

# ATUL INFOTECH PRIVATE LIMITED

## Directors' Report

Dear Members,

The Board of Directors (Board) presents the Annual Report of Atul Infotech Pvt Ltd together with the audited Financial Statements for the year ended March 31, 2019.

### 01. Financial results

	2018-19	2017-18
Revenue from operations	3,42,93,352	2,95,82,792
Other income	4,17,085	3,71,073
Total revenue	3,47,10,437	2,99,53,865
Profit before tax	25,37,537	2,69,639
Tax	6,70,350	86,515
Profit for the year	18,67,187	1,86,124

### 02. Performance

Revenue from operations increased by 16% from ₹2.96 cr to ₹3.42 cr. PBT increased from ₹ 2.69 lakhs to ₹25.37 lakhs due to decrease in income from outsourcing services and accordingly earning per share also increased to ₹7.89 from ₹0.77.

### 03. Dividend

The Board does not recommend any dividend on the equity shares for the financial year ended March 31, 2019.

### 04. Conservation of energy, technology absorption, foreign exchange earnings and outgo

Information required under Section 134 (3)(m) of the Companies Act, 2013, read with Rule 8(3) of the Companies (Accounts) Rules, 2014, as amended from time to time, are not applicable to the Company as the Company is yet to commence its operation.

### 05. Insurance

The Company has taken adequate insurance to cover the risks to its employees, property (land and building), plant, equipment, other assets and third parties.

### 06. Risk Management

The Company has identified risks and has initiated a mitigation plan for the same.

### 07. Internal Financial Controls

The Management assessed the effectiveness of the Internal Financial Controls over financial reporting as of March 31, 2019, and the Board believes that the controls are adequate.

### 08. Fixed deposits

During 2018-19, the Company did not accept any fixed deposits.

#### Prevention of Sexual Harassment of Women at Workplace

Pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Rules, 2013, the Company has framed a Policy on Prevention of Sexual Harassment of Women at Workplace and constituted Internal Complaints Committee. No complaint was received during 2018-19.

- 09. Loans, guarantees, investments and security**  
During 2018-19, the Company has not given any loans, provided guarantees or made investments.
- 10. Subsidiary, associate and joint venture company**  
The Company have following associate companies.  
➤ Atul Elkay Polymers Ltd
- 11. Related Party Transactions**  
All the transactions entered into with the Related Parties were in ordinary course of business and on arm's length basis. Details of such transactions are given at note number 22.1. No transactions were entered into by the Company which required disclosure in Form AOC-2.
- 12. Corporate Social Responsibility**  
The provision of section 135 of the Companies Act, 2013 are not applicable to the Company.
- 13. Extract of the Annual Return**  
This is given as Annexure.
- 14. Auditors**  
GR Parekh & Co., Chartered Accountants were appointed as the Statutory Auditors of the Company at the 17<sup>th</sup> Annual General Meeting (AGM) until the conclusion of the 22<sup>nd</sup> AGM. The relevant Notes forming part of the accounts are self-explanatory and give full information and explanation in respect of the observations made by the Auditors in their report.
- 15. Directors' responsibility statement**  
Pursuant to Section 134(5) of the Companies Act, 2013, the Directors confirm that, to the best of their knowledge and belief:
- 15.1 The applicable Accounting Standards were followed along with proper explanations relating to material departures in the preparation of the annual accounts.
- 15.2 The Accounting Policies were selected and applied consistently and judgements and estimates were made that were 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.
- 15.3 Proper and sufficient care was taken for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- 15.4 The attached annual accounts for the year ended March 31, 2019 were prepared on a going concern basis.
- 15.5 Adequate Internal Financial Controls to be followed by the Company were laid down; and same were adequate and operating effectively.
- 15.6 Proper systems were devised to ensure compliance with the provisions of all applicable laws and the same were adequate and operating effectively.
- 16. Directors**
- 16.1 Appointments | Reappointments | Cessations:
- 16.2 Policies on appointment and remuneration  
The Company will formulate policy on remuneration of Directors as and when it starts paying remuneration to the Directors. The Company appoints directors in accordance with the applicable provisions of the Companies Act, 2013.
- 17. Key Managerial Personnel and other employees**  
The provision of section 203 of the Companies Act, 2013 are not applicable to the Company.
- 18. Analysis of remuneration**

There is no employee who falls within the criteria provided in Sections 134(3)(q) and 197(12) of the of the information in respect thereof is not applicable.

**19. Acknowledgements**

The Board expresses its sincere thanks to all the investors, regulatory and Government authorities for their support.

For and on behalf of the Board of Directors

Atul  
April 09, 2019

Director

Director

## Annexure to the Directors' Report

- 1. Conservation of energy, technology absorption and foreign exchange earnings and outgo**  
Since the Company is yet to commence its operation this clause is not applicable as.
- 2. Extract of the Annual Return**

### Form number MGT – 9

#### Extract of the Annual Return as on March 31, 2019

{Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014}

#### 2.1 Registration and other details

- » CIN: U72200GJ2000PTC038460
- » Registration date: July 31, 2000
- » Name of the company: Atul Infotech Pvt Ltd
- » Category | Sub-category of the company: Company limited by shares
- » Address of the registered office and contact details: Near River Par, N. H. 8, Atul Valsad 396 020
- » Telephone: (+91 2632) 230000
- » Whether listed company: No
- » Name, address and contact details of Registrar and Transfer Agent: Link Intime India Pvt Ltd, C-101, 247 Park, L B S Marg, Vikhroli West, Mumbai 400 083, Maharashtra, India, Telephone: (+91 22) 4918 6270

#### 2.2 Principal business activities of the Company

All the business activities contributing 10% or more of the total revenue of the company will be started

No.	Name and description of main products   services	National Industrial Classification code of the product   service	% to total revenue of the Company*

#### 2.3 Particulars of the holding, the subsidiary and the associate companies

No.	Name and address of the Company	Corporate Identification Number	Holding subsidiary   associate	% of shares held	Applicable section
01.	Atul Elkay Polymers Ltd	U24100GJ2011PLC065979	Associate	50	2(6)
	E-7 Post Atul Valsad 396020				



02.	Non-institutions									
a)	Bodies corporate									
i)	Indian	-	-	-	-	-	-	-	-	-
ii)	Overseas	-	-	-	-	-	-	-	-	-
b)	Individuals	-	-	-	-	-	-	-	-	-
i)	Shareholders holding nominal share capital up to ₹ 1 lakh	-	-	-	-	-	-	-	-	-
ii)	Shareholders holding nominal share capital in excess of ₹ 1 lakh	-	-	-	-	-	-	-	-	-
c)	Non-resident Indians (NRI)	-	-	-	-	-	-	-	-	-
i)	NRI repatriable	-	-	-	-	-	-	-	-	-
ii)	NRI non-repatriable	-	-	-	-	-	-	-	-	-
iii)	Foreign bodies	-	-	-	-	-	-	-	-	-
iv)	Foreign nationals	-	-	-	-	-	-	-	-	-
d)	Any other	-	-	-	-	-	-	-	-	-
	<b>Sub total (B)(2)</b>	-	-	-	-	-	-	-	-	-
	<b>Total public shareholding</b>	-	-	-	-	-	-	-	-	-
	<b>Total (A)+(B)</b>	2,36,522	-	2,36,522	100%	2,36,522	-	2,36,522	100%	-
<b>C.</b>	<b>Shares held by custodians and</b>									
01.	Promoter and promoter group	-	-	-	-	-	-	-	-	-
02.	Public	-	-	-	-	-	-	-	-	-
	<b>Sub total (C)</b>	-	-	-	-	-	-	-	-	-
	<b>Grand total (A)+(B)+(C)</b>	2,36,522	-	2,36,522	100%	2,36,522	-	2,36,522	100%	-

2.4.2 Shareholding of the promoters

No.	Name of the Shareholder	Shareholding as at April 01, 2018			Shareholding as at March 31, 2019			% change in shareholding during the year
		Number of shares held	% of total shares of the Company	% of shares pledged   encumbered to total	Number of shares held	% of total shares of the Company	% of shares pledged   encumbered to total number of	
01.	Atul Finserv Ltd	1,18,261	50.00	-	1,18,261	50.00	-	
02.	Atul Bio Space Ltd	1,18,261	50.00	-	1,18,261	50.00	-	

2.4.3 Change in the promoters' shareholding

No.	Particulars	Reason for change	Shareholding as at April 01, 2018		Cumulative shareholding during 2018-19	
			Number of shares	% of total shares of the Company	Number of shares	% of total shares of the Company
A.	Companies					
	At the beginning of the year		2,36,522	100.00	2,36,522	100.00
	Increase   Decrease during the year		-	-	-	-
	At the end of the year		2,36,522	100.00	2,36,522	100.00

2.4.4 Shareholding pattern of top 10 Shareholders (other than the Directors, the promoters and the holders of American Depository Receipts and Global Depository Receipts)

No.	Particulars	Reason for change	Shareholding as at April 01, 2018		Cumulative shareholding during 2018-19	
			Number of shares	% of total shares of the Company	Number of shares	% of total shares of the Company
01.	Companies					
	At the beginning of the year		-	-	-	-
	Increase   Decrease during the year		-	-	-	-
	At the end of the year		-	-	-	-

2.4.5 Shareholding of the Directors and the Key Managerial Personnel

No.	Particulars	Reason for change	Shareholding as at April 01, 2018		Cumulative shareholding during 2018-19	
			Number of shares	% of total shares of the Company	Number of shares	% of total shares of the Company
01.	At the beginning of the year		-	-	-	-
	Increase   Decrease during the year		-	-	-	-
	At the end of the year		-	-	-	-

## 2.5 Indebtedness

Particulars	Secured loans excluding deposits	Unsecured loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal amount	-	-	-	-
ii) Interest due, but not paid	-	-	-	-
iii) Interest accrued, but not due	-	-	-	-
<b>Total i) + ii) + iii)</b>	-	-	-	-
Change in indebtedness during the financial year				
Addition	-	-	-	-
Reduction	-	-	-	-
Net change	-	-	-	-
Indebtedness at the end of the financial year	-	-	-	-
i) Principal amount	-	-	-	-
ii) Interest due, but not paid	-	-	-	-
iii) Interest accrued, but not due	-	-	-	-
<b>Total i) + ii) + iii)</b>	-	-	-	-

## 2.6 Remuneration of the Directors and the Key Managerial Personnel

### 2.6.1 Remuneration to the Managing Director, the Whole-time Directors and | or the Manager

No.	Particulars	KMP	Total amount
01.	Gross salary	-	-
	Salary as per provisions under Section 17(1) of the Income Tax Act, 1961	-	-
	Value of perquisites under Section 17(2) of the Income Tax Act, 1961	-	-
	Profits in lieu of salary under Section 17(3) of the Income Tax Act, 1961	-	-
02.	Stock option		
03.	Sweat Equity	-	-
04.	Commission	-	-
05.	Variable pay	-	-
06.	Others	-	-
07.	Total (A)	-	-
08.	Overall ceiling as per the Act		



## 2.6.2 Remuneration to the other Directors

							₹)
No.	Particulars						Total amount
01.	Non-executive Independent Directors	-	-	-	-	-	-
	a) Fee for attending the Board, Committee and other meetings	-	-	-	-	-	-
	b) Commission	-	-	-	-	-	-
	Total 1	-	-	-	-	-	-
02.	Non-executive Non-independent Directors						
	a) Fee for attending the Board, Committee and other meetings	-	-	-	-	-	-
	b) Commission	-	-	-	-	-	-
	Total 2	-	-	-	-	-	-
	Total (B) = (1+2)	-	-	-	-	-	-
	Total managerial Remuneration (A+B)						-
	Overall ceiling as per the Act						-

## 2.6.3 Remuneration to the Key Managerial Personnel other than the Managing Director | the Manager | the Whole-time Director

		₹)		
No.	Particulars	Key Managerial Personnel		
		CS	CFO	Total amount
01.	Gross salary	-	-	-
	Salary as per provisions under Section 17(1) of the Income Tax Act, 1961	-	-	-
	Value of perquisites under Section 17(2) of the Income Tax Act, 1961	-	-	-
	Profits in lieu of salary under Section 17(3) of the Income Tax Act, 1961	-	-	-
02.	Stock option	-	-	-
03.	Sweat Equity	-	-	-
04.	Commission	-	-	-
05.	Others	-	-	-
	Total	-	-	-

## 2.7 Penalties | Punishment | Compounding of offences

There were no penalties | punishment | compounding of offences for the year ending March 31, 2019.

## **INDEPENDENT AUDITOR'S REPORT**

### **To the Members of Atul Infotech Private Limited Report on the Audit of the Standalone Ind AS Financial Statements**

#### **Opinion**

01. We have audited the accompanying Standalone Ind AS financial statements of Atul Infotech Private Limited ("the Company"), which comprise the Balance sheet as at March 31, 2019, and the Statement of Profit and Loss (including Other Comprehensive Income), Statement of changes in equity and Statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, and profit, changes in equity and its cash flows for the year ended on that date.

#### **Basis for Opinion**

02. We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Ind AS Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the Standalone Ind AS financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **Management's Responsibility for the Standalone Ind AS Financial Statements**

03. The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate implementation and maintenance of accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone

Ind AS financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

04 In preparing the Standalone Ind AS financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting. Board of Directors is also responsible for overseeing the Company's financial reporting process

### **Auditor's Responsibilities for the Audit of the Standalone Ind AS Financial Statements**

05 Our objectives are to obtain reasonable assurance about whether the Standalone Ind AS 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 Ind AS financial statements.

### **Report on Other Legal and Regulatory Requirements**

06 As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the Annexure B a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

07 As required by Section 143(3) of the Act, we report that:

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid Standalone Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of the written representations received from the directors as on March 31, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".
- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our

opinion and to the best of our information and according to the explanations given to us:

- i. The Company has no pending litigations on March 31, 2019;
- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For GHANSHYAM PAREKH & CO.  
Chartered Accountants  
(Firm's Registration No. 131167W)

G. R. Parekh  
Proprietor  
(Membership No. 030530)

Atul,  
Dated: April 8, 2019

## **Annexure A to the Independent Auditor's Report**

Referred to in paragraph 7(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date.

### **Report on the Internal Financial Controls over financial reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (the Act)**

01. We have audited the Internal Financial Controls over financial reporting of Atul Infotech Private Ltd (the Company) as of March 31, 2019 in conjunction with our audit of the Standalone Ind AS Financial Statements of the Company for the year ended on that date.

#### **Management's responsibility for Internal Financial Controls**

02. The Management of the Company is responsible for establishing and maintaining Internal Financial Controls 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 on Audit of Internal Financial Controls over financial reporting (the Guidance Note) issued by the Institute of Chartered Accountants of India. 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 policies of the Company, 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 Companies Act, 2013.

#### **Auditor's responsibility**

03. Our responsibility is to express an opinion on the Internal Financial Controls of the Company over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of Internal Financial Controls. These 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 over financial reporting was established and maintained and if such controls operated effectively in all material respects.

04. Our audit involves performing procedures to obtain audit evidence about the adequacy of the Internal Financial Controls system over financial reporting and their operating effectiveness. Our audit of Internal Financial Controls over financial reporting included obtaining an understanding of Internal Financial Controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the Auditor's judgement, including the assessment of the risks of material misstatement of the Financial Statements, whether due to fraud or error.

05. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Internal Financial Controls system over financial reporting of the Company.

### **Meaning of Internal Financial Controls over financial reporting**

06. The Internal Financial Control over financial reporting of a company 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. Internal Financial Control over financial reporting of a Company includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of Financial Statements in accordance with Generally Accepted Accounting Principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of Management and Directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the assets of the Company that could have a material effect on the Financial Statements.

### **Inherent limitations of Internal Financial Controls over financial reporting**

07. Because of the inherent limitations of Internal Financial Controls over financial reporting, 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 over financial reporting to future periods are subject to the risk that the Internal Financial Control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### **Opinion**

08. 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 system over financial reporting and such Internal Financial Controls over financial reporting were operating effectively as at March 31, 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the Institute of Chartered Accountants of India.

**For Ghanshyam Parekh & Co.**  
Chartered Accountants  
Firm Registration Number: 131167W

G. R. Parekh  
Proprietor  
Membership Number: 030530

Place: Atul  
Date: April 8, 2019

## **Annexure B to Independent Auditors' Report:**

Referred to in paragraph 10 of the Independent Auditors' Report of the even date to the members of ATUL INFOTECH PRIVATE LIMITED for the year ended March 31, 2019.

- i.
  - (a) The Company has generally maintained proper records showing full particulars including quantitative details and situation of fixed assets;
  - (b) As explained to us, fixed assets, according to the practice of the Company, are physically verified by the management at reasonable intervals, which, in our opinion, is reasonable, looking to the size of the Company and the nature of its business. According to the information and explanations given to us, discrepancies noticed on physical verification have been adjusted in the books of account;
  - (c) The title deeds of immovable properties as disclosed in note relating to fixed Assets are held in the name of the Company.
- ii. The Company does not hold any inventory, therefore Clause 3(ii) of the Order is not applicable..
- iii. The Company has not granted any loan secured or unsecured to Companies, Firms or other parties covered in the register maintained under Section 189 of the Companies Act, 2013.
- iv. The Company has not granted any loans, or made any investments or provided guarantee or security to parties covered under Section 185 and 186 of the Companies Act, 2013, therefore the provisions of clause 3(iv) of the said order are not applicable to the Company.
- v. The company has not accepted any deposits from public within the meaning of sections 73, 74, 75 and 76 of the Act and the Rules framed thereunder.
- vi. The Central Government has not prescribed maintenance of Cost Records under Section 148(1) of the companies Act, 2013.
- vii.
  - (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is regular in depositing undisputed statutory dues including Provident Fund, Income tax, Sales tax, wealth tax, service tax, duty of Customs, duty of Excise, value added tax, cess, GST and other statutory Dues as applicable with the appropriate authorities.
  - (b) According to the explanation given to us there are no arrears of statutory dues which have remained outstanding at the last date of financial year, for a period of more than six month from the date they became payable;
  - (c) According to the information and explanation given to us, there are no dues of sales tax, duty of customs, wealth tax, duty of excise, value added tax or cess which have not been deposited on account of any dispute. The particulars of dues of income tax as at March 31, 2018 which have not been deposited on account of a dispute, are as follows:

Name of the Statute	Nature of Dues	Amount (Rs.)	Period to which the amount relates	Forum where the Dispute is pending
Income Tax Act 1961	Assessed Demand	5,68,400/-	A.Y. 2012-13 relevant to F.Y. 2011-12	Assessing Officer
Income Tax Act 1961	Assessed Demand	11,210/-	A.Y. 2016-17 relevant to F.Y. 2015-16	Assessing Officer

- viii .According to the record of the Company examined by us and information and explanations given to us, the Company has not defaulted in repayment of dues to a financial institution or bank or government or debenture holders as at the Balance Sheet date.
- ix The Company has not raised any money by way of public issue/ follow-on offer (including debt instruments) and term loans. Accordingly, the provisions of Clause 3(ix) of the order are not applicable.
- X During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India and according to the information and explanations given to us, we have neither come across any instance of fraud by the Company or on Company by its officers or employees, noticed or reported during the year nor have we been informed of any such case by the Management.
- xi. No managerial remuneration has been paid / provided;
- xii. The Company is not a Nidhi Company therefore the clause 3(xii) of the Order is not applicable.
- xiii. All the transactions with the related parties are in compliance with Section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements etc as required by the accounting standards and Companies Act, 2013.
- xiv. The company has not made preferential allotment / private placement of shares during the year under review.
- xv. The company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly the provisions of Clause 3(xv) of the Order are not applicable to the Company.



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

Atul

Date : April 8, 2019

For Ghanshyam Parekh & Co.  
Chartered Accountants  
(Firm Registration No. 131167W)

(G. R. Parekh)  
Proprietor  
Membership No.: 030530

# Atul Infotech Pvt Ltd

## Balance Sheet as at March 31, 2019

( )

Particulars	Note	As at	
		March 31, 2019	March 31, 2018
<b>A ASSETS</b>			
1 <b>Non-current assets</b>			
a) Property, plant and equipment	2	2,01,92,820	2,04,37,814
b) Capital work-in-progress		12,91,76,771	12,79,85,189
c) Financial assets			
i) Investments in associate company	3	2,49,980	2,99,980
ii) Other financial assets	4	3,29,715	3,19,715
d) Deferred tax assets (net)		4,10,401	3,82,443
e) Other non-current assets	5	1,24,80,631	1,20,41,370
<b>Total non-current assets</b>		<b>16,28,40,318</b>	<b>16,14,66,511</b>
2 <b>Current assets</b>			
a) Financial assets			
i) Current investment	6	50,45,830	69,32,030
ii) Trade receivables	7	32,62,472	29,22,790
iii) Cash and cash equivalents	8	9,25,334	3,98,436
iv) Bank balances other than cash and cash equivalents above	9	12,07,831	11,38,251
v) Other financial assets	4	4,96,543	4,13,012
b) Other current assets	5	1,02,995	82,100
<b>Total current assets</b>		<b>1,10,41,005</b>	<b>1,18,86,619</b>
<b>Total assets</b>		<b>17,38,81,323</b>	<b>17,33,53,130</b>
<b>B EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
a) Equity share capital	10	23,65,220	23,65,220
b) Other equity		16,69,80,352	16,51,26,958
<b>Total equity</b>		<b>16,93,45,572</b>	<b>16,74,92,178</b>
<b>Liabilities</b>			
1 <b>Non-current liabilities</b>			
a) Financial liabilities			
i) Other financial liabilities	11	-	10,000
<b>Total non-current liabilities</b>		<b>-</b>	<b>10,000</b>
2 <b>Current liabilities</b>			
a) Financial liabilities			
i) Trade payables			
a) Micro enterprises and small enterprises		-	-
b) Creditors other than micro enterprises and small enterprises	14	7,24,724	22,03,239
i) Other financial liabilities	11	15,38,844	16,49,594
b) Other current liabilities	13	8,14,452	6,93,624
c) Provisions	12	14,57,731	13,04,494
<b>Total current liabilities</b>		<b>45,35,751</b>	<b>58,50,951</b>
<b>Total liabilities</b>		<b>45,35,751</b>	<b>58,60,951</b>
<b>Total equity and liabilities</b>		<b>17,38,81,323</b>	<b>17,33,53,130</b>

The accompanying Notes 1-23 form an integral part of the Financial Statements

As per our attached report of even date

For and on behalf of the Board of Directors

For Ghanshyam Parekh & Co.

Firm Registration Number: 131167W

G R Parekh

Director

Proprietor

Membership Number: F-030530

Director

Atul

April 9, 2019

Atul

April 9, 2019

**Atul Infotech Pvt Ltd**  
**Statement of Profit and Loss**  
for the year ended March 31, 2019

( )

Particulars	Note	2018-19	2017-18
<b>INCOME</b>			
Revenue from operations	15	3,42,93,352	2,95,82,792
Other income	16	4,17,085	3,71,073
<b>Total Income</b>		<b>3,47,10,437</b>	<b>2,99,53,865</b>
<b>EXPENSES</b>			
Employee benefit expense	17	2,90,67,409	2,60,39,585
Finance costs	18	-	1,89,964
Depreciation and amortisation expense		5,39,994	5,48,378
Other expenses	19	25,65,497	29,06,299
<b>Total expenses</b>		<b>3,21,72,900</b>	<b>2,96,84,226</b>
<b>Profit before tax</b>		<b>25,37,537</b>	<b>2,69,639</b>
<b>Tax expense</b>			
Current tax		6,98,310	1,17,639
Deferred tax		(27,960)	(31,124)
<b>Total tax expense</b>		<b>6,70,350</b>	<b>86,515</b>
<b>Profit for the year</b>		<b>18,67,187</b>	<b>1,83,124</b>
<b>Other comprehensive income</b>			
A) Items that will not be reclassified to profit and loss			
Remeasurement gains on defined benefit plans		(18,577)	(1,73,694)
Income tax on above item		4,784	(44,726)
<b>Total other comprehensive income</b>		<b>(13,793)</b>	<b>(2,18,420)</b>
<b>Total comprehensive income</b>		<b>18,53,394</b>	<b>(35,296)</b>
Basic and diluted earning ` per equity share of ` 10 each		7.89	0.77

**The accompanying Notes 1-23 form an integral part of the Financial Statements**

As per our attached report of even date

For and on behalf of the Board of Directors

**For Ghanshyam Parekh & Co.**

Firm Registration Number: 131167W

G R Parekh

Proprietor

Membership Number: F-030530

**Director**

**Director**

Atul

April 9, 2019

Atul

April 9, 2019

# Atul Infotech Pvt Ltd

## Statement of changes in equity for the year ended March 31, 2019

### A. Equity share capital

	Notes	Amount
As at March 31, 2017		16,17,960
Changes in equity share capital		7,47,260
As at March 31, 2018		23,65,220
Changes in equity share capital		-
As at March 31, 2019		23,65,220

### B. Other equity

	Notes	Reserves and surplus		Total
		Securities premium	Retained earnings	Other equity
As at March 31, 2017		9,84,26,506	1,15,47,103	10,99,73,609
Profit for the year		-	1,83,124	1,83,124
Other comprehensive income		-	(2,18,420)	(2,18,420)
<b>Total comprehensive income for the year</b>		-	<b>(35,296)</b>	<b>(35,296)</b>
<b>Transactions with owners in their capacity as owners:</b>				
Issue of equity share		5,51,88,645	-	5,51,88,645
Dividend paid (including dividend distribution tax)				-
As at March 31, 2018		15,36,15,151	1,15,11,807	16,51,26,958
Profit for the year		-	18,67,187	18,67,187
Other comprehensive income		-	(13,793)	(13,793)
<b>Total comprehensive income for the year</b>		-	<b>18,53,394</b>	<b>18,53,394</b>
As at March 31, 2019		15,36,15,151	1,33,65,201	16,69,80,352

The accompanying Notes 1-23 form an integral part of the Financial Statements

As per our attached report of even date

For and on behalf of the Board of Directors

For Ghanshyam Parekh & Co.

Firm Registration Number: 131167W

G R Parekh  
Proprietor  
Membership Number: F-030530

Director

Director

Atul  
April 9, 2019

Atul  
April 9, 2019

**Atul Infotech Pvt Ltd**  
**Statement of Cash Flows**  
for the year ended March 31, 2019

(₹)

Particulars	2018-19	2017-18
<b>A. Cash flow from operating activities</b>		
Profit before tax	25,37,537	2,69,639
Add:		
Depreciation and amortisation expenses	5,39,994	5,48,378
Finance costs	-	1,89,964
Loss on assets sold or discarded	-	31,461
	5,39,994	7,69,803
	30,77,531	10,39,442
Less:		
Dividend received	3,13,800	3,60,228
Interest received	77,188	10,845
	3,90,988	3,71,073
Operating profit before working capital changes	26,86,543	6,68,369
Adjustments for:		
Trade receivables	(3,39,680)	(10,41,792)
Other current financial assets	(83,531)	20,91,768
Other current assets	63,120	3,42,422
Other non-current financial assets	(10,000)	(2,65,000)
Other non-current assets	1,13,799	-
Trade payables	(14,78,515)	(13,53,341)
Other current financial liabilities	14,445	(1,84,303)
Other current liabilities	(1,02,176)	(2,15,311)
Other financial liabilities	(10,000)	(2,14,10,400)
Short-term provisions	1,53,237	2,37,568
	(16,79,301)	(2,17,98,388)
Cash generated from operations	10,07,243	(2,11,30,019)
Less: Income Tax Paid (net)	12,51,370	29,14,672
<b>Net cash flow from operating activities</b>	<b>A: (2,44,127)</b>	<b>(2,40,44,691)</b>
<b>B. Cash flow from investing activities</b>		
Payment to acquire Property, Plant	(14,86,581)	(2,10,65,424)
Purchase of Investment in Equity Instrument Measured at cost	50,000	(50,000)
Payment for fixed deposit	(69,580)	(10,09,728)
Interest received	77,188	10,845
Dividend received	3,13,800	3,60,228
<b>Net cash used in investing activities</b>	<b>B: (11,15,174)</b>	<b>(2,17,54,079)</b>
<b>C. Cash flow from financing activities</b>		
Proceeds from equity share capital	-	5,59,35,905
Proceeds from short-term borrowings	-	(75,00,000)
Total repayments of borrowings	-	4,84,35,905
Interest paid	-	(1,89,964)
<b>Net cash used in financing activities</b>	<b>C: -</b>	<b>4,82,45,941</b>
<b>Net change in cash and cash equivalents</b>	<b>A+B+C: (13,59,301)</b>	<b>24,47,172</b>
<b>Opening balance - cash and cash equivalents</b>	<b>73,30,466</b>	<b>48,83,294</b>
<b>Closing balance - cash and cash equivalents</b>	<b>59,71,164</b>	<b>73,30,466</b>

The accompanying Notes 1-23 form an integral part of the Financial Statements

As per our attached report of even date

For and on behalf of the Board of Directors

**For Ghanshyam Parekh & Co.**

Firm Registration Number: 131167W

G R Parekh

Proprietor

Membership Number: F-030530

**Director**

**Director**

Atul

April 9, 2019

Atul

April 9, 2019

# Atul Infotech Private Ltd

## Notes to Financial Statements

### NOTE 1 SIGNIFICANT ACCOUNTING POLICIES

#### Basis of Preparation

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

All the assets and liabilities have been classified as current or non-current as per the normal operating cycle of the Company and other criteria set out in Schedule III to the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current and non-current classification of assets and liabilities.

#### Use of Estimates :

The preparation of Financial Statements in conformity with generally accepted accounting principles requires Management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the Financial Statements and the results of operations during the reporting period. Although these estimates are based on best knowledge of current events and actions of the Management, actual results could differ from these estimates. Differences between actual results and estimates are recognised in the period in which the results are known | materialised.

#### Property,Plant and Equipment:

- a) Property,Plant and Equipement are stated at cost of acquisition or construction less accumulated depreciation / amortisation and impairment losses.
- b) Machinery spares which can be used only in connection with a particular item of Property,Plant and Equipement and the use of which is irregular, are capitalized at cost.
- c) Property,Plant and Equipement retired from active use and held for disposal are stated at the lower of their net book value and net realisable value and are disclosed separately.
- d) Losses arising from the retirement of, and gains and losses arising from disposal ofProperty,Plant and Equipement which are carried at cost are recognised in the Statement of Profit and Loss.
- e) Tangible assets not ready for the intended use on the date of Balance Sheet are disclosed as "Capital work-in-progress".

#### Depreciation :

Depreciation on fixed assets is provided using straight-line method based on useful lives as prescribed under Part C of Schedule II of the Companies Act 2013.

Asset	Useful lives as per Part C of Schedule II
Computer	3 years
Car	6 years

Depreciation on additions to the assets during the year is being provided on pro-rata basis at their respective rate with reference to the month of acquisition | installation.

Depreciation on assets sold, scrapped or discarded during the year is being provided at their respective rates up to the month in which such assets are sold, scrapped or discarded.

# Atul Infotech Private Ltd

## Notes to Financial Statements

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### NOTE 1 SIGNIFICANT ACCOUNTING POLICIES (Continued)

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#### Investments :

Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments.

Long term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investments. Current investments are carried at the lower of cost and fair value determined on an individual basis.

#### Taxation:

- a) Income tax expense comprises current tax and deferred tax charge or credit. Provision for current tax is made on the basis of the assessable income at the tax rate applicable to the relevant assessment year.
- b) MAT credit is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax within the specified period.

#### Cash and cash equivalents:

In the Cash Flow Statement, cash and cash equivalents include cash in hand, demand deposits with banks, other short-term highly liquid investments with original maturities of three months or less.

#### Earnings per share:

Earnings per share (EPS) is 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. Earnings considered in ascertaining the EPS is the net profit for the period and any attributable tax thereto for the period.

#### Revenue recognition:

Service income is recognised, net of service tax, when the related services are rendered.

#### Employee benefits :

All employee benefits payable within twelve months of service such as salaries, wages, bonus, ex-gratia, medical benefits etc.

- a) Defined contribution plan:

Contribution paid | payable by the Company during the period to Provident Fund, Superannuation Fund are recognised in

- b) Defined benefit plan:

#### Gratuity:

The Company has defined benefit plan for Post-employment benefit in the form of gratuity for all employees which is administered through Life Insurance Corporation of India. Liability for above defined benefit plan is provided on the actual

- c) Short-term leave encashment:

Short-term leave encashment is provided at undiscounted amount during the accounting period based on service rendered by employees.

#### Critical estimates and judgments:

The preparation of Financial Statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. This note provides an overview of the areas that involved a higher degree of judgment or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgments is included in relevant notes together with information about the basis of calculation for each affected line item in the Financial Statements.

The areas involving critical estimates or judgments are:

- Estimation of fair values of contingent liabilities – Note 21
- Estimation of current tax expense and payable – Note 23

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

# Notes to the Financial Statements

(i)

## Note 2 Property, plant and equipment

Particulars	Land - Leasehold	Office equipment and furniture	Vehicles	Computer	Total
<b>Gross carrying amount</b>					
<b>As at March 31, 2017</b>	2,06,97,211	4,694	2,20,902	-	2,09,22,807
Additions	-	-	6,00,000	-	6,00,000
Other adjustments	-	-	-	-	-
Deductions and adjustments	-	4,694	2,20,902	-	2,25,596
<b>As at March 31, 2018</b>	2,06,97,211	-	6,00,000	-	2,12,97,211
Additions	-	4,694	-	2,95,000	2,99,694
Other adjustments	-	-	-	-	-
Deductions and adjustments	-	4,694	-	-	4,694
<b>As at March 31, 2019</b>	2,06,97,211	-	6,00,000	2,95,000	2,12,97,211
<b>Depreciation   Amortisation   Impairment</b>					
<b>Depreciation   Amortisation</b>					
<b>Upto March 31, 2017</b>	4,25,532	3,280	76,342	-	5,05,154
For the year	4,25,532	-	1,22,846	-	5,48,378
Deductions and adjustments	-	3,280	1,90,855	-	1,94,135
<b>Upto March 31, 2018</b>	8,51,064	-	8,333	-	8,59,397
For the year	4,25,532	-	95,000	19,462	5,39,994
Deductions and adjustments	-	-	-	-	-
<b>Upto March 31, 2019</b>	12,76,596	-	1,03,333	19,462	13,99,391
<b>Net carrying amount</b>					
As at March 31, 2018	1,98,46,147	-	5,91,667	-	2,04,37,814
<b>As at March 31, 2019</b>	<b>1,94,20,615</b>	-	<b>4,96,667</b>	<b>2,75,538</b>	<b>2,01,92,820</b>



# Notes to the Financial Statements

(c)

Note 3 Investments in associate company		Face Value	As at		As at	
			March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018
			No of Shares	Value	No of Shares	Value
<b>A</b>	<b>Investment in equity instruments measured at cost unquoted</b>					
	Atul Elkay Polymers Ltd	10	24,998	2,49,980	24,998	2,49,980
	Aarnayak Urmi Ltd	10	-	-	5,000	50,000
			<b>2,49,980</b>			<b>2,99,980</b>

(c)

Note 4 Other financial assets		As at		As at	
		March 31, 2019		March 31, 2018	
		Current	Non current	Current	Non current
a)	Security deposits	30,030	3,29,715	30,030	3,19,715
b)	Advances recoverable in cash	4,66,513	-	3,82,982	-
		<b>4,96,543</b>	<b>3,29,715</b>	<b>4,13,012</b>	<b>3,19,715</b>

(c)

Note 5 Other assets		As at		As at	
		March 31, 2019		March 31, 2018	
		Current	Non current	Current	Non current
a)	Balances with the Government department				
i)	Tax paid under protest	-	-	-	1,13,799
ii)	Tax paid in advance, net of provisions	-	1,24,80,631	-	1,19,27,571
iii)	Balances with the statutory authorities	1,02,995	-	-	-
b)	Others	-	-	82,100	-
		<b>1,02,995</b>	<b>1,24,80,631</b>	<b>82,100</b>	<b>1,20,41,370</b>

(c)

Note 6 Current investment		As at		As at	
		March 31, 2019		March 31, 2018	
<b>Investment in mutual funds measured at FVPL</b>					
<b>Quoted</b>					
	Investment in mutual funds		50,45,830		69,32,030
			<b>50,45,830</b>		<b>69,32,030</b>

(c)

Note 7 Trade receivables		As at		As at	
		March 31, 2019		March 31, 2018	
a)	Unsecured, considered good				
i)	Related parties		25,73,973		23,66,590
ii)	Trade receivables		6,88,499		5,56,200
	<b>Total receivables</b>		<b>32,62,472</b>		<b>29,22,790</b>
	Current portion		32,62,472		29,22,790
	Non-current portion		-		-

(c)

Note 8 Cash and cash equivalents		As at		As at	
		March 31, 2019		March 31, 2018	
a)	Balances with banks				
i)	In current accounts		9,25,334		3,98,436
			<b>9,25,334</b>		<b>3,98,436</b>

There are no repatriations restrictions with regard to cash and cash equivalents as at the end of the reporting period and prior period.

(c)

Note 9 Bank balances other than cash and cash equivalents above		As at		As at	
		March 31, 2019		March 31, 2019	
	Short-term bank deposit with original maturity between 3 to 12 months		12,07,831		11,38,251
			<b>12,07,831</b>		<b>11,38,251</b>

# Notes to the Financial Statements

Note 10 Equity share capital	As at	
	March 31, 2019	March 31, 2018
<b>Authorised</b>		
2,58,000 (March 31, 2018: 2,58,000) equity shares of ` 10 each	25,80,000	25,80,000
	25,80,000	25,80,000
<b>Issued</b>		
2,36,522 (March 31, 2018: 2,36,522) equity shares of ` 10 each	23,65,220	23,65,220
	23,65,220	23,65,220
<b>Subscribed</b>		
2,36,522 (March 31, 2018: 2,36,522) equity shares of ` 10 each	23,65,220	23,65,220
	<b>23,65,220</b>	<b>23,65,220</b>

a) Movement in equity share capital

	Number of shares	Equity share capital
As at March 31, 2018	2,36,522	23,65,220
As at March 31, 2019	2,36,522	23,65,220

b) Rights, preferences and restrictions:

The Company has one class of shares referred to as equity shares having a par value of ` 10.

i) Equity shares:

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

Each holder of equity shares is entitled to one vote per share.

ii) Dividend:

The Company declares and pays dividend in Indian rupees. The dividend proposed by the Board is subject to the approval of the Shareholders in the ensuing Annual General Meeting.

d) Details of Shareholders holding more than 5% of equity shares:

No	Name of the Shareholder	As at		As at	
		March 31, 2019		March 31, 2018	
		Holding %	Numb	Holding %	Number of shares
1	Atul Ltd				
1	Atul Bio Space Ltd	50.00%	####	50.00%	80,893
2	Atul Finserv Ltd	50.00%	####	50.00%	80,898

Note 11 Other financial liabilities	As at		As at	
	Current	Non current	Current	Non current
a) Security deposits	-	-	-	10,000
b) Employee benefits obligation (refer note 24)	14,91,271	-	16,16,466	-
b) Others	47,573	-	33,128	-
	<b>15,38,844</b>	-	<b>16,49,594</b>	<b>10,000</b>

Note 12 Provisions	As at	
	Current	Current
Provision for leave entitlement	14,57,731	13,04,494
	<b>14,57,731</b>	<b>13,04,494</b>

(i) Information about individual provisions and significant estimates

	As at	As at
	March 31, 2019	March 31, 2018
a) Balance as at the beginning of the year	13,04,494	10,66,926
Less: Utilised	(26,712)	(78,648)
Provision made during the year	1,79,949	3,16,216
	<b>14,57,731</b>	<b>13,04,494</b>

Note 13 Other current liabilities	As at	
	Current	Current
a) Statutory dues	8,14,452	6,93,624
	<b>8,14,452</b>	<b>6,93,624</b>

Note 14 Trade payables	As at	
	Current	Current
i) Related party	980	-
ii) Others	7,23,744	22,03,239
	<b>7,24,724</b>	<b>22,03,239</b>

# Notes to the Financial Statements

( )

<b>Note 15 Revenue from operations</b>	<b>2018-19</b>	<b>2017-18</b>
Sale of services	3,42,93,352	2,95,82,792
	<b>3,42,93,352</b>	<b>2,95,82,792</b>

( )

<b>Note 16 Other income</b>	<b>2018-19</b>	<b>2017-18</b>
Dividend from investment measured at FVPL	3,13,800	3,60,228
Interest from others	77,188	10,845
Miscellaneous income	26,098	-
	<b>4,17,085</b>	<b>3,71,073</b>

( )

<b>Note 17 Employee benefit expenses</b>	<b>2018-19</b>	<b>2017-18</b>
Salaries, wages and bonus	2,77,44,133	2,49,71,269
Contribution to Provident and other funds (refer Note 28.6)	13,23,276	9,16,649
Staff welfare	-	1,51,667
	<b>2,90,67,409</b>	<b>2,60,39,585</b>

( )

<b>Note 18 Finance costs</b>	<b>2018-19</b>	<b>2017-18</b>
Interest on borrowings	-	1,89,791
Interest on income tax	-	173
	-	<b>1,89,964</b>

( )

<b>Note 19 Other expenses</b>	<b>2018-19</b>	<b>2017-18</b>
Accommodation charges	11,29,448	9,01,600
Rent	2,77,600	1,43,000
Rates and taxes	14,079	28,511
Insurance	24,570	53,895
Travelling and conveyance	1,35,842	3,23,883
Payments to the Statutory Auditors		
a) Audit fees	8,000	8,000
b) Other matters	5,000	5,000
Loss on assets sold, discarded or demolished	-	31,461
Miscellaneous expenses	9,70,958	14,10,949
	<b>25,65,497</b>	<b>29,06,299</b>

( )

<b>Note 20 Other comprehensive income</b>	<b>2018-19</b>	<b>2017-18</b>
A) Items that will not be reclassified to profit and loss		
Valuation change in Equity instruments through other comprehensive income	-	-
Remeasurement gains on defined benefit plans	(13,793)	(1,74,929)
	<b>(13,793)</b>	<b>(1,74,929)</b>
B) Items that will be reclassified to profit and loss		
Effective portion of gains and loss on hedging instruments in a cash flow hedge	-	-
	<b>(13,793)</b>	<b>(1,74,929)</b>

# Notes to the Financial Statements

## NOTE 21 Contingent Liability

(₹)

	As at March 31, 2019	As at March 31, 2018
<b>Claims against the Company not acknowledged as debts in respects of:</b>		
(a) Service tax	-	1,13,799
(b) Income tax	5,79,610	32,21,600
	<b>5,79,610</b>	<b>33,35,399</b>

## Note 22.1 Related party information

Name of the related party and nature of relationship

No	Name of the related party	Description of relationship
01	Atul Ltd	Ultimate holding company
02	Aarnyak Urmi Ltd <sup>1</sup>	
03	Aasthan Dates Ltd	
04	Amal Ltd	
05	Anchor Adhesives Pvt Ltd	
06	Atul Aarogya Ltd	
07	Atul Ayurveda Ltd	
08	Atul Bioscience Ltd	
09	Atul Biospace Ltd	
10	Atul Brasil Quimicos Ltd	
11	Atul China Ltd	
12	Atul Clean Energy Ltd	
13	Atul Crop Care Ltd	
14	Atul Deutschland GmbH	
15	Atul Entertainment Ltd	
16	Atul Europe Ltd	
17	Atul Fin Resources Ltd <sup>1</sup>	
18	Atul Finserv Ltd	
19	Atul Hospitality Ltd	
20	Atul Middle East FZ-LLC	
21	Atul Nivesh Ltd <sup>1</sup>	
22	Atul Rajasthan Date Palms Ltd <sup>1</sup>	
23	Atul (Retail) Brands Ltd	
24	Atul Seeds Ltd	
25	Atul USA Inc	
26	Biyaban Agri Ltd	
27	DPD Ltd <sup>1</sup>	
28	Gujrat Synthwood Ltd <sup>2</sup>	
29	Jayati Infrastructure Ltd	
30	Lapox Polymers Ltd	
31	Osia Dairy Ltd	
32	Osia Infrastructure Ltd	
33	Raja Dates Ltd	
34	Rudolf Atul Chemicals Ltd	Joint venture company
35	Anaven LLP	Joint operation

Subsidiary companies of  
ultimate holding company

<sup>1</sup> Investments held through subsidiary companies.

<sup>2</sup> Under liquidation.

# Notes to the Financial Statements

(C)

Note 22.2 Transactions with Related parties		2018-19	2017-18
<b>Sales and income</b>			
1	Service charges received	<b>3,08,91,686</b>	<b>2,59,21,737</b>
	Atul Ltd	3,07,61,686	2,59,21,737
	Amal Ltd	1,30,000	-
<b>Purchase and expenses</b>			
1	Service charges	<b>12,42,565</b>	<b>11,64,956</b>
	Atul Ltd	12,42,565	11,64,956
2	Reimbursements	<b>52,411</b>	<b>1,09,719</b>
	Atul Ltd	52,411	54,596
	Atul Finserv Ltd	-	55,123
<b>Other transactions</b>			
1	Reimbursement received	<b>3,91,430</b>	<b>4,43,908</b>
	Aarnayak Urmi Ltd	300	-
	Aasthan Dates Ltd	1,300	-
	Atul Bio space Ltd	1,300	-
	Atul Ltd	-	4,11,963
	Aarnayak Urmi Ltd	-	9,415
	Atul Aarogya Ltd	39,800	4,130
	Atul Ayurveda Ltd	37,450	2,000
	Atul Clean Energy Ltd	36,200	400
	Atul Crop Care Ltd	800	-
	Atul Elkay Polymers Ltd	800	-
	Atul Entertainment Ltd	36,200	2,000
	Atul Fin Resources Ltd	1,200	3,000
	Atul Finserv Ltd	600	-
	Atul Hospitality Ltd	37,480	2,000
	Atul Retail (Brands) Ltd	37,450	1,200
	Atul Nivesh Ltd	1,200	3,000
	Atul Rajasthan Date Palms Ltd	9,700	-
	Atul Seeds Ltd	36,200	1,200
	Biyaban Agri Ltd	1,300	-
	Jayati Infrastructure Ltd	36,200	1,200
	Lapox Polymers Ltd	800	-
	Osia Dairy Ltd	36,400	1,200
	Osia Infrastructure Ltd	37,450	1,200
	Raja Dates Ltd	1,300	-
2	Issue of Equity Shares	-	<b>5,89,95,495</b>
	Atul Bio Space Ltd	-	2,79,97,869
	Atul Finserv Ltd	-	2,79,97,869
3	Investing In Equity shares	-	<b>50,000</b>
	Aarnayk Urmi Ltd	-	50,000
4	Interest paid on loan	-	<b>1,89,791</b>
	Rudolf Atul Chemicals Ltd	-	1,89,791
5	Repayment of Inter corporate deposit taken	-	<b>75,00,000</b>
	Rudolf Atul Chemicals Ltd	-	75,00,000
6	Sales of investment of Aaranyak Urmi Ltd	<b>50,000</b>	-
	Atul Finserv Ltd	50,000	-
<b>Outstanding balances as at year end</b>			
1	Receivables	<b>29,32,603</b>	<b>23,80,644</b>
	Atul Ltd	25,73,973	23,66,592
	Atul Aarogya Ltd	38,600	-
	Atul Ayurveda Ltd	36,250	-
	Atul Clean Energy Ltd	35,000	-
	Atul Entertainment Ltd	35,000	-
	Atul Fin Resources Ltd	-	3,000
	Atul Finserv Ltd	-	8,052
	Atul Hospitality Ltd	36,280	-
	Atul Retail (Brands) Ltd	36,250	-
	Atul Nivesh Ltd	-	3,000
	Atul Seeds Ltd	35,000	-
	Jayati Infrastructure Ltd	35,000	-
	Osia Dairy Ltd	35,000	-
	Osia Infrastructure Ltd	36,250	-
2	Payables	<b>980</b>	<b>1,70,812</b>
	Atul Ltd	980	-
	Rudolf Atul Chemicals Ltd	-	1,70,812

# Notes to the Financial Statements

## Note 23 : Current and Deferred tax

The major components of income tax expense for the years ended March 31, 2019 and March 31, 2018 are:

( )		
a) Income tax expense	March 31, 2019	March 31, 2018
Current tax		
Current tax on profits for the year	6,98,310	1,17,639
Adjustments for current tax of prior periods	-	-
<b>Total current tax expense</b>	<b>6,98,310</b>	<b>1,17,639</b>
Deferred tax		
(Decrease)   increase in deferred tax liabilities	(15,143)	13,907
Decrease   (increase) in deferred tax assets	(12,817)	(45,031)
<b>Total deferred tax expense   (benefit)</b>	<b>(27,960)</b>	<b>(31,124)</b>
<b>Income tax expense</b>	<b>6,70,350</b>	<b>86,515</b>

b) No deferred tax has been recorded for recognised in other comprehensive income during the years

c) The reconciliation between the statutory income tax rate applicable to the Company and the effective income tax rate of the Company is as follows :

( )		
	March 31, 2019	March 31, 2018
<b>Statutory income tax rate</b>	25.75%	27.75%
Differences due to:		
Expenses not deductible for tax purposes	-0.90%	0.66%
Income exempt from income tax	-3.22%	-1.09%
Income tax incentives	4.34%	2.74%
Others	0.19%	1.69%
<b>Effective income tax rate</b>	<b>26.17%</b>	<b>31.75%</b>

d) No aggregate amounts of current and deferred tax have arisen in the reporting periods which have not been recognised in net profit or loss or other comprehensive income but directly debited | (credited) to equity

( )		
e) Current tax liabilities	March 31, 2019	March 31, 2018
Opening balance	-	-
Add: Current tax payable for the year	6,98,310	1,17,639
Less: Taxes paid	(6,98,310)	(1,17,639)
<b>Closing balance</b>	<b>-</b>	<b>-</b>

### f) Deferred tax liabilities (net)

The balance comprises temporary differences attributable to:

( )		
	March 31, 2019	March 31, 2018
Property, plant and equipment	31,391	46,534
<b>Total deferred tax liabilities</b>	<b>31,391</b>	<b>46,534</b>
Provision for leave encashment	3,79,010	3,35,907
<b>Total deferred tax assets</b>	<b>3,79,010</b>	<b>3,35,907</b>
<i>Deferred tax asset or liability of subsidiary companies</i>		
<b>Net deferred tax (asset)   liability</b>	<b>(4,10,401)</b>	<b>(3,82,441)</b>

### Movement in deferred tax liabilities | assets

( )			
	Property plant and equipment	Provision for leave encashment	Total
<b>March 31, 2017</b>	<b>32,627</b>	<b>3,18,691</b>	<b>3,51,318</b>
(Charged)   credited:			
- to profit or loss	13,907	17,216	31,124
<b>At March 31, 2018</b>	<b>46,534</b>	<b>3,35,907</b>	<b>3,82,442</b>
(Charged)   credited:			
- to profit or loss	(15,143)	43,103	27,960
<b>At March 31, 2019</b>	<b>31,391</b>	<b>3,79,010</b>	<b>4,10,401</b>

# Notes to the Financial Statements

## Note 24 : Employee benefit obligations

The Company operates a gratuity plan through the 'Atul Infotech Pvt Ltd. Employees Group Gratuity Assurance Scheme'. Every employee is entitled to a benefit equivalent to fifteen days salary last drawn for each completed year of service in line with the Payment of Gratuity Act, 1972 or Company scheme whichever is beneficial. The same is payable at the time of separation from the Company or retirement, whichever is earlier. The benefits vest after five years of continuous service.

### Defined contribution plans

#### Balance sheet amount (Gratuity)

Particulars	( )		
	Present value of obligation	Fair value of plan assets	Net amount
<b>April 01, 2017</b>	<b>21,72,445</b>	<b>(20,31,284)</b>	<b>1,41,161</b>
Current service cost	3,60,769	-	3,60,769
Interest expense  (income)	1,60,761	(1,50,315)	10,446
<b>Total amount recognised in profit and loss</b>	<b>5,21,530</b>	<b>(1,50,315)</b>	<b>3,71,215</b>
<i>Remeasurements</i>			
Return on plan assets, excluding amount included in interest expense  (income)	-	17,058	17,058
(Gain ) loss from change in demographic assumptions	3,209	-	3,209
(Gain ) loss from change in financial assumptions	1,61,330	-	1,61,330
Experience (gains)  losses	(7,903)	-	(7,903)
<b>Total amount recognised in other comprehensive income</b>	<b>1,56,636</b>	<b>17,058</b>	<b>1,73,694</b>
Employer contributions	-	(1,12,280)	(1,12,280)
Benefit payments	(3,74,990)	-	(3,74,990)
<b>March 31, 2018</b>	<b>24,75,621</b>	<b>(22,76,821)</b>	<b>1,98,800</b>

Particulars	( )		
	Present value of obligation	Fair value of plan assets	Net amount
<b>March 31, 2018</b>	<b>24,75,621</b>	<b>(22,76,821)</b>	<b>1,98,800</b>
Current service cost	2,96,468	-	2,96,468
Interest expense  (income)	1,90,870	(1,75,543)	15,327
<b>Total amount recognised in profit and loss</b>	<b>4,87,338</b>	<b>(1,75,543)</b>	<b>3,11,795</b>
<i>Remeasurements</i>			
Return on plan assets, excluding amount included in interest expense  (income)	-	28,429	28,429
(Gain ) loss from change in demographic assumptions	(22,632)	-	(22,632)
(Gain ) loss from change in financial assumptions	3,090	-	3,090
Experience (gains)  losses	9,690	-	9,690
<b>Total amount recognised in other comprehensive income</b>	<b>(9,852)</b>	<b>28,429</b>	<b>18,577</b>
Employer contributions	-	(3,86,923)	(3,86,923)
Benefit payments	(94,777)	94,777	-
<b>March 31, 2019</b>	<b>28,58,330</b>	<b>(27,16,081)</b>	<b>1,42,249</b>

The net liability disclosed above relates to funded and unfunded plans are as follows:

Particulars	( )	
	March 31, 2019	March 31, 2018
Present value of funded obligations	28,58,330	24,75,621
Fair value of plan assets	(27,16,081)	(22,76,821)
<b>Deficit of gratuity plan</b>	<b>1,42,249</b>	<b>1,98,800</b>

### Significant estimates: Actuarial assumptions and sensitivity

The significant actuarial assumptions were as follows:

Particulars	( )	
	March 31, 2019	March 31, 2018
Discount rate	7.48%	7.71%
Salary growth rate	8.04%	8.27%
Pension growth rate	11.87%	9.70%

### Sensitivity analysis

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

Particulars	Impact on defined benefit obligation					
	Change in assumptions		Increase in assumptions		decrease in assumptions	
	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018
Discount rate	1%	1%	-6.02%	-7.20%	6.82%	8.29%
Salary growth rate	1%	1%	6.20%	7.45%	-5.70%	-6.78%

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the financial statements. The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.

### Major category of plan assets are as follows

Particulars	( )							
	March 31, 2019				March 31, 2018			
	Quoted	Unquoted	Total	in %	Quoted	Unquoted	Total	in %
<b>Investment funds</b>								
Insurance fund	27,16,081	-	27,16,081	100%	22,76,821	-	22,76,821	100%
	<b>27,16,081</b>	<b>-</b>	<b>27,16,081</b>	<b>100%</b>	<b>22,76,821</b>	<b>-</b>	<b>22,76,821</b>	<b>100%</b>

# Notes to the Financial Statements

## Note 25: Fair value measurements

### Financial instruments by category

( )

	As at		As at	
	March 31, 2019		March 31, 2018	
	FVPL	Amortised cost	FVPL	Amortised cost
<b>Financial assets</b>				
Investments				
- Mutual funds	50,45,830	-	69,32,030	-
Trade receivables	-	32,62,472	-	29,22,790
Security deposits	-	3,59,745	-	3,49,745
Advances recoverable in cash	-	4,66,513	-	3,82,982
Cash and cash equivalents	-	9,25,334	-	3,98,436
Bank balances other than cash and cash equivalents above	-	12,07,831	-	11,38,251
Bank deposits with more than 12 months maturity	-	-	-	-
<b>Total financial assets</b>	<b>50,45,830</b>	<b>62,21,895</b>	<b>69,32,030</b>	<b>51,92,204</b>
<b>Financial liabilities</b>				
Trade payables	-	7,24,724	-	22,03,239
Security deposits	-	-	-	10,000
Others	-	47,573	-	33,128
<b>Total financial liabilities</b>	<b>-</b>	<b>7,72,297</b>	<b>-</b>	<b>22,46,367</b>

\* Amount below the rounding off norm adopted by the company

### (i) 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.

	Level 1	Level 2	Total
<b>Assets and liabilities measured at fair value - recurring fair value measurements</b>			
<b>At March 31, 2019</b>			
<b>Financial assets</b>			
<i>Financial Investments at FVPL</i>			
Mutual funds	50,45,830	-	50,45,830
<b>Total financial assets</b>	<b>50,45,830</b>	<b>-</b>	<b>50,45,830</b>
<b>Assets and liabilities for which fair values are disclosed</b>			
<b>At March 31, 2019</b>			
<b>Financial assets</b>			
<i>Loans</i>			
Security deposits	-	3,59,745	3,59,745
<b>Total financial assets</b>	<b>-</b>	<b>3,59,745</b>	<b>3,59,745</b>
<b>Financial Liabilities</b>			
Borrowings	-	-	-
Security deposits	-	-	-
<b>Total financial liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Assets and liabilities measured at fair value - recurring fair value measurements</b>			
<b>At March 31, 2019</b>			
<b>Financial assets</b>			
<i>Financial Investments at FVPL</i>			
Mutual funds	50,45,830	-	50,45,830
<b>Total financial assets</b>	<b>50,45,830</b>	<b>-</b>	<b>50,45,830</b>
<b>Assets and liabilities for which fair values are disclosed</b>			
<b>At March 31, 2019</b>			
<i>Loans</i>			
Security deposits	-	3,59,745	3,59,745
<b>Total financial assets</b>	<b>-</b>	<b>3,59,745</b>	<b>3,59,745</b>
<b>Financial Liabilities</b>			
Security deposits	-	-	-
<b>Total financial liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>

There were no transfers between any levels during the year.

**Level 1 :** Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments and mutual funds that have a quoted price. The fair value of all equity instruments which are traded in the stock exchanges is valued using the closing price as at the reporting period. The mutual funds are valued using the closing NAV.

**Level 2:** If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities and biological assets which are included in level 3.



# Notes to the Financial Statements

## Note 26 Earning per share

Earning per share (EPS) - The numerators and denominators used to calculate basic and diluted EPS:

Particulars		2018-19	2017-18
Profit for the year attributable	cr	18,67,187	1,83,124
Basic   Weighted average	Number	2,36,522	2,36,522
Nominal value of Equity share		10	10
Basic and diluted Earning per		7.89	0.77

Note 27 The Financial Statements were authorised for issue by the Board of Directors on April 16, 2018

As per our attached report of even date

For and on behalf of the Board of Directors

**For Ghanshyam Parekh & Co.**

Firm Registration Number: 131167W

**Director**

G R Parekh

**Membership Number: F-030530**

**Director**

Atul

April 9, 2019

Atul

April 9, 2019