

INDEPENDENT AUDITOR'S REPORT

**To The Members of Archean Chemical Industries Private Limited
Report on the Audit of the Standalone Financial Statements**

Opinion

We have audited the accompanying standalone financial statements of Archean Chemical Industries Private Limited ("the Company"), which comprise the Balance Sheet as at 31 March 2020, and the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and 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 financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the 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 31 March 2020, and its loss, total comprehensive loss, its cash flows and the changes in equity 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 Responsibility 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 made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us 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 judgment, 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, 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.



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Sr.No.	Key Audit Matter	Auditor's Response
1.	Existence of inventories as at the year end: Rs. 9,882.09 lakhs [Refer to Note 9 to the standalone financial statements]	
	<p>The Company has its inventories located at its plant at Kutch and its finished goods at the Jakhau and Mundra ports.</p> <p>The Company has a policy of performing half yearly counts of its inventory at these locations.</p> <p>Due to the lockdown imposed by the Government on account of the COVID-19 pandemic, the Company was not able to conduct the physical verification of its inventories at all the locations as at the year end. The company has however conducted the physical verification of inventories across majority of the locations after the year end by engaging another firm of chartered accountants.</p> <p>We were unable to participate in the physical verification of inventories conducted by the Management subsequent to the year end and have performed alternate procedures to audit the existence of inventory as prescribed by the Standards on Auditing and have therefore identified this as a key audit matter.</p>	<p>With respect to existence of inventories at the locations not visited by us as at the year end, we performed the following procedures:</p> <ul style="list-style-type: none"> a) Understood and evaluated the management's internal controls process to establish the existence of inventory such as (a) the process of physical verification carried out by the Management on a half yearly basis, the scope and coverage of the verification programme, the results of such verification including analysis of discrepancies, if any; (b) maintenance of stock records at all locations b) Understood and evaluated the competence, independence and objectivity of the other firm of chartered accountants engaged by the Management c) Issued instructions to the other firm of chartered accountants engaged by the Management on the procedures to be performed by them when they participate in the physical verification conducted by the Management and also informed them of the deliverables to be prepared and provided to us after the inventory counting d) Performed appropriate roll back procedures from the date of the physical verification to the year end e) With respect to the stock at Jakhau Port, on a sample basis, we inspected documentation (including copies of, bill of lading) supporting the sale of finished goods made subsequent to the year- end and determined if such sale was made out of the production upto the year end by testing the reconciliation of finished goods from April 1, 2019 to March 31, 2020 and testing the movement of the finished goods from the factory to the port on a sample basis. f) On a sample basis, tested the quantity reconciliation from April 1, 2019 to March 31, 2020 of raw materials and finished goods, that was prepared by the Management



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Information Other than the 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 Director's report, but does not include the consolidated financial statements, standalone financial statements and our auditor's report thereon. The Director's report is expected to be made available to us after the date of this auditor's report.
- Our opinion on the standalone financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.
- In connection with our audit of the 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 of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. 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 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 financial statement 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, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibility 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.



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

- Identify and assess the risks of material misstatement of the 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 financial 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 system 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 the 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 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.



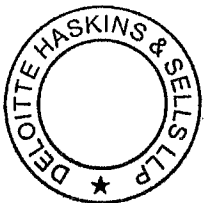
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Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit 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.
 - c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity 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.
 - e) On the basis of the written representations received from the directors as on 31 March, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2020 from being appointed as a director in terms of Section 164(2) of the Act.
 - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
 - g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements 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 Company being a private company, section 197 of the Act related to the managerial remuneration not applicable.

- 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;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.



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2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For **DELOITTE HASKINS & SELLS LLP**
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)



A handwritten signature in black ink, appearing to read "Rupen K Bhatt".

Rupen K Bhatt
Partner
(Membership No. 046930)
(UDIN: 21046930AAAABN8031)

Place: ~~Chennai~~ *Mumbai*

Date: May 05, 2021

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ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the members of Archean Chemical Industries Private Limited 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")

We have audited the internal financial controls over financial reporting of **Archean Chemical Industries Private Limited** ("the Company") as of March 31, 2020 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

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the 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. 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 over financial reporting was 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 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.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the Company's internal financial controls system over financial reporting.



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Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting 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 over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

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, 2020, based on the criteria for internal financial control over financial reporting established by the respective Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **DELOITTE HASKINS & SELLS LLP**
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)



A handwritten signature in black ink, appearing to read "Rupen K Bhatt".

Rupen K Bhatt
Partner
(Membership No. 046930)
(UDIN: 21046930AAAABN8031)

Place: Chennai *Murali*

Date: May 05, 2021

Deloitte Haskins & Sells LLP

ANNEXURE B TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

- (i) In respect of its property, plant and equipment:
 - a) The Company has maintained proper records showing full particulars, including quantitative details and situation of the property, plant and equipment / fixed assets.
 - b) The fixed assets were physically verified during the year by the Management in accordance with a regular programme of verification which, in our opinion, provides for physical verification of all the fixed assets at reasonable intervals. According to the information and explanation given to us, discrepancies noticed on physical verification of fixed assets have been properly dealt with in the books of accounts.
 - c) In respect of immovable properties of freehold land, leasehold land and building, whose title deeds have been pledged as security for non-convertible debentures, are held in the name of the Company based on the confirmations directly received by us from the debenture trustees.
- (ii) As explained to us, the inventories were physically verified during the year by the Management at reasonable intervals (including verification conducted by the management post year-end on account of the lockdown) and no material discrepancies were noticed on physical verification.
- (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 Partnerships or other parties covered in the register maintained under Section 189 of the Companies Act, 2013.
- (iv) The Company has not granted any loans, made investments or provided guarantees and hence reporting under clause (iv) of the CARO 2016 is not applicable.
- (v) According to the information and explanations given to us, the Company has not accepted any deposit during the year.
- (vi) The maintenance of cost records has been specified by the Central Government under section 148(1) of the Companies Act, 2013. We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended prescribed by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013, and are of the opinion that, *prima facie*, the prescribed cost records have been made and maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.



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- (vii) According to the information and explanations given to us, in respect of statutory dues:
- a. The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Income-tax, Goods and Service Tax, Customs Duty, Cess and other material statutory dues applicable to it with the appropriate authorities.
 - b. In respect of undisputed amounts payable in respect of Provident Fund, Income-tax, Goods and Services Tax, Customs Duty, cess and other material statutory dues there were no such dues in arrears as at March 31, 2020 for a period more than 6 months from the date they became payable.
 - c. There are no dues of Income-tax, Customs Duty, Provident Fund and Goods and Services Tax as on March 31, 2020 on account of disputes.
- (viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to debenture holders. The Company has not taken any loans or borrowings from financial institutions, banks and government.
- (ix) In our opinion and according to the information and explanations given to us, the funds raised through non-convertible debentures issued during the year have been applied by the Company for the purposes for which they were raised. The Company has not raised moneys by way of term loans, initial public offer or further public offer.
- (x) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or no material fraud on the Company by its officers or employees has been noticed or reported during the year.
- (xi) The Company is a private company and hence the provisions of section 197 of the Companies Act, 2013 relating to managerial remuneration do not apply to the Company.
- (xii) The Company is not a Nidhi Company and hence reporting under clause 3 (xii) of the CARO 2016 is not applicable.
- (xiii) In our opinion and according to the information and explanations given to us, the Company is in compliance with Sections 177 and 188 of the Companies Act, 2013, where applicable, for all transactions with the related parties and the details of related party 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, the Company has not made private placement of shares. The Company has made private placement of non-convertible debentures during the year under review.

In respect of the above issue, we further report that:

- a) the requirement of Section 42 of the Companies Act, 2013, as applicable, have been complied with; and
- b) the amounts raised have been applied by the Company during the year for the purposes for which the funds were raised, other than temporary deployment pending application of funds.



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- (xv) In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors or directors of its holding or associate company or persons connected with them.
- (xvi) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

For **DELOITTE HASKINS & SELLS LLP**
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)



A handwritten signature in black ink, appearing to read "Rupen K Bhatt".

Rupen K Bhatt
Partner
(Membership No. 046930)
(UDIN: 21046930AAAABN8031)

Place: Chennai *M.L.M. Ltd*
Date: May 05, 2021

Archean Chemical Industries Private Limited
Balance Sheet as at Mar 31, 2020

Particulars	Note No.	Rs in lakhs	
		As at Mar 31, 2020	As at March 31, 2019
A. ASSETS			
Non-Current Assets			
(a) Property, plant and equipment	2	88,225.36	91,341.28
(b) Capital Work in Progress	2	15,818.54	907.03
(c) Right-of-use assets	3	3,474.34	-
(d) Intangible Assets	4	11.83	8.35
(e) Financial Assets :			
(i) Investments	5A	8.42	-
(ii) Other financial assets	6	174.69	413.74
(f) Income tax Asset (Net)	7	-	586.62
(g) Deferred tax assets (Net)	18	7,711.81	8,997.10
(h) Other Non Current Assets	8	1,382.09	2,567.65
Total non-current assets		1,16,807.08	1,04,821.77
Current Assets			
(a) Inventories	9	9,882.09	6,275.10
(b) Financial Assets :			
(i) Current investments	5B	4,707.32	-
(ii) Trade Receivables	10	4,445.46	6,700.22
(iii) Cash and cash equivalents	11.1	2,447.95	4,723.38
(iv) Other bank balances	11.2	28.97	28.97
(v) Other Financial assets	6	72.76	-
(c) Other Current Assets	8	4,833.60	1,141.00
Total current assets		26,216.15	18,866.67
TOTAL ASSETS		1,43,023.23	1,23,688.44
B. EQUITY AND LIABILITIES			
Equity			
(a) Equity Share Capital	12	1,926.67	1,926.67
(b) Other Equity	13	(1,165.10)	2,415.17
Total equity		761.57	4,341.84
Liabilities			
Non-Current Liabilities			
(a) Financial Liabilities :			
i. Borrowings	14	84,826.41	74,051.78
ii. Lease liabilities	15	3,816.22	-
iii. Other financial Liabilities	16	7,197.61	1,386.44
(b) Other Non-Current Liabilities	17	21,070.24	29,843.21
Total non-current liabilities		1,16,910.48	1,05,281.43
Current Liabilities			
(a) Financial Liabilities :			
i. Borrowings	14	606.21	1,357.10
ii. Lease liabilities	15	374.64	-
iii. Trade Payables			
(A) total outstanding dues of micro enterprises and small enterprises;	19	432.18	-
(B) total outstanding dues of creditors other than micro enterprises and small enterprises.		16,277.78	10,475.17
iii. Other financial Liabilities	16	776.96	246.70
(c) Other Current Liabilities	17	6,812.58	1,938.21
(b) Provisions	20	70.83	47.99
Total current liabilities		25,351.18	14,065.17
Total Liabilities		1,42,261.66	1,19,346.60
TOTAL EQUITY AND LIABILITIES		1,43,023.23	1,23,688.44

The above balance sheet should be read in conjunction with the accompanying notes

As per our report of even date attached
For Deloitte Haskins & Sells LLP
Chartered Accountants

Rupen K Bhatt
Partner



Place : Mumbai
Date : May 05, 2021

For and on behalf of the Board of Directors

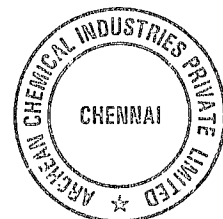
S. Meenakshisundaram
Director
DIN: 01178085

E Sairam
Chief Financial Officer

P. Ravi
Managing Director
DIN: 01952929

G. Balaji
Company Secretary

Place : Chennai
Date : May 05, 2021




Archean Chemical Industries Private Limited
Statement of Profit And Loss for the year ended Mar 31, 2020

		Rs in lakhs		
S.No	Particulars	Note No.	Year ended Mar 31, 2020	Year ended March 31, 2019
I	Revenue from Operations	21	60,817.07	56,550.57
II	Other Income	22	828.78	709.17
III	Total Income (I+II)		61,645.85	57,259.74
IV	Expenses:			
	Cost of materials consumed	23	2,499.88	3,423.86
	Purchases of Stock-in-Trade		1,111.71	942.14
	Changes in Inventories of finished goods, work-in-progress and stock in trade	24	(3,577.93)	5,237.71
	Employee benefits expense	25	3,446.91	3,038.54
	Finance costs	26	12,175.73	11,366.10
	Depreciation and amortisation expense	27	5,191.69	4,726.70
	Other expenses	28	42,533.83	37,031.25
	Total Expenses (IV)		63,381.82	65,766.30
V	(Loss) before exceptional items and tax (III-IV)		(1,735.97)	(8,506.56)
VI	Exceptional items:			
	Write back of loans and interest		-	11,426.11
VII	(Loss) / Profit for the year before tax (V+VI)		(1,735.97)	2,919.55
VIII	Income Tax Expense:			
	- Current tax		-	-
	- (Excess) provision for tax relating to prior years		(47.64)	-
	- Deferred Tax (including write-off of MAT credit relating to earlier years)	29	1,876.95	(1,186.83)
	Total Income Tax Expenses (VIII)		1,829.31	(1,186.83)
IX	(Loss) / Profit for the year after tax (VII-VIII)		(3,565.28)	4,106.38
X	Other Comprehensive Income			
	Items that will not be reclassified to Profit or Loss			
	Remeasurements of the defined benefit plans		(20.03)	(5.51)
	Income tax expenses relating to the above		5.04	1.93
	Total other comprehensive (loss) for the year, net of tax (X)		(14.99)	(3.58)
XI	Total Comprehensive (Loss) / Income for the year (IX+X)		(3,580.27)	4,102.80
XII	Earnings Per Equity Share (Face value of Rs. 10 each)			
	Basic earnings per share (In Rs.)	31	(18.50)	28.89
	Diluted earnings per share (In Rs.)		(18.50)	27.92

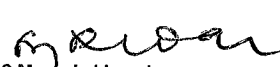
The above statement of profit and loss should be read in conjunction with the accompanying notes

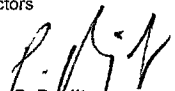
As per our report of even date attached
For Deloitte Haskins & Sells LLP
Chartered Accountants

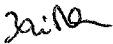

Rupen K Bhatt
Partner




For and on behalf of the Board of Directors


S. Meehakshisundaram
Director
DIN: 01176085

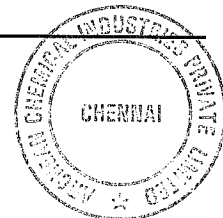

P. Rajjit
Managing Director
DIN: 01952929


E. Sairam
Chief Financial Officer


G. Balaji
Company Secretary

Place : Mumbai
Date : May 05, 2021

Place : Chennai
Date : May 05, 2021



Archean Chemical Industries Private Limited
Statement of Cash Flow for the year ended March 31, 2020

Particulars	Rs in lakhs	
	For the Year ended March 31, 2020	For the Year ended March 31, 2019
A. Cash flow from operating activities		
(Loss) / profit before income tax before tax and exceptional items	(1,735.97)	2,919.55
Adjustments for :		
Exceptional items	-	(11,428.11)
Depreciation and Amortisation of property, plant and equipment	5,191.89	4,725.70
Finance costs recognised in profit or loss	12,175.73	11,366.10
Profit on sale of Mutual funds - Realised	(108.05)	(9.84)
Impairment of property, plant and equipment	-	457.05
Assets written off	49.00	-
Impairment of Non Current investments	-	(0.69)
Interest income from fixed deposit	1.89	-
Profit on sale of asset (net)	(14.62)	-
Provision for doubtful receivables / advances	(498.86)	1,513.04
Write off of service tax refund claims	116.81	-
Write back of payables	(111.08)	-
Net foreign exchange loss / (gain)	1,619.19	(657.94)
	18,421.70	5,968.31
Movements in working capital :		
(Increase) / decrease in trade receivables	2,704.87	(5,566.40)
(Increase) / decrease in inventories	(3,606.99)	4,978.51
(Increase) / decrease in other assets	(2,386.19)	3,915.11
(Increase) / decrease in demand deposits on lien	-	27.73
Increase / (decrease) in trade payables	6,345.87	(3,623.07)
Increase / (decrease) in provisions	22.84	(2.73)
Increase / (decrease) in other liabilities	(4,987.53)	22,714.67
	(1,907.13)	22,443.82
Cash generated from operations	14,778.60	31,331.88
Income Tax paid	(25.00)	(103.52)
Net cash generated from operating activities	14,753.60	31,228.16
B. Cash flow from investing activities		
Interest received	105.42	9.91
Purchase of / proceeds from sale of Mutual funds	(4,607.69)	9.84
Payments for property, plant and equipment	(15,203.07)	(3,167.05)
Proceeds from sale of property, plant and equipment	40.25	-
Net foreign exchange gain / (loss)	-	657.94
Net cash (used in) investing activities	(19,665.09)	(2,489.36)
C. Cash flow from financing activities		
Proceeds from borrowings	11,781.51	74,681.25
Repayment from borrowings	(134.74)	(83,482.48)
Change in working capital borrowing	-	(5,268.79)
Payment of principal portion of lease liabilities	(750.76)	-
Interest paid - Lease liabilities	-	-
Interest paid - Others	(8,259.95)	(11,166.79)
Net cash generated from / (used in) financing activities	2,636.06	(25,236.80)
Net (decrease) / increase in cash and cash equivalents	(2,275.43)	3,502.00
Cash and cash equivalents at the beginning of the year	4,723.38	1,221.38
Cash and Cash equivalents at the end of the year	2,447.95	4,723.38

Reconciliation between Balance as per Balance Sheet and Balance as per Cash flow Statement

Cash and Cash equivalents at the end of the year as per Balance sheet (Refer Note 11.1)	2,447.95	4,723.38
Cash and cash equivalents at the end of the year *	<u>2,447.95</u>	<u>4,723.38</u>
* Comprises -		
(a) Cash on hand	6.61	3.44
(b) Balances with banks		
(i) In current accounts	2,441.34	4,532.09
(ii) In EEFC accounts	-	187.85
	<u>2,447.95</u>	<u>4,723.38</u>

Disclosure of non-cash adjustments:

Conversion of promoters' loans into share capital	-	4,486.00
Cash and non cash changes in liabilities arising from financing activities		

	Non-cash changes					
	1-Apr-19	Cash flow	IND AS 116 adoption	Foreign exchange movements	Addition to lease liabilities	31-Mar-20
Lease liabilities	-	750.76	4,169.12	211.70	570.80	4,190.86

The above statement of Cash flow should be read in conjunction with the accompanying notes

As per our report of even date attached
For Deloitte Haskins & Sells LLP
Chartered Accountants

Rupen K Bhatt
Partner



Place : Mumbai
Date : May 05, 2021

B. Redan
S. Meenakshisundaram
Director
DIN: 01176085

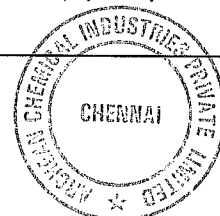
Sairam
E Sairam
Chief Financial Officer

Place : Chennai
Date : May 05, 2021

For and on behalf of the Board of Directors

P. Rajit
P. Rajit
Managing Director
DIN: 01952929

G. Balaji
G. Balaji
Company Secretary



Archean Chemical Industries Private Limited
Statement of Changes in Equity

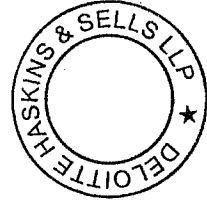
(a) Equity Share Capital	Particulars	No of shares	Rs in lakhs
Balance as at March 31, 2018		1,00,00,000	1,000.00
Changes in equity share capital during the year			
Conversion of promoters' loans to equity shares		92,66,681	926.67
Balance as at March 31, 2019		1,92,66,681	1,926.67
Changes in equity share capital during the year			
Conversion of promoters' loans to equity shares		-	-
Balance as at Mar 31, 2020		1,92,66,681	1,926.67

(b) Particulars	Reserves & Surplus				Items of other comprehensive income	Total	
	Securities Premium	Retained earnings	Equity component of promoters loan	Equity component of compound financial instrument			Ind AS Transition Reserve
Balance at March 31, 2018	11,526.19	(16,360.04)	1,927.90	-	(864.22)	(4.18)	(3,774.35)
Profit for the year	-	4,106.38	-	-	-	-	4,106.38
Premium on shares issued upon conversion of promoter loans into equity	3,559.33	-	-	-	-	-	3,559.33
Equity component of Compulsorily convertible debentures carried at amortised cost	-	-	-	455.29	-	-	455.29
Remeasurements of the defined benefit plans	-	-	-	-	-	(5.51)	(5.51)
Income tax relating defined benefit plans	-	-	-	-	-	1.93	1.93
Amount converted to equity	-	(1,927.90)	(1,927.90)	-	-	-	(1,927.90)
Balance at March 31, 2019	15,085.52	(12,253.66)	-	455.29	(864.22)	(7.76)	2,415.17
Profit for the year	-	(3,565.28)	-	-	-	-	(3,565.28)
Remeasurements of the defined benefit plans	-	-	-	-	-	(20.03)	(20.03)
Income tax relating defined benefit plans	-	-	-	-	-	5.04	5.04
Balance at Mar 31, 2020	15,085.52	(15,818.94)	-	455.29	(864.22)	(22.75)	(1,165.10)

The above statement of Changes in Equity should be read in conjunction with the accompanying notes

As per our report of even date attached
For Deloitte Haskins & Sells LLP
Chartered Accountants

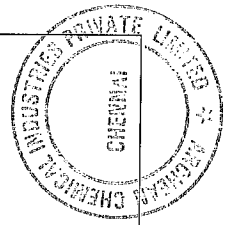
Rupen K Bhatt
Rupen K Bhatt
Partner



For and on behalf of the Board of Directors

S. Meenakshisundaram
S. Meenakshisundaram
Director
DIN: 01176085

G. Balaji
G. Balaji
Company Secretary



Place : Chennai
Date : May 05, 2021

Note 1

Corporate information

Archean Chemical Industries Private Limited was incorporated on July 14, 2009. The Company is into manufacturing of Marine Chemicals. The manufacturing location is at Gujarat.

Summary of Significant accounting policies

1.1 Statement of compliances

The financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Section 133 of the Companies Act, 2013, read with the Companies (Indian Accounting Standards) Rules 2015 and other relevant provisions of the Companies Act, 2013.

Application of new and revised IND ASs:

Ind AS 116 - Leases

The Company has adopted Ind AS 116 'Leases' with the date of initial application being April 1, 2019. Ind AS 116 replaces Ind AS 17 – Leases and related interpretation and guidance. The standard sets out principles for recognition, measurement, presentation and disclosure of leases for both parties to a contract i.e., the lessee and the lessor. Ind AS 116 introduces a single lessee accounting model and requires a lessee to recognise assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value. The Company has applied Ind AS 116 using the modified retrospective approach, under which the cumulative effect of initial application is recognised in retained earnings at April 1, 2019. As a result, the comparative information has not been restated. Refer Note 35 for further details.

Appendix C to Ind AS 12 - Uncertainty over income tax treatments

Appendix C to Ind AS 12 clarifies the accounting for uncertainties in income taxes. The interpretation is to be applied to the determination of taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind AS 12. The adoption of Appendix C to Ind AS 12 did not have any material impact on the consolidated financial statements of the Company.

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

The Ministry of Corporate Affairs issued amendments to Ind AS19, 'Employee Benefits', in connection with accounting for plan amendments, curtailments and settlements requiring an entity to determine the current service costs and the net interest for the period after the remeasurement using the assumptions used for the remeasurement; and determine the net interest for the remaining period based on the remeasured net defined benefit liability or asset. The adoption of amendment to Ind AS19 did not have any material impact on the standalone financial statements of the Company.

Amendment to Ind AS 12 – Income Taxes

The Ministry of Corporate Affairs issued amendments to IndAS 12 – Income Taxes. The amendments clarify that an entity shall recognize the income tax consequences of dividends on financial instruments classified as equity according to where the entity originally recognized those past transactions or events that generated distributable profits were recognized. The adoption of amendment to Ind AS 12 did not have any material impact on the standalone financial statements of the Company.

1.2 Basis of preparation and presentation

The financial statements have been prepared on the historical cost basis, except for certain financial instruments and defined benefit plans which are measured at fair value at the end of each reporting period, as explained in the accounting policies below:

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability take place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their best economic interest.

As fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the assets in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

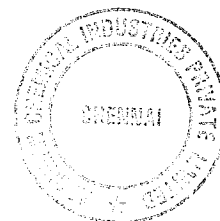
All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level inputs that is significant to the fair value measurement as a whole:

Level 1 – Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.



1.3 Property, plant and equipment

Land and buildings held for use in the production or supply of goods or services, or for administrative purposes, are stated in the balance sheet at cost less accumulated depreciation and accumulated impairment losses.

Properties in course of construction for production, supply or administrative purposes are carried at cost, less any recognized impairment loss. Cost includes professional fees and, for qualifying assets, borrowings costs capitalized in accordance with companies accounting policy. Such properties are classified to appropriate categories of property, plant and equipment 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.

Fixtures and equipment are stated at cost less accumulated depreciation and accumulated impairment losses.

Advance paid towards acquisition of property, plant and equipment outstanding at each balance sheet date is classified as capital advances under other non current assets.

Cost of assets not ready to use before put to use are disclosed under 'capital work in progress'.

Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value. Depreciation on tangible

Building	30 years
Salt works	30 years
Plant and Machinery - Chemicals	20 years
Plant and Machinery - Cogeneration plant	40 years
Vehicles	8 years
Furniture & fixtures	10 years

Fixed Assets individually costing Rs. 5,000 or less are fully depreciated in the year of capitalization.

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sale proceeds and carrying amount of the asset and is recognized in profit or loss.

1.4 Intangible assets other than goodwill

Intangible assets with finite useful lives are carried at cost less accumulated amortisation and impairment losses, if any. The cost of an intangible asset comprises its purchase price, including any import duties and other taxes (other than those subsequently recoverable from the taxing authorities), and any directly attributable expenditure on making the asset ready for its intended use and net of any trade discounts and rebates.

The intangible assets are amortised over their respective individual estimated useful lives on a straight-line basis, commencing from the date the asset is available to the Company for its use. The amortisation period are reviewed at the end of each financial year and the amortisation method is revised to reflect the changed pattern.

Subsequent expenditure on an intangible asset after its purchase / completion is recognised as an expense when incurred unless it is probable that such expenditure will enable the asset to generate future economic benefits in excess of its originally assessed standards of performance and such expenditure can be measured and attributed to the asset reliably, in which case such expenditure is added to the cost of the asset.

Derecognition of intangible assets:

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from 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, are recognised in the statement of profit or loss when the asset is derecognised.

Useful lives of intangible assets:

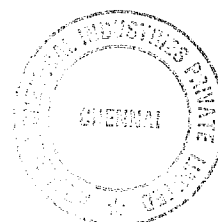
Estimated useful lives of the intangible assets are as follows:

Software licenses - 5 Years

1.5 Impairment of tangible & intangible assets

At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of 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 to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks. If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognized immediately in the statement of profit and loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognized immediately in the statement of profit and loss.



1.6 Leases

The Company has applied IndAS 116 using the modified retrospective approach and therefore the comparative information has not been restated and continues to be reported under IndAS 17. The details of accounting policies under IndAS 17 are disclosed separately if they are different from those under IndAS 116 and the impact of changes is disclosed in Note 33.

Policy applicable for contracts entered on or after 1 April 2019

At inception of a contract, the Company assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

- 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, then 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 this 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:
 - a) the Company has the right to operate the asset; or
 - A71 b) the Company designed the asset in a way that predetermines how and for what purpose it will be used.

This policy is applied to contracts entered into, or changed, on or after 1 April 2019.

At inception or on reassessment of a contract that contains a lease component, the Company allocates the consideration in the contract to each lease component on the basis of their relative stand-alone prices. However, for the leases of land and buildings in which it is a lessee, the Company has elected not to separate non-lease components and account for the lease and non-lease components as a single lease component.

Policy applicable for contracts entered before 1 April 2019

For contracts entered into before 1 April 2019, the Company determined whether the arrangement was or contained a lease based on the assessment of whether:

- fulfilment of the arrangement was dependent on the use of a specific asset or assets; and
- the arrangement had conveyed a right to use the asset. An arrangement conveyed the right to use the asset if one of the following was met
 - the purchaser had the ability or right to operate the asset while obtaining or controlling more than an insignificant amount of the output;
 - the purchaser had the ability or right to control physical access to the asset while obtaining or controlling more than an insignificant amount of the output; or
 - facts and circumstances indicated that it was remote that other parties would take more than an insignificant amount of the output, and the price per unit was neither fixed per unit of output nor equal to the current market price per unit of output.

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

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as the underlying assets. The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. Generally, the Company uses its incremental borrowing rate as the discount rate.

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

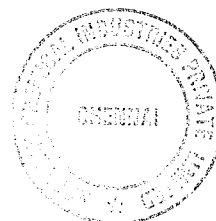
- fixed payments, including in-substance fixed payments;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee; and
- the exercise price under a purchase option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

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

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The Company presents right-of-use assets that do not meet the definition of investment property in 'property, plant and equipment' and lease liabilities in 'liabilities'.
Short-term leases and leases of low-value assets

The Company has elected not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low value assets (assets of less than INR 10 lakhs in value). The Company recognises the lease payments associated with these leases as an expense over the lease term.



Archean Chemical Industries Private Limited
Notes forming part of financial statements

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

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

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

1.7 Inventories

Inventories are valued at the lower of cost on moving weighted average basis and estimated net realisable value (net of allowances) after providing for obsolescence and other losses, where considered necessary. The cost comprises of cost of purchase, cost of conversion and other costs including appropriate production overheads in the case of finished goods and work-in-progress, incurred in bringing such inventories to their present location and condition, including transportation cost, transit insurance and any other charges. Trade discounts or rebates are deducted in determining the costs of purchase. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion

1.8 Cash & Cash Equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents include cash on hand, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value

1.9 Foreign currency transactions and translations

(i) Functional and presentation currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the entity

(ii) Transactions and balances

In preparing the standalone financial statement, transactions in currencies other than the entity's functional currency (foreign currencies) are Exchange differences on monetary items are recognised in profit or loss in the period in which they arise except for:

- exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings;
- exchange differences on monetary items receivable from or payable to a foreign operation for which settlement is neither planned nor likely to occur

1.10 Revenue recognition

The Company derives revenues primarily from sale of salt and other marine chemicals. Revenue is measured based on the consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties.

Revenue is recognized upon transfer of control of promised products or services to customers in an amount that reflects the probable consideration expected to be received in exchange for those products or services. Revenue is reduced for estimated customer returns, rebates and other similar

The Company accounts for volume discounts and pricing incentives to customers as a reduction of revenue based on the rateable allocation of the discounts/ incentives to each of the underlying performance obligation that corresponds to the progress by the customer towards earning the discount/ incentive. Also, when the level of discount/pricing incentives varies with increases in levels of revenue transactions, the company recognizes the liability based on its estimate of the customer's future purchases. If it is probable that the criteria for the discount will not be met, or if the amount thereof cannot be estimated reliably, then discount/pricing incentives is not recognized until the payment is probable and the amount can be estimated reliably. The company recognizes changes in the estimated amount of obligations for discounts/pricing incentives in the period in which Revenue from services has been recognised as and when the service has been performed.

1.11 Other Income

Interest income from a financial asset is recognized when it is probable that the economic benefit will flow to the company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and the effective interest rate Dividend income from investments is recognized when the shareholder's right to receive payment has been established (provided that it is probable

1.12 Employee benefits

Defined contribution plans

Payments to defined contribution retirement benefit plans are recognized as an expense when employees have rendered service entitling them to the contributions.

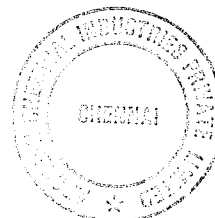
Defined benefit plans

For defined benefit retirement benefit plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial

- Service Cost (including current service cost, past service cost, as well as gain and losses on curtailments and settlements)
- Net interest expense or income, and
- Remeasurement.

The company presents the first two components of defined benefit costs in profit or loss in the line item " Employee Benefits Expense". Curtailment gains and losses are accounted for as past service costs.

The retirement benefit obligation recognized in the balance sheet represents the actual deficit or surplus in the company's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans



Archean Chemical Industries Private Limited
Notes forming part of financial statements

A liability for a termination benefit is recognized at the earlier of when the entity can no longer withdraw the offer of the termination benefit and when the entity recognizes any related restructuring costs .

Short - term and other long - term employee benefits

A liability is recognized for benefits accruing to employees in respect of wages and salaries, annual leave in the period related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Liabilities recognized in respect of short term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

Liabilities recognized in respect of other long term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the company in respect of services provided by the employees up to the reporting date.

1.13 Provisions and contingencies

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.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

Contingent liability is disclosed for (i) a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity or (ii) Present obligations arising from past events where it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made. When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable

1.14 Taxes on income

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the standalone financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised.

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

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle the asset and the liability on a net basis. Deferred tax assets and deferred tax liabilities are offset when there is a legally enforceable right to set off assets against liabilities representing current tax and where the deferred tax assets and the deferred tax liabilities relate to taxes on income levied by the same governing taxation laws.

1.15 Financial Instruments

Financial assets and financial liabilities are recognized when the Company becomes a party to the contractual provisions of the instruments.

Initial Recognition

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognized immediately in the statement of profit and loss.

Subsequent Measurement

Financial assets

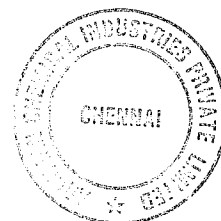
All recognized financial assets are subsequently measured in their entirety at either amortized cost or fair value, depending on the classification of the financial assets, except for investments forming part of interest in subsidiaries, which are measured at cost.

Classification of financial assets

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

- a) those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- b) those measured at amortized cost

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



Archean Chemical Industries Private Limited
Notes forming part of financial statements

(a) Amortized Cost

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortized cost. A gain or loss on these assets that is subsequently measured at amortized cost is recognized in profit or loss when the asset is derecognized or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.

(b) Fair value through other comprehensive income (FVTOCI)

Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVTOCI). Movements in the carrying amount are taken through OCI. When the financial asset is derecognized, the cumulative gain or loss previously recognized in OCI is reclassified from equity to profit or loss and recognized in other income/ (expense).

(c) Fair value through profit or loss (FVTPL)

Assets that do not meet the criteria for amortized cost or FVTOCI are measured at fair value through profit or loss. A gain or loss on these assets that is subsequently measured at fair value through profit or loss is recognized in the statement of profit and loss.

Impairment of financial assets

The Company applies the expected credit loss model for recognizing impairment loss on financial assets measured at amortized cost, trade receivable, other contractual rights to receive cash or other financial asset, and financial guarantees not designated as at Fair value through profit or loss. Expected credit losses are the weighted average of credit losses with the respective risks of default occurring as the weights. Credit loss is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive (i.e., all cash shortfalls), discounted at the original effective interest rate (or credit-adjusted effective interest rate for purchased or originated credit-impairment financial assets). The Company estimates cash flows by considering all contractual terms of the financial instrument (for example, prepayments, extension, call and similar options) through the expected life of that financial instruments.

The Company measures the loss allowance for the financial instruments at an amount equal to the lifetime expected credit losses if the credit risk on those financial instruments has increased significantly since initial recognition.

If the credit risk on financial instruments has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instruments at an amount equal to 12 months expected credit losses. The twelve months expected credit losses are portion of the lifetime expected credit losses and represents lifetime cash shortfalls that will result if default occurs within 12 months after the reporting date and thus, are not cash shortfalls that are predicted over the 12 months.

If the Company measured loss allowance for the financial instruments at life time expected credit loss model in the previous period, but determines at the end of a reporting period that the credit risk has not increased significantly since initial recognition due to improvement in credit quality as compared to the previous period, the Company again measures the loss allowance based on 12 month expected credit losses.

When making the assessment of whether there has been a significant increase in credit risk since initial recognition, the Company uses the change in the risk of a default occurring over the expected life of the financial instruments instead of the change in the amount of expected credit losses. To make that assessment, the Company compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and considers reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increase in credit risk since initial recognition.

For trade receivables or any contractual rights to receive cash or other financial assets that results from transactions that are within the scope of Ind AS 115, the Company always measures the loss allowance at an amount equal to life time expected credit losses.

Further, for the purposes of measuring lifetime expected credit loss allowance for trade receivables, the Company has used a practical expedient as permitted under Ind AS 109. This expected credit loss allowance is computed based on a provision matrix which takes into account historical credit loss experience and adjusted for forward – looking information.

Derecognition of financial assets

A financial asset is derecognized only when the Company has transferred the rights to receive cash flows from the financial asset. Where the Company has transferred an asset, it evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. Where the Company has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Company has not retained control of the financial asset.

Financial liabilities and equity instruments:-

Classification as equity or financial liability

Equity and Debt instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

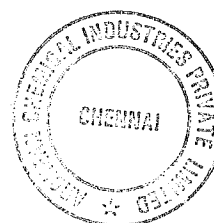
All financial liabilities are subsequently measured at amortized cost using the effective interest method or at FVTPL.

Equity instruments

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

Financial liabilities at amortized cost

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortized cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortized cost are determined based on the effective interest method. Interest expense that is not capitalized as part of costs of an asset is included in the 'Finance costs' line item.



Financial liabilities at FVTPL

Liabilities that do not meet the criteria for amortized cost are measured at fair value through profit or loss. A gain or loss on these assets that is subsequently measured at fair value through profit or loss is recognized in the statement of profit and loss.

Derecognition of financial liabilities

The Company derecognizes financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable is recognized in profit or loss.

1.16 Earnings Per Share

Basic earnings per share is computed by dividing the net profit/(loss) after tax (including the post tax effect of exceptional items, if any) for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

Diluted earnings per share is computed by dividing the profit/(loss) after tax (including the post tax effect of exceptional items, if any) for the period attributable to equity shareholders as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share.

1.17 Segment reporting

The Company is engaged in the activities related to manufacture and supply of marine chemicals. The Chief Operating Decision Maker (Board of Directors) review the operating results as a whole for purposes of making decisions about resources to be allocated and assess its performance, and hence the entire operations are to be classified as a single business segment, namely marine chemicals industry. The geographical segments considered for disclosure are – India and Rest of the World. All the manufacturing facilities are located in India. Accordingly, there is no other reportable segment as per Ind AS 108 Operating Segments.

1.18 Use of estimates and judgements

In preparing these financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized prospectively. Judgements are made in applying accounting policies that have the most significant effects on the amounts recognized in the financial statements. Assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment are reviewed on an ongoing basis.

The areas involving critical estimates or judgments are :

- a. Estimation of useful life of tangible and intangible asset
- b. Estimation of fair value of unlisted securities
- c. Impairment of trade receivables: Expected credit loss
- d. Recognition and measurement of provisions and contingencies; key assumptions about the likelihood and magnitude of an outflow of resources
- e. Measurement of defined benefit obligation: key actuarial assumptions
- f. Lease: Whether an arrangement contains a lease

1.19 Export incentives

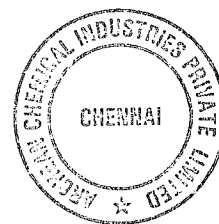
Export incentives are not recognized until there is reasonable assurance that the company will comply with the conditions attaching to them and that incentives will be received.

1.20 Insurance claims

Insurance claims are accounted for on the basis of claims admitted / expected to be admitted and to the extent that the amount recoverable can be measured reliably and it is reasonable to expect ultimate collection.

1.21 Operating Cycle

Based on the nature of products / activities of the Company and the normal time between acquisition of assets and their realization in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.



Note 2: Property, Plant and Equipment and Capital Work-in-progress

Particulars	Rs in lakhs	
	As at March 31, 2020	As at March 31, 2019
Carrying amounts of:		
Salt works	20,659.86	21,507.58
Buildings	22,624.44	22,810.52
Plant and equipment	43,426.26	46,546.92
Furniture and Fixtures	103.24	123.47
Office Equipments	44.73	48.71
Computers	131.89	27.62
Vehicles	1,234.94	276.46
Total	88,225.36	91,341.28

Capital Work-in-progress	15,818.54	907.03
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Gross block	Rs in lakhs							
	Salt Works	Buildings	Plant and equipment	Furniture & Fixtures	Office Equipment	Computers	Vehicles	Total
Balance at 31-Mar-2018	25,104.69	23,871.71	51,464.19	116.10	110.87	61.21	517.88	1,01,246.65
Additions	654.10	564.33	1,092.76	60.31	18.01	9.54	67.27	2,466.32
Disposals	-	(140.03)	(175.17)	(21.16)	(103.41)	(1.24)	(407.55)	(848.58)
Balance at 31-Mar-2019	25,758.79	24,296.01	52,381.78	155.23	25.47	69.51	177.60	1,02,864.39
Transferred to Right-of-Use Asset	-	-	(1,301.49)	-	-	-	-	(1,301.49)
Additions	-	678.60	643.30	13.96	11.88	126.05	1,093.35	2,567.14
Disposals	-	-	-	-	-	-	(66.82)	(66.82)
Assets written off	-	-	(59.76)	-	(3.83)	-	(0.79)	(64.38)
Balance at 31-Mar-2020	25,758.79	24,974.61	51,663.83	169.19	33.52	195.56	1,173.34	1,03,966.84

Accumulated depreciation and impairment	Rs in lakhs							
	Salt Works	Buildings	Plant and equipment	Furniture & Fixtures	Office Equipment	Computers	Vehicles	Total
Balance at 31-Mar-2018	3,421.09	761.08	2,922.87	16.07	24.34	13.42	104.85	7,263.72
Eliminated on impairment	-	(20.65)	(47.27)	(7.61)	(29.40)	(26.39)	(323.68)	(455.20)
Depreciation expense	830.12	745.26	2,959.26	23.30	(18.18)	54.86	119.97	4,714.59
Balance at 31-Mar-2019	4,251.21	1,485.49	5,834.86	31.76	(23.24)	41.89	(98.86)	11,523.11
Transferred to Right-of-Use Asset	-	-	(418.45)	-	-	-	-	(418.45)
Depreciation expense	847.72	864.68	2,834.80	34.19	13.23	21.78	108.68	4,725.08
Disposals	-	-	-	-	-	-	(71.19)	(71.19)
Assets written off	-	-	(13.64)	-	(1.20)	-	(0.23)	(15.07)
Balance at 31-Mar-2020	5,098.93	2,350.17	8,237.57	65.95	(11.21)	63.67	(61.60)	15,743.48

Carrying amount as on March 31, 2019	21,607.58	22,810.52	46,546.92	123.47	48.71	27.62	276.46	91,341.28
Carrying amount as on March 31, 2020	20,659.86	22,624.44	43,426.26	103.24	44.73	131.89	1,234.94	88,225.36

Note:

- (a) Contractual obligations : Refer Note 34.1b for disclosure of contractual commitments for the acquisition of property, plant and equipment.
(b) Capital work in progress includes machinery, civil works, interest capitalised and forex on imported materials towards construction of Bromine Expansion plant at Hajipur
(c) Also refer Note 14(a) for assets given as security for borrowings.

Note 3: Right-of-use assets

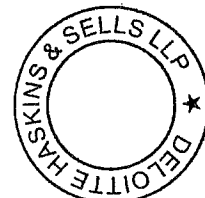
Gross carrying value	Rs in lakhs	
	Property	ISO tanks
Impact of adoption of IND AS 116	1,548.24	952.89
Transferred from Plant & Machinery	-	1,301.49
Additions during year	551.91	551.91
Balance at 31-Mar-2020	1,548.24	2,806.29

Accumulated depreciation and impairment	Rs in lakhs	
	Property	ISO tanks
Transferred from Plant & Machinery	90.38	418.45
Depreciation for the year	90.38	371.36
Balance at 31-Mar-2020	90.38	789.81

Net Carrying amount as on March 31, 2019	-	-
Net Carrying amount as on March 31, 2020	1,457.86	2,016.48
		3,474.34

Note:

- (a) Refer note 35 for details on Right of use assets



Archean Chemical Industries Private Limited
Notes forming part of financial statements

Note 4 Intangible Assets

Particulars	Rs in lakhs	
	As at March 31, 2020	As at March 31, 2019
Carrying amounts of:		
Software	11.83	8.35
Total	11.83	8.35

Gross block	Software
Balance at 31 March 2018	31.42
Additions	1.91
Balance at 31 March 2019	33.33
Additions	8.33
Balance at 31 March 2020	41.66

Accumulated depreciation and impairment	
Balance at 31 March 2018	12.86
Amortisation expense	12.12
Balance at 31 March 2019	24.98
Amortisation expense	4.85
Balance at 31 March 2020	29.83

Carrying amount as at 31 March 2019	8.35
Carrying amount as at 31 March 2020	11.83

Note 5A Non Current Investments

Particulars	As at Mar 31, 2020		As at March 31, 2019	
	No of shares / units	Rs in lakhs	No of shares / units	Rs in lakhs
Investment in subsidiary:				
Fully paid ordinary equity shares of Marine Chemicals Trading Pte Ltd - measured at cost	100	0.69	100	0.69
Impairment of investments - refer note 38		(0.69)		(0.69)
Total		-		-
FVTPL Investments -				
Mutual Funds *				
Book value		8.42		-
Market value		8.42		-
Total Non Current Investments		8.42	100	-

* These investments are earmarked against loans from Hinduja Leyland Finance Limited, a lender towards purchase of trucks by the Company. The breakup of the mutual funds is as below:

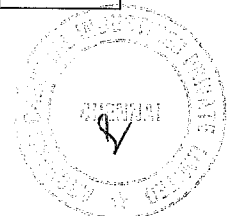
Name of fund	As at Mar 31, 2020		As at Mar 31, 2019	
	No of units	Value	No of units	Value
ICICI Liquid Fund - Growth	2,878	8.42	-	-
Total	2,878	8.42	-	-

Note 5B Current Investments

Particulars	As at Mar 31, 2020	As at March 31, 2019
	Rs in lakhs	Rs in lakhs
FVTPL Investments -		
Mutual Funds		
Book value	4,707.32	-
Market value	4,707.32	-
Total Investments	4,707.32	-

The break-up of the mutual funds is as below:

Name of fund	As at Mar 31, 2020		As at Mar 31, 2019	
	No of units	Value	No of units	Value
SBI Liquid Fund Regular Growth	64,048	1,981.38	-	-
HDFC Liquid Fund - Regular Plan - Growth	47,381	1,840.09	-	-
ICICI Liquid Fund - Growth	1,23,079	360.01	-	-
ICICI Overnight Fund - Growth	4,88,694	525.84	-	-
Total	7,23,202	4,707.32	-	-



Archean Chemical Industries Private Limited
Notes forming part of financial statements

Note 6. Other Financial assets

Particulars	Rs in lakhs			
	Non current		Current	
	As at March 31, 2020	As at March 31, 2019	As at March 31, 2020	As at March 31, 2019
a) Security deposits measured at amortised cost	109.57	95.96	-	-
b) Interest accrued on deposits	65.12	-	-	-
c) Deposits against appeals to statutory authorities	-	206.65	-	-
d) Export benefits receivable	-	-	72.76	-
e) Rental advance	-	13.20	-	-
f) Other advances	-	97.93	-	-
	174.69	413.74	72.76	-

Note 7. Income tax asset (Net)

Particulars	As at March 31, 2020	As at March 31, 2019
MAT Credit entitlement (Refer note 29.1)	-	586.62
Total	-	586.62

Note 8. Other assets

Particulars	Non-Current		Current	
	As at March 31, 2020	As at March 31, 2019	As at March 31, 2020	As at March 31, 2019
a) Capital advances	1,175.44	2,567.65	-	-
b) Advance to suppliers other than for capital asset	-	-	900.70	-
c) Export benefits receivable	-	-	-	101.38
d) Balances with Statutory authorities (Refer Note 8.1)	206.65	-	1,358.82	667.95
e) Interest accrued on deposits	-	-	-	63.38
f) Employee advance	-	-	39.55	8.14
g) Export freight prepaid	-	-	1,665.44	-
h) Prepaid expenses - others	-	-	669.09	300.15
	1,382.09	2,567.65	4,633.60	1,141.00

Note 8.1:

The amount included in non current balances with statutory authorities on 31 March 2019 amounting to Rs.116.81 lakhs pertaining to service tax refund receivable has been rejected by the authorities vide orders dated February 20, 2019. The Company has filed an appeal with the Commissioner of Central Excise (Appeals) on April 22, 2019. However, the Company has written off the amounts in these financial statements on a prudent basis.



Archean Chemical Industries Private Limited
Notes forming part of financial statements

Note 9 Inventories

Particulars	Rs in lakhs	
	As at March 31, 2020	As at March 31, 2019
a Raw Materials and Components (Refer note 9.a)	481.10	586.28
b Work-in-progress (Refer note 9.b)	4,041.23	4,076.07
c Stores & Spares (Refer note 9.c)	672.49	538.25
d Finished Goods (Refer note 9.d)	4,687.27	1,074.50
Total	9,882.09	6,275.10

Note 9.a Details of raw materials

Particulars	As at March 31, 2020	As at March 31, 2019
Coal	130.45	345.38
Chemicals	289.71	179.45
Others	60.94	61.45
Total	481.10	586.28

Note 9.b Details of work in progress

Particulars	As at March 31, 2020	As at March 31, 2019
Salt	3,687.00	3,324.42
Sulphate of Potash	340.13	737.95
Others	14.10	13.70
Total	4,041.23	4,076.07

Note 9.c Details of stores and spares

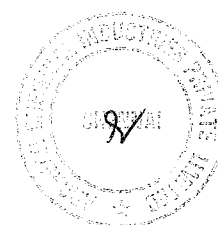
Particulars	As at March 31, 2020	As at March 31, 2019
Stores and Spares	672.49	538.25
Total	672.49	538.25

Note 9.d Details of finished goods

Particulars	As at March 31, 2020	As at March 31, 2019
Salt	2,454.58	560.69
Sulphate of Potash	2,060.80	410.27
Bromine	171.89	103.54
Total	4,687.27	1,074.50

Note :

(a) Refer Note 14 for assets pledged as security .



Archean Chemical Industries Private Limited
Notes forming part of financial statements

Note 10. Trade Receivables

Particulars	Rs in lakhs	
	As at March 31, 2020	As at March 31, 2019
Unsecured, Considered good		
(i) Outstanding for a period exceeding six months from the date they were due for payment	310.87	58.38
(ii) Other Trade receivables	4,926.99	7,397.78
Others - Credit Impaired	1,405.87	2,060.39
Total	6,643.73	9,516.55
Allowance for doubtful debts (expected credit loss allowance)		
- towards receivables that are credit impaired	(1,405.87)	(2,060.39)
- towards other receivables	(792.40)	(755.94)
Total	4,445.46	6,700.22

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. The expected credit loss allowance is based on the ageing of the days the receivables are due and the rates as given in the provision matrix. The range of provision created as a percentage of outstanding under various age groups below 180 days past due comes to 0% - 25%. The Company as a policy provides for 100% for outstanding above 180 days past due.

Movement in expected credit loss allowance	As at March 31, 2020	As at March 31, 2019
Balance at beginning of the year	(2,816.33)	(1,963.44)
Movement in expected credit loss allowance on trade receivables calculated at lifetime expected credit losses	618.06	(852.89)
Balance at end of the year	(2,198.27)	(2,816.33)

Note 11 Cash and cash equivalents

Particulars	As at March 31, 2020	As at March 31, 2019
11.1 Cash & cash equivalents		
(a) Balances with banks in current accounts and deposit accounts		
(i) In Current account	2,441.34	4,532.09
(ii) In EEFC Account	-	187.85
(b) Cash on hand - Refer note	6.61	3.44
Total Cash and cash equivalents	2,447.95	4,723.38

Note - Cash balance as at March 31, 2020 includes INR Nil Lakhs in foreign currency (as at March 31, 2019 - INR 0.55 Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
11.2 Other bank balances		
Balances with banks in current accounts and deposit accounts under lien due to be realised immediately upon surrender of expired bank guarantees	26.97	26.97
Total other bank balances	26.97	26.97
Total Cash and bank balances	2,474.92	4,750.35



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Archean Chemical Industries Private Limited
Notes forming part of financial statements

Note 12 Equity Share Capital

Particulars	As at	As at	As at	As at
	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
	No. of Shares		Rs in lakhs	
AUTHORISED :				
Equity Shares:				
Equity Shares of Rs.10 each	2,30,00,000	2,30,00,000	2,300.00	2,300.00
ISSUED :				
Equity Shares of Rs.10 each fully paid-up	1,92,66,681	1,92,66,681	1,926.67	1,926.67
SUBSCRIBED AND FULLY PAID UP :				
Equity Shares of Rs.10 each fully paid-up	1,92,66,681	1,92,66,681	1,926.67	1,926.67

12.1 Reconciliation of number of shares

Particulars	2019-20		2018-19	
	No. of Shares	Amount (Rs. In Lakhs)	No. of Shares	Amount (Rs. In Lakhs)
Equity Shares of Rs.10 each fully paid up				
At the beginning of the period	1,92,66,681	1,926.67	1,00,00,000	1,000.00
Fresh issue of shares	-	-	92,66,681	926.67
At the end of the period	1,92,66,681	1,926.67	1,92,66,681	1,926.67

12.2 Terms / Rights attached to Equity Shares

The Company has only one class of Equity shares having a par value of Rs.10 per share. Each holder of equity shares is entitled to one vote per share. Repayment of capital will be in proportion to the number of equity shares held.

12.3 Details of shares held by each shareholder holding more than 5 percent of equity shares in the company:

Name of the Share holder	No. of shares held as at			
	March 31, 2020		March 31, 2019	
	Nos.	%	Nos.	%
Mr. P. Ravi	28,26,596	14.67%	28,26,596	14.67%
Mr. P. Ranjit	28,26,597	14.67%	28,26,597	14.67%
Goodearth Fertilisers Company LLP	78,91,758	40.96%	78,91,758	40.96%
India Resurgence Fund Scheme - I	14,36,612	7.46%	14,36,612	7.46%
India Resurgence Fund Scheme - II	23,48,506	12.19%	23,48,506	12.19%
Piramal Natural Resources Private Ltd.	14,36,612	7.46%	-	-
Piramal Glass Limited	-	-	14,36,612	7.46%



8

Archean Chemical Industries Private Limited
Notes forming part of financial statements

Note 13 Other equity

Particulars	Rs in lakhs	
	As at March 31, 2020	As at March 31, 2019
a Security Premium	15,085.52	15,085.52
b Retained Earnings (Net of Other Comprehensive Income)	(15,841.69)	(12,261.42)
c Ind AS Transition Reserve	(864.22)	(864.22)
d Other equity	455.29	455.29
Total	(1,165.10)	2,415.17

Details to other equity

Particulars	As at March 31, 2020	As at March 31, 2019
(a) Securities Premium		
Opening balance	15,085.52	11,526.19
Add : Premium on shares issued during the year	-	3,559.33
Closing balance	15,085.52	15,085.52
(b) Retained Earnings		
Balance at the beginning of the year	(12,261.42)	(16,364.22)
Profit attributable to the owners of the company	(3,565.28)	4,106.38
Other comprehensive income	(14.99)	(3.58)
Closing balance	(15,841.69)	(12,261.42)
(c) Ind AS Transition Reserve	(864.22)	(864.22)
(d) Other equity		
Opening Balance	455.29	1,927.90
Equity component of Compulsorily convertible debentures carried at amortised cost	-	455.29
Less: Promoters' loans converted into equity	-	(1,927.90)
Closing balance	455.29	455.29
Total Other Equity	(1,165.10)	2,415.17

Nature and purpose of other reserves

(a) Securities Premium

Securities premium is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the Companies Act 2013.

(b) Retained Earnings

Retained Earnings represents company's cumulative earnings since its formation less the dividends/ Capitalisation, if any.

(c) Ind AS Transition Reserve

Ind AS Transition Reserve pertains to reserve created on implementation of Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

(d) Other equity

Other equity includes the difference between the face value and fair value of the liability towards the 0.01% Compulsorily Convertible Debentures issued on November 22, 2018.



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Archean Chemical Industries Private Limited
Notes forming part of financial statements

Note 14 Borrowings

Rs in lakhs

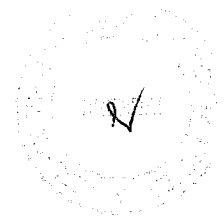
Particulars	Non-Current		Current	
	As at March 31, 2020	As at March 31, 2019	As at March 31, 2020	As at March 31, 2019
Secured				
Non convertible debentures issued (Refer Note - 14 (a) below)	84,000.00	73,970.00	-	-
Other loans				
- Daimler Financial Services India Pvt. Ltd.	74.15	57.32	-	14.94
- Toyota Financial Services India Ltd.	0.76	12.55	-	8.98
- Kotak Mahindra Prime Ltd.	3.45	11.91	-	5.81
- Indo Star Capital	231.23	-	-	-
- Shriram Transport Finance	217.51	-	-	-
- Hinduja Leyland Fiance	189.23	-	-	-
- ICICI Bank	110.08	-	-	-
Unsecured - at amortised cost				
Bills Discounting	-	-	606.21	1,278.62
Loans repayable on demand from related party	-	-	-	48.75
Total	84,826.41	74,051.78	606.21	1,357.10

(a) Terms of debentures issued:

- The Company entered into agreements with India Resurgence Fund Scheme - I, India Resurgence Fund Scheme - II and Piramal Glass Limited for issue of
- 8,400 Non-Convertible Debentures with a face value of Rs.10,00,000 each aggregating to Rs.840,00,00,000 (Series A debentures)
 - 1,000 Non-Convertible Debentures with a face value of Rs.10,00,000 each aggregating to Rs.100,00,00,000 as a contingency facility when required (Series B Debentures) . The Series B debentures have not been issued as at 31.03.2020
 - 672,000 unsecured compulsorily convertible debentures of Rs.100 each aggregating to Rs.6,72,00,000

The terms of issue of the Series A Non-Convertible Debentures ("NCDs") and Compulsorily Convertible Debentures ("CCDs") are given below:

Particulars	NCDs	CCDs
Amount	1003 NCDs with unit value of Rs. 10,00,000 each has been allotted to Private investors during the year amounting to Rs. 10,030 lakhs . 7397 NCDs with unit value of Rs. 10,00,000 each has been allotted to Private investors during the year 2018-19 amounting to Rs. 73,970 lakhs.	6,72,000 CCDs with unit value of Rs. 100 each has been allotted to Private investors during the year 2018-19 amounting to Rs.672 lakhs.
Coupon	10 % payable monthly before every month end.	0.01% payable annually before 31st March of every year
Yield to Maturity	Yield to maturity (YTM) at 17% p.a. compounded annually (Including coupon) .The coupon of 10 % upto 31.05.2020 and 12% upto 21.11.2024 shall be payable monthly before every month end.	Not Applicable



Archean Chemical Industries Private Limited
Notes forming part of financial statements

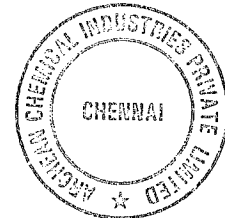
Repayment	<p>1. Repayable on maturity date November 21,2024.</p> <p>2. Voluntarily repayable - Voluntarily repayable by issuer subject to compliance with laws A.First the Series B Debentures at any time after the Deemed date of Allotment Series B Debentures and B.then the series A Debentures at any time after 18 months from 22nd November 2018 (being deemed date of allotment of the tranche I of series A debentures upto 21 November, 2024</p> <p>3. Mandatorily repayable - In the event that any excess cash is available with the issuer in any month in financial year commencing from financial year 2020-21, on the last date business day of such month, the issuer shall take all necessary actions and redeem in part, the debentures pro rata in accordance with the priority as set out in debenture trust deed</p>	<p>CCDs are convertible at the option of CCD holder into equity shares of the company at any time in the ratio provided in the agreement dated 20.09.2018 . Any CCDs not converted into equity as on 21st November 2028, will be compulsorily converted into equity shares in the ratio provided in the agreement dated 20.09.2018</p>
Security	<p>First charge over the fixed assets (movable and immovable) and all other present and future assets of the Borrower. First charge on all current Assets, both present and future, of Borrower.</p>	NA

Security

The Secured Obligations shall be secured in favour of the Debenture Trustee or its agent in form, substance and manner acceptable to the Debenture Holders by:

- (a) a first ranking mortgage/ charge on all the Issuer's immovable properties, and movable properties including plant and machinery, machine spares, tools and accessories, furniture, fixtures, vehicle and other non-current movable assets, both present and future, except for the immovable land taken on lease by the Issuer from the Government of Gujarat under the GOG Lease Deed;
- (b) a first ranking mortgage / charge on all the Issuer's tangible and intangible assets, including but not limited to its goodwill, undertaking and uncalled capital, both present and future and all bank accounts of the Issuer and all receivables and proceeds in relation to such assets;
- (c) a first ranking mortgage / charge on all insurance policies, performance bonds, contractors' guarantees and any letter of credit provided by any person in favour of the Issuer under the Material Agreements, if any;
- (d) a first ranking mortgage / assignment on all the rights, titles, permits, clearances, approvals and interests of the Issuer in, to and in respect of the Material Agreements and all contracts relating to the Business (other than any short term purchase orders) listed below:
 - (i) all contracts relating to the Expansion Project with an aggregate value of INR 5,00,00,000 (Rupees Five Crores) or above;
 - (ii) operational contracts under which the Issuer has paid an advance of INR 5,00,00,000 (Rupees Five Crores) or above;
 - (iii) sales contracts (including as on the date of this Debenture Trust Deed and signed by the Issuer in the future) with an aggregate value of INR 5,00,00,000 (Rupees Five Crores) or above;
 - (iv) Sojitz Exclusive Salt Sales Agreement, Sojitz SoP Sales Agreement, Sojitz Advance Payment Agreement 2 and Sojitz Advance Payment Agreement 3;
 - (v) Ports Services Agreement; and
 - (vi) Sales and Cost Allocation Agreement;
- (e) a first ranking mortgage/ charge on all the Issuer's current assets;
- (f) a first ranking pledge of 100% (one hundred per cent) of the shares and other securities of the Issuer held by the Promoters (P.Ravi, P.Ranjith and Goodearth Fertilisers Company LLP), constituting 70.30%; and
- (g) a first ranking charge over the partnership interest of Goodearth Fertilisers Company LLP , constituting 100% of partnership interest of Goodearth Fertilisers Company LLP;

Pursuant to arrangement between the Company and the debenture holders, the Non-Convertible Debentures have been considered as long term borrowings in these financial statements.



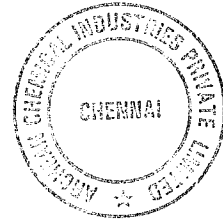
Archean Chemical Industries Private Limited
Notes forming part of financial statements
(b) Terms of Secured Loan from others -

Particulars	Hypothecation details	Term of loan	Rate	Payable in next 12 months
- Daimler Financial Services India Pvt. Ltd.	1 No. Car	3 years	10.35%	61.34
- Daimler Financial Services India Pvt. Ltd.	1 No. Car	4 years	12.00%	10.45
- Toyota Financial Services India Ltd.	1 No. Car	3 years	9.00%	9.83
- Kotak Mahindra Prime Ltd.	1 No. Car	3 years	9.81%	6.40
- Indo Star Capital	10 no.s commercial vehicles	5years	6.45%	62.42
- Shriram Transport Finance	10 no.s commercial vehicles	5years	12%	47.46
- Hinduja Leyland Fiance	10 no.s commercial vehicles	4 years	11.03% IRR	70.34
- ICICI Bank	5 No.s Commercial vehicles	4 years	12.50%	27.42

Note 15 Lease Liabilities

Rs in lakhs

Particulars	Non-Current		Current	
	As at March 31, 2020	As at March 31, 2019	As at March 31, 2020	As at March 31, 2019
Liability on right to use assets under IND As 116 - Refer note 35	3,816.22	-	374.64	-
Total	3,816.22	-	374.64	-



Archean Chemical Industries Private Limited
Notes forming part of financial statements
Note 16 Other financial liabilities

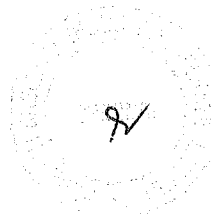
Rs in lakhs

Particulars	Non-Current		Current	
	As at March 31, 2020	As at March 31, 2019	As at March 31, 2020	As at March 31, 2019
a. Compulsorily convertible debentures carried at amortised cost	258.35	230.39	-	-
b. Current maturities of long term borrowings	-	-	295.66	-
c. Liability on finance leases	-	1,156.05	-	-
d. Interest accrued and not due on borrowings	6,939.26	-	-	-
e. Interest accrued and due on customer advances	-	-	262.11	-
f. Payable towards procurement of capital assets	-	-	179.88	-
g. Employee benefits payable	-	-	28.83	235.47
h. Retention Money	-	-	10.48	11.23
Total	7,197.61	1,386.44	776.96	246.70

Note 17 Other Liabilities

Rs in lakhs

Particulars	Non-Current		Current	
	As at March 31, 2020	As at March 31, 2019	As at March 31, 2020	As at March 31, 2019
a Customer advances	21,070.24	29,843.21	6,722.90	-
b Statutory Remittances	-	-	89.68	224.96
c. Interest accrued and not due on borrowings	-	-	-	1,562.83
d. Interest accrued and due on customer advances	-	-	-	150.42
	21,070.24	29,843.21	6,812.58	1,938.21



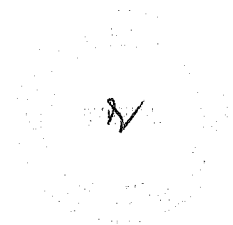
Archean Chemical Industries Private Limited
Notes forming part of financial statements

Note 18 Deferred tax balances

Particulars	Rs in lakhs	
	As at March 31, 2020	As at March 31, 2019
Deferred tax assets	17,594.03	25,892.98
Deferred tax liabilities	(9,882.22)	(16,895.88)
Net Deferred Tax Asset / (Liability)	7,711.81	8,997.10

2019-20	Opening balance	Recognised in profit or loss	Recognised in other comprehensive	Closing balance
Deferred tax asset / (liabilities) in relation to :				
Deferred tax liabilities:				
Property plant and equipment	(16,895.88)	(7,013.66)	-	(9,882.22)
Deferred tax assets				
Carried forward loss	24,838.90	7,910.44	-	16,928.46
Provision for Employee benefits	17.38	4.29	(5.04)	18.13
Disallowance u/s 40(a)	52.56	29.34	-	23.22
Provision for Doubtful Debts / Advances	984.14	430.84	-	553.30
DTA on timing differences on ROU assets and liabilities	-	(70.92)	-	70.92
Net Deferred Tax Asset / (Liability)	8,997.10	1,290.33	(5.04)	7,711.81

2018-19	Opening balance	Recognised in profit or loss	Recognised in other comprehensive	Closing balance
Deferred tax asset / (liabilities) in relation to :				
Property plant and equipment	(14,114.82)	(2,781.06)	-	(16,895.88)
Carried forward loss	20,882.79	3,956.11	-	24,838.90
Provision for Employee benefits	25.36	(9.91)	1.93	17.38
Disallowance u/s 40(a)	649.84	(597.28)	-	52.56
Provision for Doubtful Debts / Advances	365.17	618.97	-	984.14
Mat credit entitlement	-	-	-	-
Net Deferred Tax Asset / (Liability)	7,808.34	1,186.83	1.93	8,997.10



Archean Chemical Industries Private Limited
Notes forming part of financial statements

Note 19 Trade Payables

Particulars	Rs in lakhs	
	As at March 31, 2020	As at March 31, 2019
Dues to micro enterprises and small enterprises - Refer Note 37	432.18	-
Dues of creditors other than micro enterprises and small enterprises	16,277.78	10,475.17
Total	16,709.96	10,475.17

19.1 Trade payables are non-interest bearing and are normally settled as per due dates .

19.2 The company has financial risk management policies in place to ensure that all payables are paid within the agreed credit terms.

Note 20 Provisions - Current

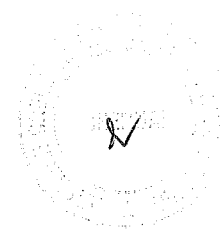
Particulars	As at March 31, 2020	As at March 31, 2019
Provision for Leave encashment	17.71	14.28
Provision for Gratuity	53.12	-
Provision for tax	-	33.71
Total	70.83	47.99

Note 21 Revenue from operations

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
(a) Sales of Products		
Domestic sales	12,897.22	10,845.99
Export sales	47,683.92	45,462.17
(b) Other operating revenues		
Export Incentives	153.63	221.27
Scrap sales	82.30	21.14
Total	60,817.07	56,550.57

Note:

(i) The company has applied Ind AS 115 'Revenue from contracts with customers' with effect from 1 April 2018. The performance obligations under all sales contracts are satisfied at a point of time. Ind AS 115 did not have a material impact on the amount or timing of recognition of reported revenue.



Archean Chemical Industries Private Limited
Notes forming part of financial statements

21.1 Disaggregation of Revenue information

The table below presents disaggregated revenues from contracts with customers which is recognised based on goods transferred at a point of time by geography and offerings of the Company.

As per the management, the below disaggregation best depicts the nature, amount, timing and uncertainty of how revenues and cash flows are affected by industry, market and other economic factors.

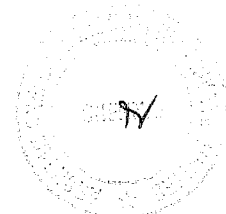
Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Revenue by Geography		
India	13,133.15	11,088.40
Rest of the world	47,683.91	45,462.17
Total revenue from contracts with customers	60,817.07	56,550.57
Revenue by offerings		
Manufactured goods		
(a) Marine chemicals		
Salt	35,200.93	29,984.72
Bromine	21,550.30	22,525.75
Sulphate of Potash	3,983.56	4,018.95
(b) Others	82.29	21.15
Total revenue from contracts with customers	60,817.07	56,550.57

21.2 Trade Receivables

The Company classifies the right to consideration in exchange for deliverables as receivable.

A receivable is a right to consideration that is unconditional upon passage of time. Revenue is recognized as and when the related goods are delivered to the customer.

Trade receivable are presented net of impairment in the Balance Sheet.



Archean Chemical Industries Private Limited
Notes forming part of financial statements

Note 22 Other Income

Particulars	Rs in lakhs	
	Year ended March 31, 2020	Year ended March 31, 2019
Interest income earned on financial assets that are not designated as at fair value through profit or loss - On bank deposits (at amortised cost)	1.89	3.64
Profit on sale from mutual funds	108.05	9.84
Provision no longer required	702.22	-
Net gain on exchange fluctuation	-	657.94
Profit on sale of fixed assets	14.62	-
Miscellaneous Income	2.00	37.75
Total	828.78	709.17

Note 23 Cost of Materials Consumed

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Opening Stock of Raw Materials	586.28	482.80
Add: Purchases	2,394.70	3,527.34
Less: Closing Stock of Raw Materials	481.10	586.28
Consumption of Raw Materials	2,499.88	3,423.86

Note 24 Changes in Inventories of finished goods, work-in-progress and stock in trade

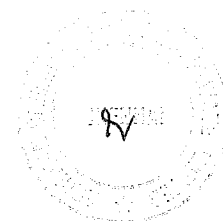
Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Opening Stock:		
Work-in-process	4,076.07	9,368.96
Finished goods	1,074.50	1,019.32
Closing Stock:		
Work-in-process	4,041.23	4,076.07
Finished goods	4,687.27	1,074.50
(Increase)/Decrease in Stocks	(3,577.93)	5,237.71

Note 25 Employee Benefit expense

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Salaries, Wages and Bonus	3,315.93	2,897.28
Staff welfare	37.23	-
Contribution to Provident and Other Funds	93.75	141.26
Total	3,446.91	3,038.54

Note 26 Finance Cost

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Interest on term loans	-	3,834.14
Interest on debentures	11,277.97	6,139.42
Interest on working capital borrowings	257.99	1,031.08
Interest on finance lease	570.80	165.76
Effective interest on CCDs carried at amortised cost	27.99	13.68
Bank Charges	26.19	112.15
Interest on delayed payment of taxes	14.79	69.87
Total	12,175.73	11,366.10



Archean Chemical Industries Private Limited
Notes forming part of financial statements

Note 27 Depreciation and amortisation expense

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Depreciation on Property, plant and equipment pertaining to continuing operations	5,186.84	4,714.58
Amortisation of Intangible assets	4.85	12.12
Total	5,191.69	4,726.70

Note 28 Other Expenses

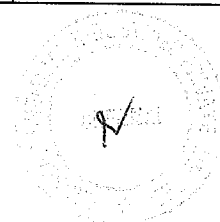
Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Consumption of stores and spares	1,215.99	929.91
Power and Fuel	4,443.80	4,616.34
Rent expense	15.93	689.38
Travelling and Conveyance	506.97	557.74
Repairs and Maintenance		
- Buildings	18.40	38.62
- Plant and Machinery	895.91	797.45
- Others	616.43	115.59
Insurance	386.40	288.90
Rates and Taxes, excluding taxes on income	242.58	323.33
Packing, Despatching and Freight	25,632.82	21,949.30
Loading charges	3,605.84	2,478.00
Hire charges - equipment	1,006.00	878.35
Printing and stationery	11.71	11.76
Communication expenses	55.21	46.00
CSR Expenses	66.74	86.81
Audit Fees	42.59	35.64
Legal and professional charges	1,508.60	684.58
Selling and distribution expenses	285.51	288.83
Provision for Doubtful Debts and Advances	92.27	1,513.04
Impairment of fixed assets	-	457.05
Assets written off	49.00	-
Net loss on exchange fluctuation	1,619.19	-
Administration Expenses	215.94	244.63
Total	42,533.83	37,031.25

28.1 Payment to Statutory Auditors

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
For Statutory Audit	31.50	31.50
For Tax Audit	-	1.00
For Other Services	10.50	-
For Reimbursement of Expenses	0.59	3.14
Total	42.59	35.64

28.2 Expenditure incurred for Corporate social responsibility

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Expenditure incurred for Corporate social responsibility		
- Towards Archean Foundation	66.74	86.81
Total	66.74	86.81



Archean Chemical Industries Private Limited
Notes forming part of financial statements

Note 29 Income Taxes Expense

29.1 The Company has exercised the option of lower tax permitted under Section 115BAA of the Income Tax Act, 1961 as introduced by the Taxation Laws (Amendment) Act, 2019 ('the Amendment Act'). Accordingly, the Company has recognised provision for income tax for the year ended March 31, 2020 basis the rate provided in the said Amendment Act. The Company has (i) re-measured the opening balance of Deferred Tax Assets (net); (ii) removed the impact of unabsorbed depreciation to the extent related to additional depreciation claimed under Section 32(1)(ia); and (iii) charged off the Minimum Alternate Tax (MAT) credit balance as at April 1, 2019 aggregating to Rs. 1,876.95 lakhs which has been included under Tax expense in the financial results for the half year and year ended 31 March 2020.

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
29.2 Income tax recognised in Profit or Loss		
Income tax Expense		
Current tax		
In respect of the current year	-	-
Deferred tax		
In respect of the current year	(436.94)	1,572.23
Tax adjustment for earlier years (Refer Note 29.4)	2,313.89	(2,759.06)
Total income tax expense	1,876.95	(1,186.83)

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
29.3 Income tax recognised in other comprehensive income		
Deferred tax		
Arising on income and expenses recognised in other comprehensive income:		
Remeasurement of defined benefit obligation	5.04	1.93
Total income tax recognised in other comprehensive income	5.04	1.93
Bifurcation of the income tax recognised in other comprehensive income into:		
Items that will not be reclassified to profit or loss	5.04	1.93
Items that may be reclassified to profit or loss	-	-
Total income tax recognised in other comprehensive income	5.04	1.93

29.4 The income tax expense for the year can be reconciled to the accounting profit as follows:

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
(Loss) / Profit before tax	(1,735.97)	2,919.55
Income tax expense calculated at 25.17% (2018-19 - 34.944%)	(436.94)	1,020.21
Tax adjustment for earlier years on account of new tax regime being opted on account of:		
(a) Effect of changes in tax rate due to new tax regime being opted	2,516.53	-
(b) Effect of other adjustments / disallowances	(202.64)	
Effect of disallowances for which deferred tax not recognised in earlier years claimed during 2018-19	-	(2,759.06)
Effect of expenses that are not deductible in determining taxable profit	-	552.02
Income tax expense / (income) recognised in profit or loss	1,876.95	(1,186.83)

Note 30 Segment Reporting

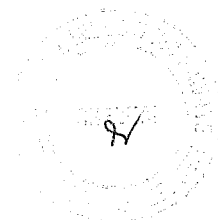
The Company is engaged in the activities related to manufacture of marine chemicals. The Chief Operating Decision Maker (Board of Directors) review the operating results as a whole. For purposes of making decisions about resources to be allocated and assess its performance, the entire operations are to be classified as a single business segment, namely Marine Chemicals. The geographical segments considered for disclosure are - India and Rest of the World. All the manufacturing facilities are located in India. Accordingly, there is no other reportable segment as per Ind AS 108 Operating Segments.

30.1 Geographical Information

The Company's revenue from external customers by location of operations and information about its non current assets* by location of operations are detailed below. The geographical segments considered for disclosure are - India and Rest of the World. All the manufacturing facilities are located in India

Particulars	Revenue from external customers		Non - current assets*	
	Year ended March 31, 2020	Year ended March 31, 2019	Year ended March 31, 2020	Year ended March 31, 2019
India	13,133.15	11,088.40	1,16,807.08	1,04,821.77
Rest of the world	47,683.92	45,462.17	-	-
Total	60,817.07	56,550.57	1,16,807.08	1,04,821.77

* Non- current assets are used in the operations of the Company to generate revenues both in India and outside India.



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Note 31 Earnings per Share:

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Basic Earnings per share (Rs.)	(18.50)	28.89
Diluted Earnings per share (Rs.) (Refer Note 1 below)	(18.50)	27.92

Note 1:

The number of equity shares are considered the same for both Basic and Diluted EPS for the year ended 31 March 2020 since the effect of considering potential dilutive equity shares is anti-dilutive.

Basic Earnings per share

The earnings and weighted average number of equity shares used in the calculation of basic earnings per share are as follows.

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Profit for the year attributable to owners of the Company	(3,565.24)	4,106.38
Earnings used in the calculation of basic earnings per share	(3,565.24)	4,106.38

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
(a) Number of equity Shares of Re. 10 each outstanding at the end of the year	1,92,66,681	1,92,66,681
(b) Weighted Average number of Equity Shares for the purpose of basic earnings per share	1,92,66,681	1,42,14,436

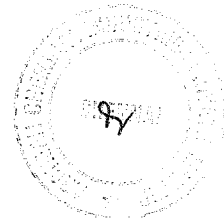
Diluted Earnings per share

The earnings used in the calculation of diluted earnings per share as follows.

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Profit for the year attributable to owners of the Company	(3,565.24)	4,106.38
Earnings used in the calculation of diluted earnings per share	(3,565.24)	4,106.40

The weighted average number of equity shares for the purposes of diluted earnings per share reconciles to the weighted average number of equity shares used in the calculation of basic earnings per share as follows:

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Weighted average number of equity shares used in the calculation of basic earnings per share	1,92,66,681	1,42,14,436
Potential dilutive equity shares	13,88,143	4,94,407
Weighted average number of equity shares used in the calculation of diluted earnings per share	2,06,54,824	1,47,08,843



Archean Chemical Industries Private Limited
Notes forming part of financial statements

Note 32 Employee benefit plans

A. Defined contribution plans

The Company makes Provident Fund contributions which are defined contribution plans, for qualifying employees. Under the Schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The Company recognised Rs. 96.75 lakhs (Year ended March 31, 2019 - Rs. 78.86 lakhs) for Provident Fund contributions in the Statement of Profit and Loss. The contributions payable to the plans by the Company are at rates specified in the rules of the schemes.

B. Defined benefit plans :

Gratuity

The Company has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees. The plan provides for a lump-sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount equivalent to 15 days salary payable for each completed year of service. Vesting occurs upon completion of five years of service. The Company makes annual contributions to Life Insurance Corporation of India(LIC). The Company accounts for the liability for gratuity benefits payable in the future based on an actuarial valuation.

The Company is exposed to various risks in providing the above gratuity benefit which are as follows:

Interest Rate risk : The plan exposes the Company to the risk of fall in interest rates. A fall in interest rates will result in an increase in the ultimate cost of providing the above benefit and will thus result in an increase in the value of the liability (as shown in financial statements).

Investment Risk : The probability or likelihood of occurrence of losses relative to the expected return on any particular investment.

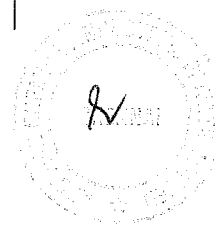
Salary Escalation Risk : The present value of the defined benefit plan is calculated with the assumption of salary increase rate of plan participants in future. Deviation in the rate of increase of salary in future for plan participants from the rate of increase in salary used to determine the present value of obligation will have a bearing on the plan's liability.

Demographic Risk : The Company has used certain mortality and attrition assumptions in valuation of the liability. The Company is exposed to the risk of actual experience turning out to be worse compared to the assumption.

Longevity risk: The present value of the defined benefit obligation is calculated by reference to the best estimate of the mortality of plan participants during their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

Particulars	Rs in lakhs	
	2019-20	2018-19
Present Value of obligations at the beginning of the year		
Current service cost	108.50	86.15
Interest Cost	26.25	22.31
Re-measurement (gains)/losses:	7.34	6.19
- Actuarial gains and losses arising from experience adjustment	20.38	-
Benefits paid	(18.18)	(6.82)
Present Value of obligations at the end of the year	144.29	108.51
Changes in the fair value of planned assets		
Fair value of plan assets at beginning of year	101.31	40.12
Interest Income	6.84	2.88
Expected Return on plan assets	0.35	(4.83)
Contributions from the employer		66.70
Benefits Paid	(17.33)	(3.56)
Actuarial gain/ (loss) on plan assets		
Fair Value of plan assets at the end of the year	91.17	101.31
Particulars	As at March 31, 2020	As at March 31, 2019
Amounts recognized in the Balance Sheet		
Projected benefit obligation at the end of the year	(144.29)	(108.51)
Fair value of plan assets at end of the year	91.17	101.31
Funded status of the plans – Liability recognised in the balance sheet	(53.12)	(7.20)

Particulars	2019-20	2018-19
Components of defined benefit cost recognised in profit or loss		
Current service cost	26.25	22.31
Net Interest Expense	7.34	6.19
Past service cost	(6.84)	(2.88)
Net Cost in Profit or Loss	26.75	25.62
Components of defined benefit cost recognised in Other Comprehensive income		
Re-measurement on the net defined benefit liability:		



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- Actuarial gains and losses arising from experience adjustment	20.38	0.68
Return on plan assets	(0.35)	4.83
Net Cost in Other Comprehensive Income	20.03	5.51
Assumptions	March 31,2020	March 31,2019
Discount rate	5.45%	6.76%
Expected rate of salary increases	9.00%	9.00%
Expected rate of attrition	22.00%	22.00%
Average age of members	34.33	34.38
Average Expected Future service	3 years	3 years

The company has generally invested the plan assets with the insurer managed funds. The insurance company has invested the plan assets in Government Securities, Debt Funds, Equity shares, Mutual Funds, Money Market Instruments and Time Deposits. The expected rate of return on plan asset is based on expectation of the average long term rate of return expected on investments of the fund during the estimated term of the obligation.

- (i) The discount rate is based on the prevailing market yields of Government of India securities as at the Balance Sheet date for the estimated term of the obligations
- (ii) The estimate of future salary increases considered, takes into account the inflation, seniority, promotion, increments and other relevant factors.
- (iii) The entire Plan Assets are managed by Life Insurance Corporation of India (LIC). The data on Plan Assets has not been furnished by LIC.
- (iv) Experience adjustments has been disclosed based on the information available in the actuarial valuation report

Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate, expected salary increase and mortality. The sensitivity analysis below have been determined based on reasonably possible changes of the assumptions occurring at the end of the reporting period, while holding all other assumptions constant. The results of sensitivity analysis is given below:

Particulars	Impact on defined benefit obligation (Rs. in lacs)	
	March 31,2020	March 31,2019
Discount rate		
- 1% increase (+100 BP)	(4.47)	(3.09)
- 1% decrease (-100 BP)	4.86	3.34
Salary growth rate		
- 1% increase (+100 BP)	4.17	2.97
- 1% decrease (-100 BP)	(3.93)	(2.82)
Attrition rate		
- 1% increase (+100 BP)	(0.58)	(0.25)
- 1% decrease (-100 BP)	0.63	0.26

Please note that the sensitivity analysis presented above may not be representative of the actual change in the defined 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 defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation liability recognised in the balance sheet.

There was no change in the methods of assumptions used in preparing the sensitivity analysis from prior years.

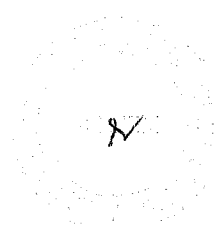
The company's best estimate of the contribution expected to be paid to the plan during the next year is Rs.71.50 lakh (2019-2020: Rs. 33.45 lakh).

C. Long Term Compensated Absence

The compensated absences cover the Company's liability for earned leave.

The amount of provision of Rs. 17.71 lakhs (March 31, 2019: Rs. 14.28 lakhs) is presented as current, since the Company does not have an unconditional right to defer settlement for any of these obligations. However, based on past experience, the Company does not expect all employees to take the full amount of accrued leave or require payment within the next 12 months.

Assumptions	2019-20	2018-19
Discount rate	5.45%	6.76%
Expected rate of salary increases	9.00%	9.00%
Expected rate of attrition	22.00%	22.00%



Archean Chemical Industries Private Limited
Notes forming part of financial statements

Note 33 Financial Instruments

33.1 Capital management

The company manages its capital to ensure that it will be able to continue as a going concern while maximising the return to stakeholders through the optimization of the debt and equity balance. The company is not subject to any externally imposed capital requirements. The company has set up a green field project during 2013-14. The high gearing ratio as on March 31, 2020 was due to the debt continuing and existing as on that date as increased by the increase in borrowings through further tranche of debentures issued for funding the expansion of the bromine plant of the Company.

The capital structure of the Company consists of net debt (borrowings as detailed in note 14 offset by cash and bank balances) and total equity of the Company. The Company during the year has put in place the risk management policy and the same is being reviewed periodically post implementation.

33.1.1 Gearing ratio

The gearing ratio at the end of the reporting period was as follows:

Particulars	Rs in Lakhs	
	As at March 31, 2020	As at March 31, 2019
Debt*	92,667.54	76,971.71
Cash and bank balances	2,447.95	4,723.38
Net debt	90,219.59	72,248.33
Equity	761.57	4,341.84
Total Equity**	761.57	4,341.84
Net debt to equity ratio (in times)	118.47	16.64

*Debt is defined as long-term, short-term borrowings and customers bill discounting (excluding derivatives and financial guarantee contracts).

** Equity includes all capital and reserves of the company that are managed as capital.

33.2 Categories of financial instruments

Particulars	Rs in Lakhs	
	As at March 31, 2020	As at March 31, 2019
Financial assets		
Measured at fair value through profit or loss (FVTPL)	4,707.32	-
Financial assets measured at fair value - Mutual fund investments		
Measured at amortised cost		
a Cash and bank balances	2,447.95	4,723.38
b Other financial assets at amortised cost	4,620.15	7,278.72
Financial liabilities		
a Measured at amortised cost	114,139.34	89,226.01
b Measured at FVTPL	258.35	230.39

33.3 Financial risk management objectives

The Company's Corporate Treasury function provides services to the business, co-ordinates access to domestic and international financial markets, monitors and manages the financial risks relating to the operations of the Company through internal risk reports which analyse exposures by degree and magnitude of risks. These risks include market risk (including currency risk, interest rate risk and other price risk), credit risk and liquidity risk.

The Company has implemented a hedging policy during the year, to minimise the effects of foreign exchange fluctuations. The Corporate Treasury function reports quarterly to the Chief Financial Officer and overseen by the board.

33.4 Market Risk

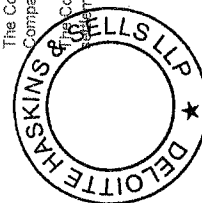
The company's activities expose it primarily to the financial risks of changes in foreign currency exchange rates and interest rates. Market risk exposures are measured using sensitivity analysis.

There has been no change to the Company's exposure to market risks or the manner in which these risks are being managed and measured.

33.5 Foreign Currency risk management

The Company is exposed to foreign exchange risk arising from foreign currency transactions on account of sale / purchase of goods. Foreign exchange risk arises from recognised assets denominated in a currency that is not the Company's functional currency (INR). The risk is measured through a forecast of foreign currency cash flows that would arise due to the underlying assets and liabilities held.

The Company has not taken forward contracts, options, futures or any other derivative instruments to manage the foreign currency risk. The strategy followed by the Company is tracking the foreign currency exchange rates and movement of the payables at the time when the exchange rates are favourable.



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

Currency	Liabilities as at			
	March 31, 2020 FC	March 31, 2020 INR	March 31, 2019 FC	March 31, 2019 INR
EUR		365.42	-	-
GBP	4.40	-	0.00	0.45
SGD	-	-	-	-
USD	378.53	28,537.44	458.39	31,707.65
THB	-	-	-	-
Total		28,902.86		31,708.10

Currency	Assets as at			
	March 31, 2020 FC	March 31, 2020 INR	March 31, 2019 FC	March 31, 2019 INR
EUR	5.86	320.60	38.60	2,998.97
GBP	-	-	-	-
SGD	-	-	0.11	5.66
USD	74.95	5,650.41	87.62	6,060.69
Total		5,971.01		9,065.32

33.5.1 Foreign Currency sensitivity analysis

The company is mainly exposed to the currency of USD and EURO.

The following table details the company's sensitivity to a 5% increase and decrease against the relevant foreign currencies. 5% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 5% change in foreign currency rates. A positive number below indicates an increase in profit where the rupee strengthens 5% against the relevant currency. For a 5% weakening of the rupee against the relevant currency, there would be a comparable impact on the profit.

Particulars	Rs. in Lakhs	
	Impact on profit or loss for the year 2019-20	2018-19
Financial Assets (A)		
USD	282.52	303.03
EUR	16.03	149.95
Financial Liabilities (B)		
USD	1,426.87	1,585.38
EUR	18.27	0.02
Total (A) - (B)	(1,128.32)	(1,132.40)

Impact of change in exchange rates of GBP and SGD on profit or loss for the period is immaterial and hence not disclosed.

33.6 Interest rate risk management

The long term borrowings appearing in the balance sheet carries a fixed rate of interest, and hence the company is not exposed to interest rate variability. However, a portion of customer advances appearing as non current liabilities is carries a variable rate and is exposed to rate fluctuations. The sensitivity analysis is carried out on customer advances and is shown below.

33.7 Interest rate sensitivity analysis

The sensitivity analyses below have been determined based on the exposure to interest rates at the end of the reporting period. For floating rate liabilities, the analysis is prepared assuming the amount of the liability outstanding at the end of the reporting period was outstanding for the whole year. A 50 basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

If interest rate had been 50 basis points higher/lower and all other variables were held constant, the company's Profit for the year ended March 31, 2020 would not have any impact as there are no liabilities with floating rate as on March 31, 2020 (for the year ended March 31, 2019; decrease/ increase by Rs. 28.24 lakhs). This is mainly attributable to the Company's exposure to interest rates on its variable rate borrowings.



33.8 Credit risk management

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. The company has adopted a policy of only dealing with creditworthy counterparties. The company uses other publicly available financial information and its own trading records to rate its major customers. The company's exposure and the credit ratings of its counterparties are continuously monitored and the aggregate value of transactions concluded is spread amongst approved counterparties. Credit exposure is controlled by counterparty limits that are reviewed and approved on a regular basis. Also majority of sales are carried out through letter of credit and secured.

33.9 Liquidity risk management

Ultimate responsibility for liquidity risk management rests with the board of directors, which has established an appropriate liquidity risk management framework for the management of the company's short-term, medium-term and long-term funding and liquidity management requirements. The company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities. Note 31.9.2 below sets out details of facilities that the Company has at its disposal.

33.9.1 Liquidity and interest risk tables

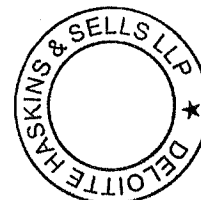
The following tables detail the company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay. The tables include both interest and principal cash flows. To the extent that interest flows are floating rate, the undiscounted amount is derived from interest rate curves at the end of the reporting period. The contractual maturity is based on the earliest date on which the Company may be required to pay.

The table below provides details regarding the contractual maturities of financial liabilities including estimated interest payments as at March 31, 2020

Particulars	Weighted average effective interest rate (%)	Rs in Lakhs					Total contractual cash flows	Carrying amount
		Less than 1 year	Upto 3 years	More than 3 and upto 5 years	More than 5 years			
Accounts payable and acceptances	-	16,709.96	-	-	-	16,709.96	16,709.96	
Interest accrued but not due on borrowings	-	-	-	6,939.26	-	6,939.26	6,939.26	
Interest accrued and due on borrowings	-	262.11	-	-	-	262.11	262.11	
Others	-	308.87	-	-	-	308.87	308.87	
Non-interest bearing	-	-	-	-	-	-	-	
Finance lease liability	-	374.64	959.73	1,264.89	1,591.60	4,190.86	4,190.86	
Fixed interest rate instruments	16.85%	505.21	848.34	84,273.73	258.35	85,885.63	85,885.63	

The table below provides details regarding the contractual maturities of financial liabilities including estimated interest payments as at March 31, 2019

Particulars	Weighted average effective interest rate (%)	Rs in Lakhs					Total contractual cash flows	Carrying amount
		Less than 1 year	Upto 3 years	More than 3 and upto 5 years	More than 5 years			
Accounts payable and acceptances	-	10,475.17	-	-	-	10,475.17	10,475.17	
Interest accrued but not due on borrowings	-	-	-	-	1,562.83	1,562.83	1,562.83	
Interest accrued and due on borrowings	-	150.42	-	-	-	150.42	150.42	
Trade advance	4.87%	4,866.89	-	-	-	4,866.89	4,866.89	
Others	-	471.66	-	-	-	471.66	471.66	
Non-interest bearing	-	48.75	-	-	-	48.75	48.75	
Finance lease liability	-	331.03	319.22	705.80	-	1,356.05	1,356.05	
Fixed interest rate instruments	17.00%	1,308.35	61.78	-	73,970.00	75,360.13	75,360.13	
Variable interest rate instruments	-	-	-	-	-	-	-	



The carrying amounts of the above are as follows:

Particulars	Rs in Lakhs	
	As at March 31, 2020	As at March 31, 2019
Non-interest bearing	17,280.94	11,146.00
Finance lease liability	4,190.86	-
Fixed interest rate instruments	92,925.89	76,922.96
Variable interest rate instruments	-	4,866.89
	114,397.69	92,935.85

The following table details the Company's expected maturity for its non-derivative financial assets. The table has been drawn up based on the undiscounted contractual maturities of the financial assets including interest that will be earned on those assets. The inclusion of information on non-derivative financial assets is necessary in order to understand the Company's liquidity risk management as the liquidity is managed on a net asset and liability basis.

Particulars	Rs in Lakhs				Total
	Less than 1 year	1-3 year	3 - 5 year	More than 5 years	
March 31, 2020					
Investments	4,707.32	8.42	-	-	4,715.74
Security Deposits	-	-	-	109.57	109.57
Export benefits receivable	72.76	-	-	-	72.76
Trade Receivables	4,445.46	-	-	-	4,445.46
Cash and Cash Equivalents	2,447.95	-	-	-	2,447.95
March 31, 2019					
Non-interest bearing	11,423.60	208.65	-	207.09	11,837.34

The amounts included above for variable interest rate instruments for both non-derivative financial assets and liabilities is subject to change if changes in variable interest rates differ to those estimates of interest rates determined at the end of the reporting period.

33.9.2 Financing facility

As per the debenture trust deed, the company has issued NCDs worth of Rs.4,030 lakhs under tranche III programme and NCDs worth Rs. 6,000 lakhs towards bromine expansion under tranche II programme during the current year. This is in addition to the NCD's of Rs. 73,970 lakhs issued under tranche I programme during the year 2018-19.

33.10 Fair value measurements

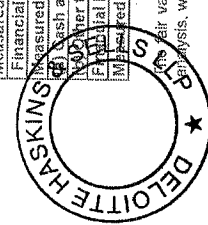
This note provides information about how the Company determines fair values of various financial assets and financial liabilities.

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

Except as detailed in the following table, the directors consider that the carrying amounts of financial assets and financial liabilities recognised in the financial statements approximate their fair values.

Particulars	Fair Value hierarchy		As at March 31, 2020		As at March 31, 2019	
	Level 1	Level 2	Carrying amount	Fair value	Carrying amount	Fair value
Financial Assets						
Measured at fair value through profit or loss (FVTPL)						
Financial assets measured at fair value - Mutual fund investments		Level 2	4,707.32	4,707.32	-	-
Measured at amortised cost						
Cash and bank balances			2,447.95	2,447.95	4,723.38	4,750.35
Other financial assets at amortised cost		Level 3	4,620.15	4,620.15	7,278.72	7,278.72
Financial liabilities						
Measured at amortised cost		Level 3	114,139.34	114,139.34	89,225.01	89,225.01

The fair values of the financial assets and financial liabilities included in the level 1 and level 3 categories above have been determined in accordance with generally accepted pricing models based on a discounted cash flow analysis, with the most significant inputs being the discount rate that reflects the credit risk of counterparties.



Archean Chemical Industries Private Limited
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Note 34 Related party transaction

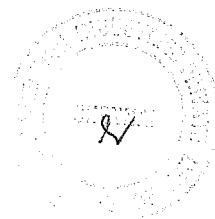
34.1 Names of Related Parties & Nature of Related Parties relationship

i. Entities or persons having significant influence	Goodearth Fertilisers Company LLP
ii. Subsidiary companies	Marine Chemicals Trading Pte Ltd
iii. Enterprise over which Key Management Personnel exercise significant influence.	Goodearth Maritime Ltd Jakhau Salt Company P Ltd Bharath Salt Refineries Ltd Archean Industries Private Limited Cloudgen Digital Private Limited Archean Salt Holdings P Ltd
iv. Key Management Personnel	Mr. P Ranjit - Whole-time Director (Managing Director with effect from 04 September 2020) Mr. E Sairam - Group CFO (CFO with effect from 04 September 2020) Mr. A R Balaji - CFO (Resigned with effect from August 28, 2019) Mr. G Balaji - Company Secretary

34.2 Transactions with related parties

Rs in lakhs

Particulars	Transaction Value		Amount Outstanding Receivable / (Payable)	
	Year ended March 31, 2020	Year ended March 31, 2019	As at March 31, 2020	As at March 31, 2019
Jakhau Salt Co P Ltd				
- Reimbursement of Jetty Expenses	416.87	459.10		
- Purchase of Salt	683.10	800.22		
- Rent Receivable	-	7.08	(873.57)	(1,205.21)
- Reimbursement of Expenses	35.42	-		
Goodearth Fertilisers Company LLP				
- Share Capital Issued	-	1,884.00	-	-
- Loan waived	-	446.00	-	-
Bharath Salt Refineries Ltd				
- Reimbursement of Expenses	(101.30)	23.50		
- Salt Purchase	428.61	141.92	101.30	(183.07)
- Rent Receivable	-	7.08		
Archean Salt Holdings P Ltd				
- Subordinated Loan received	-	-		(48.75)
- Sale of SOP	-	53.08	4.33	53.08
- Rent Receivable	-	0.35		-
P. Ranjit				
- Share Capital Issued	-	2,602.00		-
- Office Rent (GDM)	44.25	42.48	(3.24)	(3.88)
- Unsecured Loan	-	-		-
Marine Chemicals Trading Pte Ltd				
- Advance receivable waived off	5.78	-	-	5.78
Goodearth Maritime Limited				
- Reimbursement of Expenses	556.14	211.74	381.48	-
- Sale of Bromine	-	50.00	50.00	50.00
- Provision for doubtful receivables	50.00	-		
Archean Industries Private Limited				
- Reimbursement of Expenses	30.27		(1.18)	
Cloudgen Digital Private Limited				
- Consultancy Services availed	6.00		(1.30)	



Archean Chemical Industries Private Limited
Notes forming part of financial statements

34.3 Compensation of Key management personnel

The remuneration of directors and other members of key management personnel during the year was as follows :

Particulars	Rs in lakhs	
	Year ended March 31, 2020	Year ended March 31, 2019
Employee benefits expense		
Mr. P Ranjit	392.80	360.00
Mr. E Sairam	106.05	70.94
Mr. A R Balaji	49.45	31.37
Mr. G Balaji	25.72	15.78

Note 35 Lease arrangements

The Company leases many assets including land and buildings and machinery. Information about leases for which the Company is a lessee is presented below:

Right to use assets

Particulars	Rs in lakhs		
	Property	ISO tanks	Total
Balance as at April 01, 2019	1,548.24	1,835.93	3,384.17
Additions during year	-	551.91	551.91
Depreciation charge for the year	90.38	371.36	461.74
Balance as at March 31, 2020	1,457.86	2,016.48	3,474.34

Lease liabilities

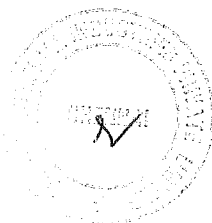
Particulars	Rs in lakhs	
	As at 31 March 2020	
Maturity analysis - contractual undiscounted cash flows		
- Less than one year	955.46	
- One to five years	4,217.23	
- More than five years	8,601.27	
Total undiscounted lease liabilities	13,773.96	
Lease liabilities included in the financial statement as at March 31, 2020		
- Current	374.64	
- Non Current	3,816.22	

Particulars	Rs in lakhs	
	As at 31 March 2020	
Amounts recognised in profit or loss		
- Interest on lease liabilities	570.80	
- Expenses relating to short-term leases	6.40	
- Expenses relating to leases of low-value assets, excluding short-term leases of low-value assets	9.53	

The impact of change in account policy due to adoption of Ind As 116 is as follows

Particulars	Rs. In Lakhs	
	Amount	
Increase in finance cost by	570.80	
Increase in depreciation of Right of use assets by	461.74	
Decrease in rent expense by	(750.76)	
Deferred tax impact on above	(70.92)	
Total	210.86	
Earnings per share prior to adoption of IND AS 116	(17.41)	
Earnings per share post adoption of IND AS 116	(18.50)	

The company's incremental borrowing rate is 17%



Note 36: Additional information to the financial statements

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

Particulars	Rs in Lakhs	
	As at 31 March 2020	As at 31 March 2019
Contingent liabilities		
a. Disputed Service tax, Sales tax, Income tax and Wealth tax dues under appeal (refer Note 35.1 (a))	-	540.02
b. Capital Commitments	1,569.62	6,423.00
Total	1,569.62	6,963.02

Note 36.1 (a) Details of disputed statutory dues

Name of Statute	Nature of Dispute	Rs in Lakhs			
		As at March 31, 2020	As at March 31, 2019	Period to which the amount relates	Forum where dispute is pending
Income Tax act, 1961	Disallowance (Refer note below)	-	540.02	2012-13	CIT Appeals
	Disallowance	-	-	2013-14	CIT Appeals
		-	540.02		

Note: Amounts paid under protest Rs. Nil (Previous year Rs.206.65 lakhs)

Future cashflows in respect of the above matters are determinable only on receipts of judgments/decisions pending at various forums / authorities.

Note 37 : Dues to Micro, Small and Medium Enterprises:

The Ministry of Micro, Small and Medium Enterprises has issued an office memorandum dated August 26, 2008 which recommends that the Micro and Small Enterprises should mention in their correspondence with its customers the Entrepreneurs Memorandum Number as allocated after filing of the Memorandum in accordance with the 'Micro, Small and Medium Enterprises Development Act, 2006' ('the Act'). Accordingly, the disclosure in respect of the amounts payable to such enterprises as at March 31, 2020 and March 31, 2019 has been made in the financial statements based on information received and available with the Company. Further Management has been provided the interest as per provisions of act. The Company has not received any claim for interest from any supplier as at the balance sheet date.

Particulars	As at 31 March 2020	As at 31 March 2019
The principal amount remaining unpaid to any supplier at the end of each accounting year;	425.57	-
The interest due thereon remaining unpaid to any supplier at the end of each accounting year;	6.61	-
The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006), along with the amount of the payment made to the supplier beyond the appointed day during each accounting year;	-	-
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 Micro, Small and Medium Enterprises Development Act, 2006;	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year; and	-	-
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 Micro, Small and Medium Enterprises Development Act, 2006	2.56	-



Archean Chemical Industries Private Limited
Notes forming part of financial statements

38. Events after the reporting date

The wholly owned subsidiary of the Company, Marine Chemicals Trading Pte Ltd has applied to the Accounting and Corporate Regulatory Authority for Strike-off under section 344 of the Companies Act of Singapore and received the strike off letter on 01 October 2020. In the previous financial year the company had made a provision for impairment in the carrying value of its investments in this subsidiary.

39. COVID19 (Pandemic):

The Management has considered the possible effects if any that may result from the pandemic relating to COVID-19 on the carrying amounts of its assets. The management has used internal and external sources of information to the extent determined by it, as at the date of approval of these financial statements, in estimating the recoverable amounts of these assets. The actual outcome of these assumptions and estimates may vary in future due to the impact of the pandemic.

40. Approval of financial statements


The financial statements were approved for issue by the Board of Directors on May 05, 2021

For and on behalf of the Board of Directors


S. Meenakshisundaram

Director
DIN: 01176085


P. Ranjit
Managing Director
DIN: 01952929


E. Sairam
Chief Financial Officer


G. Balaji
Company Secretary

Place : Chennai
Date : May 05, 2021

