Drawbacks	608.60	1,367.35
Lease Rentals	504.58	-
Gain/(Loss) on Lease Modifcation	65.26	-
Technical Know-how Fees	5.87	12.40
Other Non-Operating Income		
Insurance claims	-	4.45
Profit on Sale of Property, Plant and Equipment (Net)	104.87	-
Excess Provision Written Back	65.98	-
Others	10.19	-
	181.04	4.45
Total	**1,726.35**	**1,739.15**

32. Cost of Materials Consumed

₹ in Lakhs

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Raw Materials		
Opening Stock	2,258.67	2,534.47
Add : Purchases	15,066.76	25,035.36
	17,325.43	**27,569.83**
Less : Closing Stock	1,391.08	2,258.67
Total	**15,934.35**	**25,311.16**

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

33. Changes in inventories of Finished Goods, Stock-in-trade and Work-in- progress

₹ in Lakhs

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Inventories at the beginning of the year		
Finished Goods	1,742.54	2,198.82
Work-in-progress (Semi-Finished Goods)	133.75	399.59
	1,876.29	**2,598.41**
Inventories at the end of the year		
Finished Goods	1,477.97	1,742.54
Work-in-progress (Semi-Finished Goods)	74.75	133.75
	1,552.72	**1,876.29**
Net Change in Inventories	**323.57**	**722.12**

34. Employee Benefits Expense

₹ in Lakhs

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Salaries, Wages and Bonus	3,653.34	3,984.84
Contribution to Provident and Other Funds	496.12	464.90
Gratuity Expenses	77.76	76.38
Staff Welfare Expenses	259.41	416.12
Total	**4,486.63**	**4,942.24**

35. Finance Costs

₹ in Lakhs

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Interest Expense on		
Borrowings	676.59	1,097.27
Lease Liabilities	141.60	165.42
Others	31.94	32.89
	850.13	1,295.58
Other Borrowing Costs	190.44	289.25
Total	**1,040.57**	**1,584.83**

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

36. Other Expenses

₹ in Lakhs

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Consumption of Stores and Spares	112.83	127.55
Power and Fuel	2,364.28	3,850.94
Consumption of Packing Materials	335.44	355.29
Effluent Treatment Expense	178.47	94.15
Research and Development Expenses	89.96	120.99
Rent [Refer Note 42]	14.78	7.64
Repairs and Maintenance		
Buildings	49.20	40.16
Machinery	994.56	1,548.62
Others	213.96	299.73
	1,257.72	1,888.53
Insurance	268.62	248.77
Rates and Taxes	11.09	11.48
Freight and Forwarding	1,800.35	4,208.74
Contractor's Charges	225.77	312.02
Commission on Sales	301.30	531.60
Travelling and Conveyance Expenses	177.67	286.40
Legal and Professional Expenses	293.23	315.11
Sales Promotion Expenses	14.90	121.72
Payment to Auditors		
Payment to Auditors [Refer Note 36.1]	18.85	14.96
Directors' Sitting Fees	21.20	19.20
Non-Executive Director's Commission	27.72	59.77
Donation and Contributions [Refer Note 48]	163.34	309.86
Loss on Sale of Property, Plant and Equipment (Net)	-	54.46
Net loss on Foreign Currency Transactions	46.29	81.78
Corporate Social Responsibility Expense [Refer Note 47]	181.00	108.40
Allowance for Doubtful Debts	18.18	8.41
Miscellaneous Expenses	553.70	662.79
Total	**8,476.68**	**13,800.53**

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

36.1 Payment to Auditors

₹ in Lakhs

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
As an Auditor:		
Statutory Audit	13.12	9.40
Limited Review	4.05	3.75
In other capacity:		
Certification	1.00	1.50
Reimbursement of Expenses	0.68	0.31
Total	**18.85**	**14.96**

37. Contingent Liabilities and Capital Commitments

₹ in Lakhs

Sr. No.	Particulars	As on March 31, 2021	As on March 31, 2020
A.	**Contingent Liabilities (to the extent not provided for)**		
i.	Claims against the Holding Company not acknowledged as debts	13.24	13.24
	No provision has been made for following demands raised by the authorities since the Holding Company has reason to believe that it would get relief at the appellate stage as the said demand are excessive and erroneous		
ii.	Disputed Income tax Liability Against which amount already paid as at March 31, 2021 ₹ Nil Lakhs (As at March 31, 2020 ₹ 13.16 Lakhs)	-	13.16
iii.	Disputed Sales tax Liability Against which amount already paid as at March 31, 2021 ₹ 6.63 Lakhs (As at March 31, 2020 ₹ 6.63 Lakhs)	6.63	6.63
iv.	Disputed Excise and Service Tax Liability Against which amount already paid as at March 31, 2021 ₹ 123.65 Lakhs (As at March 31, 2020 ₹ 115.64 Lakhs)	687.02	739.24
	Total	**706.89**	**772.27**
B.	**Guarantees issued by Banks to third parties on behalf of the Holding Company**	**248.31**	**253.31**
C.	**Commitments**		
i.	Estimated amount of contracts remaining to be executed on capital account and not provided for [net of advances as at March 31, 2021 ₹ 13.14 Lakhs [As at March 31, 2020 ₹ 171.28 Lakhs] Property, Plant and Equipment	341.03	1,104.11

Other Commitments

a. The Group has a commitment to pay ₹ 6.45 Lakhs per month (subject to indexation) (Previous Year - ₹ 6.36 Lakhs per month) to Mr. Atul Shroff (Director) during his lifetime and thereafter 50% of the commitment to his spouse during her lifetime.

b. The Group has entered into an agreement with TML Industries Limited whereby the Group has to pay fixed amount of ₹127.65 Lakhs (Previous year ₹ 60 Lakhs) on monthly basis against the entire facility reserved by the above related party exclusively for the Group for carrying manufacturing activities of its products.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

38. Components of Income Tax Expense / (Income)

₹ in Lakhs

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Income tax expense recognised in the Statement of Profit and Loss		
Current Tax:		
Current Tax on Profits for the year	560.00	2,051.18
(Excess) / Short Provision of tax of earlier years	(83.30)	(105.67)
Deferred Tax	(253.84)	112.29
Total Income Tax Expense	**222.86**	**2,057.80**

₹ in Lakhs

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Deferred Tax related to items recognised in Other Comprehensive Income		
Tax effect on remeasurement (loss) /gain on defined benefit plans	0.00	0.00
Tax effect on fair value of Equity Instruments through OCI	5.74	4.54
Income Tax Expense reported in Other Comprehensive Income	**5.74**	**4.54**

Reconciliation of Income Tax Expense and Accounting Profit

The reconciliation between estimated Income Tax expense at statutory income tax rate into income tax expense reported in the Statement of Profit and Loss is given below.

₹ in Lakhs

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Reconciliation of tax expense and the accounting profit multiplied by India's tax rate		
Profit / (Loss) before Tax	2,554.33	9,352.17
Tax at the Indian tax rate	25.17%	29.12%
Tax on Accounting Profit	642.93	2,723.35
Tax effect of :		
Tax-exempt income - Dividend	-	(91.07)
Non-deductible tax expenses :		
CSR Expenses	45.56	31.57
Donation and Charity	41.11	(24.88)
Disallowances Under Section 14A	-	1.51

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

₹ in Lakhs

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Deductible tax expenses :		
Research and Development Expenditure Under Section 35(2AB) / 35(i)(iv)	(25.41)	(119.64)
Allowances Under Section 43B	(11.01)	8.20
Depreciation Expense	46.77	75.73
Other items	9.41	85.24
Effect of Deferred tax balances due to the change in income tax rate	(443.20)	(526.55)
Excess / (Short) Provision for tax of earlier years	(83.30)	(105.67)
Tax Expense / (Income) recognised in Statement of Profit and Loss	**222.86**	**2,057.79**
Effective Tax Rate	**8.72%**	**22.00%**

As per the Taxation Laws (Amendment) Act, 2019, a new Section 115BAA has been inserted which provides an option to the assessee to pay the Income Tax at reduced rates as per the provisions/conditions defined in the said section. Since the Group has opted to pay the tax at the reduced rates, the provision for tax as also deferred tax assets and liabilities are measured at the reduced rates.

39. Disclosures under Indian Accounting Standard (Ind AS)
Earnings per Share (EPS)

₹ in Lakhs

Sr. No.	Particulars	Year ended March 31, 2021	Year ended March 31, 2020
i.	**Profit computation for both Basic and Diluted Earnings per Equity Share of ₹ 10 each :**		
	Net Profit / (Loss) after Tax as per Statement of Profit and Loss available for Equity Shareholders (₹ in Lakhs)	2,331.47	7,294.17
ii.	**Number of Equity Shares**		
	Number of Equity Shares at the beginning of the year	5,585,569	5,585,569
	Add : Shares allotted during the year	-	-
	Number of Equity Shares at the end of the year	5,585,569	5,585,569
	Weighted average number of equity shares		
	For basic earnings	5,585,569	5,585,569
	For diluted earnings	5,585,569	5,585,569
	Face value per Equity Share (in ₹)	10.00	10.00
iii.	**Earnings per share**		
	Basic (in ₹)	41.74	130.59
	Diluted (in ₹)	41.74	130.59

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

40. Disclosure pursuant to Ind AS 19 on "Employee benefits"

a. Defined Benefit Plan

The Holding Company has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service. The scheme is funded. The following tables summaries the components of net benefit expense recognised in the Statement of Profit and Loss and the funded status and amounts recognised in the Balance Sheet for the gratuity plan.

Risks associated with Defined Benefit Plan

Interest Rate Risk :

A fall in the discount rate which is linked to the Government securities rate will increase the present value of the liability requiring higher provision. A fall in the discount rate generally increases the mark to market value of the assets depending on the duration of asset.

Salary Risk:

The present value of the defined benefit plan liability is calculated by reference to the future salaries of members. As such, an increase in the salary of the members more than assumed level will increase the plan's liability.

Investment Risk:

The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. If the return on plan asset is below this rate, it will create a plan deficit. Currently, for the plan in India, it has a relatively balanced mix of investments in government securities, and other debt instruments.

Asset Liability Matching (ALM) Risk:

The plan faces the ALM risk as to the matching cash flow. Since the plan is invested in lines of Rule 101 of Income Tax Rules, 1962, this generally reduces ALM risk.

Mortality Risk:

Since the benefits under the plan is not payable for life time and payable till retirement age only, plan does not have any longevity risk.

Concentration Risk:

Plan has a concentration risk as all the assets are invested with the insurance company and a default will wipe out all the assets. Although probability of this is very less as insurance companies have to follow regulatory guidelines.

Characteristics of Defined Benefit Plans

The Holding Company has a defined benefit gratuity plan in India (funded). The Holding Company's defined benefit gratuity plan is a final salary plan for employees, which requires contributions to be made to a separately administered fund.

The fund is managed by a trust which is governed by the Board of Trustees. The Board of Trustees are responsible for the administration of the plan assets and for the definition of the investment strategy.

During the year, there were no plan amendments, curtailments and settlements.

The following table sets out the status of the gratuity plan and the amounts recognised in the Group's Financial Statements as at March 31, 2021.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

₹ in Lakhs

Reconciliation in Present Value of Obligations (PVO) - Defined Benefit Obligation	Gratuity - Funded as on March 31, 2021	March 31, 2020
PVO at the Beginning of the year	**1,411.54**	**1,328.74**
Current Service Cost	77.51	72.55
Interest Cost	96.55	103.24
Actuarial (Gains)/Losses on Obligations- Due to Change in Financial Assumption	4.04	(6.70)
Actuarial (Gains)/Losses on Obligations- Due to Experience	26.42	8.98
Benefits Paid from the Fund	(92.35)	(95.27)
PVO at the End of the year	**1,523.71**	**1,411.54**

₹ in Lakhs

Change in Fair Value of Plan Assets	Gratuity - Funded as on March 31, 2021	March 31, 2020
Fair Value of Plan Assets at the Beginning of the year	**1,407.90**	**1,279.42**
Interest Income	96.30	99.41
Return on Plan Assets, Excluding Interest Income	7.65	(13.31)
Contributions by the Employer	139.43	137.65
Benefits Paid from the Fund	(92.35)	(95.27)
Fair Value of Plan Assets at the end of the year	**1,559.03**	**1,407.90**

₹ in Lakhs

Reconciliation of PVO and Fair Value of Plan Assets	Gratuity - Funded as on March 31, 2021	March 31, 2020
PVO at the end of the year	1,523.71	1,411.74
Fair Value of Planned Assets at the end of year	1,559.03	1,407.90
Funded Status Surplus/ (Deficit)	35.32	(3.64)
Net Asset/(Liability) recognised in the Balance Sheet	35.32	(3.64)

₹ in Lakhs

Net Interest Cost for Current Year	March 31, 2021	March 31, 2020
PVO at the Beginning of the year	1,411.54	1,328.74
Fair Value of Plan Assets at the Beginning of the year	(1,407.90)	(1,279.41)
Net Asset/(Liability) at the Beginning of the year	3.64	49.32
Interest cost	96.55	103.24
Interest Income	(96.30)	(99.41)
Net Interest Cost for Current Year	0.25	3.83

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

₹ in Lakhs

Expense Recognised in the Statement of Profit or Loss for Current Year	March 31, 2021	March 31, 2020
Current Service Cost	77.51	72.55
Net Interest Cost	0.25	3.83
Expense Recognised in the Statement of Profit or Loss for Current Year	**77.76**	**76.38**

₹ in Lakhs

Expenses Recognised in the Other Comprehensive Income (OCI) for Current Year	March 31, 2021	March 31, 2020
Actuarial (Gains)/Losses on Obligation for the year	30.46	2.28
Return on Plan Assets, Excluding Interest Income	(7.65)	13.31
Net (Income)/ Expense recognised in OCI for Current Year	**22.81**	**15.59**

₹ in Lakhs

Balance Sheet Reconciliation	March 31, 2021	March 31, 2020
Opening Net Liability	3.64	49.32
Expense Recognised in Statement of Profit or Loss	77.76	76.38
Expense Recognised in OCI	22.81	15.59
Employer's Contribution	(139.53)	(137.65)
Net Liability/(Asset) Recognised in the Balance Sheet	**(35.32)**	**3.64**

₹ in Lakhs

Category of Assets	March 31, 2021	March 31, 2020
Insurance Fund	1,559.03	1,407.90
Total	**1,559.03**	**1,407.90**

₹ in Lakhs

Other Details	March 31, 2021	March 31, 2020
No. of Active Members	552.00	587.00
Per Month Salary for Active Members	144.65	141.57
Weighted Average Duration of the Projected Benefit Obligation	8.00	8.00
Average Expected Future Service	13.00	14.00
Projected Benefit Obligation	1,523.71	1,411.54
Prescribed Contribution for Next Year (12 Months)	43.42	81.15

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

₹ in Lakhs

Major Category of Assets	Gratuity - Funded as on March 31, 2021	Gratuity - Funded as on March 31, 2020
Insurer Managed funds	1,559.03	1,407.90

₹ in Lakhs

Assumptions used in accounting for the Gratuity Plan	Gratuity - Funded as on March 31, 2021	Gratuity - Funded as on March 31, 2020
Expected Return on Plan Assets	6.80%	6.84%
Rate of Discounting	6.80%	6.84%
Rate of Salary Increase	7.00%	7.00%
Rate of Employee Turnover	2.00%	2.00%
Mortality Rate During Employment	Indian Assured Lives Mortality (2006-08)	Indian Assured Lives Mortality (2006-08)

Notes

1 Discount rate is determined by reference to market yields at the balance sheet date on Government bonds, where the currency and terms of the Government bonds are consistent with the currency and estimated terms for the benefit obligation.

2 The estimate of future salary increase takes into account inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.

3 100% of the plan assets are invested in group gratuity scheme offered by LIC of India.

₹ in Lakhs

Maturity Analysis of the Benefit Payments :From the Fund	March 31, 2021	March 31, 2020
1st Following Year	162.51	111.40
2nd Following Year	72.73	96.49
3rd Following Year	91.09	112.90
4th Following Year	129.15	89.57
5th Following Year	206.50	120.46
Sum of Years 6 to 10	885.66	857.63
Sum of Years 11 and above	1,154.04	1,181.17

Sensitivity analysis

₹ in Lakhs

Particulars	March 31, 2021	March 31, 2020
Projected Benefit Obligation on Current Assumptions	1,523.70	1,411.54
Delta Effect of +1 % Change in Rate of Discounting	(95.14)	(92.41)
Delta Effect of -1 % Change in Rate of Discounting	108.03	105.02
Delta Effect of +1 % Change in Rate of Salary Increase	106.75	103.81
Delta Effect of -1 % Change in Rate of Salary Increase	(95.82)	(93.10)
Delta Effect of +1 % Change in Rate of Employee Turnover	(1.96)	(1.71)
Delta Effect of -1 % Change in Rate of Employee Turnover	2.13	1.84

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

The sensitivity analysis have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

The sensitivity analysis presented above may not be representative of the actual change in the projected benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated. Furthermore, in presenting the above sensitivity analysis, the present value of the projected benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same method as applied in calculating the projected benefit obligation as recognised in the Balance Sheet.

There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.

Based on the actuarial valuation obtained in this respect, the following table sets out the status of the gratuity plan and the amounts recognised in the Group's Financial Statements as at Balance Sheet date:

₹ in Lakhs

Particulars	Note	March 31, 2021	March 31, 2020
Total employee benefit liabilities/ (Assets)			
Non-current	0	-	-
Current	16 and 28	-35.32	3.64

b. Other Long Term Benefit:

The Holding Company's Long Term benefits includes Leave Encashment payable at the time of retirement subject to, policy of maximum leave accumulation of the Holding Company. The scheme is not funded.

Changes in the Present Value of the Obligation in respect of Leave Encashment

₹ in Lakhs

Particulars	March 31, 2021	March 31, 2020
Obligation at the Beginning of the year	384.22	356.07
Actuarial (gains) / losses on obligation	(43.74)	28.15
Obligation at the End of the year	340.48	384.22

c. Defined Contribution Plans

Superannuation Fund

The Holding Company has a superannuation plan for the benefit of some of its employees. Employees who are members of the defined benefit superannuation plan are entitled to benefits depending on the years of service and salary drawn. Separate irrevocable trusts are maintained for employees covered and entitled to benefits. The contributions are recognised as an expense as and when incurred and the Holding Company does not have any further obligations beyond this contribution.

Provident Fund and pension

In accordance with the Employee's Provident Fund and Miscellaneous Provisions Act, 1952 eligible employees of the Holding Company are entitled to receive benefits in respect of provident fund, a defined contribution plan, in which both employees and the Holding Company make monthly contributions at a specified percentage of the covered employees' salary.

The contributions, as specified under the law, are made to the provident fund set up as an irrevocable trust by the Holding Company, post contribution of amount specified under the law to Employee Provident Fund Organisation on account of employee pension scheme.

Amounts recognised as expense for the period towards contribution to the following funds:

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

₹ in Lakhs

Particulars	March 31, 2021	March 31, 2020
Employer's contribution to:		
Provident Fund	248.44	236.02
Superannuation Fund	233.83	216.32
Employee State Insurance Fund	9.83	8.97
Gujarat Labour Welfare Fund	0.17	0.17
Gratuity	77.76	76.38
Others	3.86	3.42
Total	**573.89**	**541.29**

41. Segment Reporting As Per Ind AS 108 on "Operating Segments"

Identification of Segments

(a) Primary Segment - Business Segment

The Group is engaged in the business of manufacturing of "Chemicals", which is the only Operating Segment as per Ind AS 108.

Geographical Information

The analysis of geographical information is based on the geographical location of the customers. The geographical information considered for disclosure are as follows:

Sales within India include sales to customers located within India.

Sales outside India include sales to customers outside India.

Revenue as per Geographical Locations

₹ in Lakhs

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Within India	8,650.09	9,556.25
Asia	2,495.06	3,237.37
Europe	3,139.54	1,585.80
North America	19,655.34	42,184.35
Total	**33,940.03**	**56,563.78**

Carrying Value of Segment Assets

₹ in Lakhs

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Within India	54,470.11	51,843.77
Asia	802.16	679.07
Europe	1,739.23	670.54
North America	2,911.40	5,678.80
Total	**59,922.91**	**58,872.18**

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Property, Plant and Equipment by Geographical Locations

The Group has common Property, Plant and Equipment for producing goods for domestic as well as overseas market. There are no Property, Plant and Equipment situated outside India. Hence, additional segment-wise information for Property, Plant and Equipment or additions to Property, Plant and Equipment has not been furnished.

42. Disclosures under Ind AS 116 on "Leases"

The Group has adopted Ind AS 116, effective annual reporting period beginning April 1, 2019 and applied the standard to its leases applying modified retrospective approach. This has resulted in recognising a right-of-use asset of ₹ 2,401.56 Lakhs and a corresponding lease liability of equal amount. In the statement of profit and loss for the current year, the nature of expenses in respect of operating leases has changed from lease rent amounting to ₹ 858.07 Lakhs to depreciation cost for the right to use asset amounting to ₹ 801.84 Lakhs and finance cost amounting to ₹ 165.42 Lakhs for interest accrued on lease liability. Due to above change, there is additional impact of ₹109.19 Lakhs on statement of Profit and Loss for the year ended March 31, 2020. The total cash outflow for leases is ₹ 703.39 Lakhs for the year ended March 31, 2020.

Group as a Lessee

i. Maturity Analysis of Lease Liabilities

The table below provides details regarding the contractual maturities of Lease Liabilities on an undiscounted basis :

₹ in Lakhs

Particulars	As on March 31, 2021	As on March 31, 2020
Maturity Analysis - Contractual undiscounted Cash Flows		
Less than one year	1,037.70	3.64
One to five years	937.67	833.51
More than five years	312.94	-
Total Undiscounted Lease Liabilities	**2,288.31**	**837.15**

ii. The following is the break-up of Current and Non-current Lease Liabilities :

₹ in Lakhs

Particulars	As on March 31, 2021	As on March 31, 2020
Non-current	710.13	959.15
Current	916.38	904.43
Total	**1,626.51**	**1,863.58**

The Group does not face a liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

iii. The following amounts are recognised in the Statement of Profit and Loss :

₹ in Lakhs

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Depreciation charge on Right-of-Use Assets	895.01	801.84
Interest expense on Lease Liabilities	141.60	165.42
Gain on termination of leases	65.26	-
Expense relating to short-term leases	14.78	7.64

iv. The following is the movement in Lease Liabilities :

₹ in Lakhs

Particulars	March 31, 2021	March 31, 2020
Opening Balance	1,863.59	-
Transition on account of adoption of Ind AS 116	-	2,401.56
Additions	950.78	-
Interest expense on Lease Liabilities	141.60	165.42
Lease Modification	(358.36)	-
Payement of Lease Liabilities	(971.09)	(703.39)
Closing Balance	**1,626.51**	**1,863.59**

Group as a Lessor

The Group has given Plant and machinery to TML. The lease agreements are for a period of five years. The table below provides details regarding the contractual maturities of lease payments to be received, on assets given on an operating lease on an undiscounted basis :

₹ in Lakhs

Particulars	March 31, 2021	March 31, 2020
Lease Rental Income		
Total of lease rent income for a period		
Less than one year	792.00	-
One to five years	2,640.00	-
More than five years	-	-
Total Undiscounted Lease Rental Income	**3,432.00**	**-**
Lease Income recognised in the Statement of Profit and Loss for the year	**504.58**	**-**

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

43. Disclosures under Ind AS 115 - Revenue from Contracts with Customers

Revenue from contracts with customers disaggregated based on geography

₹ in Lakhs

Particulars	March 31, 2021	March 31, 2020
Domestic Sales	7,199.18	9,320.08
Other Domestic Revenue	209.86	237.52
Export Sales	26,530.99	47,006.17
Total	**33,940.03**	**56,563.78**

Reconciliation of contract price with Revenue from Operations

₹ in Lakhs

Particulars	March 31, 2021	March 31, 2020
Contract price	33,951.88	56,598.97
Less: Discounts and rebates	11.85	35.19
Revenue from Contracts with Customers (as per Statement of Profit and Loss)	**33,940.03**	**56,563.78**

Contract Balances

The following table provides information about Trade Receivables and Contract Liabilities from contracts with customers:

₹ in Lakhs

Particulars	March 31, 2021	March 31, 2020
Trade Receivables (Gross) [Refer Note 11]	7,656.77	9,001.47
Less: Loss Allowance	44.77	26.59
Net Receivables	**7,612.00**	**8,974.88**
Contract Liabilities		
Advance from Customers [Refer Note 27]	5.81	2.99
Total Contract Liabilities	**5.81**	**2.99**

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Related Party Disclosures:

44. (i) Names of related parties and description of relationship with whom transactions have taken place:

Enterprises owned or significantly influenced by Key Management Personnel or their relatives	Excel Industries Limited Transpek-Silox Industry Private Limited TML Industries Limited Anshul Specialty Molecules Private Limited Anshul Life Science Madison Investments Private Limited Agrocel Industries Private Limited Transchem Agritech Private Limited Kamaljyot Investments Limited Shroffs Foundation Trust Shroff Family Charitable Trust
Key Management Personnel	Bimal V. Mehta (Managing Director) Ashwin C. Shroff (Chairman and Non-Executive Director) Atul G. Shroff (Non-Executive Director) Ravi A. Shroff (Non-Executive Director) Dipesh K.Shroff (Non-Executive Director) Ninad D. Gupte (Independent Director) Dr. Bernd Dill (Independent Director) Nimish U. Patel (Independent Director) Geeta A. Goradia (Independent Director) Hemant J. Bhatt (Independent Director) Anand Mohan Tiwari (Independent Director w.e.f December 24, 2019) Pratik P. Shah (Chief Financial Officer) Alak D. Vyas (Company Secretary)
Relatives of Key Management Personnel	Vishwa A. Shroff Shruti A. Shroff Minoti N. Gupte Hanny B. Mehta Kumud V. Mehta Kavit B. Mehta Parul Benani Rachna P. Shah Bela D. Vyas

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(ii) Key management personnel compensation

₹ in Lakhs

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Short-term Employee Benefits	245.06	322.07
Post Employment Benefits	38.43	33.18
Long-term Employee Benefits	43.25	46.43
Total Compensation	**326.74**	**401.68**

(iii) Particulars of Transactions with Related Parties

Transactions with related parties for the period ended March 31, 2021 are as follows: (Previous Year's figures are shown in brackets)

₹ in Lakhs

Particulars		Enterprises owned or significantly influenced by key management personnel or their relatives	Key Management Personnel and their relatives	Total
Sale of Goods	-	192.41	-	192.41
	-	(333.49)	-	(333.49)
Services Rendered	-	5.87	-	5.87
	-	(12.40)	-	(12.40)
Windmill Income	-	121.96	-	121.96
	-	(154.23)	-	(154.23)
Dividend Received	-	296.19	-	296.19
	-	(312.74)	-	(312.74)
Interest Received	-	-	-	-
	-	(5.13)	-	(5.13)
Processing Charges	-	1,949.79	-	1,949.79
	-	(2,574.09)	-	(2,574.09)
Purchase of Property, Plant and Equipment	-	-	-	-
	-	(210.00)	-	(210.00)
Dividend Paid	-	53.81	15.82	69.63
	-	(645.70)	(189.84)	(835.54)
Commission Paid	-	55.69	-	55.69
	-	(47.07)	-	(47.07)
Donations Paid	-	112.22	-	112.22
	-	(164.30)	-	(164.30)
Corporate Social Responsibility Expense	-	125.82	-	125.82
	-	(75.96)	-	(75.96)

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

₹ in Lakhs

Particulars		Enterprises owned or significantly influenced by key management personnel or their relatives	Key Management Personnel and their relatives	Total
Interest Paid	-	0.32	15.83	16.15
	-	(1.15)	(24.44)	(25.59)
Consumable Item Purchase	-	-	-	-
	-	(3.42)	-	(3.42)
Legal & Professional Services	-	-	-	-
	-	-	-	-
Reimbursement charged to the Holding Company	-	610.13	-	610.13
	-	(1,101.90)	-	(1,101.90)
Managerial Remuneration(*)	-	-	283.49	283.49
	-	-	(355.24)	(355.24)
Other Benefit to Director	-	-	76.68	76.68
	-	-	(75.16)	(75.16)
Commission Paid to Independent and	-	-	75.00	75.00
Non-Executive Directors	-	-	(90.00)	(90.00)
Directors' Sitting Fees	-	-	19.20	19.20
	-	-	(18.00)	(18.00)
CSR Meeting Fees	-	-	2.00	2.00
	-	-	(1.20)	(1.20)
Security Deposit Received Back	-	120.00	-	120.00
	-	(50.00)	-	(50.00)
Inter Corporate Deposit Repaid	-	-	-	-
	-	(75.00)	-	(75.00)
Deposit Taken	-	-	57.47	57.47
	-	-	-	-
Deposit Repaid	-	-	51.00	51.00
	-	-	(255.00)	(255.00)
Fixed Assets and Scrap	-	5.41	-	5.41
	-	-	-	-
Lease Rent Income	-	504.58	-	504.58
	-	-	-	-

* As the liabilities for leave encashment are provided on an actuarial basis for the Group as a whole, the amounts pertaining to the directors is not separately determined and hence are not included in above.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Balance Outstanding at the year end:

₹ in Lakhs

Particulars		Enterprises owned or significantly influenced by key management personnel or their relatives	Key Management Personnel and their relatives	Total
Accounts Payable	-	43.65	-	43.65
	-	(289.96)	-	(289.96)
Accounts Receivable including Trade Advance		416.90	-	416.90
		(344.87)	-	(344.87)
Agency Deposit	-	4.00	-	4.00
	-	(4.00)	-	(4.00)
Deposits	-	-	164.08	164.08
	-	-	(156.61)	(156.61)
Investment in Shares		517.72	-	517.72
		(517.72)	-	(517.72)
Commission payable to Managing Directors	-	-	27.72	27.72
	-	-	(97.97)	(97.97)
Commission payable to Independent and Non - Executive Directors	-	-	27.72	27.72
	-	-	(75.00)	(75.00)

(iv) Significant transactions with related parties:

₹ in Lakhs

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
A) Transactions during the year:		
Sale of Goods		
Transpek Silox Industry Private Limited	136.14	273.22
TML Industries Limited	27.33	44.29
Anshul Specialty Molecules Private Limited	10.00	2.40
Agrocel Industries Private Limited	18.94	13.58
Services Rendered		
Transchem Agritech Private Limited	5.87	12.40
Windmill Income		
TML Industries Limited	121.96	154.23
Dividend Received		
Transpek Silox Industry Private Limited	296.19	267.71
Excel Industries Limited	-	45.04

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

₹ in Lakhs

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Interest Received		
TML Industries Limited	-	5.13
Processing Charges		
TML Industries Limited	1,949.79	2,574.09
Anshul Specialty Molecules Private Limited	-	-
Purchase of Property, Plant and Equipment		
TML Industries Limited	-	210.00
Dividend Paid		
Shruti A. Shroff	7.68	92.17
Vishwa Shroff	1.96	23.58
Atul G Shroff	0.96	11.50
Ashwin C. Shroff	4.10	49.17
Dipesh K. Shroff	0.94	11.31
Ravi A. Shroff	0.18	2.12
Kamaljyot Investments Limited	17.57	210.81
Anshul Specialty Molecules Private Limited	34.41	412.93
Madison Investment P. Ltd	1.83	21.95
Commission Paid		
Anshul Life Science	55.69	47.07
Donation Paid		
Shroffs Foundation Trust	30.88	100.00
Shroff Family Charitable Trust	81.34	64.30
Corporate Social Responsibility Expense		
Shroffs Foundation Trust	125.82	75.96
Interest Paid		
Ashwin C. Shroff	-	20.42
Agrocel Industries Private Limited	-	0.83
Parul Benani	2.95	2.10
Kavit Mehta	0.08	0.09
Rachna P. Shah	2.64	1.98
Shruti Shroff	0.06	0.22
Vishwa Shroff	7.07	4.60

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

₹ in Lakhs

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Bela D. Vyas	0.40	0.32
Ninad D. Gupte	1.17	1.49
Minoti N. Gupte	1.45	-
Anshul Life Science	0.32	0.32
Reimbursements charged to the Holding Company (Expense)		
TML Industries Limited	610.13	1,094.56
Anshul Life Science	-	7.35
Remuneration		
Bimal V. Mehta	223.00	294.85
Pratik P Shah	43.34	43.49
Alak D Vyas	17.16	16.91
Other Benefit to Directors		
Atul G. Shroff	76.68	75.16
Commission Paid to Independent and Non-Executive Directors		
Ashwin C. Shroff	7.50	10.00
Atul G Shroff	7.50	10.00
Dipesh K. Shroff	7.50	10.00
Ravi A. Shroff	7.50	10.00
Ninad D. Gupte	7.50	10.00
Dr. Bernd Dill	7.50	10.00
Nimish U. Patel	7.50	10.00
Geeta A. Goradia	7.50	10.00
Hemant J. Bhatt	7.50	10.00
Anand Mohan Tiwari	7.50	-
Director Sitting Fees		
Atul G Shroff	2.00	2.20
Ashwin C. Shroff	1.00	1.00
Ravi A. Shroff	1.40	1.20
Dr. Bernd Dill	1.00	1.20
Geeta A. Goradia	1.60	1.20
Hemant J. Bhatt	2.80	2.80
Nimish U. Patel	2.80	3.60

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

₹ in Lakhs

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Ninad D. Gupte	2.60	2.60
Anand Mohan Tiwari	1.20	-
Dipesh K. Shroff	2.80	2.20
CSR Meeting Fees		
Atul G Shroff	0.40	0.40
Dipesh K. Shroff	0.40	-
Geeta A. Goradia	0.40	0.40
Nimish U. Patel	0.40	0.40
Anand Mohan Tiwari	0.40	-
Consumable Items Purchase		
Agrocel Industries Private Limited	-	-
Excel Industries Limited	-	3.42
Security Deposit Received Back		
TML Industries Limited	120.00	50.00
Inter Corporate Deposit Repaid		
Agrocel Industries Private Limited	-	75.00
Deposit Taken		
Ninad D. Gupte	14.00	-
Minoti N. Gupte	15.00	-
Rachna P. Shah	26.72	-
Parul Benani	0.75	
Bela D. Vyas	1.00	-
Deposit Repaid		
Bimal V. Mehta	-	-
Atul G. Shroff	-	-
Kumud V. Mehta	-	-
Ashwin C. Shroff	-	250.00
Shruti A. Shroff	-	5.00
Ninad D. Gupte	14.00	-
Minoti N. Gupte	15.00	-
Rachna P. Shah	21.00	-
Bela D. Vyas	1.00	-

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

₹ in Lakhs

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
B) Closing Balance as at end of the year :		
Accounts Payable		
TML Industries Limited	28.78	280.20
Anshul Life Science	14.86	9.76
Receivables Including Trade Advance		
TML Industries Limited	344.86	302.82
Transpek Silox Industry Private Limited	62.69	27.35
Transchem Agritech Private Limited	1.36	14.63
Agrocel Industries Private Limited	7.99	0.06
Deposits		
Agrocel Industries Private Limited	-	-
Ashwin C. Shroff	-	-
Ninad D. Gupte	14.00	14.00
Minoti N. Gupte	17.50	17.50
Parul Benani	24.05	23.30
Kavit Mehta	0.95	0.95
Rachna P. Shah	30.72	25.00
Shruti Shroff	0.61	0.61
Vishwa Shroff	71.50	71.50
Bela D. Vyas	4.75	3.75
Indenting Agency Deposit		
Anshul Life Science	4.00	4.00
Investment in Shares		
Transpek Silox Industry Private Limited	290.96	290.96
Excel Industries Limited	226.76	226.76
Fixed Assets and Scrap		
TML Industries Limited	5.41	-
Lease Rent Income		
TML Industries Limited	504.58	-

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

45. Other Disclosures :

Disclosure under the Micro, Small and Medium Enterprises Development Act, 2006

On the basis of confirmation obtained from the Suppliers who have registered themselves under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act, 2006) and based on the information available with the Group, the following are the details:

₹ in Lakhs

Sr. No.	Particulars	As on March 31, 2021	As on March 31, 2020
i.	The principal amount and the interest due thereon remaining unpaid to any Supplier at the end of each accounting year :		
	Principal Amount	309.10	511.94
	Interest Due thereon	-	-
ii.	The amount of interest paid by the buyer in terms of Section 16 of the MSMED Act, 2006 (27 of 2006), along with the amount of the payment made to the supplier beyond the appointed day during each accounting year.	-	-
iii.	The amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006.	-	-
iv.	The amount of interest accrued and remaining unpaid at the end of each accounting year, and	-	-
v.	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under Section 23 of the MSMED Act, 2006	-	-

46. Research and Development Expenses (as certified by the Management) debited to the Statement of Profit and Loss are as under:

₹ in Lakhs

Sr. No.	Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
i.	Capital Expenditure included in Property, Plant and Equipment	100.81	56.34
ii.	Revenue Expenditure charged to Statement of Profit and Loss		
	Revenue Expenses Debited to Appropriate Heads of Account	252.04	268.50
	Depreciation on Research and Development Asset	56.34	51.12
	Total	**409.20**	**375.96**

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

47. As per Section 135 of the Act, a Corprate Social Responsibility (CSR) Committee has been formed by the Holding Company. The areas for CSR activities are promoting education, art and culture, healthcare, destitute care and rehabilitation and rural development projects as specified in Schedule VII of the Act. The details of amount required to be spent and actual expenses spent during the year is as under:

    a. Gross amount required to be spend by the Holding Company during the year : ₹ 162.69 Lakhs [Previous Year ₹128.60 Lakhs].

    b. Amount spent during the year on:

₹ in Lakhs

Sr. No.	Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
i.	**Construction/Acquisition of Assets**		
	- Spent	-	-
	- To be Spent	-	-
ii.	**On purpose other than(i) above**		
	- Spent	203.00	108.40
	- To be Spent	-	20.20
Total		**203.00**	**128.60**

Excess Amount Spent

₹ in Lakhs

Opening Balance	Amount required to be spent during the year	Amount spent during the year	Closing Balance
-	181.00	203.00	*22.00

*Included in Prepaid Expenses [Refer Note 16]

48. Donation includes donation made to Political party ₹ Nil [Previous Year : ₹ 79.00 Lakhs].

49. Additional disclosure as required by the amended Clause 34 and 53 of the Listing Agreements and Section 186 of the Act (Previous Year's figures are shown in brackets)

₹ in Lakhs

Sr. No.	Name	Nature of transaction	Balance as at March 31, 2021	Maximum amount outstanding during the year
i.	**Investments in Subsidiaries**			
	Transpek Industry (Europe) Limited	Investment	0.02	0.02
			(0.02)	(0.02)
	Transpek Creative Chemistry Private Limited (w.e.f. January 6, 2020)	Investment	1.00	1.00
			(1.00)	(1.00)

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

₹ in Lakhs

Sr. No.	Name	Nature of transaction	Balance as at March 31, 2021	Maximum amount outstanding during the year
ii.	**Loans and Advances to Subsidiaries**			
	Transpek Industry (Europe) Limited	Advances	-*	4.15
			(4.15)	(4.15)
	Transpek Creative Chemistry Private Limited (w.e.f. January 6, 2020)	Advances	-	-
			(0.06)	(0.06)

* At the year end, the amount payable is ₹ 7.46 Lakhs

50. Financial Instruments

i. Accounting Classification and Fair Values

Carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy, are presented below. Financial assets and financial liabilities such as cash and cash equivalents, other bank balances, trade receivables, loans, trade payables and unpaid dividends of which the carrying amount is a reasonable approximation of fair value due to their short term nature, are disclosed at carrying value.

₹ in Lakhs

Particulars	As at 31st March, 2021			As at 31st March, 2020		
	FVTPL	FVOCI	Amortized Cost	FVTPL	FVOCI	Amortized Cost
Financial Assets						
Investments						
Equity Instruments	-	14,204.68	-	-	11,788.40	-
Others	-	-	0.04	-	-	0.04
Deposits	-	-	93.42	-	-	178.97
Trade Receivables	-	-	7,612.00	-	-	8,974.88
Cash and Cash Equivalents	-	-	1,547.55	-	-	41.57
Bank Balances other than above	-	-	671.99	-	-	70.67
Loans	-	-	4.19	-	-	2.61
Other Financial Assets	-	-	428.59	-	-	342.76
Total Financial Assets	**-**	**14,204.68**	**10,357.79**	**-**	**11,788.40**	**9,611.50**
Financial Liabilities						
Borrowings	-	-	7,130.24	-	-	7,687.67
Lease Liabilities	-	-	1,626.51	-	-	1,863.58
Other Financial Liabilities	-	-	3,236.49	-	-	4,073.18
Trade Payables	-	-	3,614.67	-	-	5,217.79
Total Financial Liabilities	**-**	**-**	**15,607.90**	**-**	**-**	**18,842.22**

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

ii. Fair value hierarchy

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

Financial Assets and Liabilities measured at fair value - recurring fair value measurements

₹ in Lakhs

As at March 31, 2021	Notes	Level 1	Level 2	Level 3	Total
Financial Assets at FVOCI					
Equity Instruments	6	1,321.42	12,883.29	-	14,204.71
Financial Assets at Amortised Cost					
Deposits	7	-	93.42	-	93.42
Total Financial Assets		**1,321.42**	**12,976.71**	**-**	**14,298.13**
Financial Liabilities at Amortised Cost					
Borrowings (Non-current)	19	-	4,427.93	-	4,427.93
Total Financial Liabilities		**-**	**4,427.93**	**-**	**4,427.93**

Financial Assets and Liabilities measured at fair value - recurring fair value measurements

As at March 31, 2020	Notes	Level 1	Level 2	Level 3	Total
Financial Assets at FVOCI					
Equity Instruments	6	700.30	11,088.14	-	11,788.44
Financial Assets at Amortised Cost					
Deposits	7	-	178.97	-	178.97
Total Financial Assets		**700.30**	**11,267.11**	**-**	**11,967.41**
Financial Liabilities at Amortised Cost					
Borrowings (Non-current)	19	-	4,461.08	-	4,461.08
Total Financial Liabilities		**-**	**4,461.08**	**-**	**4,461.08**

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

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

There are no transfers between levels 1 and 2 during the year.

iii. Valuation technique used to determine Fair Value

Valuation techniques and significant unobservable inputs

The following tables show the valuation techniques used in measuring Level 1 and Level 2 fair values, as well as the significant unobservable inputs used.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Financial instruments are measured at fair value

Type	Valuation Technique	Significant Unobservable Inputs	Inter - Relationship Between Significant Unobservable Inputs And Fair Value Measurements
Investments in Equity Instruments-Quoted	Current Bid Price (Quoted Price)	NA	NA
Investments in Equity Instruments-Unquoted	Market Multiple	NA	NA
Derivative Financial Instruments	MTM from Banks/using Discounted Analysis	NA	NA

51. Financial Risk Management

The Group has exposure to the following risks arising from financial instruments:

Credit risk

Market risk

Liquidity risk

This note explains the sources of risk which the entity is exposed to and how the entity manages the risk.

The Group's Board of Directors has overall responsibility for the establishment and oversight of the Group's risk management framework. The Board of Directors has established the Risk Management Committee, which is responsible for developing and monitoring the Group's risk management policies. The committee reports to the Board of Directors on its activities.

The Group's risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed periodically to reflect changes in market conditions and the Group's activities. The Group, through its training, standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Audit Committee oversees how Management monitors compliance with the Group's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Group. The Audit Committee is assisted in its oversight role by Internal Auditors. Internal Auditors undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the Audit Committee.

i. Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's receivables from customers and investment securities. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Group grants credit terms in the normal course of business. The Group establishes an allowance for doubtful debts and impairment that represents its estimate of incurred losses in respect of trade and other receivables and investments.

a. Trade Receivables

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the customer, including the default risk of the industry and country in which the customer operates, also has an influence on credit risk assessment. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Group grants credit terms in the normal course of business. The Group also has credit insurance and ECGC for export supplier. In addition to above, there are no major delays in receipt of payment from the Trade Receivables.

In determining the allowances for credit losses of Trade Receivables, the Group has used a practical expedient by computing the expected credit loss allowance for Trade Receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and is adjusted for forward looking information. The expected credit loss allowance is based on the ageing of the receivables that are due and rates used in the provision matrix.

b. Cash and Cash Equivalents, Derivative Financial Instruments and Financial Guarantees

Credit risks from balances with banks and financial institutions are managed in accordance with the Group policy. For derivative financial instruments, the Group attempts to limit the credit risk by only dealing with reputable banks and financial institutions having high credit-ratings assigned by credit-rating agencies.

In addition, the Group is exposed to credit risk in relation to financial guarantees given to banks. The Group's maximum exposure in this respect is the maximum amount the Group would have to pay if the guarantee is called upon.

c. Loans and Advances

In the case of loans to employees, the same is managed by establishing limits. (Which in turn is based on the employees salaries and number of years of service put in by the concerned employee)

ii. Liquidity risk

Liquidity risk is defined as the risk that the Group will not be able to settle or meet its obligations on time or at reasonable price. The Group manages liquidity risk by continuously monitoring forecast and actual cash flows on daily, monthly and yearly basis. Loan arrangements, credit limits with various banks including working capital and monitoring of operational and working capital issues are always kept in mind for better liquidity management. In addition, processes and policies related to such risks are overseen by senior management.

Maturities of financial liabilities

The table below provides details regarding the remaining contractual maturities of financial liabilities at the reporting date based on contractual undiscounted payments.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Contractual maturities of Financial Liabilities

	< 1 year	1-5 years	> 5 years	Total
As at March 31, 2021				
Financial Liabilities				
Borrowings	2,702.31	4,427.93	-	7,130.24
Other Financial Liabilities	3,236.49	710.13	-	3,946.62
Trade Payables	3,614.67	-	-	3,614.67
Total Financial Liabilities	**9,553.47**	**5,138.06**	**-**	**14,691.53**
As at March 31, 2020				
Financial Liabilities				
Borrowings	3,226.59	4,461.08	-	7,687.67
Other Financial Liabilities	4,073.18	959.15	-	5,032.33
Trade Payables	5,217.79	-	-	5,217.79
Total Financial Liabilities	**12,517.56**	**5,420.23**	**-**	**17,937.79**

iii. Market risk

Market risk is the risk that changes in market prices – such as foreign exchange rates, interest rates and equity prices – will affect the Group's income or the value of its holdings of financial instruments. Market risk is attributable to all market risk sensitive financial instruments including foreign currency receivables and payables and long term debt. We are exposed to market risk primarily related to foreign exchange rate risk. Thus, our exposure to market risk is a function of revenue generating and operating activities in foreign currency. The objective of market risk management is to avoid excessive exposure in our foreign currency revenues and costs. The Group uses derivative to manage market risk. Generally, the Group seeks to apply hedge accounting to manage volatility in profit or loss.

Currency risk

The Group is exposed to currency risk on account of its operations in other countries. The functional currency of the Group is Indian Rupee (INR). The exchange rate between the INR and foreign currencies has changed substantially in recent periods and may continue to fluctuate substantially in the future. Consequently, the Group uses both derivative instruments, i.e., foreign exchange forward contracts to mitigate the risk of changes in foreign currency exchange rates in respect of its highly probable forecasted transactions and recognised assets and liabilities.

The Group enters into foreign currency forward contracts which are not intended for trading or speculative purposes but for hedge purposes to establish the amount of reporting currency required or available at the settlement date of certain payables/receivables.

Following is the derivative financial instruments to hedge the foreign exchange rate risk:

Currency	As at 31st March, 2021			As at 31st March, 2020		
	Trade receivable and other Receivable	Hedges available	Net exposure to foreign currency risk	Trade receivable and other Receivable	Hedges available	Net exposure to foreign currency risk
USD (in Lakhs)	74.57	69.81	4.75	89.02	66.86	22.16
Equivalent INR (In Lakhs)	5,452.19	5,104.06	348.12	6,711.53	5,040.45	1,671.08

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Currency	As at 31st March, 2021			As at 31st March, 2020		
	Trade Payable	Hedges available	Net exposure to foreign currency risk	Trade Payable	Hedges available	Net exposure to foreign currency risk
USD (in Lakhs)	10.29	-	10.29	17.37	-	17.37
Equivalent INR (In Lakhs)	752.35	-	752.35	1,309.69	-	1,309.69

51. Financial Risk Management

The sensitivity of profit or loss to changes in the exchange rates arises mainly from unhedged foreign currency denominated financial instruments.

₹ in Lakhs

Particulars	Impact on profit after tax	
	As on March 31, 2021	As on March 31, 2020
USD sensitivity		
INR/USD increases by 5%	(20.21)	18.07
INR/USD decreases by 5%	20.21	(18.07)

52. Capital Management

For the purpose of Group's Capital Management, equity includes equity share capital and all other equity reserves attributable to the equity holders of the group. The Group manages its capital to optimise returns to the share holders and make adjustments to it in the light of changes in economic conditions or its business requirements. The Group's objective is to safe guard continuity, maintain a strong credit rating and healthy capital ratios in order to support its business and provide adequate return to share holders through continuing growth and maximise the share holders value. The Group funds its operations through internal accruals and long term borrowings competitive rate. The Management and Board of Directors monitor the return of capital as well as the level of dividend to share holders.

Gearing Ratio

The gearing ratio at the end of the reporting period was as follows

₹ in Lakhs

Particulars	As on March 31, 2021	As on March 31, 2020
Debt	14,487.40	17,623.70
Lease liabilities (Non-current and Current)	1,626.51	1,863.58
Net debt	**16,113.91**	**19,487.28**
Total equity	**37,952.91**	**33,816.88**
Net debt to equity ratio	0.42	0.58

Debt is defined as long-term borrowings, short-term borrowings and current maturities of long-term borrowings.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

53. Events after the reporting period

Proposed dividend on Equity Shares:

₹ in Lakhs

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Proposed dividend on Equity Shares :		
Proposed dividend for the year	418.92	139.64
Current Year ₹ 7.50 Per share (Previous year ₹ 2.50 per share)	**418.92**	**139.64**

This proposed dividend are subject to the approval of shareholders in the ensuing annual general meeting and therefore are not recognised as liability as year end.

54. The Group has evaluated the impact of COVID-19 on its financial statements based on the internal and external information upto the date of approval of these financial statements. The Group expects to recover the carrying amount of inventories, receivables and other assets and does not foresee any material impact on liquidity and assumption of going concern. The full extent to which the pandemic will impact future financial results of the Group cannot be reasonably ascertained and will depend on how the overall situation on COVID-19 unfolds over a period of time.

55. The figures of previous year have been re-arranged and regrouped wherever necessary to make them comparable with those of the current year.

As per our attached report of even date

For BANSI S. MEHTA & CO.
Chartered Accountants
Firm Registration No. 100991W

PARESH H. CLERK
Partner
Mem. No. : 36148

Place : Mumbai
Date : May 25, 2021

For and on behalf of the Board of Directors
TRANSPEK INDUSTRY LIMITED

Ashwin C. Shroff (Chairman) DIN : 00019952
Bimal V. Mehta (Managing Director) DIN : 00081171
Ninad D. Gupte (Director) DIN : 00027523
Alak D. Vyas (Company Secretary & Compliance Officer) ACS : 31731
Pratik P. Shah (Chief Financial Officer) ACA: 118400

Place : Vadodara
Date : May 25, 2021

FORM AOC - 1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

Part "A": Subsidiaries

(Information in respect of each subsidiary to be presented with amounts in Rs.)

Sr. No.	Particulars	Details	Details	Details	Details
1.	Name of the subsidiary	Transpek Creative Chemistry Private Limited	Transpek Industry (Europe) Limited	Transpek Creative Chemistry Private Limited	Transpek Industry (Europe) Limited
2	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	01.04.2020 to 31.03.2021	01.04.2020 to 31.03.2021	01.04.2019 to 31.03.2020	01.04.2019 to 31.03.2020
3	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries		GBP 100.921		GBP 93.076
4	Share capital	100000.00	1631	100000.00	1631.00
5	Reserves & surplus	69065.00	230	78454.00	230.00
6	Total assets	74065.00	2025217	100000.00	1057261.45
7	Total Liabilities	74065.00	2025217	100000.00	1057261.45
8	Investments	NIL	NIL	NIL	NIL
9	Turnover NIL	NIL	NIL	NIL	
10	Profit (Loss) before taxation	(30,935.00)	NIL	(21,546.00)	NIL
11	Provision for taxation	0.00	NIL	0.00	NIL
12	Profit after taxation	(30,935.00)	NIL	(21,546.00)	NIL
13	Proposed Dividend	NIL	NIL	NIL	NIL
14	% of shareholding	99	100	99	100

For and on behalf of the Company:

(Shri Ashwin C. Shroff – Chairman)

(Shri Bimal V. Mehta – Managing Director)

(Shri Ninad D. Gupte – Director)

(Shri Alak D. Vyas – Company Secretary & Compliance Officer)

(Shri Pratik P. Shah – Chief Financial Officer)

FORM AOC - 1

Part "B": Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

Name of associates/Joint Ventures	NIL	NIL	NIL
1. Latest audited Balance Sheet Date	NIL	NIL	NIL
2. Shares of Associate/Joint Ventures held by the company on the year end	NIL	NIL	NIL
No.	NIL	NIL	NIL
Amount of Investment in Associates/Joint Venture	NIL	NIL	NIL
Extend of Holding%	NIL	NIL	NIL
3. Description of how there is significant influence	NIL	NIL	NIL
4. Reason why the associate/joint venture is not consolidated	NIL	NIL	NIL
5. Net worth attributable to shareholding as per latest audited Balance Sheet	NIL	NIL	NIL
6. Profit/Loss for the year	NIL	NIL	NIL
i. Considered in Consolidation	NIL	NIL	NIL
ii. Not Considered in Consolidation	NIL	NIL	NIL

For and on behalf of the Company:

(Shri Ashwin C. Shroff – Chairman)

(Shri Bimal V. Mehta – Managing Director)

(Shri Ninad D. Gupte – Director)

(Shri Alak D. Vyas – Company Secretary & Compliance Officer)

(Shri Pratik P. Shah – Chief Financial Officer)

Training to a Student to operate ‘Lathe’ Machine under VTC programme of the Company.

Safety Kit provided by ‘SAHAJ Animators’ at Primary Health Centre at Padra, Vadodara.

Distribution of School Kits by SFT to Trainees at Farm School at Chhotaudepur.

TRANSPEK INDUSTRY LIMITED

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TRANSPEK INDUSTRY (EUROPE) LIMITED
A wholly owned subsidiary of Transpek Industry Limited.

TRANSPEK CREATIVE CHEMISTRY PRIVATE LIMITED
A wholly owned subsidiary of Transpek Industry Limited.

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