



ASHOK ALCO-CHEM LIMITED

28TH
**ANNUAL
REPORT**

2019-20

Board of Directors

Mr. Sunil Shah (DIN : 03567415)	Non-Executive Director
Mr. Manoj Ganatra (DIN : 00568914)	Independent Director
Mr. Shekhaar Shetty (DIN : 07824778)	Independent Director
Mrs. Hina Shah (DIN : 08335130)	Independent Director
Mr. Purab Shah (DIN : 07490952)	Executive Director & CEO (Resigned w.e.f. December 1, 2019)

Chief Financial Officer **Mr. Vaize Ahmed Kampli**
(Resigned w.e.f. February 21, 2020)

**Company Secretary &
Compliance Officer** **Ms. Seema Gangawat**

Auditors **R. A. Maru & Associates**
Chartered Accountants, Mumbai

Registered Office 12/13, Jeevan Udyog Building, 278,
Dr. D. N. Road, Fort, Mumbai – 400 001
CIN: L24110MH1992PLC069615
Tel. No.: 022- 66106338
Email: secretarial@ashokalcochem.com
Website: <http://www.ashokalcochem.com>

**Registrar & Share
Transfer Agent** **LINK INTIME INDIA PVT. LTD.**
C 101, 247 Park, L B S Marg,
Vikhroli (West), Mumbai 400 083.
Tel No: +91 22 49186000 Fax: +91 22 49186060
Email: rnt.helpdesk@linkintime.co.in

Bankers **IDBI Bank Ltd.**

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NOTICE

NOTICE is hereby given that the 28th Annual General Meeting (AGM) of the Members of Ashok Alco-Chem Limited will be held on Monday, December 28, 2020 at 11.00 am through Video Conferencing ("VC")/Other Audio Visual Means ("OAVM"), to transact the following business:

ORDINARY BUSINESS:

- To receive, consider and adopt:
 - the Audited Standalone Financial Statements of the Company for the financial year ended March 31, 2020 together with the Reports of the Board of Directors and the Auditors' thereon; and
 - the Audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2020 together with the Report of the Auditors' thereon.
- To declare a dividend of ₹ 0.50/- per equity share for the financial year ended March 31, 2020.
- To appoint a Director in place of Mr. Sunil Shah (DIN: 03567415) who retires by rotation and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS:

4. Re-appointment of Mr. Shekhaar Shetty (DIN: 07824778) as an Independent Director

To consider and if thought fit, to pass the following Resolution as a **Special Resolution**:

"RESOLVED THAT pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 ('the Act') read with Schedule IV of the Act, the Companies (Appointment and Qualifications of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and Regulation 17 and other applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), as amended from time to time, Mr. Shekhaar Shetty (DIN: 07824778), who was appointed as an Independent Director at the 25th Annual General Meeting of the Company to hold office upto May 16, 2020, and who is eligible for re-appointment and has given his consent along with a declaration that he meets the criteria for independence under Section 149(6) of the Act and Regulation 16(1)(b) of the Listing Regulations and whose re-appointment is recommended by Nomination and Remuneration Committee, be and is hereby re-appointed as an Independent Director of the Company to hold office for a second term of 5 (five) consecutive years commencing from May 17, 2020 upto May 16, 2025, not liable to retire by rotation.

RESOLVED FURTHER THAT any Director or Company Secretary of the Company be and is hereby severally authorized to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this Resolution."

5. Re-appointment and Payment of Remuneration to Cost Auditors

To consider and if thought fit, to pass the following Resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of section 148 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the Company ratifies the re-appointment of M/s. N. Ritesh & Associates, Cost Accountants (Firm Registration No. R100675), as the Cost Auditors of the Company at the remuneration of ₹ 25,000/- (Rupees Twenty Five Thousand only) plus applicable taxes and out-of-pocket expenses payable at actual, to conduct audit of cost accounting records maintained by the Company relating to "Organic and Inorganic Chemicals" (manufacturing activity discontinued w.e.f. December 1, 2019) for the financial year 2020-21.

RESOLVED FURTHER THAT any Director or Company Secretary of the Company be and is hereby severally authorized to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this Resolution."

**For and on behalf of the Board
ASHOK ALCO-CHEM LIMITED**

Sd/-

**Seema Gangawat
Company Secretary & Compliance Officer**

**Place: Mumbai
Date: November 9, 2020**

Registered Office:

CIN: L24110MH1992PLC069615
12/13, Jeevan Udyog Building,
278, Dr. D.N. Road, Fort, Mumbai – 400 001
Tel.: 022-66106338
Email: secretarial@ashokalcochem.com
Website: www.ashokalcochem.com

NOTES:

- 1) Pursuant to the General Circular numbers 20/2020 dated May 5, 2020 read with General Circular nos. 14/2020 dated April 8, 2020 and 17/2020 dated April 13, 2020 issued by the Ministry of Corporate Affairs (MCA) and Circular number SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020, issued by the Securities and Exchange Board of India (SEBI) (hereinafter collectively referred to as "the Circulars"), companies are allowed to hold AGM through VC/OAVM, without the physical presence of members at a common venue. In compliance with the said Circulars, the AGM of the Company is being held through VC/OAVM.
- 2) Since the AGM is being held through Video Conference, in terms of the provision of MCA circular no. 14/2020 dated April 8, 2020, the facility for appointment of proxy by members will not be available for the Meeting.
- 3) The explanatory statement pursuant to section 102 of the Companies Act, 2013 ("the Act") relating to the Special Business to be transacted at the AGM is annexed hereto.

The relevant details as required under Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 ("Listing Regulations") and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India, in respect of Directors seeking appointment/re-appointment at this AGM are annexed as "**Annexure-1**".

- 4) Corporate Members intending to authorise their representatives to participate the AGM through VC/OAVM on its behalf and to vote through remote e-voting/during the AGM, pursuant to Section 113 of the Act are requested to send a certified copy of the relevant board resolution to the Scrutiniser by email through its registered mail addresses to jaymehta.cs@gmail.com in with a copy marked to evoting@nsdl.co.in.
- 5) The Register of Members and Share Transfer Books of the Company shall remain closed from Tuesday, December 22, 2020 to Monday, December 28, 2020.
- 6) The dividend, if declared, at the AGM, will be paid on or after Tuesday, December 29, 2020:-
 - to those Members holding shares in physical form, whose names appear on the Register of Members of the Company on close of business hours on Monday, December 21, 2020 ("Record Date");
 - in respect of the shares held in dematerialized form, the dividend will be paid to the Members whose names are furnished by the National Securities Depository Limited and the Central Depository Services (India) Limited as the beneficial owners as at the close of business hours on Monday, December 21, 2020 ("Record Date").
- 7) The Company will disburse the dividend vide ECS/NECS to those shareholders whose requisite particulars are available and to other shareholders vide dividend warrants. The intimation of dividend payout/dispatch will be sent within the statutory period.
- 8) Members attending the AGM through VC/OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
- 9) Members seeking any information with regard to the accounts or all documents referred to in the accompanying Notice and the Explanatory Statements shall be available for inspection through electronic mode. The members may send request to the Company at secretarial@ashokalcochem.com.
- 10) Transfer of Unclaimed Shares to Investor Education and Protection Fund

A) Transfer of shares

In accordance with the second proviso to sub-rule (1) to Rule 6 of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended from time to time, read with the explanation to Rule 6(1) inserted vide the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Second Amendment Rules, 2019 effective from 20th August 2019, the Company was required to transfer the shares, in respect of which dividend has been transferred to Investor Education and Protection Fund on or before the 7th September 2016, in the name of Investor Education and Protection Fund.

In terms of the above provisions, the Company has initiated to transfer 6900 underlying shares with respect to the dividend declared in the financial years 1996-97, 1997-98 and 1998-99 and consequently transferred to IEPF account. Accordingly, the Company has sent individual notice to all the Members whose shares were due, to be transferred to the IEPF Authority and has also published newspaper advertisement in this regard. The said shares will be transferred to IEPF Authority after January 21, 2021.



The details of the concerned Members including their folio number or DP ID - Client ID and the number of shares, to be transferred to the Demat Account of IEPF are available on the Company's website at www.ashokalcochem.com under the section <https://www.ashokalcochem.com/InvestorUpdate.html>

B) Claim from IEPF Authority

Members or their legal heir, as the case may be, can claim the unclaimed dividend amount and / or shares transferred to IEPF by making an online application to the IEPF Authority through Form IEPF-5 available on the website of the Authority www.iepf.gov.in and in the manner specified under IEPF Rules.

- 11) Members holding shares in the dematerialised mode are requested to intimate all changes with respect to their bank details, ECS mandate, nomination, power of attorney, change of address, change in name, etc. to their Depository Participants (DP). Members holding shares in physical form are requested to intimate the changes to the RTA of the Company. These changes will be automatically reflected in the Company's records, which will help the Company to provide efficient and better service to the Members.

The address of Company's RTA is as follows:

M/s. Link Intime India Pvt. Ltd.,

C-101, 247 Park,

L. B. S. Marg, Vikhroli (West),

Mumbai-400 083.

Phone: Tel – 022-49186000 Fax- 022-49186060

E-mail: rnt_helpdesk@linkintime.co.in

- 12) As per Regulation 40 of Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialised form with effect from, April 1, 2019, except in case of request received for transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialised form. Members may contact the Company's RTA for assistance in this regard.
- 13) The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their DPs with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to RTA of the Company.
- 14) Members holding shares in physical form, in identical order of names, in more than one folio are requested to send to the Company's RTA - Link Intime India Pvt. Ltd, the details of such folios together with the share certificates for consolidating their holdings in one folio. A consolidated share certificate will be issued to such Members after making requisite changes.
- 15) Pursuant to SEBI Circular No. D&CC/FITTC/CIR-15/2002 dated 27.12.2002 all the work related to share registry in terms of both physical and electronic are being done by the Company's RTA - M/s. Link Intime India Pvt. Ltd. Therefore, Members are requested to send their communication directly to them in future.
- 16) The Notice of the 28th AGM along with the Annual Report 2019-20 are being sent only through the electronic mode to Members whose e-mail addresses are registered with the Company/Depositories. Members may also note that Annual Report for the financial year ended March 31, 2020 including Notice of the 28th AGM is also available on the Company's website at <http://www.ashokalcochem.com/InvestorUpdate.html>
- 17) To support the 'Green Initiative', the Members who have not registered their e-mail addresses are requested to register the same with their DPs in case the shares are held by them in electronic form and with Company's RTA - Link Intime India Pvt. Ltd. in case the shares are held by them in physical form.
- 18) As per the provisions of section 72 of the Act, the facility for making nomination is available for the Members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. Members holding shares in physical form may submit the same to the Company's RTA - M/s. Link Intime India Pvt. Ltd., Members holding shares in electronic form may submit the same to their respective DP.
- 19) Unclaimed Dividend- details are available on website at <http://www.ashokalcochem.com/InvestorUpdate.html>
- 20) Since the AGM will be held through VC/OAVM, the route map, proxy form and attendance slip are not annexed to this Notice of the AGM.

21) Procedure for registration of e-mail address, bank details by shareholders and with respect to deduction of tax at source on dividend payout:**i. Registration of email id for shareholders holding physical shares:**

The Members of the Company holding Equity Shares of the Company in physical Form and who have not registered their e-mail addresses may get their e-mail addresses registered with Link Intime India Pvt Ltd, by clicking the link: https://linkintime.co.in/emailreg/email_register.html or on their website www.linkintime.co.in at the Investor Services tab by choosing the E mail / Bank Registration heading and follow the registration process as guided therein. The members are requested to provide details such as Name, Folio Number, Certificate number, PAN , mobile number and e mail id and also upload the image of share certificate in PDF or JPEG format. (upto 1 MB) .

On submission of the shareholders details an OTP will be received by the shareholder which needs to be entered in the link for verification.

ii. For Permanent Registration for Demat shareholders:

It is clarified that for permanent registration of e-mail address, the Members are requested to register their e-mail address, in respect of demat holdings with the respective Depository Participant (DP) by following the procedure prescribed by the Depository Participant.

iii. For Temporary Registration for Demat shareholders:

The Members of the Company holding Equity Shares of the Company in Demat Form and who have not registered their e-mail addresses may temporarily get their e-mail addresses registered with Link Intime India Pvt Ltd by clicking the link: https://linkintime.co.in/emailreg/email_register.html or on their web site www.linkintime.co.in at the Investor Services tab by choosing the E mail Registration heading and follow the registration process as guided therein. The members are requested to provide details such as Name, DPID, Client ID/ PAN, mobile number and e-mail id. (This will only help us in getting with touch with them in case of reminders emails for unclaimed dividend if any further the data will be only use as referral data and will not be updated in the system)

iv. Registration of Bank Details for physical shareholders:

The Members of the Company holding Equity Shares of the Company in physical Form and who have not registered their bank details can get the same registered with Link Intime India Pvt Ltd , by clicking the link: https://linkintime.co.in/emailreg/email_register.html or on their web site www.linkintime.co.in at the Investor Services tab by choosing the E mail/Bank Registration heading and follow the registration process as guided therein. The members are requested to provide details such as Name, Folio Number, Certificate number, PAN, E-mail ID along with the copy of the cheque leaf with the first named shareholders name imprinted in the face of the cheque leaf containing bank name and branch, type of account, bank account number, MICR details and IFSC code in PDF or JPEG format. It is very important that the shareholder to submit the request letter duly signed. Link intime will verify the documents upload and will only take on records for all valid cases.

On submission of the shareholders details an OTP will be received by the shareholder which needs to be entered in the link for verification.

v. Deduction of tax at source on dividend payout

Pursuant to Finance Act 2020, dividend income, exceeding ₹ 5,000, is taxable in the hand of the shareholders w.e.f. April 1, 2020 and the Company is required to deduct tax at source ("TDS") from dividend paid to the members as per the rates prescribed in the Income Tax Act, 1961 ("the IT Act"). In general, to enable compliance with TDS requirements, members are requested to complete and/or update their Residential status, PAN, category as per IT Act with their Depository Participants or in case shares are held in Physical Form, with the RTA by sending e-mail at rnt.helpdesk@linkintime.co.in. The Company will send individual communication in this regard to those shareholders whose email ids are registered with the Company.

The shareholders, who want to avail the benefit of tax exemption, can download the relevant forms from Link Intime's website. The URPL for the same is as under:

<https://www.linkintime.co.in/client-downloads.html> - On this page select the General tab. All the forms are available in under the head "Form 15G/15H/10F"



The documents (duly completed and signed) are required to be uploaded on the url mentioned below:

<https://linkintime.co.in/formsreg/submission-of-form-15g-15h.html> On this page the user shall be prompted to select / share the following information to register their request.

1. Select the company (Dropdown)
2. Folio / DP-Client ID
3. PAN
4. Financial year (Dropdown)
5. Form selection
6. Document attachment – 1 (PAN)
7. Document attachment – 2 (Forms)
8. Document attachment – 3 (Any other supporting document)

Please note that the upload of documents (duly completed and signed) on the website of Link Intime India Private Ltd should be done on or before Record date i.e Monday, December 21, 2020 for the dividend in order to enable the Company to determine and deduct appropriate TDS / Withholding Tax. Incomplete and/or unsigned forms and declarations will not be considered by the Company. No communication on the tax determination/ deduction shall be considered after 6:00 PM on Record date i.e Monday, December 21, 2020.

Shareholders may note that in case the tax on said final dividend is deducted at a higher rate in absence of receipt of the aforementioned details/documents, option is available to shareholder to file the return of income as per Income Tax Act, 1961 and claim an appropriate refund, if eligible.

All communications/ queries in this respect should be addressed to our RTA, Link Intime India Private Limited to its email address aacltaxexemption@linkintime.co.in

22) Voting through electronic means:

- I. In compliance with provisions of section 108 of the Act, read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended from time to time and the provisions of Regulation 44 of Listing Regulations, the Company is pleased to provide to its Members, facility to exercise their right to vote on resolutions proposed to be considered at the ensuing AGM by electronic means and the business may be transacted through e-voting services.
- II. The remote e-voting will be provided by NSDL which will commence from Thursday, December 24, 2020 (9:00 a.m.) and end on Sunday, December 27, 2020 (5:00 p.m.). During this period, Members of the Company, holding shares either in physical form or in dematerialised form, as on the cut-off date of Monday December 21, 2020 may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members who have cast their vote by remote e-voting prior to the AGM may also participate the AGM through VC/OAVM but shall not be entitled to cast their vote again. The facility for voting during the AGM will also be made available. Members present in the AGM through VC/OAVM and who have not cast their vote on the resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through the e-voting system during the AGM. Once the vote on a resolution is cast by the Member, the Member shall not be allowed to change it subsequently.
- III. The details of the process and manner for remote e-voting are explained herein below:

How do I vote electronically using NSDL e-Voting system?

The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

- » Step 1 : Log-in to NSDL e-Voting system at <https://www.evoting.nsdl.com/>
- » Step 2 : Cast your vote electronically on NSDL e-Voting system.

Details on Step 1 is mentioned below:

How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholders' section.

3. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen. Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL e-services after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****.
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Your password details are given below:

- If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
- If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
- How to retrieve your 'initial password'?
 - If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
 - If your email ID is not registered, please follow steps mentioned below in process for those shareholders whose email ids are not registered.

6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:

- Click on **"Forgot User Details/Password?"** (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
- "Physical User Reset Password?"** (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
- If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address.

7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.

8. Now, you will have to click on "Login" button.

9. After you click on the "Login" button, Home page of e-Voting will open.

Details on Step 2 is given below:

How to cast your vote electronically on NSDL e-Voting system?

- After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.
- After click on Active Voting Cycles, you will be able to see all the companies "EVEN" in which you are holding shares and whose



voting cycle is in active status.

3. Select "EVEN" of company for which you wish to cast your vote.
4. Now you are ready for e-Voting as the Voting page opens.
5. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
6. Upon confirmation, the message "Vote cast successfully" will be displayed.
7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
8. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e-mail ids for e-voting for the resolutions set out in this notice:

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to secretarial@ashokalcochem.com.

In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to secretarial@ashokalcochem.com.

2. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.

General Guidelines for shareholders

1. The Shareholders of the Company including Institutional Investors, if any, are requested to attend and vote at the 28th Annual General Meeting of the Company.
2. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to jaymehta.cs@gmail.com with a copy marked to evoting@nsdl.co.in
3. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.
4. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990 or send a request at evoting@nsdl.co.in. In case of any grievances connected with facility for E-voting, please contact Ms. Pallavi Mhatre, Manager, NSDL, 4th Floor, 'A' Wing, Trade World, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai 400013. Email: evoting@nsdl.co.in/pallavid@nsdl.co.in, Tel: 91 22 2499 4545/ 1800-222-990.

INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:

1. Members will be able to attend the AGM through VC/OAVM provided by NSDL at <https://www.evoting.nsdl.com> by using their remote e-voting login credentials and selecting the EVEN for Company's AGM. Members who do not have the User ID and Password for e-voting or have forgotten the User ID and Password may retrieve the same by following the remote e-voting instructions mentioned in the Notice. Further, Members can also use the OTP based login for logging into the e-voting system of NSDL.
2. Members are encouraged to join the Meeting through desktop/laptops for better experience. Further, Members will be required to allow camera and use internet with high-speed to avoid any disturbance during the meeting.
3. Please note that participants connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to fluctuation in their respective network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any kind of aforesaid glitches.
4. Facility of joining the AGM through VC/OAVM shall open 30 minutes before the time scheduled for the AGM and will be available for Members on first come first serve basis and the Company may close the window for joining the VC/OAVM facility 30 minutes after the scheduled time to start the AGM.

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5. Members may note that the VC/OAVM facility, provided by NSDL, allows participation of atleast 1,000 Members on a on a first-come-first-serve basis. The large shareholders (i.e. shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors, etc. can attend the AGM without any restriction on account of first-come-first-serve principle.
6. Members who need assistance before or during the AGM, can contact NSDL on evoting@nsdl.co.in/ 1800-222-990 or contact Mr Amit Vishal, Senior Manager – NSDL at amity@nsdl.co.in/ or at +91 22-24994360 or Ms Pallavi Mhatre, Manager- NSDL at pallavid@nsdl.co.in/ or at +91 22-24994545.
7. Members who would like to express their views or ask questions during the AGM need to register themselves as a speaker by sending their request, in advance at least seven days prior to the meeting, from their registered email address mentioning their name, DP ID and Client ID/folio number, PAN, mobile number at secretarial@ashokalcochem.com. Those Members who have registered themselves as a speaker will only be allowed to express their views/ask questions during the AGM. The queries will be replied by the Company suitably.

Other Instructions:

- i. You can also update your mobile number and email ID in the user profile details of the folio which may be used for sending future communication(s).
- ii. The voting rights of Members shall be in proportion to their share of the paid-up equity share capital of the Company as on the cut-off date of Monday, December 21, 2020.
- iii. Any person, who acquires shares of the Company and becomes a Member of the Company after dispatch of the Notice and holding shares as on the cut-off date i.e. Monday, December 21, 2020, may obtain the login ID and password by sending a request at evoting@nsdl.co.in. However, if he/she is already registered with NSDL for remote e-voting then he/she can use the existing user ID and password for casting the vote.
- iv. A person, whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the depositories, as on the cut-off date shall only be entitled to avail the facility of remote e-voting or casting vote through e-voting during the AGM.
- v. Mr Jay Mehta of M/s Jay Mehta & Associates, Practicing Company Secretaries (COP 8694) has been appointed as the Scrutiniser to scrutinise the remote e-voting process and e-voting during the AGM in a fair and transparent manner.
- vi. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutiniser, to all those Members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.
- vii. The Scrutiniser shall, not later than 48 hours from the conclusion of the AGM, a consolidated scrutiniser's report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing, who shall countersign the same and declare the result of the voting forthwith.
- viii. The results declared along with the report of the Scrutiniser shall be placed on the website of the Company www.ashokalcochem.com and on the website of NSDL www.evoting.nsdl.com, immediately after the declaration of result by the Chairman or a person authorised by him in writing. The results shall also be immediately forwarded to the Stock Exchanges where the shares of the Company are listed.

EXPLANATORY STATEMENT IN RESPECT OF THE SPECIAL BUSINESS PURSUANT TO SECTION 102 OF THE ACT, IS GIVEN BELOW:

Item No. 4:

Pursuant to the provisions of Section 149 of the Companies Act 2013 and related rules thereof, the Shareholders of the Company had, at the 25th Annual General Meeting held on September 22, 2017, appointed Mr. Shekhaar Shetty as an Independent Director of the Company for a period of three years with effect from May 17, 2017.

Mr. Shekhaar Shetty is a commerce graduate from University of Mumbai and also holds a LLB degree from renowned Government Law College. He is an Independent lawyer by profession and has 20 years of vast experience of practice in Criminal & Family Courts. He is a panel member of Lok-Adalat and advisory member and panel advocate for legal aid cases. He has actively participated and attended various Legal Seminars held by the legal fraternity and Bar Councils of Maharashtra & Goa.

Mr. Shekhaar Shetty was the Joint Secretary of Borivali Advocates Bar Association in the year 2012-13 and was the Secretary of Borivali Advocates Bar Association in the year 2013-2014 and 2014-2015. He has attended various Mediation Seminars held in Metropolitan Centre of courts, Borivali.

He is the Chairman of the Stakeholders Relationship Committee of the Board of Directors of the Company.

Based on the performance evaluation of the Independent Directors and as per the recommendations of the Nomination and Remuneration Committee, given his background, experience, contribution and valuable guidance, the Board is of the opinion that Mr. Shetty's continued association would be of immense benefit to the Company and it is therefore desirable to continue to avail his service as an Independent Director.

The Board of Directors of the Company, on the basis of performance evaluation report and on the recommendation of the Nomination and Remuneration Committee, proposed the re-appointment of Mr. Shekhaar Shetty as Independent Director of the Company, not liable to retire by rotation, for a second term effective May 17, 2020 up to May 16, 2025.

The Company has received from Mr. Shekhaar Shetty (i) Consent in writing to act as Director in Form DIR-2 pursuant to Rule 8 of the Companies (Appointment and Qualifications of Directors) Rules, 2014 (ii) Intimation in Form DIR-8 in terms of the Companies (Appointment and Qualifications of Directors) Rules, 2014, to the effect that he is not disqualified under Section 164(2) of the Act (iii) Declaration to the effect that he meets the criteria of independence as provided in Section 149(6) of the Act read with Regulation 16 and Regulation 25(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended ('Listing Regulations') and registered his name with Independent Director's Databank and (iv) Declaration pursuant to BSE Circular No. LIST/COMP/14/2018-19 dated June 20, 2018, that he has not been debarred from holding office of a Director by virtue of any Order passed by Securities and Exchange Board of India or any other such authority.

In the opinion of the Board, Mr. Shekhaar Shetty fulfills the conditions specified under the Act and the Listing Regulations for re-appointment as an Independent Director and that he is independent of the Management.

In terms of Section 149, 152 and other applicable provisions of the Act, read with Schedule IV of the Act and the Rules made thereunder, and in terms of the applicable provisions of the Listing Regulations, each as amended, the re-appointment of Mr. Shekhaar Shetty as an Independent Director of the Company for a second term of 5 (five) years commencing from May 17, 2020 to May 16, 2025 is being placed before the Shareholders for their approval by way of a Special Resolution. Mr. Shekhaar Shetty, once appointed, will not be liable to retire by rotation.

The profile and specific areas of expertise of Mr. Shekhaar Shetty are provided as annexure to this Notice.

Except Mr. Shekhaar Shetty, being the appointee, none of the Directors and Key Managerial Personnel of the Company or their relatives, are concerned or interested financially or otherwise, in the proposed resolution.

The Board recommends the Special Resolution set out at Item No. 4 for the approval of the Members.

Item No. 5:

The provision of the Section 148 read with Rule 4(2) of the Companies (Cost Records and Audit) Rules, 2014, *inter alia*, states that the Company shall get its cost records audited if the overall annual turnover of the company from all its products and services during the immediately preceding financial year exceeds ₹ 100 crores.

The Company was previously operating under two segments i.e manufacturing activity and trading activity but during the financial year under review the Company discontinued its manufacturing activity with from December 1, 2019. Since the Company's overall annual turnover, during the immediately preceding financial year, exceeds ₹ 100 crores, it is required to appoint the Cost Auditors for the financial year 2020-21.

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In view of above provisions, the Board of Directors of the Company, on the recommendation of the Audit Committee, approved the re-appointment of M/s. N. Ritesh & Associates, Cost Accountants, as Cost Auditors of the Company to conduct cost audit of the Company for the financial year 2020-21, at remuneration of ₹ 25,000 plus applicable taxes and out-of-pocket expenses incurred by them in connection with the aforesaid audit.

M/s. N. Ritesh & Associates, Cost Accountants, have consented to the said appointment and have furnished a certificate regarding their eligibility for re-appointment as Cost Auditors of the Company.

In terms of the provisions of Section 148(3) of the Act read with Rule 14(a)(ii) of the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors is required to be ratified by the Members of the Company. Accordingly, consent of the Members is sought to ratify the re-appointment of M/s N. Ritesh & Associates, Cost Auditors and payment of remuneration for the financial year 2020-21.

None of the Directors and Key Managerial Personnel of the Company or their relatives are concerned or interested financially or otherwise, in the proposed resolution.

The Board recommends the Ordinary Resolution as set out at Item No. 5 for approval of the Members.

**For and on behalf of the Board
ASHOK ALCO-CHEM LIMITED**

Sd/-

Place: Mumbai

Date: November 9, 2020

Registered Office:

CIN: L24110MH1992PLC069615

12/13, Jeevan Udyog Building,

278, Dr. D.N. Road, Fort, Mumbai – 400 001

Tel: 022-6610 6338

Email: secretarial@ashokalcochem.com

Website: www.ashokalcochem.com

Seema Gangawat

Company Secretary & Compliance Officer

Annexure 1 – Pursuant to Regulation 36 of Listing Regulations and the Secretarial Standards on General Meetings, the details of Director(s) seeking appointment /re-appointment at the AGM are given herein below:

Particulars	Mr. Sunil Shah Promoter / Non-Executive Director	Mr. Shekhaar Shetty Independent Director
Director Identification Number (DIN)	03567415	07824778
Date of Birth (Age)	November 7, 1962 (58 years)	September 5, 1974 (46 years)
Nationality	Indian	Indian
Date of First Appointment	February 8, 2013	May 17, 2017
Qualifications	DME, AIME, (Mechanical Engineer)	B.Com & LLB
Expertise in specific functional areas	Project Management & Marketing	Vast experience of practice in Criminal & Family Courts
Terms and conditions of appointment or re-appointment	Mr. Sunil Shah retires by rotation at the ensuing AGM and being eligible, seeks re-appointment.	Being re-appointed for a second term of 5 (five) consecutive years commencing from May 17, 2020 upto May 16, 2025, not liable to retire by rotation.
Number of Meetings of the Board attended during the year ended March 31, 2020	7 (Seven)	7 (Seven)
Relationship with other Directors/ Mangers / Key Managerial Personnel	NA	NA
Shareholding in Ashok Alco-Chem Limited	1000 Equity Shares	Nil
Directorships held in other Companies (excluding foreign, private and section 8 Companies)	Nil	Nil
Chairman/ Member of the Committee of the Board of Directors of other companies in which he is a Director	Nil	Nil
Remuneration details	NA	NA

BOARD'S REPORT

The Members,

Ashok Alco-Chem Limited

Your Directors are pleased to present their 28th Annual Report together with the Audited Financial Statements of your Company for the year ended March 31, 2020. The section on the Management Discussion and Analysis (MD&A) forms a part of this report.

FINANCIAL RESULTS

The following figures summaries the financial performance of your Company during the year under review:

(₹ in Lakhs)

Particulars	Standalone		Consolidated	
	2019-20	2018-19	2019-20	2018-19
Income from Operations	11,203.50	17,042.95	11,250.80	17,155.90
Other Income	656.01	161.83	655.38	163.01
Total Income	11,859.51	17,204.78	11,906.18	17,318.91
Less : Total Expenditure	12,494.15	17,255.15	12,643.79	17,362.47
Profit/(Loss) before Interest, Depreciation and Tax	(634.64)	(50.37)	(737.61)	(43.56)
Less : Interest	64.23	113.68	64.23	113.68
Profit/(Loss) before Depreciation and Tax	(698.87)	(164.05)	(801.84)	(157.24)
Less : Depreciation	62.02	117.05	64.78	118.40
Profit/(Loss) before Tax	(760.89)	(281.10)	(866.62)	(275.64)
Less : Tax Expenses				
Current Tax	–	1.25	–	0.25
Deferred Tax	134.62	78.61	132.68	79.05
Tax adjustment earlier year	21.79	(95.95)	21.79	(92.56)
Profit/(Loss) for the year	(604.47)	(297.19)	(712.15)	(288.90)
Add: Other Comprehensive Income	–	–	–	–
i. Re-measurement gain/(loss) on the Defined Benefit Plans	(33.81)	4.80	(33.81)	4.80
ii. Income tax on (i) above	8.51	(1.25)	8.51	(1.25)
Total Comprehensive Income for the year	(629.77)	(293.64)	(737.45)	(285.35)

OVERVIEW OF THE FINANCIAL PERFORMANCE

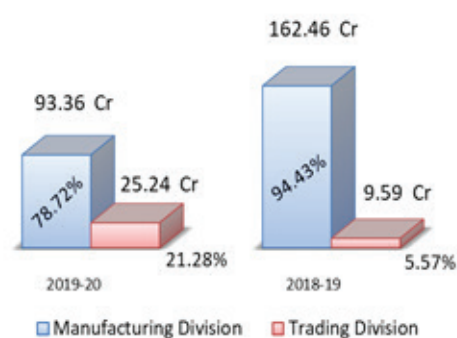
The turnover of the Manufacturing Division of your Company is recorded low by 42.53% in its revenue and 43.53% in its production figures vis a vis previous year 2018-19. The drop in the topline and production figures was mainly due to the closure of manufacturing activity.

The performance of the Trading Division has shown the growth by 163.19% as compared to previous year 2018-19. The Manufacturing Division has contributed up to 78.72% to total revenue during 2019-20 as compared to 94.43% during previous year 2018-19. The Trading Division has contributed up to 21.28% to total revenue during 2019-20 as compared to 5.57% during previous year 2018-19.

STATE OF COMPANY'S AFFAIRS

On account of dwindling prospects in the industrial chemicals industry the performance of the Manufacturing Division of your Company began waning quarter on quarter from January 2019. The Manufacturing Division yielded an EBITDA of ₹ (417.17) Lakhs for the FY 2019-20 as compared to ₹ 110.67 Lakhs during previous year FY 2018-19. The Trading Division EBITDA of ₹ (217.47) Lakhs has added to the sub-par performance of the Company leading to an EBITDA of ₹ (634.64) Lakhs on a standalone basis.

Segment Revenue





In view of the continuing losses from manufacturing division, the Board of Directors of your Company decided to hive off and sell its manufacturing division along with its appurtenant residential colony situated at Mahad, Maharashtra.

The said transaction was approved by the Members of the Company at the Annual General Meeting held on September 28, 2019. Accordingly, pursuant to Asset Purchase Agreement entered into between the Company and Yellowstone Chemicals Private Limited (YCPL), the Company sold its manufacturing division along with the residential colony situated at Mahad, Maharashtra, at an aggregate consideration of ₹ 18 crores plus applicable taxes to YCPL.

During the year under review, the Company was operating in two segments viz. manufacturing activity (upto November 30, 2019) and trading activity.

Subsequent to the year under review, the Company vide Assignment Agreements executed and registered on August 11, 2020, has, *inter-alia*, transferred/assigned all its rights, title, entitlement and interest including its leasehold rights in the factory premises & residential colony situated at Mahad, Maharashtra, for the residual period, to YCPL.

Accordingly, the Company complied with all the terms and conditions of the Asset Purchase Agreement and concluded the said transaction.

Your Company has not only continued its mineral trading business but also deepened its footprint in the minerals segment by acquiring Aeon Procure Private Limited a company *inter-alia*, engaged in the business of mineral-based pharmaceutical intermediates.

Open Offer

On 25th August, 2020, a Share Purchase Agreement was entered into between Mr. Manan Chetan Shah ("the acquirer") and the promoter shareholders of Aura Alkalies and Chemicals Private Limited ("Aura") namely Mr. Sunil Shah and HK Dealers Private Limited, to buy 100% shareholding of Aura, resulting into the indirect acquisition of Ashok Alco-Chem Limited. Aura is the promoter company, holding 54.75% of the Voting Share Capital in your Company.

Accordingly, in compliance with the provisions of the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, the acquirer, through Pioneer Investcorp Limited (SEBI Regn. No. INM000002988) (Pioneer) Manager to Open Offer, made public announcement on August 25, 2020 and filed the same with BSE, SEBI and communicated to the Company via mail. Through the open offer, up to 11,96,090 (Eleven Lakhs Ninety Six Thousand and Ninety Only) fully paid-up equity shares of face value of Rs.10 each (Rupees Ten each) representing 26% of the Fully Diluted Total Paid-Up Equity Share Capital of the Target Company is being acquired by the acquirer for cash at a price of ₹ 22.55 (Rupees Twenty Two and Paise Fifty Five only) per equity share aggregating to a consideration of ₹ 2,69,71,830/-.

The object of the open offer is to acquire control over Aura Alkalies and Chemicals Private Limited and indirectly over the Company by virtue of acquiring the promoter entity.

Post open offer, the acquirer will be entitled to indirectly exercise 54.75% of the Voting Share Capital and control over your Company, through Aura. There will be a change in management control pursuant to this Open Offer. Further, post completion of the open offer, he will also be reclassified as a promoter of the Company subject to the compliance of the conditions specified under Regulation 31A of the SEBI (LODR) Regulations, 2015.

HIGHLIGHTS OF PERFORMANCE OF SUBSIDIARIES AND THEIR DECLINED CONTRIBUTION TO OVERALL PERFORMANCE OF THE COMPANY

The revenue from subsidiaries of your Company has declined by 55.17% as compared to FY 2018-19. It has contributed ₹ (105.74) Lakhs towards Loss Before Tax during the year as compared to ₹ 5.46 Lakhs Profit Before Tax during 2018-19. The subsidiary of your Company has contributed negatively to the extent of 12.20% to the Loss Before Tax in the consolidated profit and loss account.

IMPACT OF COVID – 19 PANDEMIC:

In the last month of FY 2019-20, the Coronavirus (Covid-19) pandemic developed rapidly into a global crisis. The Ministry of Home affairs, Government of India on March 24, 2020 notified the first ever nationwide lockdown in India to contain the outbreak of Covid-19 resultant disruption of all economic activities across India. The emerging pandemic had an adverse impact on the Company's export-based trading business in the last quarter of the financial year.

In view of the outbreak of the pandemic, the Company took timely and essential measures to ensure the safety and well-being of all its employees and observed all the government advisories and guidelines thoroughly and in good faith.

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DIVIDEND

Though your Company's performance was negative during FY 2019-20, however, considering the previous years' performance and to appropriately reward the Members of the Company, your Directors propose to pay dividend out of the surplus available under the Retained Earnings of the Company.

Your Directors are pleased to recommend a dividend of ₹ 0.50/- (i.e. 5%) per equity share of ₹ 10/- each for the financial year ended March 31, 2020 around ₹ 23.00 Lakhs out of accumulated profits of past years. This dividend is subject to the approval of the Members at the ensuing Annual General Meeting and if declared, Members whose names appear on the Register of Members on record date i.e. Monday, December 21, 2020 will be entitled to dividend.

In the previous year the Company paid a dividend of ₹ 1/- per equity share (i.e. 10%) of ₹ 10/- each of the Company.

TRANSFER TO GENERAL RESERVES

Considering the loss incurred during the year under review, your Directors do not propose transfer of any sum to the general reserves.

SHARE CAPITAL

During the financial year 2019-20, there is no change in the authorized, issued, subscribed and paid-up share capital of the Company. As on March 31, 2020, the Company is having authorized share capital of ₹ 7,00,00,000/- comprising of 50,00,000 equity shares of ₹ 10/- each and 20,00,000 11% preference shares of ₹ 10/- each.

The issued, subscribed and paid-up equity share capital of the Company as on March 31, 2020 is ₹ 4,60,03,430/- comprising of 46,00,343 equity shares of ₹ 10/- each.

During the year under review, the Company has not issued shares with differential rights as to dividend, voting or otherwise or bought back any of its securities. The Company has not issued any sweat equity/bonus shares/employee stock option plan, under any scheme.

SHIFTING OF REGISTERED OFFICE

During the year under review, your Company's registered office shifted from 104, Venkatesh Chambers, 1st Floor, Ghanshyam Talwatkar Marg, Fort, Mumbai – 400 001 to

12/13, Jeevan Udyog Building, 278, Dr. D.N. Road, Fort, Mumbai – 400 001 (within the local limits of city) w.e.f. February 15, 2020.

ALTERATION OF OBJECT CLAUSE

During the year under review, the Company had altered its object clause of its Memorandum of Association by incorporating therein business of, *inter-alia*, buying, selling or exploiting mines, mineral processing and trading & dealing in all kinds of minerals and ores.

The approval of shareholders was obtained at the previous AGM held on September 28, 2019 for above amendment in the object clause of the Memorandum of Association. Further, the Registrar of Companies, Maharashtra, Mumbai, issued fresh certificate of incorporation consequent upon change in Object Clause and that the said Amendment is effective from October 14, 2019.

HOLDING COMPANY

Aura Alkalies and Chemicals Private Limited continues to be Holding Company of the Company by holding 25,18,632 Equity Shares of the Company i.e. 54.75%, at the end of the financial year March 31, 2020.

SUBSIDIARY / JOINT VENTURE / ASSOCIATE COMPANY

During the year under review, your Company acquired 35,000 Equity Shares (including 6 shares through its nominee(ies) with beneficial interest held with the Company) of Aeon Procure Private Limited, on December 17, 2019. Accordingly, it became wholly-owned subsidiary of the Company. Aeon Procure Private Limited is, *inter alia*, engaged in the business of mineral-based pharmaceutical intermediates.

As on date, your Company is a holding company of Aeonx Digital Solutions Private Limited (formerly known as Ashwa Minerals Private Limited) and Aeon Procure Private Limited.

Your Company does not have any Associate or Joint Venture Companies within the meaning of Section 2(6) of the Act.

Pursuant to provisions of Section 129(3) of the Act, a statement containing salient features of the financial statements of the Company's subsidiary in Form AOC-1 is attached to the financial statements of the Company.

Further, pursuant to the provisions of Section 136 of the Act, the audited standalone and consolidated financial statements and other relevant documents and audited accounts of the said subsidiary company, are available on the website of the Company at <http://www.ashokalcochem.com/InvestorUpdate.html>

PROMOTERS

There has been no change in the shares of the Company under the “Promoter and Promoter Group”. The present promoters of the Company are:

Sr. No.	Name	No. of Shares held	% to total paid up capital
1.	Aura Alkalies and Chemicals Private Limited	25,18,632	54.75
2.	Mr. Sunil Shah	1,000	0.02
3.	HK Dealers Private Limited	1,000	0.02
	Total Promoters' Holding	25,20,632	54.79

DIRECTORS AND KEY MANAGERIAL PERSONNEL (KMP)

Appointment /Re-appointment

- 1) Pursuant to the provisions of Section 152 of the Act and the Articles of Association of the Company, Mr. Sunil Shah, Non-Executive Director of the Company, retires by rotation at the ensuing Annual General Meeting (AGM) and being eligible, has offered himself for re-appointment. The Board recommends his re-appointment at the ensuing AGM.
- 2) The Members had appointed Mr. Shekhaar Shetty as an Independent Director of the Company to hold office for three consecutive years from May 17, 2017 upto May 16, 2020. Pursuant to the provisions of the Act and on the basis of the performance evaluation; taking into account recommendation of Nomination & Remuneration Committee and considering his experience, expertise & valuable contribution made by him during his tenure, the Board recommends for the approval of the Members through a Special Resolution, the re-appointment of Mr. Shekhaar Shetty as an Independent Director of the Company for a second term of five consecutive years from May 17, 2020 to May 16, 2025. In the opinion of the Board, Mr. Shekhaar Shetty possesses integrity, expertise and experience for being appointed as Independent Director. Further, he shall clear the self assessment test being conducted by the Indian Institute of Corporate Affairs.

Resignation

During the year under review, the Board took note of following resignations of Directors and KMPs:

1. Mrs. Neeta Shah, Non-Executive Director resigned from the Board of the Company w.e.f. May 29, 2019.
2. Mr. Purab Shah, Executive Director & CEO resigned from the Board of the Company w.e.f. December 1, 2019, consequently he ceased as KMP of the Company.
3. Mr. Vaize Ahmed Kampli, Chief Financial Officer of the Company resigned w.e.f. February 21, 2020.

Your Board takes this opportunity to express its appreciation for the valuable contribution made by aforementioned Directors & KMPs during their tenure in the Company.

Subsequent to resignation of CEO & CFO of the Company and in terms of the provisions of Section 2(51) and Section 203 of the Act, the said posts were vacant and the Company is looking for suitable candidate to fill the vacancy.

Independent Directors

The following Non-Executive Directors are Independent Directors in terms of the provisions of section 149(6) of the Act read with the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as “Listing Regulations”).

- a) Mr. Manoj Ganatra
- b) Mr. Shekhaar Shetty
- c) Mrs. Hina Shah

The said Independent Directors are not liable to retire by rotation. The Company has received declarations from all the Independent Directors confirming that:-

- they meet the criteria of independence as prescribed under Section 149(6) of the Act and Regulation 16(1)(b) of the Listing Regulations and are independent from the management and there has been no change in the circumstances which may affect their status as independent director during the year.
- they have registered their names in the Independent Directors' Databank.

Non-Executive Directors

The Non-Executive Directors were not paid any remuneration other than the sitting fees and reimbursement of expenses incurred by them for the purpose of attending meetings of the Company.

Key Managerial Personnel (KMP)

In terms of the provisions of Section 2(51) and Section 203 of the Act, the following are the KMP of the Company:

- a) Mr. Purab Shah – Executive Director & CEO (ceased w.e.f. December 1, 2019)
- b) Mr. Vaize Ahmed Kampli – Chief Financial Officer (ceased w.e.f. February 21, 2020)
- c) Ms. Seema Gangawat – Company Secretary & Compliance Officer.

NUMBER OF MEETINGS OF THE BOARD

The Board of Directors of the Company met seven times during the financial year 2019-20 viz. on May 29, 2019, July 16, 2019, August 13, 2019, August 14, 2019, November 12, 2019, December 16, 2019 and February 11, 2020. The details of attendance of respective directors are given in the Corporate Governance Report. The intervening gap between the two meetings was within the period prescribed under the Act and Regulation 17 of the Listing Regulations.

BOARD COMMITTEES

As per the applicable provisions of the Act and the Listing Regulations, the Company has formed the following statutory committees.

1. Audit Committee
2. Nomination and Remuneration Committee
3. Corporate Social Responsibility Committee
4. Stakeholders Relationship Committee.

Detailed information of all the Committees and relevant information for the year under review are set out in the Corporate Governance Report.

NOMINATION AND REMUNERATION POLICY

Pursuant to the provisions of the Act and the Part D of Schedule II of Listing Regulations, the Company has formed and implemented Nomination and Remuneration Policy and the same is available on the Company's website at www.ashokalcochem.com/InvestorUpdate.html

FAMILIARISATION PROGRAMME FOR INDEPENDENT DIRECTORS

The familiarization programme seeks to update the Directors on the roles, responsibilities, rights and duties under the Act and other statutes.

The Company's familiarization programme for Independent Directors is posted on the Company's website at www.ashokalcochem.com/InvestorUpdate.html

BOARD EVALUATION

Pursuant to the provisions of the Act and the Listing Regulations, annual performance evaluation of the Board, its Committee and of individual Directors has been made.

The manner, in which the evaluation has been carried out, forms part of the Corporate Governance Report.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134(3)(c) read with Section 134(5) of the Act, your Company's Directors, based on the representations received from the management, confirm that:

- a. the applicable Accounting Standards have been followed in the preparation of the annual accounts along with the proper explanation relating to material departures, if any;
- b. they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and Company for that period;

- c. they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d. they have prepared the annual accounts on a going concern basis;
- e. they have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- f. they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

MANAGEMENT DISCUSSION AND ANALYSIS

Cautionary Statement

Statements made under this section describing the Company's projections, estimates and expectations may be "forward-looking statements" within the meaning of applicable securities laws and regulations. Important factors that could make a difference to the Company operations include, among others, economic conditions affecting demand/supply and price conditions in the domestic and overseas markets in which the Company operates, changes in government regulations, tax laws and other statutes and incidental factors. The information provided in Economy Outlook and Industry Scenario Outlook section is based on our internal study, which is not prejudice.

Although the expectations are based on reasonable assumptions, the actual results might differ.

Economy Outlook

Fraught with trade and tariff skirmishes, global GDP in 2019 is estimated by IMF to have grown at a sluggish 2.9 percent. The pre-Covid-19 IMF forecasts of 3.3 percent global GDP growth in 2020 were quickly defenestrated by mid-2020, and replaced by forecasts of an impending global contraction of 4.9 percent.

As per the IMF, the Indian economy trundled at a growth rate of 4.8 percent in FY 2019-20 on account of stifling credit and sluggish rural demand.

The COVID-19 pandemic has had a more negative impact on activity in the first half of 2020 than anticipated, and the recovery is projected to be more gradual than previously forecast. The IMF has projected that the global GDP contraction of 4.9 percent in 2020, will be followed by a growth of 5.4 percent in 2021. And yet, this would leave 2021 GDP some 6.5 percentage points lower than in the pre-COVID-19 projections of January 2020.

Forecasts for the Indian economy have been decidedly bleaker, Moody's Investors Service projection a contraction of 10.6 percent for India in 2020-21.

The industrial chemical and mineral sectors have not been insulated from the global and local economic headwinds.

Industry Scenario Outlook

The industrial chemicals sector was becoming structurally sclerotic and unremunerative on account of which your Company chose to focus on sunrise businesses like mineral based pharmaceutical intermediates and information technology services through its subsidiaries. Although the ill-timed pandemic has cast its shadow on the Company's fledging initiatives, the medium to long-term outlook for mineral based pharmaceutical intermediates and information technology services remain encouraging.

Segment-wise Performance

Your Company's overall Loss After Tax for financial year 2019-20 was ₹ 604.47 Lakhs against Loss of ₹ 297.19 Lakhs in financial year 2018-19.

The Total Comprehensive Income of your Company for FY 2019-20 was ₹ (629.77) Lakhs against Loss ₹ (293.64) Lakhs in financial year 2018-19.

Opportunities, Threats, Risks and Concerns

The global and domestic markets for products and service are currently in a flux on account of the raging pandemic. While this presents a risk for some enterprises, Companies with deep seated domain expertise and vision are likely emerge stronger. Your Company has more than a decade's experience in minerals and mineral based products based on which it has chosen a forward integration strategy by inducting mineral based pharmaceutical intermediates into its portfolio.

Financial Performance

Financial performance achieved by your Company, during the year under review, is as disclosed in this Report under the head "Financial Results" and "Overview of the Financial Performance".

Internal Control Systems and Adequacy

Your Company has a well-placed, suitable and adequate internal control system, commensurate with the size, scale and complexity of its operations which ensure;

- Reliable and accurate financial reporting
- Keeping constant check on cost structure
- Prevention and detection of the frauds and errors
- Assurance of orderly and efficient conduct of operations
- Safeguarding of assets

The Company is committed to good corporate governance practices and facilitates timely detection of any irregularities and early remedial steps against factors such as loss from unauthorized use and disposition. Company policies, guidelines and procedures provide for adequate checks and balances which are meant to ensure that all transactions are authorized, recorded and reported correctly. The internal controls are continuously assessed and improved/modified to meet changes in business conditions, statutory and accounting requirements.

Statutory Auditors of the Company has audited the financial statements included in this annual report and has issued report on our internal control over financial reporting (as defined in section 143 of the Act.)

The Internal Auditors monitor and evaluate the efficacy and adequacy of internal control system in the Company, its compliance with operating systems, accounting procedures and policies at all locations of the Company. Based on the Internal Auditors reports, the process owners undertake corrective actions in their respective areas and strengthen the area of controls.

Every quarter the Audit Committee of the Board of Directors oversight the activities which mainly include:

- Reviewing the significant audit observations, the corrective steps recommended and their implementation status.
- Reviewing of Financial reports and other financial information, and communicating with the regulators.
- Reviewing the internal financial controls system and procedure, governance and risk management.

Human Resource and Industrial Relations

As on March 31, 2020, the Company had a total head count of 5. The Directors wish to place on record their appreciation for the contributions made by the employees to the Company during the year under review at all levels.

During the year under review till November 30, 2019, industrial relations in the factory/plant were cordial and pro-active and all employees and the Union supported productivity and process improvement measures undertaken at all the functions of the Company.

Details of Significant Changes in Key Financial Ratios:

Particulars	FY 19-20	FY 18-19
Debtors Turnover Ratio (Number of Days)	5.68	6.48
Inventory Turnover Ratio (Number of Days)	0.00	7.92
Interest Coverage Ratio	(10.85)	(1.47)
Current Ratio	2.37	1.44
Debt Equity Ratio	–	–
Operating Profit Margin (in %)	(6.22%)	(0.98%)
Net Profit Margin (in %)	(5.40%)	(1.74%)
Return on Net Worth (in %)	(16.59%)	(6.84%)

PARTICULARS OF EMPLOYEES

Information as per section 197 of the Act read with the Rule 5 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 as amended from time to time, forms part of this report as “**Annexure A**”.

Further, none of the employees of the Company were in receipt of remuneration in excess of the limits as set out under Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended from time to time.

AUDITORS

Statutory Auditors and Auditors Report

M/s. R A Maru & Associates, Chartered Accountants (Firm Registration No. 141914W) were appointed as statutory auditors of the Company at the 25th AGM held on September 22, 2017, for a period of five years from the conclusion of the 25thAGM until the conclusion of the 30th AGM. The Auditors have confirmed that they are not disqualified from continuing as Auditors of the Company.

The Notes on financial statement referred to in the Auditors' Report are self-explanatory and do not call for any further comments.

The Auditors' Report does not contain any qualification, reservation, adverse remark or disclaimer.

Cost Auditors and Cost Audit Report

The provision of the Section 148 read with Rule 4(2) of the Companies (Cost Records and Audit) Rules, 2014, *inter alia*, states that the Company shall get its cost records audited if the overall annual turnover of the company from all its products and services during the immediately preceding financial year exceeds ₹ 100 crores.

The Company was previously operating under two segments i.e manufacturing activity and trading activity but during the financial year under review the Company discontinued its manufacturing activity with effect from December 1, 2019. Since the Company's overall annual turnover, during the immediately preceding financial year, exceeds ₹ 100 crores, it is required to appoint the Cost Auditors for the financial year 2020-21.

In view of the aforementioned provision, the Board of Directors, on recommendation of the audit committee, has re-appointed M/s. N. Ritesh & Associates, Cost Accountants (Firm Registration No.R100675) as Cost Auditors of the Company, for the financial year 2020-21, for conducting the cost audit of the Company at remuneration of ₹ 25,000 (Rupees Twenty Five Thousand only) subject to the approval of the members at the ensuing AGM.

The Cost Audit Report for the financial year ended March 31, 2019 issued by M/s. N. Ritesh & Associates, Cost Accountants, was filed on September 11, 2019 by the Company. The Cost Audit Report for the financial year ended March 31, 2020 is filed with the ROC within the prescribed timeline.

As per the requirements of Section 148(1) of the Act, the Cost Accounts and Records of the Company are duly made and maintained during the financial year 2019-20.

Secretarial Auditors and Secretarial Audit Report

M/s. Jay Mehta & Associates, Company Secretaries were re-appointed as secretarial auditors to conduct the secretarial audit of the Company, for the financial year 2019-20.

The Secretarial Audit Report in Form MR-3 is annexed to this report as “**Annexure B**”.

The Secretarial Audit Report for the financial year 2019-20, contains the following observations:

- a) *In accordance with the second proviso to sub-rule (1) to Rule 6 of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended from time to time, read with the explanation to Rule 6(1) inserted vide the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Second Amendment Rules, 2019 effective from 20th August 2019, the Company was required to transfer the shares, in respect of which dividend has been transferred to Investor Education and Protection Fund on or before the 7th September 2016, in the name of Investor Education and Protection Fund. As on the date of this Report, the Company has initiated the compliance of the same.*
- b) *As required under the provisions of section 203 of the Companies Act, 2013 and the Rules made thereunder, the Company is required to have below key managerial personnel:*
 - i) *managing director, or chief executive officer or manager and in their absence, a whole-time director*
 - ii) *company secretary; and*
 - iii) *Chief Financial Officer*

ASHOK ALCO-CHEM LIMITED

Annual Report 2019-2020

As on 31st March 2020, the Company is having only Company Secretary as Key Managerial Personnel. The Chief Executive Officer had resigned w.e.f. 1st December 2019 and the Chief Financial Officer had resigned w.e.f. 21st February 2020. The Company is yet to fill the vacancy caused by resignation of said key managerial personnel.

Board's Explanation / Comments on above observations:

- a) In accordance with the provisions of Section 124 of the Act read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended ('IEPF Rules'), the Company has initiated to transfer underlying shares with respect to the dividend declared in the financial years 1996-97, 1997-98 and 1998-99 and consequently transferred to IEPF account. Accordingly, the Company has sent individual notice to all the Members whose shares were due, to be transferred to the IEPF Authority and has also published newspaper advertisement in this regard. The said shares will be transferred to IEPF Authority after January 21, 2021
- b) The Company is looking for suitable candidates for the vacancies caused by resignation of Chief Executive Officer and Chief Financial Officer, however, due to persisting Covid-19 related restrictions; the appointment process got a bit stretched.

Internal Auditors and Internal Audit Report

M/s. N. P. Patwa & Co, Chartered Accountants, were re-appointed as an Internal Auditors of the Company for the Financial Year 2019-20. The Audit Committee reviews the findings made by the Internal Auditors in their Report on quarterly basis and makes necessary recommendations to the management.

REPORTING OF FRAUDS

During the year under review, the Statutory Auditors have not reported any instances of frauds committed in the Company by its Officers or Employees, to the Audit Committee / Central Government under Section 143(12) of the Act, read with Rule 13 of the Companies (Audit and Auditors) Rules, 2014.

VIGIL MECHANISM/ WHISTLE BLOWER POLICY

In accordance with the provisions of Section 177(9) of the Act read with Regulation 22 of Listing Regulations, the Company has formulated and adopted vigil mechanism / Whistle Blower policy to enable the Directors and employees to report about unethical behavior and instances of fraud or mismanagement, if any. The mechanism provides for adequate safeguards against victimization of employees and Directors to avail of the mechanism and also provide for direct access to the Chairman of the Audit Committee in exceptional cases.

The policy can be accessed at the website of the Company at www.ashokalcochem.com/InvestorUpdate.html

During the year under review, no compliant has been received under the Whistle Blower Policy (Vigil Mechanism).

PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

Particulars of loans, guarantees and investments covered under Section 186 of the Companies Act, 2013 forms part of the notes to the financial statements provided in this annual report.

RELATED PARTY TRANSACTIONS

The Company has formulated a policy on Related Party Transactions for the purpose of identification and monitoring of such transactions. The said policy on Related Party Transactions as approved by the Board is uploaded on the Company's website at www.ashokalcochem.com/InvestorUpdate.html

During the year under review, the Company has entered into a transaction with related party which is not materially significant and does not have a potential conflict with the interest of the Company at large. Hence, the disclosure in the requisite Form AOC-2 is not required. However, the details relating to Related Party Transaction is provided in the Note No.37 of Standalone Financial Statements.

CORPORATE SOCIAL RESPONSIBILITY

The Company had reported loss of ₹ 2.81 crores (PBT) for the financial year ended March 31, 2019, hence, the provisions of Section 135 (1) read with Section 135 (5) of the Act pertaining to Corporate Social Responsibility were not applicable to the Company for the FY 2019-20. As a result, during the year under review, the Company was not obliged to spend any amount towards / was not required to undertake any CSR activity and hence the annual report on CSR is not furnished with this report.

However, in terms of the provisions of Section 135 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, the terms of reference, details of meetings held during the year, attendance of Members and details pertaining to composition of CSR Committee are included in Corporate Governance Report, which forms part of this Report.



The CSR policy can be accessed at the website of the Company at www.ashokalcochem.com/InvestorUpdate.html

RISK MANAGEMENT POLICY

Your Company recognizes that risk is an integral part of business and is committed to managing the risks in a proactive and efficient manner. In line with corporate best practices, the Company assesses the risks in the internal and external environment which will monitor, evaluate and execute all mitigation actions in this regards and takes all measures necessary to effectively deal with incidences of risk. Adequate risk management framework capable of addressing the risks is in place.

ANNUAL RETURN

In accordance with the provisions of section 92(3) of the Act, the copy of Annual Return of the Company is available on its website <http://www.ashokalcochem.com/InvestorUpdate.html>

CORPORATE GOVERNANCE

Your Company observes high standards of corporate governance in all areas of its functioning with strong emphasis on transparency, integrity and accountability. As required under the Listing Regulations, a detailed report on corporate governance along with the auditors' certificate thereon forms part of this report as **"Annexure – C"**.

MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR TILL THE DATE OF THE REPORT

COVID-19 and the associated lockdowns across countries have triggered a once-in-a-century crisis for the society and economy since the last week of March, 2020. There has been severe disruption to regular business operations due to lock-down.

Covid-19 has cast a shadow on the quantum of trading and thereby the revenues of the Company in the first half of FY 2020-21, we expect the volumes to firm-up in the second half of FY 2020-21 in the expectation that production lockdowns seem unlikely.

PUBLIC DEPOSITS

The Company has not accepted any deposit, within the meaning of Section 73 and 44474 of the Act, read with the Companies (Acceptance of Deposits) Rules, 2014 during the year under review.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

There have been no significant and material orders passed by the Regulators or Courts or Tribunals impacting the going concern status and the operations of the Company.

DEMAT SUSPENSE ACCOUNT / UNCLAIMED SUSPENSE ACCOUNT:

The Company does not have Demat Suspense Account / Unclaimed Suspense Account. Accordingly, the disclosure required to be made as per Schedule V (F) of Listing Regulations is not applicable.

Transfer of Unclaimed Shares to IEPF Account

A) Transfer of shares

In accordance with the second proviso to sub-rule (1) to Rule 6 of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended from time to time, read with the explanation to Rule 6(1) inserted vide the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Second Amendment Rules, 2019 effective from 20th August 2019, the Company was required to transfer the shares, in respect of which dividend has been transferred to Investor Education and Protection Fund on or before the 7th September 2016, in the name of Investor Education and Protection Fund.

In terms of the above provisions, the Company has initiated to transfer 6900 underlying shares with respect to the dividend declared in the financial years 1996-97, 1997-98 and 1998-99 and consequently transferred to IEPF account. Accordingly, the Company has sent individual notice to all the Members whose shares were due, to be transferred to the IEPF Authority and has also published newspaper advertisement in this regard. The said shares will be transferred to IEPF Authority after January 21, 2021.

The details of the concerned Members including their folio number or DP ID - Client ID and the number of shares, to be transferred to the Demat Account of IEPF are available on the Company's website at www.ashokalcochem.com under the section <https://www.ashokalcochem.com/InvestorUpdate.html>.

B) Claim from IEPF Authority

Members or their legal heir, as the case may be, can claim the unclaimed dividend amount and / or shares transferred to IEPF by making an online application to the IEPF Authority through Form IEPF-5 available on the website of the Authority www.iepf.gov.in and in the manner specified under IEPF Rules.

DISCLOSURES UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT, 2013

In accordance with the provisions of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013, the Company has put in place a Policy on Prevention of Sexual Harassment at Workplace, which provides for protection against sexual harassment of women employees at workplace and for prevention and redressal of such complaints.

The Company has constituted Internal Complaints Committee (ICC) and has 5 members in the ICC.

Disclosure for complaints received / disposed of by ICC for FY 2019-20:

- a. number of complaints filed during the financial year : Nil
- b. number of complaints disposed of during the financial year : Nil
- c. number of complaints pending as on end of the financial year : Nil

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO -

Pursuant to the Asset Purchase Agreement executed between the Company and Yellowstone Chemicals Private Limited (YCPL) on August 14, 2019, the Company transferred the possession of its Manufacturing undertaking along with residential colony situated at Mahad to YCPL w.e.f. December 1, 2019.

However, in terms of Rule 8 (3) of the Companies (Accounts) Rules, 2014, the required details are provided upto November 30, 2019.

Conservation of energy:**(i) The steps taken or impact on conservation of energy**

Yours Company has made all efforts to optimize the use of energy and minimize its wastage. The Key Initiatives towards conservation of Energy were:

- Change of few of the efficient power serving motors.
- Maintaining the proper servicing of the MCC Panel for the improvement of power factor.
- Change of CFL to LED at plant.
- Installation of VFD for few of the Motor Power Control.

(ii) The steps taken by the Company for utilising alternate sources of energy

Major energy conservation initiatives in the past few years had been successfully continued for the steam saving which had helped the Company to reduce the Coal consumption which in turn resulted in to reduction of emission of CO2 in atmosphere.

(iii) The capital investment on energy conservation equipment – Nil**Technology absorption:**

Till November 30, 2019, the Company was constantly trying to make use of best contemporary technology.

- (i) Efforts made towards Technology Absorption: The efforts made in the past for the development of the new technology with the help of engineering modification has successfully helped the Company to continue its production with the consumption of the imported alcohol as a raw material.

The Company's R & D department was making constant efforts in absorbing and updating themselves with the technological advancements in the product portfolio of the Company.

- (ii) benefits derived like product improvement, cost reduction, product development or import substitution: With the efforts made in the past for the import of raw material and the plant modification, the Company could improve the product quality with the yield of finished product.



- (iii) in case of imported technology (imported during the last three years reckoned from the beginning of the financial year)-
- (a) the details of technology imported - NA
 - (b) the year of import - NA
 - (c) whether the technology been fully absorbed - NA
 - (d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof – NA
- (iv) The expenditure incurred on Research and Development – NIL

Foreign exchange earnings and outgo

Particulars	(Amount in ₹)	
	2019-2020	2018-2019
i. Foreign Exchange used	8,28,372	8,43,002
ii. Foreign Exchange earned	43,26,20,325	25,88,81,707

ACKNOWLEDGMENT

The Board take this opportunity to express and place on record their appreciation for the continued support, cooperation, trust and assistance extended by shareholders, employees, customers, principals, vendors, agents, bankers, nancial institutions, suppliers, distributors and other stakeholders of the Company.

For and on behalf of the Board

Sd/-

Sunil Shah

Director

(DIN: 03567415)

Sd/-

Manoj Ganatra

Director

(DIN: 00568914)

Place: Mumbai

Date: November 9, 2020

“Annexure - A”

Particulars of Employees:

The information required under Section 197 of the Act read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are given below:

- a. The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year

Name of Director	Ratio to median Remuneration
Mr. Purab Shah, Executive Director & CEO	9.65

- b. The percentage increase in remuneration of each Director, Chief Executive Officer, Chief Financial Officer, Company Secretary in the financial year:

Name	% increase in remuneration in the financial year
Mr. Purab Shah, Executive Director & CEO (resigned w.e.f. December 01, 2019)	Nil
Ms. Seema Gangawat, Company Secretary	8.60
Mr. Vaize Ahmed Kampli, Chief Financial Officer (resigned w.e.f. February 21, 2020)	7.65

- c. The percentage increase in the median remuneration of employees in the financial year: (36.50%)
- d. The number of permanent employees on the rolls of Company: 5 (as on 31.03.2020)
- e. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:
 During the course of year, the total increment pegged approximately at 7% after accounting for promotion and other event based compensation revisions.
 Increase in the managerial remuneration for the year was Nil.
- f. Affirmation that the remuneration is as per the remuneration policy of the Company:
 Pursuant to Rule 5(1) (xii) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, it is affirmed that the remuneration paid to the Directors, Key Managerial Personnel and senior management is as per the Remuneration Policy of your Company.



The information required under Section 197 of the Act read with rule 5 sub rule (2) & sub rule (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended from time to time, are given below:

A) Top Ten Employees of the Company (in terms of remuneration drawn):

Sr. No.	Name of Employee	Designation	Remuneration Received	Nature of employment (Contractual or otherwise)	Date of commencement of employment	Age of employee	The last employment held by such employee	% of equity shares held	Whether relative of any director / manager of the Company
1	Mr. Purab D. Shah*	Executive Director & CEO	24,57,754	Payroll	09-07-2013	42	Business	0	NO
2	Mr. Mahesh Kenjale**	AGM-Plant	17,95,551	Payroll	03-02-2014	41	Eternis (erstwhile HPFL)	0	NO
3	Mr. Vaize Ahmed Kampli***	Chief Financial Officer	13,28,290	Payroll	21-11-2016	39	Middle East Mining Resources DMCC	0	NO
4	Dr. Dattaraya Dalvi**	Sr. Manager Technical	12,79,145	Payroll	20-08-2018	52	Prathamesh Organics	0	NO
5	Ms. Seema Gangawat	Company Secretary	12,62,224	Payroll	01-04-2013	40	Kingfisher Airlines Limited	1	NO
6	Mr. Rahul Wani**	Manager - Purchase	10,80,543	Payroll	01-11-2017	43	Asahi India Ltd.	9	NO
7	Mr. Prasad V. Alpe**	R & D - Sr. Manager	10,09,185	Payroll	21-11-2013	48	Aarti Industries Ltd.	0	NO
8	Mr. Kartikprasad M. Prajapati **	Manager Marketing	8,48,697	Payroll	13-05-2018	39	Porpure Chem Pvt. Ltd.	0	NO
9	Mr. Vinod Rajput****	Manager-Accounts	8,44,506	Payroll	16-05-2018	33	Namco Industries Pvt. Ltd.	0	NO
10	Mr. Parshuram M. Chavan**	Sr. Manager QC/QA	8,41,519	Payroll	01-01-2015	53	BEC Chemicals	0	NO

* Resigned w.e.f. 1/12/2019

** Resigned w.e.f. 1/11/2019

*** Resigned w.e.f. 21/02/2020

**** Resigned w.e.f. 14/03/2020

B) Employees drawing remuneration above specified limits – NA

For and on behalf of the Board

Sd/-

Sunil Shah

Director
(DIN: 03567415)

Sd/-

Manoj Ganatra

Director
(DIN: 00568914)

Place: Mumbai

Date: November 9, 2020

“ANNEXURE - B”

Form No. MR-3

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

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH 2020

To,
The Members,
ASHOK ALCO-CHEM LIMITED,
12/13, Jeevan Udyog Building,
278, Dr. D. N. Road, Fort,
Mumbai - 400001

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Ashok Alco-Chem Limited** (hereinafter called the 'Company'). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March 2020 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March 2020 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the Rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; (Not applicable to the Company during the Audit period);
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') :-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (Not applicable to the Company during the Audit period);
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (Not applicable to the Company during the Audit period);
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (Not applicable to the Company during the Audit period);
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (Not applicable to the Company during the Audit period);
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 (Not applicable to the Company during the Audit period);
 - (i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.



- (vi) License for Manufacturing from the Ministry of Commerce & Industry, Secretariat for Industrial Assistance and other Sector specific Act/Rules/Regulations, as applicable to the Company, as per the representations made by the Management.

We have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
(ii) The Listing Agreement entered into by the Company with BSE Limited.

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

- a) *In accordance with the second proviso to sub-rule (1) to Rule 6 of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended from time to time, read with the explanation to Rule 6(1) inserted vide the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Second Amendment Rules, 2019 effective from 20th August 2019, the Company was required to transfer the shares, in respect of which dividend has been transferred to Investor Education and Protection Fund on or before the 7th September 2016, in the name of Investor Education and Protection Fund. As on the date of this Report, the Company has initiated the compliance of the same.*
- b) *As required under the provisions of section 203 of the Companies Act, 2013 and the Rules made thereunder, the Company is required to have below key managerial personnel:*
- i) *managing director, or chief executive officer or manager and in their absence, a whole-time director*
ii) *company secretary; and*
iii) *Chief Financial Officer*

As on 31st March 2020, the Company is having only Company Secretary as Key Managerial Personnel. The Chief Executive Officer had resigned w.e.f. 1st December 2019 and the Chief Financial Officer had resigned w.e.f. 21st February 2020. The Company is yet to fill the vacancy caused by resignation of said key managerial personnel.

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period the Company has:-

- a) entered into Asset Purchase Agreement dated 14th August 2019 for sell of chemical division / manufacturing undertaking including Plant located at Plot no. A-22/2/1, Mahad Industrial Area, Village Kamble, Mahad, Dist. Raigad, Maharashtra together with identified movable and immovable assets including land & building etc. and Residential colony located at Plot no. BH-34, Mahad Industrial Area, Mahad, Maharashtra, under section 180(1)(a) of the Companies Act, 2013.
- b) altered the main object of the Company in accordance with the provisions of section 13 of the Companies Act, 2013 and the Rules made thereunder.

For Jay Mehta & Associates
Company Secretaries

Sd/-

Jay Mehta
Proprietor
FCS No.: 8672
C.P. No.: 8694
UDIN: F008672B001187553

Date: November 9, 2020
Place: Mumbai

“ANNEXURE - C”

CORPORATE GOVERNANCE REPORT

1. Company's Philosophy on Code of Governance

Your Company follows the Corporate Governance guidelines and best practices in tune with the guidelines recommended by Securities and Exchange Board of India (SEBI). Your Company considers its responsibility to disclose timely and accurate information regarding its financials, operations, performance as well as governance of the Company.

Your Company understands and respects its fiduciary role and responsibility towards its stakeholders and society at large and strives to serve their interests, resulting in creation of value and wealth for its stakeholders without compromising in any way on compliance with the extant laws and regulations. Integrity, transparency, fairness, accountability and compliance are embedded in the Company's business practices. Our endeavor is to follow good governance both in letter as well as in spirit.

2. Board of Directors

Size and Composition of the Board

During the year under review, the Board of Directors (“the Board”) had an optimum combination of Executive, Non-Executive and Women Director as required under the Companies Act, 2013 (“the Act”) and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as “Listing Regulations”).

The Composition of the Board of Directors of the Company during the financial year 2019-20, is as below:

Sr. No.	Director Identification No. (DIN)	Name of Director	Designation
1	07490952	Mr. Purab Shah ¹	Executive Director & CEO
2	00568914	Mr. Manoj Ganatra	Non-Executive Independent Director
3	03567415	Mr. Sunil Shah	Non-Executive Director
4	07824778	Mr. Shekhaar Shetty	Non-Executive Independent Director
5	08335130	Mrs. Hina Shah	Non-Executive Independent Director
6	07134947	Mrs. Neeta Shah ²	Non-Executive Director

¹ Mr. Purab Shah ceased to be director of the Company w.e.f. December 1, 2019.

² Mrs. Neeta Shah ceased to be director of the Company w.e.f. May 29, 2019.

The maximum tenure of Independent Directors is in compliance with the Act.

The Profile of the Directors can be found on http://www.ashokalcochem.com/about_us.html#2

Directors' Attendance and Directorships held

The details of the number of Board Meetings and Annual General Meeting (“AGM”) attended by each director during the year under review and Directorship and/or Membership / Chairmanship of the Committees of Board held by each of them as on March 31, 2020, are given below:

Sr. No.	Name of Directors	Category of Directorship#	No. of Board Meetings attended	Attendance at last AGM held on September 28, 2019	No of other Directorship held (Other than your Company)	No. of Committee (Other than your Company) in which Chairman/ Member	Name of other Listed company in which Director holds Directorship
1.	Mr. Purab Shah ¹	Executive Director & CEO	5 of 5	Yes	-	-	-
2.	Mr. Manoj Ganatra	Independent Director	7 of 7	Yes	3	-	-
3.	Mr. Sunil Shah	Non-Executive Director	7 of 7	Yes	3	-	-
4.	Mrs. Neeta Shah ²	Non-Executive Director	NA	NA	-	-	-
5.	Mr. Shekhaar Shetty	Independent Director	7 of 7	Yes	-	-	-
6.	Mrs. Hina Shah	Independent Director	7 of 7	Yes	-	-	-

¹ Mr. Purab Shah ceased to be director of the Company w.e.f. December 1, 2019.

² Mrs. Neeta Shah ceased to be director of the Company w.e.f. May 29, 2019.

None of the Directors were related to each other except Mr. Sunil Shah and Mrs. Neeta Shah. Mrs. Neeta Shah is spouse of Mr. Sunil Shah.

Number of Board Meetings

The Board met seven (7) times during FY 2019-20.

The time gap between two consecutive meetings did not exceed one hundred and twenty days at any point in time. The necessary quorum was present for all the meetings. The attendance of the directors at the meeting is stated below:

Name of Director	Category	Attendance at the meeting held on							No. of Meetings attended
		May 29, 2019	July 16, 2019	August 13, 2019	August 14, 2019	November 12, 2019	December 16, 2019	February 11, 2020	
Mr. Purab Shah ¹	Executive Director & CEO	Yes	Yes	Yes	Yes	Yes	NA	NA	5
Mr. Sunil Shah	Non-Executive Director	Yes	Yes	Yes	Yes	Yes	Yes	Yes	7
Mr. Manoj Ganatra	Independent Director	Yes	Yes	Yes	Yes	Yes	Yes	Yes	7
Mrs. Neeta Shah ²	Non-Executive Director	Not Applicable							NA
Mr. Shekhaar Shetty	Independent Director	Yes	Yes	Yes	Yes	Yes	Yes	Yes	7
Mrs. Hina Shah	Independent Director	Yes	Yes	Yes	Yes	Yes	Yes	Yes	7

¹ Mr. Purab Shah ceased to be director of the Company w.e.f. December 1, 2019.

² Mrs. Neeta Shah ceased to be director of the Company w.e.f. May 29, 2019.

Number of shares held by Non-Executive Directors

As on March 31, 2020, except Mr. Sunil Shah, who holds 1000 Equity Shares of the Company, no other Director is holding any shares in the Company. The Company has not issued any convertible instruments.

Core Skills / Expertise / Competencies available with the Board

The Board comprises of qualified members who possess the required skills, expertise and competence that allow them to make effective contributions to the Board and its Committees.

The table below summarizes the list of core skills, expertise, competencies identified by the Board as required in the context of the Company's business and as possessed by individual members of the Board.

However, the absence of a member's name against core skill does not necessarily mean the member does not possess the corresponding qualification or skill.

Expertise in	Name of the Directors
Business Strategy	Mr. Sunil Shah; Mr. Manoj Ganatra
Industry Experience	Mr. Sunil Shah; Mr. Manoj Ganatra
General Management	Mr. Sunil Shah; Mr. Manoj Ganatra, Mr. Shekhaar Shetty, Ms. Hina Shah
Accounting / Auditing	Mr. Sunil Shah; Mr. Manoj Ganatra, Mr. Shekhaar Shetty
Corporate Finance	Mr. Sunil Shah; Mr. Manoj Ganatra, Mr. Shekhaar Shetty
Legal / Secretarial / Compliance	Mr. Manoj Ganatra, Mr. Shekhaar Shetty
Sales & Marketing	Mr. Sunil Shah
Human Resources Management	Mr. Sunil Shah, Mr. Manoj Ganatra, Mr. Shekhaar Shetty
Risk Management	Mr. Sunil Shah, Mr. Manoj Ganatra
Corporate Social Responsibility	Mr. Sunil Shah, Mr. Manoj Ganatra, Ms. Hina Shah

Independent Directors

Independent Directors play a vital role in the governance process of the Board. With their expertise in various fields, they enrich the decision making process at the Board.

The Company has received a declaration from the Independent Directors confirming that they meet the criteria of independence as prescribed under Section 149(6) of the Act read with Regulation 16(1)(b) of the Listing Regulations. In terms of Regulation 25(8) of the Listing Regulations, the Independent Directors have confirmed that they are not aware of any circumstances or situations which exist or may be reasonably anticipated that could impair or impact their ability to discharge their duties.

In the opinion of the Board, the Independent Directors fulfil the conditions of independence specified in the Act and the Listing Regulations and are independent of the management.

All the Independent Directors of the Company have been appointed as per the provisions of the Act and the Listing Regulations. Formal letters of appointment were duly issued to the Independent Directors. As required by Regulation 46 of the Listing Regulations, the terms and conditions of their appointment have been disclosed on the website of the Company at <http://www.ashokalcochem.com/InvestorUpdate.html>

None of the Directors on the Board serve as an Independent Director in more than seven listed companies. The Executive Director of the Company does not serve as an Independent Director in any listed company.

During the year 2019-20, the Independent Directors once met on February 11, 2020, *inter-alia*;

- To evaluate the performance of non-independent directors and the Board as a whole.
- To assess the quality, quantity and timelines of flow of information between the Company management and the Board that is necessary for the Board members to effectively and reasonably perform their duties.
- Other related matters.

Further, none of the Independent Director of the Company has, during the financial year, resigned before the expiry of his tenure as such.

Familiarization Programmes for Independent Directors

The Familiarization Programme is an ongoing process. The Company has familiarized its Independent Directors with the Company's business, industry, environment in which it functions and the regulatory environment applicable to it, their roles, rights, responsibilities in the Company etc.

The Independent Directors are provided with necessary information, documents, reports and internal policies to enable them to familiarize with the Company's procedures and practices.

The familiarization programme for Independent Directors is disclosed on the Company's website <http://www.ashokalcochem.com/InvestorUpdate.html>

Performance Evaluation of the Board and Individual Directors

In terms of the applicable provisions of the Act, read with Rules made thereunder and the provisions of Listing Regulations, the annual evaluation of the Board, its Committee and of individual Directors has been made.

The evaluation framework for assessing the performance of Directors, *inter alia*, comprises of the following key areas:

- i. Expertise;
- ii. Objectivity and Independence
- iii. Guidance and support in context of the Company's operations;
- iv. Understanding of the Company's business;
- v. Understanding and commitment to duties and responsibilities;
- vi. Willingness to devote the time needed for effective contribution to Company;
- vii. Participation in discussions in effective and constructive manner at the Meetings;
- viii. Responsiveness in approach;
- ix. Ability to encourage and motivate the Management for continued performance and success.

Confirmation by the Board of Directors on Acceptance of Recommendation of Committees

The Board of Directors confirms that during the financial year, it has accepted all the recommendations received from its committees.

3. Committees of the Board

A. Audit Committee

Terms of Reference

The Audit Committee of the Company oversees the financial reporting process of the Company. The powers and role of the Audit Committee are in accordance with the Listing Regulations and the Act. The Audit Committee is governed by the charter / terms of reference which is line with the regulatory requirements of the Act and the Listing Regulations.

The terms of reference of the Audit Committee, *inter-alia*, includes the following:

- the recommendation for appointment, remuneration and terms of appointment of auditors viz Statutory Auditors,

Internal Auditors and Cost Auditors of the Company;

- discussion and review the quarterly, half yearly and annual financial results of the Company before submission to the Board;
- review and monitor the auditor's independence and performance and effectiveness of audit process;
- examination of the financial statement and the auditors' report thereon;
- approval or any subsequent modification of transactions of the company with related parties;
- scrutiny of inter-corporate loans and investments;
- valuation of undertakings or assets of the company, wherever it is necessary;
- evaluation of internal financial controls and risk management systems;
- monitoring the end use of funds raised through public offers and related matters;
- review of Cost Audit Report;
- to hold periodic discussions with Statutory Auditors and Internal Auditors of the Company concerning the accounts of the Company, Internal Control System, scope of the audit and observations of the Auditors / Internal Auditors;
- in addition, the powers and role of the Audit Committee are as laid down under Listing Regulations and the Act and rules made thereunder;
- any other matter referred to by the Board of Directors.

Composition and Attendance at Meeting

The Audit Committee of the Board of Directors of the Company comprises of Four Directors out of which three are Independent Directors. The members of the Committee are well versed in finance matters, accounts, company law and general business practices. The Composition of the Committee is in conformity with Section 177 of the Act and Regulation 18(1) of the Listing Regulations.

The Audit Committee met six (6) times during FY 2019-20.

The time gap between two consecutive meetings did not exceed one hundred and twenty days at any point in time. The necessary quorum was present for all the meetings. The attendance of the members at the meeting is stated below:

Name of Director	Category	Attendance at the meeting held on						No. of Meetings attended
		May 29, 2019	August 13, 2019	August 14, 2019	November 12, 2019	December 16, 2019	February 11, 2020	
Mr. Manoj Ganatra (Chairman)	Independent Director	Yes	Yes	Yes	Yes	Yes	Yes	6
Mr. Sunil Shah	Non-Executive Director	Yes	Yes	Yes	Yes	Yes	Yes	6
Mr. Shekhaar Shetty	Independent Director	Yes	Yes	Yes	Yes	Yes	Yes	6
Mrs. Hina Shah	Independent Director	Yes	Yes	Yes	Yes	Yes	Yes	6

The representative of Statutory Auditors and the Internal Auditors are permanent invitees to the Audit Committee Meetings.

Mr. Manoj Ganatra, Chairman of the Audit Committee, was present at the 27th AGM of the Company held on September 28, 2019. All the recommendations made by the Audit Committee during the year were accepted by the Board.

The Company Secretary acts as the secretary to the Audit Committee.

B. Nomination and Remuneration Committee

Terms of Reference

The Nomination and Remuneration Committee (NRC) of the Board of Directors of the Company is duly constituted in line with the provisions of Regulation 19 of Listing Regulations read with Section 178 of the Act.

During the year under review, the terms of reference of the NRC with amendments to the Listing Regulations, which, *inter-alia*, includes the following:

- i. formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees;
- ii. formulation of criteria for evaluation of performance of independent directors and the board of directors;

- iii. devising a policy on diversity of board of directors;
- iv. identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board of directors their appointment and removal.
- v. whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.
- vi. To recommend to the board, all remuneration, in whatever form, payable to senior management.
- vii. To carry out any other function as is mandated by the Board from time to time and / or enforced by any statutory notification, amendment or modification, as may be applicable.
- viii. To perform such other functions as may be necessary or appropriate for the performance of its duties.

Composition and other details

The composition of the Committee meets the requirements of Section 178 of the Act and the Listing Regulations.

The Committee met two (2) times during FY 2019-20. The attendance of the members at the meeting is stated below:

Name of Director	Category	Attendance at the meeting held on		No. of Meetings attended
		August 13, 2019	February 11, 2020	
Mr. Manoj Ganatra (Chairman)	Independent Director	Yes	Yes	2
Mr. Sunil Shah	Non-Executive Director	Yes	Yes	2
Mr. Shekhaar Shetty	Independent Director	Yes	Yes	2

Mr. Manoj Ganatra, Chairman of the Committee, was present at the 27th AGM of the Company held on September 28, 2019.

Performance Evaluation criteria for Independent Directors

The performance evaluation criteria for Independent Directors are determined by the Nomination and Remuneration Committee. The performance evaluation was carried out based on the factors viz. attendance and participation by a director, expertise of and knowledge shared by director, maintenance of confidentiality & code of conduct of the Company, duties and responsibilities, maintenance of independence etc.

C. Stakeholders Relationship Committee**Terms of Reference**

The Stakeholders Relationship Committee (SRC) of the Board of Directors of the Company is duly constituted in line with the provisions of Regulation 20 of Listing Regulations read with Section 178 of the Act.

During the year under review, the terms of reference of the SRC with amendments to the Listing Regulations, which, *inter-alia*, includes the following:

- i. Resolving the grievances of the security holders of the listed entity including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.
- ii. Review of measures taken for effective exercise of voting rights by shareholders. Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent.
- iii. Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company.

The Company has appointed Link Intime India Private Limited as its Registrar and Share Transfer Agent (RTA).

Composition and other details

The composition of the Committee meets the requirements of Section 178 of the Act and Regulation 20 of the Listing Regulations.

The Committee met three (3) times during FY 2019-20. The attendance of the members at the meeting is stated below:

Name of Director	Category	Attendance at the meeting held on			No. of Meetings attended
		May 29, 2019	August 13, 2019	November 5, 2019	
Mr. Shekhaar Shetty (Chairman)	Independent Director	Yes	Yes	Yes	3
Mr. Sunil Shah	Non-Executive Director	Yes	Yes	Yes	3
Mr. Manoj Ganatra	Independent Director	Yes	Yes	Yes	3

Mr. Shekhaar Shetty, the Chairman of the SRC, was present at the 27th AGM of the Company held on September 28, 2019.

The Company Secretary acts as the secretary to SRC.

Name, designation & Address of Compliance Officer:

Ms. Seema Gangawat
 Company Secretary & Compliance Officer
 12/13, Jeevan Udyog Building,
 278, Dr. D.N. Road,
 Fort, Mumbai – 400 001

Details of investor complaints received and resolved during the financial year 2019-20 are as follows:

Opening Balance	Received during the year	Resolved during the year	Closing Balance
Nil	Nil	Nil	Nil

There were no pending transfers/grievances as on March 31, 2020.

D. Corporate Social Responsibility Committee

The Corporate Social Responsibility (CSR) Committee of the Board of Directors of the Company is duly constituted in line with the provisions of Section 135 of the Act.

Terms of Reference

The terms of reference of the Committee, *inter alia*, includes the following:

- 1) Recommend the amount of expenditure to be incurred on the CSR activities;
- 2) Monitor, implementation and adherence to the CSR Policy of the Company from time to time;
- 3) Prepare a transparent monitoring mechanism for ensuring implementation of the projects/ programs/ activities proposed to be undertaken by the Company; and
- 4) Such other activities as the Board may determine from time to time.

Composition and other details

The composition of the Committee meets the requirements of Section 135 of the Act.

The Committee met once during the FY 2019-20. The attendance of the members at the meeting is stated below:

Name of Director	Category	Attendance at the meeting held on February 11, 2020	No. of Meetings attended
Mr. Purab Shah (Chairman) ¹	Executive Director & CEO	NA	NA
Mr. Sunil Shah ²	Non-Executive Director	Yes	1
Mr. Manoj Ganatra	Non-Executive Independent Director	Yes	1
Mrs. Hina Shah	Non-Executive Independent Director	Yes	1

* - Mr. Purab Shah ceased to be director of the Company w.e.f. December 1, 2019 and accordingly ceased as member with effect from that date.

- Mr. Sunil Shah has been designated as Chairman of CSR Committee w.e.f. December 1, 2019.

Mr. Purab Shah, the then Chairman of the CSR Committee, was present at the 27th AGM of the Company held on September 28, 2019.

The Company Secretary is the Secretary of the Committee.

4. Remuneration of Directors
I) Non-Executive Directors & Independent Directors

The Company has no pecuniary relationship or transaction with its Non-executive Directors & Independent Directors other than payment of sitting fees for attending the meetings of the Board and its Committees.

Sitting fees paid to Non-Executive Directors & Independent Directors are within limits as provided in the Act.

The details of sitting fees paid to Non- Executive Directors & Independent Directors for the year ended March 31, 2020 are as under:

Name of Director(s)	Sittings fees paid for attending Board/ Committee Meetings (₹)
Mr. Manoj Ganatra	3,90,000
Mr. Sunil Shah	3,90,000
Mr. Shekhaar Shetty	3,80,000
Mrs. Hina Shah	3,40,000
Total	15,00,000

Criteria of making payments to Non-Executive Director

While fixing the remuneration for Directors, the Company shall consider industry benchmarks and the competence of the persons and ensure that the level and composition of the remuneration is reasonable and sufficient to attract, retain and motivate them.

II) Executive Director

The remuneration paid to Mr. Purab Shah, Executive Director & CEO, was approved by the Board and shareholders are within the overall limit fixed under the law and in compliance with Schedule V of the Act.

Presently, the Company do not have stock option scheme for its employees/directors.

The details of Remuneration paid to Executive Director for the year ended March 31, 2020 are as under:

Name of the Director(s)	Salaries & Perquisites including allowance (p.a.)		Tenure as per agreement upto
Mr. Purab Shah (designated as Executive Director & CEO)*	Salary:	₹ 18,29,607.00	Re-appointed for a further period of one year w.e.f. April 19, 2019. However, resigned w.e.f. December 1, 2019
	Perquisites & Allowance:	₹ 6,28,147.00	
	Total **	₹ 24,57,754.00	

*Ceased to be Director w.e.f. December 1, 2019.

** includes Leave Encashment and Gratuity.

Terms of re-appointment including Remuneration:

1. He shall be entitled to encashment of earned leave at the end of his tenure as per Company's Rules/Policies, from time to time.
2. Additionally, he shall be entitled to annual/performance increments/incentives as shall be approved by the Board of Directors of the Company and which shall be within the limits as prescribed under Schedule V and other applicable provisions, if any, of the Act.
3. He shall not be paid any fees for attending meetings of the Board of Directors and/or any Committee thereof.
4. He shall not be liable to retire by rotation.

5. General Body Meetings

Particulars of Annual General Meetings held and Special Resolution passed during the last three years:

Financial Year	Date	Time	Venue	Special Resolution passed
2016-17	22.09.2017	11.00 am	Babasaheb Dahanukar Sabhagriha, Maharashtra Chamber of Commerce, Oricon House, 6 th Floor, 12, K. Dubhash Marg, Kala Ghoda, Fort, Mumbai – 400 001.	No Special Resolution passed in this Annual General Meeting.
2017-18	24.09.2018			No Special Resolution passed in this Annual General Meeting.
2018-19	28.09.2019			<ul style="list-style-type: none"> – Re-appointment of Mr. Manoj Ganatra (DIN: 00568914) as an Independent Director – Sale, Transfer or Disposal off Manufacturing Undertaking of the Company – Alteration in Object Clause of the Memorandum of Association of the Company

All the resolutions as set out in the notices were passed unanimously/by requisite majority by the members of the Company.

Postal Ballot

During the year under review, your Company has not conducted any postal ballot for passing any resolution.

Resolutions, if any, to be passed through Postal Ballot during the financial year 2020-21 will be taken up as and when necessary.

6. Means of Communication

A) Publication of quarterly results

The Quarterly, Half Yearly and Annual Financial Results of the Company are published in Free Press Journal (English) and Navshakti (Marathi) newspapers as required under Regulation 47 of the Listing Regulations and also posted on the website of the Company.

B) Website

The Company's website contains a separate dedicated section for "Investor Update" which provides comprehensive information for Members like copies of the Annual Report, quarterly, half yearly and annual financial results, Stock Exchange filings, corporate governance, policies and descriptions about the Company, the Board of Directors and Management. Members may visit the website at <http://www.ashokalcochem.com/InvestorUpdate.html>

C) Filing with Stock Exchange

All price sensitive information and matters that are material to shareholders are disclosed to BSE Limited through electronic online system.

All periodical compliances required to be filed with the stock exchanges, such as the Corporate Governance Report, Shareholding Pattern and other corporate announcements, are filed electronically with the BSE Limited.

D) Presentations(s) to Analysts and Institutional Investors

The Company has not made any presentation to any institutional investor or to any analyst during the year under review.

7. Other Disclosures

a) Related Party Transaction

In terms of the Regulation 23(1) of the Listing Regulations, the Board has approved a policy for related party transactions which has been uploaded on the Company's website <http://www.ashokalcochem.com/InvestorUpdate.html>

There were no materially significant related party transactions, which are likely to have potential conflict with the interests of the Company at large. Refer to Note No. 37 to the Standalone Financial Statements for disclosure of related parties.

b) Non-compliance/Strictures/Penalties/Imposed

Your Company has complied with all the statutory requirements comprised in the Listing Agreement/ Regulations / Guidelines / Rules of the Stock Exchanges / SEBI.

There were no instances of non-compliance by your Company nor have any penalties, strictures have been imposed by stock exchanges or SEBI or any statutory authorities, on any matter related to capital markets, during the last three years.

c) Vigil Mechanism and Whistle Blower Policy

Pursuant to the provisions of Section 177 of the Act and Regulation 22 of Listing Regulations, the Company has adopted a Whistle Blower Policy and has established the necessary vigil mechanism to report genuine concerns about unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct or ethics policy. The mechanism provides for adequate safeguard against victimization of Director(s)/employee(s) who avail of the mechanism and provides for direct access to the Chairman of the Audit Committee in exceptional cases. We affirm that no employee / personnel of the Company were denied access to the Chairman of the audit committee. The said policy is available on the Company's website at <http://www.ashokalcochem.com/InvestorUpdate.html>

d) Details of Compliance with Mandatory requirements and adoption of Non Mandatory Requirements

The Company has complied with all the applicable mandatory requirements.

The status of adoption of Non-mandatory requirement provided under Schedule II Part (E) of the Listing Regulations is as below:

i. The Board

The Company does not have regular Chairperson of the Board.

ii. Shareholder Rights

The Company publishes its quarterly/half yearly and annual financial results in English and Marathi newspapers. The financial results and significant events, if any, are communicated by the Company to the Stock Exchange and are also uploaded on its website i.e. <http://www.ashokalcochem.com/InvestorUpdate.html>

iii. Modified opinion(s) in audit report

The Company's financial statements for the financial year 2019-20 do not contain any modified audit opinion.

iv. Reporting of Internal Auditor

The Internal Auditor reports directly to the Audit Committee and attends the Audit Committee meetings and interacts directly with the Audit Committee members.

e) The Company has adopted policy on Determination of Material Events and Policy for preservation of Documents.

The said policy can be accessed at <http://www.ashokalcochem.com/InvestorUpdate.html>

f) Subsidiary Company

The Company has a policy on Material Subsidiary and the same is available on the website <http://www.ashokalcochem.com/InvestorUpdate.html>

The Audit Committee reviews the consolidated financial statements of the Company and the investment made by its unlisted subsidiary Company. The minutes of the Board Meetings of the subsidiary company are periodically placed before the Board Meeting of the Company.

The Company does not have any material subsidiary.

g) Preferential Allotment or Qualified Institutions Placement

The Company has not raised funds through preferential allotment or qualified institutions placement.

h) Code of Conduct

The members of the board and senior management personnel have affirmed the compliance with Code of conduct applicable to them during the year ended March 31, 2020. The Certificate is annexed and forms part of this Report.

i) Certificate for Non Disqualification of Directors

In terms of the provisions of the Listing Regulations, the Company has obtained Certificate from M/s Jay Mehta & Associates, Practicing Company Secretaries, confirming that none of the Directors on the Board of the Company has been debarred or disqualified from being appointed or continuing as director of companies by the Securities and Exchange Board of India (SEBI)/Ministry of Corporate Affairs or any such statutory authority. The certificate is appended as an "Annexure- D" to the Board's report.

j) CEO/CFO Certification

During the year under review, the CEO & CFO of the Company resigned w.e.f, December 1, 2019 and w.e.f. February 21, 2020 respectively. Hence, in the absence of the CEO and CFO, the certificate, required under Regulation 17(8) of Listing Regulations, for the financial year ended March 31, 2020, duly signed by Mr. Sunil Shah, Director and Ms. Seema Gangawat, Company Secretary, in respect of the financial year ended 31st March, 2020 was taken on record by the Board of Directors of the Company.

k) Compliance with Corporate Governance

- i) the Company confirms with the Compliance of Corporate Governance requirements specified in regulations 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 of the Listing Regulations. The Practising Company Secretary's certificate on Corporate Governance is annexed to this report.
- ii) the Company confirms with the compliance of Corporate Governance Report specified in sub—paras (2) to (10) of Para (C) of Schedule V to the Listing Regulations.

l) Disclosures Under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 ("the POSH Act")

The details of the complaints filed, disposed off and pending during the financial year under the Sexual Harassment Of Women At Workplace (Prevention, Prohibition And Redressal) Act, related to sexual harassment has been disclosed in the Board's Report forming part of this Annual Report.

m) Fees Paid To Statutory Auditors

The details of fees paid by the Company to the statutory auditor are mentioned in Note No. 32 (footnote no "i") of Standalone Financials Statements. The statutory auditor of the company does not provide any service to subsidiary company of the Company.

8) General Shareholder Information

i.	28 th Annual General Meeting	
	Date	Monday, December 28, 2020
	Time	11.00 a.m.
	Venue	In accordance with the General Circular no. 20/2020 dated May 5, 2020 issued by the Ministry of Corporate Affairs, the AGM will be held through Video Conferencing ('VC') / Other Audio Visual Means ('OAVM').
ii.	Financial Year	The financial year covers the period from 1st April to 31st March
iii.	Date of Book Closure	From Tuesday, December 22, 2020 to Monday, December 28, 2020
iv.	Dividend Payment Date	Dividend, if declared, would be paid on or after Tuesday, December 29, 2020.
v.	Listing on Stock Exchange	Listed on: BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai –400 001 The requisite listing fee for the financial year 2020-21 has been paid to BSE Limited.
vi.	Stock Code	524594
vii.	ISIN No.	INE994D01010
viii.	Scores	The Company is registered with SEBI Scores

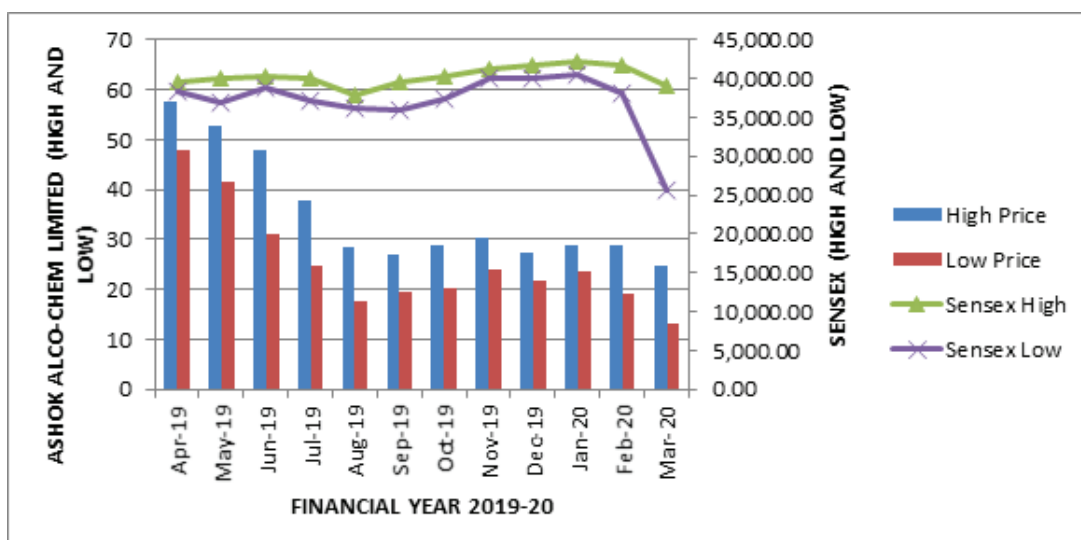
ASHOK ALCO-CHEM LIMITED

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ix	Financial Calendar (tentative) for the period April 1, 2020 to March 31, 2021 is as given below:	
	Financial Reporting for the quarter ending June 30, 2020	On September 14, 2020* * - The SEBI has extended the timeline for submission of financial results for the quarter ended June 30, 2020 to September 15, 2020
	Financial Reporting for the quarter ending September 30, 2020	On or before November 14, 2020
	Financial Reporting for the quarter ending December 31, 2020	On or before February 14, 2021
	Audited Financial Results for the quarter and year ending on March 31, 2021	On or before May 30, 2021

x. Market Price Data

Months	Ashok Alco-Chem Ltd		BSE Ltd	
	Share Price (₹)		Sensex (₹)	
	High	Low	High	Low
April 2019	57.70	48.00	39,487.45	38,460.25
May 2019	52.65	41.60	40,124.96	36,956.10
Jun 2019	48.00	31.00	40,312.07	38,870.96
Jul 2019	37.80	24.90	40,032.41	37,128.26
Aug 2019	28.45	17.65	37,807.55	36,102.35
Sept 2019	27.00	19.55	39,441.12	35,987.80
Oct 2019	28.75	20.10	40,392.22	37,415.83
Nov 2019	30.50	24.05	41,163.79	40,014.23
Dec 2019	27.20	21.70	41,809.96	40,135.37
Jan 2020	28.90	23.50	42,273.87	40,476.55
Feb 2020	29.00	19.00	41,709.30	38,219.97
Mar 2020	24.80	13.30	39,083.17	25,638.90



xi Registrar and Share Transfer Agent:

Link Intime India Pvt. Ltd.

C-101, 247 Park,

L. B. S. Marg, Vikhroli (West), Mumbai-400 083.

Tel No. 022-49186270 • Fax No: 022-49186060

Email: rnt.helpdesk@linkintime.co.in

For any assistance regarding dematerialization of shares, share transfers, transmissions, change of address, non-receipt of dividend or any other query relating to shares, please write to our RTA at the aforesaid address.

The e-mail ID. secretarial@ashokalcochem.com has been created for redressal of investor complaints and the same is disclosed on the Company's website.

xii Share Transfer System:

Your Company's shares are traded on the stock exchange in Demat Mode.

In Demat Mode: The transfers are effected through NSDL & CDSL. Majority of the Share Transfer takes place in this form.

*In Physical Mode: Pursuant to Regulation 40 of LODR effective April 01, 2019, except in case of transmission or transposition of securities request for effecting transfer of securities shall not be processed unless the securities are held in the dematerialised form with a depository.

*** Note:**

Pursuant to circulars issued by SEBI, transfer of share in physical form after April 1, 2019 is not allowed. Members holding shares in physical form are requested to dematerialise their holdings at the earliest.

xiii. Distribution of Shareholding:

The distribution of shareholding as on March 31, 2020

Share Range (from-to)	No. of Shareholders	% of total Shareholders	No. of Shares held	% of Total issued capital
1-500	4306	88.77	544055	11.83
501-1000	284	5.85	225336	4.90
1001-2000	143	2.95	202076	4.39
2001-3000	38	0.78	97861	2.13
3001-4000	27	0.56	96685	2.10
4001-5000	16	0.33	71549	1.56
5001-10000	22	0.45	154334	3.35
10001 & above	15	0.31	3208447	69.74
Total	4851	100.00	4600343	100.00

xiv. Category Wise Distribution of Shareholdings as on March 31, 2020

Sr. No.	Category	No of Shares held	% of Share Holdings
1	Promoter and Promoter Group	25,20,632	54.79
2	Mutual Funds	100	0
3	Bodies Corporate	2,76,490	6.01
4	Individual Shareholders	16,51,877	35.91
5	Clearing Member	6,447	0.14
6	Hindu Undivided Family	64,382	1.40
7	Non Resident Indians	15,426	0.33
8	Non Resident Indians (Non Repeat)	15,474	0.34
9	Foreign Portfolio Investors	49,515	1.08
	Total	46,00,343	100.00

xv. Category Wise Distribution of Shareholdings as on March 31, 2020

Dematerialization of Shares and liquidity:

Particulars of Equity Holding	No of Shares held	
	Number	% of Total
Dematerialized form:		
NSDL	12,77,931	27.78
CDSL	31,54,962	68.58
Sub-total	44,32,893	96.36
Physical form	1,67,450	3.64
Total	46,00,343	100.00

xvi. Suspension of Securities

The Stock Exchange has not suspended trading in securities of the Company.

xvii. Outstanding GDRs/ADRs Warrants / convertible securities:

N.A.

xviii. Commodity Price Risk or foreign exchange risk and hedging activities

It is the policy of the Company to enter into forward foreign exchange contracts/Options & Derivatives to cover foreign currency payments in USD. The Company enters into contracts with terms upto 90 days. The Company's philosophy does not permit any speculative calls on the currency. It is driven by conservatism which guides that company follow conventional wisdom by use of Forward contracts in respect of Trade transactions.

xix. Address for correspondence

Shareholders correspondence should be addressed to your Company's Registrar and Share Transfer Agents:

Link Intime India Pvt. Ltd.

C-101, 247 Park,

L. B. S. Marg, Vikhroli (West)

Mumbai-400 083.

Tel No: 022-49186270

Fax No: 022-49186060

Email: rnt.helpdesk@linkintime.co.in

xx. Plant

Pursuant to the Asset Purchase Agreement entered into between the Company and Yellowstone Chemicals Private Limited (YCPL), the Company has transferred its plant to YCPL.



DECLARATION REGARDING COMPLIANCE BY BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL WITH THE CODE OF CONDUCT

This is to confirm that the Company has adopted a Code of Conduct for all Board Members and Senior Management of the Company. The Code is available on the Company's website www.ashokalcochem.com

I, Sunil Shah, Director of the Company, hereby declare that all the members of Board of Directors and the Senior Management Personnel have affirmed compliance with the Code of Conduct of the Company for the financial year 2019-20.

For Ashok Alco-Chem Limited

sd/-

Sunil Shah

Director

DIN: 03567415

Place: Mumbai

Date: November 9, 2020

PRACTISING COMPANY SECRETARY'S CERTIFICATE ON CORPORATE GOVERNANCE

To
The Members
Ashok Alco-Chem Limited
12/13, Jeevan Udyog Building,
278, Dr. D.N. Road, Fort,
Mumbai-400001

We have examined the compliance of conditions of Corporate Governance by **Ashok Alco-Chem Limited** (the Company) for the year ended on March 31, 2020, as stipulated in Regulation 17 to 27, clauses (b) to (i) of sub-regulation (2) of regulation 46 and para C to E of Schedule-V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The compliance of conditions of Corporate Governance is the responsibility of the management of the Company. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. The examination is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us and the representation by the Directors and the management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated under Regulation 17 to 27, clauses (b) to (i) of sub-regulation (2) of regulation 46 of and para C to E of Schedule-V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, for the year ended 31st March 2020.

We further state that such compliance is neither an assurance to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For Jay Mehta & Associates

Company Secretaries

Sd/-

Jay Mehta

Proprietor

FCS No.: 8672

C.P. No.: 8694

UDIN: F008672B001187652

Place: Mumbai

Date: November 9, 2020

“ANNEXURE - D”**CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS**

(pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI
(Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
The Members,
Ashok Alco-Chem Limited
12/13, Jeevan Udyog Building,
278, Dr. D.N. Road, Fort,
Mumbai-400001

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Ashok Alco-Chem Limited having CIN L24110MH1992PLC069615 and having registered office at 12/13, Jeevan Udyog Building, 278, Dr. D. N. Road, Fort, Mumbai - 400 001 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2020 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority:

Sr. No.	Name of Director	DIN	Date of Appointment in Company
1.	Mr. Manoj Chimanbhai Ganatra	00568914	8 th April 2011
2.	Mr. Sunil Khimji Shah	03567415	8 th February 2013
3.	Mr. Purab Dhanvantray Shah*	07490952	19 th April 2016
4.	Mr. Shekhaar Raju Shetty	07824778	17 th May 2017
5.	Mrs. Hina Rakesh Shah	08335130	12 th February 2019

* Purab Shah ceased to be Director of the Company w.e.f. 01st December 2019.

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

For Jay Mehta & Associates
Company Secretaries

Sd/-

Jay Mehta
Proprietor
FCS No.: 8672
C.P. No.: 8694
UDIN: F008672B001187509

Place: Mumbai
Date: November 9, 2020



INDEPENDENT AUDITORS REPORT

To
The Members of
ASHOK ALCO-CHEM LIMITED

Report on Audit of the Standalone Ind AS Financial Statements

Opinion

We have audited the accompanying standalone Ind AS financial statements of **ASHOK ALCO-CHEM LIMITED** ("the Company"), which comprise the Balance Sheet as at 31st March, 2020, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the Standalone Ind AS Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS financial statements give the information required by the 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 u/s. 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 31st March, 2020, the Loss and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone Ind AS financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's

Responsibilities for the Audit of the Standalone Ind AS Financial Statements section of our report. We are independent of the company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the standalone Ind AS 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 we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone Ind AS financial statements.

Emphasis of Matter

We draw attention to Note 49 of the accompanying standalone Ind AS financial statements which describes the Management's evaluation of impact of uncertainties related to Covid-19 pandemic.

Our Opinion is not qualified in respect of these matters.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the standalone Ind AS financial statements of the current period. These matters were addressed in the context of our audit of the standalone Ind AS 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.

Key Audit Matters	How the matter was addressed in our audit
<p>1. GOING CONCERN</p> <p>The Company had two business segments:</p> <p>a. Manufacturing Activities</p> <p>b. Trading Activities</p> <p>During the year under review the company has disposed off and assigned the manufacturing activities business at Mahad with assets to a third party in terms of Assets Sale Purchase Agreement dated 14.08.2019</p> <p>COVID-19 has caused significant disruptions to the business across India. The management has considered the possible effects, if any, that may impact and estimates relating to the uncertainties as at the balance sheet. The management has considered subsequent events, internal and external information and evaluated economic conditions prevailing as at the date of approval of these financial results and the assumption of going concern is not affected.</p>	<p>Our audit procedure included the following:</p> <ul style="list-style-type: none"> • We understood the company's policies and procedure control mechanism and methods of evaluation of business and the assumption of going concern. • Management's assessment of the entity's ability to continue as a going concern involves making a judgment, at a particular point in time, about inherently uncertain future outcomes of events or conditions • The auditor's responsibilities are to obtain sufficient appropriate audit evidence regarding, and conclude on, the appropriateness of management's use of the going concern basis of accounting in the preparation of the financial statements, and to conclude, based on the audit evidence obtained, whether a material uncertainty exists about the entity's ability to continue as a going concern.

Other Information

The company's management and Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Company's Annual Report but does not include the standalone Ind AS financial statements and our auditor's report thereon.

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

In connection with our audit of the standalone Ind AS 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 Ind AS 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.

Responsibility of Management and Those Charged with Governance for the Standalone Ind AS Financial Statements

The company's management and Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows 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 judgements and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

The Board of Directors are responsible for overseeing the company's financial reporting process.

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

Our objective are to obtain reasonable assurance about whether the standalone Ind AS financial statements as a whole are free

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

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

- Identify and assess the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances under section 143 (3) (i) of the Act. We are also responsible for expressing our opinion on whether the company has adequate internal financial controls 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 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 Ind AS 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 Ind AS financial statements, including the disclosures, and whether the standalone Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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 compiled 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 are of most significance in the audit of the standalone Ind AS 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.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the order") issued by the Central Government of India in terms of Section 143 (11) of the Act, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by section 143 (3), we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the company so far as *it* appears from our examination of those books.
 - c) The Balance Sheet, Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of accounts.
 - d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Ind AS specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e) The matter described in 'Emphasis of Matter' paragraph above in our opinion may not have an adverse effect on the functioning of the company.
 - f) On the basis of the written representations received from the directors as on 31st March, 2020 taken on

record by the Board of Directors, none of the directors is disqualified as on 31st March, 2020 from being appointed as a director in terms of section 164 (2) of the Act.

- g) 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 B".
- h) In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to the Director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.
- i) 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 Ind AS financial statements.
 - ii) The company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
 - iii) There has been no delay in transferring amounts, required to be transferred to the Investor Education and Protection Funds of the Company.

For R A Maru & Associates

Chartered Accountants
FRN: 141914W

Sd/-

Rumeet Anil Maru
(Proprietor)

M. No. 166417

UDIN: 20166417AAAAAM1957

Place: Mumbai

Date: 26.06.2020

“ANNEXURE – A” TO THE AUDITORS’ REPORT

(Referred to in Paragraph 1 under ‘Report on other Legal and Regulatory Requirements section of our report of even date)

1. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The fixed assets have been physically verified by the management at the regular intervals and no material discrepancies were noticed on such physical verification.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the freehold immovable properties were held in the name of the Company and those taken on lease were disclosed as fixed asset in the financial statements. The lease agreements were in the name of the Company, where the Company is the lessee. These assets pursuant to Asset Purchase Agreement dated 14.08.2019 entered by the company with the purchaser are transferred, however, the deed of Assignment is in the process of execution.
2. (a) The stock of Finished Goods, Raw materials, Stores and consumables were physically verified by the Management at regular intervals. The Company did not carry any inventories at the year end.
- (b) In our opinion and according to the information and explanations given to us, the procedure of physical verification of stocks followed by the management during the year was reasonable and adequate in relation to the size of the Company and the nature of its business.
- (c) The Company has maintained proper records of inventories. The discrepancies noticed on verification between the physical stocks and book records were not material and have been properly dealt with in the books of account.
3. The company has not granted loans secured or unsecured loans to companies, firms, limited liability partnerships or other parties covered in the register maintained under Section 189 of the Companies Act, 2013. Accordingly, paragraph 3 (iii) of the order is not applicable.
4. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of grant of loans, making investments and providing guarantees and securities, as applicable.
5. According to the information and explanations given to us, the Company has not accepted any deposit from the public during the year. Accordingly, paragraph 3 (v) of the order is not applicable.
6. We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Accounting Records) Rules, 2011 prescribed by the Central Government under Section 148 of the Companies Act, 2013 and are of the opinion that prima facie the prescribed cost records have been maintained. We have, however not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
7. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is generally regular in depositing undisputed statutory dues in respect of sales tax including Value Added Tax, Service Tax, Goods & Service Tax, Provident Fund, Employees’ State Insurance, Income Tax, Duty of Customs, Duty of Excise, Cess and other material statutory dues, as applicable, with the appropriate authorities.
- (b) According to the information and explanations given to us, no undisputed amounts payable in respect of Value Added Tax, Service Tax, Goods & Service Tax, Provident Fund, Employees’ State Insurance, Income Tax, Duty of Customs, Duty of Excise, Cess and other material statutory dues, were in arrears as at 31st March 2020 for a period of more than six months from the date they became payable.
- (c) The particulars of dues of Value Added Tax, Service Tax, Goods & Service Tax Provident Fund, Employees’ State Insurance, Income Tax, Duty of Customs, Duty of Excise, Cess and other material statutory dues, at 31st March 2020 which have not been deposited on account of dispute, are as follows:

Name of the Statute	Nature of Dues	Amount (INR in Lacs)	Financial Year/s / Period to which the dues relate	Forum where the Dispute is pending
The Income Tax Act, 1961	Demand U/s 143 (3)	449.39	2006-2007	Deputy Commissioner of Income Tax Circle 1 (1) (1)
The Income Tax Act, 1961	Demand U/s 143 (3)	226.50	2010-2011	Commissioner of Income Tax (Appeals)



8. In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings to financial institutions, banks and government and dues to debenture holders.
9. The Company has not raised any moneys by way of initial public offer, further public offer (including debt instruments) and term loans. Accordingly, the provisions of Clause 3(ix) of the Order are not applicable to the company.
10. To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no fraud on the Company by its officers or employees has been noticed or reported during the year.
11. In our opinion and according to the information and explanations given to us, the Company has paid / provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.
12. In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
13. According to the information and explanation given to us, the Company has entered into transaction with related parties in compliance with the provisions of Sections 177 and 188 of the Act. The details of such related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.
14. During the year the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under clause (xiv) of CARO 2016 is not applicable to the Company.
15. 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 persons connected with him and hence provisions of section 192 of the Companies Act, 2013 are not applicable.
16. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For R A Maru & Associates
Chartered Accountants
FRN: 141914W

Sd/-

Rumeet Anil Maru
(Proprietor)
M. No. 166417
UDIN: 20166417AAAAAM1957

Place: Mumbai
Date: 26.06.2020

“ANNEXURE-B” TO THE AUDITORS’ REPORT**Report on the Internal Financial Controls 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 **ASHOK ALCO-CHEM LIMITED** (“the Company”) as of 31st March 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 (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to 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.

Auditors’ Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting 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”) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. 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 judgment, 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 audit opinion on the Company’s internal financial controls system over financial reporting.

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 authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized 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, 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 31st March 2020, 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.

For R A Maru & Associates

Chartered Accountants

FRN: 141914W

Sd/-

Rumeet Anil Maru

(Proprietor)

M. No. 166417

UDIN: 20166417AAAAAM1957

Place: Mumbai

Date: 26.06.2020

BALANCE SHEET

as at March 31, 2020

(₹ in Lakhs)

Sr. No.	Particulars	Note No.	As at March 31, 2020	As at March 31, 2019
I	ASSETS			
	1. Non Current Assets			
	(a) Property, Plant & Equipment	3A	2.85	1,455.18
	(b) Capital Work in Progress		–	5.99
	(c) Other Intangible Assets	3B	0.07	0.07
	(d) Intangible Assets Under Development		23.97	18.66
	(e) Financial Assets			
	(i) Investments	4	864.57	73.10
	(ii) Other Financial Assets	5	0.68	78.68
	(f) Deferred Tax Assets (Net)	6	151.51	8.38
	Total Non Current Assets		1,043.63	1,640.07
	2. Current Assets			
	(a) Inventories	7	–	1,909.89
	(b) Financial Assets			
	(i) Trade Receivables	8	1,071.32	2,874.95
	(ii) Cash and Cash Equivalents	9	585.86	88.33
	(iii) Bank Balances other than (ii) above	10	23.90	155.93
	(iv) Loans	11	956.54	310.00
	(v) Other Financial Assets	12	10.00	68.73
	(c) Current Tax Assets	13	114.55	1,579.45
	(d) Other Current Assets	14	1,746.54	2,035.67
	Total Current Assets		4,508.71	9,022.95
	TOTAL ASSETS (1 to 2)		5,552.35	10,663.03
II	EQUITY AND LIABILITIES			
	1. Equity	15	460.03	460.03
	(a) Equity Share Capital	16	3,183.94	3,881.83
	(b) Other Equity		3,643.97	4,341.86
	Total Equity			
	Liabilities			
	2. Non Current Liabilities			
	(a) Financial Liabilities			
	(i) Borrowings	17	–	–
	(b) Provisions	18	2.67	62.86
	(c) Deferred Tax Liabilities (Net)	19	–	–
	Total Non Current Liabilities		2.67	62.86
	3. Current Liabilities			
	(a) Financial Liabilities			
	(i) Borrowings	20	–	840.49
	(ii) Trade Payables	21	799.97	2,362.88
	(iii) Other Financial Liabilities	22	62.66	187.67
	(b) Other Current Liabilities	23	999.53	1,213.91
	(c) Provisions	24	0.47	9.06
	(d) Current Tax Liabilities	25	43.06	1,644.31
	Total Current Liabilities		1,905.71	6,258.31
	Total Liabilities (2 to 3)		1,908.39	6,321.17
	TOTAL EQUITY AND LIABILITIES (1 to 3)		5,552.35	10,663.03
	Significant Accounting Policies	2		
	See accompanying notes forming part of the financial statements	1 to 49		

As per our report of even date

 For **R A Maru & Associates**
 Chartered Accountants
 Firm Registration No. 141914W

 Sd/-
R A Maru
 Proprietor
 Membership No. 166417
 Place: Mumbai
 Date : June 26, 2020

For and on behalf of the Board of Directors

 Sd/-
Sunil Shah
 Director
 DIN: 03567415

 Sd/-
Manoj Ganatra
 Director
 DIN : 00568914

 Sd/-
Seema Gangawat
 Company Secretary & Compliance Officer



STATEMENT OF PROFIT AND LOSS

for the Year Ended March 31, 2020

(₹ in Lakhs)

Sr. No.	Particulars	Note No.	Year Ended March 31, 2020	Year Ended March 31, 2019
I	INCOME			
	1. Revenue from Operations	26	11,203.50	17,042.95
	2. Other Income	27	656.01	161.83
	Total Income (1 to 2)		11,859.51	17,204.78
II	EXPENSES			
	1. Cost of Materials Consumed	28	7,369.86	13,149.01
	2. Purchases of Stock in Trade		2,237.55	627.22
	3. Changes in Inventories	29	284.01	312.38
	4. Employee Benefits Expense	30	489.78	642.87
	5. Finance Costs	31	89.73	146.70
	6. Depreciation and Amortization		62.02	117.05
	7. Other Expenses	32	2,087.45	2,490.64
	Total Expenses (1 to 7)		12,620.40	17,485.88
III	Total (Loss)/Profit Before Exceptional Items and Tax (I - II)		(760.89)	(281.10)
IV	Exceptional Items		-	-
V	(Loss) / Profit Before Tax (III - IV)		(760.89)	(281.10)
	Tax Expense - Current Years		-	1.25
	Tax Expense - Earlier Years		21.79	(95.95)
	Deferred Tax		134.62	78.61
	Total Tax Expenses		156.41	(16.09)
VII	(Loss)/Profit For The Year (V - VI)		(604.47)	(297.19)
VIII	Other Comprehensive Income			
	A. Items that will not be reclassified subsequently to profit or loss			
	i. Remeasurement Gain/(Loss) on the Defined Benefit Plans		(33.81)	4.80
	ii. Income tax on (i) above		8.51	(1.25)
	B. Items that will be reclassified subsequently to profit or loss		-	-
	Total Other Comprehensive Income		(25.30)	3.55
	Total Comprehensive Income For The Year (VII to VIII)		(629.77)	(293.64)
IX	Earnings per equity share:			
	Basic and Diluted		(13.14)	(6.46)
	(Face value ₹ 10 each)			
	Significant Accounting Policies	2		
	See accompanying notes forming part of the financial statements	1 to 49		

As per our report of even date

For **R A Maru & Associates**
Chartered Accountants
Firm Registration No. 141914W

Sd/-
R A Maru
Proprietor
Membership No. 166417
Place: Mumbai
Date : June 26, 2020

For and on behalf of the Board of Directors

Sd/-
Sunil Shah
Director
DIN: 03567415

Sd/-
Manoj Ganatra
Director
DIN : 00568914

Sd/-
Seema Gangawat
Company Secretary & Compliance Officer

CASH FLOW STATEMENT

for the Year Ended March 31, 2020

(₹ in Lakhs)

Sr. No.	Particulars	Year Ended March 31, 2020		Year Ended March 31, 2019	
A	CASH FLOW FROM OPERATING ACTIVITIES				
	Net (Loss)/Profit before Tax		(760.89)		(281.10)
	Adjustments for:				
	Depreciation	62.02		117.05	
	Foreign Exchange (Gain) / Loss	(116.43)		(31.24)	
	Sundry Balance w/off/ (w/back)	(1.58)		(8.60)	
	Loss / (profit) on sale of assets	(367.11)			
	Interest & Finance Charges	89.73		146.70	
	Interest Received	(99.36)	(432.74)	(72.62)	151.29
	Operating Profit Before Working Capital Changes		(1,193.63)		(129.80)
	Adjustments for changes in working capital				
	Decrease/(Increase) in Receivables	1,803.63		(492.71)	
	Decrease/(Increase) in Loans	(646.54)		(25.58)	
	Decrease/(Increase) Other Financial assets	58.73		(22.34)	
	Decrease/(Increase) Non current Loans	78.01		0.15	
	Decrease/(Increase) in Inventories	1,909.89		485.62	
	Decrease/(Increase) Other Current Assets	289.13		(538.85)	
	Increase/(Decrease) in Payables	(1,562.91)		796.76	
	Increase/(Decrease) in Other Current Liabilities	(214.37)		(114.13)	
	Increase/(Decrease) in Other Financial Liabilities	(125.01)		48.98	
	Increase/(Decrease) in Provision	(8.59)		(12.63)	
	Increase/(Decrease) in Long term Provision	(60.19)		3.67	
	Foreign Exchange (Gain) / Loss	116.43		31.24	
	Sundry Balance w/off/ (w/back)	1.58	1,639.80	8.60	168.78
	Cash generated from operations		446.17		38.98
	Income Tax Paid		(161.02)		(145.76)
	NET CASH FLOW FROM OPERATING ACTIVITIES (A)		285.16		(106.78)
B	CASH FLOW FROM INVESTING ACTIVITIES				
	Purchase of Fixed Assets	(18.10)		(88.24)	
	Sale/Adjustments of Fixed Assets	1,776.22		-	
	Decrease/(Increase) in Investments	(791.47)	966.65	-	(88.24)
	NET CASH FLOW FROM INVESTING ACTIVITIES (B)		966.65		(88.24)



(₹ in Lakhs)

Sr. No.	Particulars	Year Ended March 31, 2020		Year Ended March 31, 2019	
C	CASH FLOW FROM FINANCING ACTIVITIES				
	Proceeds / (Repayment) of Short Term Borrowings	(840.49)		(71.59)	
	Proceeds / (Repayment) of Long Term Borrowings	–		(119.35)	
	Dividend Paid	(55.46)		(55.37)	
	Interest Received	99.36		72.62	
	Interest paid	(89.73)	(886.31)	(146.70)	(320.38)
	NET CASH FLOW FROM FINANCING ACTIVITIES (C)		(886.31)		(320.38)
	NET INCREASE/(DECREASE) IN CASH & CASH EQUIVALENTS (A+B+C)		365.49		(515.41)
	Cash and Cash equivalents as at 01.04.19		244.26		759.67
	Cash and Cash equivalents as at 31.03.20		609.76		244.26
	Cash & Cash Equivalents		As at 31/03/20		As at 31/03/19
	Cash in Hand		5.81		1.36
	Cash at Bank		603.95		242.90
	Cash & Cash Equivalents as Stated		609.76		244.26

Note 1

Disclosure in terms of amendment to Ind AS 7 on "Statement of Cash Flows" to evaluate changes in Liabilities arising from financial activities:

Effective April 1, 2017, the Company adopted the amendment to Ind AS 7, which require the entities to provide disclosures that enable users of Financial Statements to evaluate changes in liabilities arising from financial activities, including both changes arising from cash flow and non-cash changes, suggesting inclusion of a reconciliation between the opening and closing balances in the Balance Sheets for liabilities arising from financing activities, to meet the disclosure requirement. The adoption of the amendment did not have any material impact on the Financial Statements.

Changes in Liabilities arising from Financing Activities	As at March 31, 2019	Cash Flow	Non Cash Changes	As at March 31, 2020
CASH FLOW FROM FINANCING ACTIVITIES				
Borrowing Non Current	–	–	–	–
Borrowing Current	840.49	(840.49)	–	–
Total	840.49	(840.49)	–	–

Note 2

Cash Flow Statement has been prepared under the indirect method as set out in Ind AS 7 specified under section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014.

Note 3

Figures in brackets represent outflows / deductions.

Significant Accounting Policies

2

See accompanying notes forming part of the financial statements

1 to 49

As per our report of even date

For and on behalf of the Board of Directors

For **R A Maru & Associates**
Chartered Accountants
Firm Registration No. 141914W

Sd/-
Sunil Shah
Director
DIN: 03567415

Sd/-
Manoj Ganatra
Director
DIN : 00568914

Sd/-
R A Maru
Proprietor
Membership No. 166417
Place: Mumbai
Date : June 26, 2020

Sd/-
Seema Gangawat
Company Secretary & Compliance Officer

STATEMENT OF CHANGES IN EQUITY

for the Year Ended March 31, 2020

(₹ in Lakhs)				
A. Equity Share Capital				
Particulars	Amount			
Balance as at March 31, 2019	460.03			
Changes in Equity Share Capital during the year 2018-19	-			
Balance as at March 31, 2020	460.03			
(₹ in Lakhs)				
B. Other Equity				
Particulars	Reserve & Surplus			Total
	Securities Premium	General Reserve	Retained Earnings	
Balance as at April 1, 2018	783.79	1,100.00	2,347.05	4,230.84
Profit / (Loss) for the period	-	-	(297.19)	(297.19)
Other Comprehensive Income	-	-	3.55	3.55
Dividend Paid (Includes Dividend Distribution Tax)	-	-	(55.37)	(55.37)
Ind AS Other adjustments	-	-	-	-
Transfer (to) / from Retained Earnings	-	-	-	-
Balance as at March 31, 2019	783.79	1,100.00	1,998.04	3,881.84
Profit / (Loss) for the period	-	-	(604.47)	(604.47)
Other Comprehensive Income	-	-	(25.30)	(25.30)
Dividend Paid (Includes Dividend Distribution Tax)	-	-	(55.46)	(55.46)
Transfer (to) / from Retained Earnings	-	-	-	-
Other Adjustments	-	-	(12.66)	-
Balances as at March 31, 2020	783.79	1,100.00	1,300.15	3,196.60
See accompanying notes forming part of the financial statements		1 to 49		

As per our report of even date

 For **R A Maru & Associates**
 Chartered Accountants
 Firm Registration No. 141914W

 Sd/-
R A Maru
 Proprietor
 Membership No. 166417
 Place: Mumbai
 Date : June 26, 2020

For and on behalf of the Board of Directors

 Sd/-
Sunil Shah
 Director
 DIN: 03567415

 Sd/-
Manoj Ganatra
 Director
 DIN : 00568914

 Sd/-
Seema Gangawat
 Company Secretary & Compliance Officer



NOTES

forming Part of the Financial Statements and Other Explanatory Information's for the Year Ended March 31, 2020

1. CORPORATE INFORMATION

Ashok Alco-Chem Limited ("the Company") is engaged in Manufacturing of Organic Chemicals & Trading in Minerals.

The company is a public limited company incorporated and domiciled in India and has Registered Office at 12/13, Jeevan Udyog Building, 278, Dr. D.N.Road, Fort, Mumbai- 400 001. The Equity shares of the company are listed on Bombay Stock Exchange Limited (BSE).

The company is engaged in the business of manufacturing acids and trading in Minerals.

The financial statements for the year ended March 31, 2020 are approved for issue by the Company's Board of Directors on June 26, 2020.

2. SIGNIFICANT ACCOUNTING POLICIES

Basis of Preparation

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

These financial Statements are prepared on an accrual basis under the historical cost convention or amortised cost, except for the following assets and liabilities, which have been measured at fair value:

- i. Certain financial assets and liabilities (including derivative instruments) that are measured at fair value.
- ii. Defined Benefits Plans- Plan assets measured at fair value.

These financial statements are presented in Indian Rupees (INR), which is also the Company's functional currency and all amounts are rounded off to the nearest lakhs (INR '00,000) upto two decimals, except when otherwise indicated.

Classification of Assets and Liabilities into Current/Non-current:

The Group presents assets and liabilities in the Consolidated Balance Sheet based on Current / Non-current classification.

An asset is classified as Current when:

- It is expected to be realised or intended to be sold or consumed in normal operating cycle; or
- It is held primarily for the purpose of trading; or
- It is expected to be realised within twelve months after the reporting period; or
- It is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as Non-current.

A liability is classified as Current when:

- It is expected to be settled in normal operating cycle; or
- It is held primarily for the purpose of trading; or
- It is due to be settled within twelve months after the reporting period; or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as Non-current.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents.

Deferred Tax Assets and Liabilities are classified as Non-current assets and liabilities.

Operating cycle for current and non-current classification

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

2.1 Property, Plant and Equipment (PPE)

- PPE is recognised when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. PPE (other than Freehold land and Capital Work-in-progress) are stated at cost less accumulated depreciation and impairment losses, if any. The initial cost of an asset comprises its purchase price, non-refundable purchase taxes and any costs directly attributable to bringing the asset into the location and condition necessary for it to be capable of operating in the manner intended by management, the initial estimate of any decommissioning obligation, if any. Cost includes qualifying assets, borrowing costs capitalised in accordance with the company's accounting policy.
- If significant parts of an item of PPE have different useful lives, then those are accounted as separate items (major components) of PPE.
- Material items such as spare parts, stand-by equipment and service equipment are classified as and when they meet the definition of PPE, as specified in Ind AS 16 on "Property, Plant and Equipment".
- The carrying amount of an item of PPE is derecognised upon disposal or when no future economic benefit is expected to arise from its continued use. Any gain or loss arising on the derecognition of an item of PPE is determined as the difference between the net disposal proceeds and the carrying amount of the item and is recognised in Statement of Profit and Loss.

Capital Work-in-Progress

Property, Plant and Equipment which are not ready for intended use on the date of balance sheet are disclosed as capital work-in-progress. It is carried at cost, such properties are classified and capitalised to the appropriate categories of Property, Plant and Equipment when completed and ready for intended use. Depreciation of these assets will be provided on the same basis as other property assets are ready for their intended use.

2.2 Depreciation

Depreciation on Property, Plant and Equipment (other than Freehold Land and Capital Work-in-progress) is provided on the Straight-Line Method in accordance with requirements prescribed under Schedule II to the Companies Act, 2013.

The Company has assessed the estimated useful lives of its PPE and has adopted the useful lives and residual value as prescribed therein.

Land under finance lease is amortised over the period of lease.

The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any change in estimate accounted for on a prospective basis.

2.3 Intangible Assets and Amortisation

Intangible assets are stated at acquisition cost, net of accumulated amortisation and accumulated impairment losses, if any. Intangible assets are amortised at 25% for 4 years on a straight line basis.

The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

2.4 Impairment of Non-Financial 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 may have been impaired. If any such indication exists, the recoverable amount, which is the higher of its value in use or its fair value less costs of disposal of the asset or cash-generating unit, as the case may be, is estimated and impairment loss (if any) is recognised and the carrying amount is reduced to its recoverable amount. 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.

In assessing the 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 specific to the asset for which the estimates of future cash flows have not been adjusted.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

An impairment loss is recognised immediately in the Statement of Profit and Loss. When impairment subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but upto the amount that would have been determined, had no impairment loss been recognized for that asset or cash generating unit. A reversal of an impairment loss is recognised immediately in the Statement of Profit and Loss.

2.5 Inventories

- Inventories are valued at lower of cost and net realizable value.

- Inventories comprise all costs of purchase, conversion and other costs incurred in bringing the inventories to their present location and condition.
- Cost of raw materials, packing materials, including materials in transit, work in process and finished goods are arrived at on the First in first out method of valuation, net of Input Tax Credit under Goods & Service Tax Act, including manufacturing overheads wherever applicable.
- Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

2.6 Statement of Cash Flows

Cash flows are reported using the indirect method, whereby net profit for the period is adjusted for the effects of transactions of non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and items of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

For the purpose of presentation in the Statement of Cash Flows, cash and cash equivalents include cash on hand, cash at banks, other short-term deposits and highly liquid investments with original maturity of three months or less that are readily convertible into cash and which are subject to an insignificant risk of changes in value, as reduced by bank overdrafts.

2.7 Segment Reporting

- The Company identifies primary segments based on the dominant source, nature of risks and returns and the internal organisation and management structure. The operating segments are the segments for which separate financial information is available and for which operating profit / loss amounts are evaluated regularly by the Chief Operating Decision Maker (CODM) in deciding how to allocate resources and in assessing performance.
- The accounting policies adopted for segment reporting are in line with the accounting policies of the Company.
- Segment revenue, segment expenses, segment assets and segment liabilities have been identified to segments on the basis of their relationship to the operating activities of the segment. Revenue, expenses, assets and liabilities which relate to the Company as a whole and are not allocable to segments on reasonable basis have been included under "unallocated revenue/expenses/ assets/liabilities" respectively.

2.8 Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the asset. All other borrowing costs are expensed in the period in which they are incurred. Borrowing costs consists of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing costs also include exchange differences to the extent regarded as an adjustment to the borrowing costs.

2.9 Provisions, Contingent Liabilities and Contingent Assets

Provision is 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 obligation. Provision is not recognised for future operating losses.

Provision is measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. If the effect of the time value of money is material, the amount of provision is discounted using an appropriate pre-tax rate that reflects current market assessments of the time value of money and, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

A Contingent liability is disclosed in case of a present obligation arising from past events, when it is either not probable that an outflow of resources will be required to settle the obligation, or a reliable estimate of the amount cannot be made. A Contingent Liability is also disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company.

Contingent Assets are not recognised but where an inflow of economic benefits is probable, contingent assets are disclosed in the financial statements.

2.10 Revenue Recognition

Revenue is recognised to the extent that it is probable that the economic benefits of a transaction will flow to the

Company and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

Sale of Goods

Revenue from sale of goods is recognised upon transfer of significant risks and rewards of ownership of the goods to the customer, while neither continuing managerial involvement nor effective control over the goods sold is retained. Sales include excise duty but exclude Goods and Service Tax (GST). It is measured at fair value of consideration received or receivable, net of returns, rebates and discounts.

Rental Income

Rental Income is accounted as and when accrues.

Interest Income

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a timely basis, by reference to the principal outstanding and at the effective interest rate applicable. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of that financial asset.

Dividends

Dividend Income is accounted for when Company's right to receive income is established.

2.11 Leases

At the inception of an arrangement, it is determined whether the arrangement is or contains a lease and based on the substance of the lease arrangement, it is classified as a finance lease or an operating lease.

Finance Leases:

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards incidental to ownership to the lessee.

Assets under finance leases are capitalised at the commencement of lease at the fair value of the leased property or, if lower, the present value of the minimum lease payments and a liability is created for an equivalent amount. Minimum lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability.

Assets given under a finance lease are recognised as a receivable at an amount equal to the net investment in the lease. Lease income is recognised over the period of the lease so as to yield a constant rate of return on the net investment in the lease.

Operating Leases:

Lease agreements where risk and rewards incidental to ownership of an assets, substantially vests with the Lessor, are classified as operating lease.

2.12 Employee Benefits**(i) Short term employee benefits**

Employee benefits such as salaries, wages, short term compensated absences, expected cost of bonus and ex-gratia falling due wholly within twelve months of rendering the service are classified as short-term employee benefits and are recognised as an expense at the undiscounted amount in the statement of profit and loss of the year in which the related service is rendered.

(ii) Long-term benefits:**» Defined Contribution Plan:****Provident and Family Pension Fund:**

The eligible employees of the Company are entitled to receive post-employment benefits in respect of provident and family pension fund, in which both employees and the Company make monthly contributions at a specified percentage of the employee's eligible salary (currently 12%). The contributions are made to AACL Trust -Provident Fund Trust. Provident Fund classified as Defined Contributions Plans as the Company has no further obligation beyond making the contribution. The Company's contribution is charged to the statement of profit and loss as incurred.

» **Defined Benefit Plan:**

Gratuity:

The Company has an obligation towards gratuity, a defined benefits retirement plan covering eligible employees. The plan provides a lump sum payment to vested employees at retirement or 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 cost of providing benefits is determined using the Projected Unit Credit method, with actuarial valuations being carried out at each Balance Sheet date. The Company makes contribution to AACL Gratuity Fund Trust based thereon.

Remeasurement, comprising actuarial gains and losses and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability or asset) is reflected immediately in the Balance Sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Remeasurement recognised in other comprehensive income is reflected immediately in retained earnings and is not reclassified to profit or Loss. Past service cost is recognised immediately for both vested and the non-vested portion. The retirement benefit obligation recognised in the Balance Sheet represents the present value of the defined benefit obligation, as reduced by the fair value of scheme assets. Any asset resulting from this calculation is limited taking into account the present value of available refunds and reductions in future contributions to the schemes.

Compensated Absences:

The Company provides for encashment of leave or leave with pay subject to certain rules. The employees are entitled to accumulate leave subject to certain limits for future encashment / availment. The liability is recognized based on number of days of unutilized leave at each balance sheet date on the basis of an independent actuarial valuation. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to the statement of profit and loss in the period in which they arise.

2.13 Taxes on Income

Income tax expense represents the sum of the tax currently payable and deferred tax.

Current Tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the Statement of Profit and Loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using applicable tax rates that have been enacted or substantively enacted by the end of the reporting period and the provisions of the Income Tax Act, 1961 and other tax laws, as applicable.

Deferred Tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the 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. Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current income tax assets against current income tax liabilities and when deferred income tax assets and liabilities relate to the income tax levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net or simultaneous basis.

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 future 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 for the year

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.

2.14 Earnings Per Share

The basic earnings per share are computed by dividing the net profit attributable to the equity shareholders for the year by the weighted average number of equity shares outstanding during the reporting period. Diluted earnings per share is computed by dividing the net profit attributable to the equity shareholders for the year by the weighted average number of equity and dilutive equity equivalent shares outstanding during the year, except where the results would be anti-dilutive.

2.15 Foreign Currency Transactions

Transactions in foreign currencies are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are translated at the rates prevailing at that date.

Non-monetary items that are measured at historical cost denominated in a foreign currency are translated using the exchange rate as at the date of initial transaction. Exchange differences on monetary items are recognised in profit or loss in the period in which they arise.

2.16 Financial Instruments

Financial assets and financial liabilities are recognised 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 recognised in the Statement of Profit and Loss.

Classification and Subsequent Measurement: Financial Assets

The Company classifies financial assets as subsequently measured at amortised cost, fair value through other comprehensive income ("FVOCI") or fair value through profit or loss ("FVTPL") on the basis of following:

- the entity's business model for managing the financial assets; and
- the contractual cash flow characteristics of the financial assets.

Amortised Cost:

A financial asset shall be classified and measured at amortised cost, if both of the following conditions are met:

- the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows, and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Fair Value through Other Comprehensive Income:

A financial asset shall be classified and measured at FVOCI, if both of the following conditions are met:

- the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets, and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Fair Value through Profit or Loss:

A financial asset shall be classified and measured at FVTPL unless it is measured at amortised cost or at FVOCI.

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Classification and Subsequent Measurement: Financial liabilities:

Financial liabilities are classified as either financial liabilities at FVTPL or 'other financial liabilities'.

Financial Liabilities at FVTPL:

Financial liabilities are classified as at FVTPL when the financial liability is held for trading or are designated upon initial

recognition as FVTPL.

Gains or Losses on liabilities held for trading are recognised in the Statement of Profit and Loss.

Other Financial Liabilities:

Other financial liabilities (including borrowings and trade and other payables) are subsequently measured at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

Impairment of Financial Assets:

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

The Credit Policy approved by the Company for bad debts considering past history of bad debts, instead of recognising allowance for expected credit loss based on provision matrix, which uses an estimated default rate, the Company makes provision for doubtful debts based on specific by Board. The Company will reassess the model periodically and make the necessary adjustments for loss allowance.

Derecognition of Financial Assets:

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expires, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralized borrowing for the proceeds received.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset.

On derecognition of a financial asset other than in its entirety (e.g. when the Company retains an option to repurchase part of a transferred asset), the Company allocates the previous carrying amount of the financial asset between the part it continues to recognise under continuing involvement, and the part it no longer recognises on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognised and the sum of the consideration received for the part no longer recognised and any cumulative gain or loss allocated to it that had been recognised in other comprehensive income is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset. A cumulative gain or loss that had been recognised in other comprehensive income is allocated between the part that continues to be recognised and the part that is no longer recognised on the basis of the relative fair values of those parts.

Financial Liabilities and Equity Instruments:

- **Classification as debt or equity:**

Debt and equity 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.

- **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 a Company are recognised at the proceeds received.

Derecognition of Financial Liabilities:

The Company derecognizes a financial liability when its contractual obligations are discharged or cancelled or expired.

The Company also derecognizes a financial liability when its terms are modified and the cash flows under the modified terms are substantially different.

Offsetting:

Financial assets and financial liabilities are offset and the net amount is reported in the Balance Sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

Derivative Financial Instruments:

The Company enters mainly into foreign exchange forward contracts to mitigate the foreign currency exposure risk.

Derivatives are initially recognised at fair value at the date the derivative contracts are entered and are subsequently remeasured to their fair value at the end of each reporting period. The resulting gain or loss is recognised in Statement of Profit and Loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in Statement of Profit and Loss depends on the nature of the hedge relationship.

2.17 Research and Development:

Revenue expenditure on Research and Development is charged to Statement of Profit and Loss in the year in which it is incurred. Capital expenditure on Research and Development is considered as an addition to Property, Plant and Equipment/ Intangible Assets.

2.18 Critical Accounting Judgments and Key Sources of Estimation Uncertainty

The preparation of the financial statements requires the management to make judgements, estimates and assumptions in the application of accounting policies and that have the most significant effect on reported amounts of assets, liabilities, incomes and expenses, and accompanying disclosures, and the disclosure of contingent liabilities. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

Key estimates, assumptions and judgements

The key assumptions concerning the future and other major sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below:

Income taxes

Significant judgements are involved in determining the provision for income taxes, including amount expected to be paid/ recovered for uncertain tax positions as also to determine the amount of deferred tax that can be recognised, based upon the likely timing and the level of future taxable profits. Also, Refer Note 34.

Property, Plant and Equipment/Intangible Assets

Property, Plant and Equipment/ Other Intangible Assets are depreciated/amortised over their estimated useful lives, after taking into account estimated residual value. The useful lives and residual values are based on the Company's historical experience with similar assets and taking into account anticipated technological changes or commercial obsolescence. Management reviews the estimated useful lives and residual values of the assets annually in order to determine the amount of depreciation/amortisation to be recorded during any reporting period. The depreciation/amortisation for future periods is revised, if there are significant changes from previous estimates and accordingly, the unamortised/depreciable amount is charged over the remaining useful life of the assets.

Employee Benefit Plans

The cost of the defined benefit gratuity plan and other-post employment benefits and the present value of gratuity obligations and compensated absences are determined based on actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, attrition and mortality rates. Due to the complexities involved in the valuation and its long-term nature, these liabilities are highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

Impairment of Financial Assets

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

The Company reviews its carrying value of investments carried at amortised cost annually, or more frequently when there is indication for impairment. If the recoverable amount is less than its carrying amount, the impairment loss is accounted for.

Recoverability of Trade Receivables

Judgements are required in assessing the recoverability of overdue trade receivables and determining whether a provision against those receivables is required. Factors considered include the credit rating of the counterparty, the amount and timing of anticipated future payments and any possible actions that can be taken to mitigate the risk of non-payment.

Fair Value measurements of Financial Instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets (Net Assets Value in case of units of Mutual Funds), their fair value is measured using valuation techniques including the Discounted Cash Flow (DCF) model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

Impairment of Assets

The Company has used certain judgements and estimates to work out future projections and discount rates to compute value in use of cash generating unit and to access impairment. In case of certain assets independent external valuation has been carried out to compute recoverable values of these assets.

Provisions & Contingent liabilities

Provisions and liabilities are recognised in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability requires the application of judgment to existing facts and circumstances, which can be subject to change. The carrying amounts of provisions and liabilities are reviewed regularly and revised to take account of changing facts and circumstances.

2.19 Disclosure pursuant to Ind-AS 27 "Separate Financial Statements"

Investment in subsidiary company is accounted at cost.

Name of Investee	Principal Place of Business	Proportionate Ownership Interest	
		As at March 31, 2020	As at March 31, 2019
a. Particulars of Subsidiaries			
i. Ashwa Minerals Private Limited	India	100%	100%
ii. Aeon Procure Private Limited(w.e.f. 17 th December 2020)	India	100%	–

3A PROPERTY, PLANT AND EQUIPMENT

Particulars	(₹ in Lakhs)									
	Leasehold Land	Buildings	Plant and Machinery	Furniture and Fixtures	Office Equipments	Computers	Vehicles	Air Conditioner	Total	
Gross Block										
As at April 1, 2019	9.25	185.20	1,516.74	9.64	12.90	8.50	2.09	4.94	1,749.26	
Additions during the year	-	-	8.32	0.64	2.70	0.31	-	0.83	12.79	
Deductions/Adjustments during the year	(9.25)	(185.20)	(1,525.05)	(9.40)	(11.85)	(1.42)	-	(5.78)	(1,747.96)	
As at March 31, 2020	-	-	-	0.88	3.75	7.38	2.09	-	14.09	
Accumulated Depreciation										
As at April 1, 2019	0.37	17.23	262.37	1.34	5.03	4.27	1.06	2.41	294.07	
Depreciation for the year	0.05	3.86	53.18	0.75	1.62	1.72	0.32	0.53	62.02	
Deductions/Adjustments during the year	(0.42)	(21.09)	(315.55)	(1.21)	(3.77)	0.13	-	(2.93)	(344.85)	
As at March 31, 2020	-	-	-	0.88	2.88	6.11	1.37	-	11.24	
Net Block as at March 31, 2020	-	-	-	(0.00)	0.87	1.27	0.71	-	2.85	

Particulars	(₹ in Lakhs)									
	Leasehold Land	Buildings	Plant and Machinery	Furniture and Fixtures	Office Equipments	Computers	Vehicles	Air Conditioner	Total	
Gross Block										
As at April 1, 2018	9.25	185.20	1,510.24	4.52	9.06	4.68	2.09	4.11	1,729.15	
Additions during the year	-	-	49.98	5.12	3.84	3.82	-	0.83	63.60	
Deductions/Adjustments during the year	-	-	(43.48)	-	-	-	-	-	(43.48)	
As at March 31, 2019	9.25	185.20	1,516.74	9.64	12.90	8.50	2.09	4.94	1,749.26	
Accumulated Depreciation										
As at April 1, 2018	0.25	11.45	190.70	0.80	2.62	2.62	0.74	1.41	210.59	
Depreciation for the year	0.11	5.78	105.13	0.54	2.41	1.65	0.32	1.00	116.94	
Deductions/Adjustments during the year	-	-	(33.46)	-	-	-	-	-	(33.46)	
As at March 31, 2019	0.36	17.23	262.37	1.34	5.03	4.27	1.06	2.42	294.07	
Net Block as at March 31, 2019	8.89	167.97	1,254.37	8.30	7.87	4.23	1.03	2.53	1,455.19	

3B INTANGIBLE ASSETS

(₹ in Lakhs)

Particulars	Computer Software
Gross Carrying Value	
As at April 1, 2019	0.71
Additions during the year	0.11
Deductions / Adjustments during the year	–
As at March 31, 2020	0.82
Accumulated Depreciation	
As at April 1, 2019	0.64
Amortisation for the year	0.11
Deductions/Adjustments during the year	–
As at March 31, 2020	0.75
Net Carrying Value as at March 31, 2020	0.07

(₹ in Lakhs)

Particulars	Computer Software
Gross Carrying Value	
As at April 1, 2018	0.71
Additions during the year	–
Deductions / Adjustments during the year	–
As at March 31, 2019	0.71
Accumulated Depreciation	
As at April 1, 2018	0.54
Amortisation for the year	0.10
Deductions/Adjustments during the year	–
As at March 31, 2019	0.64
Net Carrying Value as at March 31, 2019	0.07

4 NON-CURRENT INVESTMENTS

(₹ in Lakhs)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Investments measured at Cost		
Investments In Equity Shares		
Unquoted		
Subsidiaries		
Investments In Equity Shares		
– Subsidiaries - Ashwa Minerals Private Limited 10,000 (10,000) shares @ ₹ 731/- each fully paid up	73.10	73.10
– Subsidiaries - Aeon Procure Private Limited 35,000 (NIL) shares @ ₹ 2,250/- each fully paid up	791.47	–
Total	864.57	73.10
Aggregate Amount of Quoted Investments	–	–
Aggregate Amount of Unquoted Investments	864.57	73.10
Aggregate provision made for diminution in value of Investments	–	–

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5 OTHER FINANCIAL ASSETS

(₹ in Lakhs)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Security Deposits - Considered Good	0.68	78.68
Security Deposits - Considered Doubtful	101.88	101.88
Less: Provision for Doubtful Recovery	(101.88)	(101.88)
Total	0.68	78.68

6 DEFERRED TAX ASSETS (NET)

(₹ in Lakhs)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Deferred Tax Assets (Net) (Refer Note No. 34 C)	151.51	8.38
Total	151.51	8.38

7 INVENTORIES

(₹ in Lakhs)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Raw Materials	–	1,361.35
Add : Goods in Transit	–	2.80
	–	1,364.16
Work In Progress	–	46.85
Finished Goods	–	426.46
Fuel	–	14.55
Stores, Spares and Packing Materials	–	57.89
Stock-In-Trade (Trading)	–	–
Total	–	1,909.90

8 TRADE RECEIVABLES

(₹ in Lakhs)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Unsecured, Considered Good	1,071.32	2,874.95
Unsecured, Considered Doubtful	372.63	190.27
Provision For Doubtful Debts	(372.63)	(190.27)
Total	1,071.32	2,874.95

9 CASH AND CASH EQUIVALENTS

(₹ in Lakhs)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Balances with Banks		
In Current Accounts	580.05	86.98
Cash and Cash Equivalents		
Cash on Hand	5.81	1.36
Total	585.87	88.33

10 BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

(₹ in Lakhs)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Other Bank Balances		
Term Deposits with Bank to the Extent Held as Margin Money and Security Against BG and Other Commitments	19.85	150.28
Earmarked Balances		
Unclaimed Dividend Accounts	4.05	5.66
Total	23.90	155.93

11 CURRENT LOANS

(₹ in Lakhs)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Unsecured Considered Goods		
Loans to Corporates (Refer Note No. 36)	954.23	304.74
Loans and Advances to Staff	0.40	1.78
Loans and Advances to Others	1.91	3.48
Total	956.54	310.00

12 OTHER FINANCIAL ASSETS

(₹ in Lakhs)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Unsecured Considered Goods		
Interest Accrued on FDR	5.47	3.54
Other Receivables - LIC Policy Staff Leave Encashment	0.15	0.21
Other Receivables - Gratuity Fund with LIC	4.38	64.98
Total	10.00	68.73

13 CURRENT TAX ASSETS

(₹ in Lakhs)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Advance Income Tax	114.55	1,579.45
Total	114.55	1,579.45

14 OTHER CURRENT ASSETS

(₹ in Lakhs)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Prepaid Expenses	1.45	48.39
Balances with Government Authorities	1,073.65	1,128.00
Advance to Suppliers	671.44	859.28
Total	1,746.54	2,035.67

15 EQUITY SHARE CAPITAL

(₹ in Lakhs)

Particulars	As at	
	31st March, 2020	31st March, 2019
Authorised		
50,00,000 Equity Shares of ₹ 10/- each	500.00	500.00
20,00,000 11% Preference Shares of ₹ 10/- each	200.00	200.00
Total Authorised Share Capital	700.00	700.00
Issued, Subscribed & Paid Up		
46,00,343 Equity Shares of ₹ 10/- each fully paid up	460.03	460.03
Total Issued, Subscribed and Paid up Share Capital	460.03	460.03

Terms/Rights attached to Equity Shares

- i. The Company has issued only one class of shares referred to as Equity shares having a par value of ₹ 10/- per share. Each shareholder of equity shares is entitled for one vote per share.
- ii. In the Event of liquidation of the Company, the holder of equity shares will be entitled to receive remaining assets of the Company. The distribution will be in proportion to the number of equity shares held by the shareholders.

a. Reconciliation of the number of shares outstanding:

(₹ in Lakhs)

Particulars	As at 31st March, 2020		As at 31st March, 2019	
	No. of Shares	Amount	No. of Shares	Amount
Shares at the beginning of the year	46,00,343	460.03	46,00,343	460.03
Add: Share warrants issued during the year	–	–	–	–
Add : Calls in arrears received during the year	–	–	–	–
Less: Shares forfeited during the year	–	–	–	–
Add : Re-issue of forfeited Shares	–	–	–	–
Shares at the end of the year	46,00,343	460.03	46,00,343	460.03

b. Shareholders having more than 5% holding

Particulars	As at 31st March, 2020		As at 31st March, 2019	
	No. of Shares	% Holding	No. of Shares	% Holding
Aura Alkalies & Chemicals Pvt Ltd.	25,18,632	54.75%	25,18,632	54.75%
Total	25,18,632	54.75%	25,18,632	54.75%

16 OTHER EQUITY

(₹ in Lakhs)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Securities Premium Reserve		
As per last Balance Sheet	783.79	783.79
Add: Additions during the year	–	–
Less: (Deductions) during the year	–	–
	783.79	783.79
General Reserve		
As per last Balance Sheet	1,100.00	1,100.00
Add: Additions during the year	–	–
Less: (Deductions) during the year	–	–
	1,100.00	1,100.00
Retained Earnings		
As per last Balance Sheet	1,998.04	2,347.05
Add: Profit / (Loss) for the Year	(604.47)	(297.20)
Add: Other Comprehensive Income	(25.30)	3.55
Less: Transfer to General Reserve	–	–
Less: Proposed Dividend (including DDT)	(55.46)	(55.37)
Add/Less: Other Adjustments	(12.66)	–
	1,300.15	1,998.04
Total	3,183.94	3,881.83

Description of the nature and purpose of Other Equity

(a) Securities Premium Reserve

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

(b) General Reserve

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

(c) Retained Earnings

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

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17 NON-CURRENT BORROWINGS

(₹ in Lakhs)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Borrowings		
Term Loans:		
From Bank	–	–
{First and exclusive charges on assets created out of term loan and collaterally secured by equitable mortgage of factory land & building, plant & machinery (both present and future) residential property located at MIDC Mahad & personal guarantee of Director to be paid in balance 7 installments as against 28 (36) equal instalments}.		
Total	–	–

18 NON-CURRENT PROVISIONS

(₹ in Lakhs)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Provision for Leave Encashment	0.15	0.21
Provision for Gratuity	2.52	62.65
Total	2.67	62.86

19 DEFERRED TAX LIABILITIES (NET)

(₹ in Lakhs)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Deferred Tax Liabilities (Net) (Refer Note No. 34 C)	–	–
Total	–	–

20 CURRENT BORROWINGS

(₹ in Lakhs)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Loans (Repayable on demand from Banks)		
Secured Working Capital Loan from IDBI Bank Ltd.	–	840.49
{First and exclusive charge on current assets (present and future) and collaterally secured by equitable mortgage of factory land & building, plant & machinery (both present and future) & residential property located at MIDC Mahad & personal guarantee of Director}.		
Total	–	840.49

21 TRADE PAYABLES

(₹ in Lakhs)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Due to Micro, Medium and Small Enterprises	3.41	68.29
Due to Others	796.57	2,294.59
Total	799.97	2,362.88

22 OTHER FINANCIAL LIABILITIES (CURRENT)

(₹ in Lakhs)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Other Financial Liabilities		
Unpaid Dividend*	5.46	5.66
Provision For Expenses	55.62	135.58
Employee Related Liabilities	1.58	46.43
Derivative Financial Instruments	–	–
Total	62.66	187.67

* There are no amounts due and outstanding to be transferred to the Investor Education and Protection Fund (IEPF) as on 31st March, 2020. Unclaimed Dividend, if any, shall be transferred to IEPF as and when they become due.

23 OTHER CURRENT LIABILITIES

(₹ in Lakhs)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Statutory Dues	1.16	215.53
Claims Payable	998.38	998.38
Total	999.53	1,213.91

24 CURRENT PROVISIONS

(₹ in Lakhs)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Provision for Leave Encashment	0.47	9.06
Provision for Gratuity	–	–
Total	0.47	9.06

25 CURRENT TAX LIABILITIES

(₹ in Lakhs)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Provision for Income Tax	43.06	1,644.31
Total	43.06	1,644.31

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26 REVENUE FROM OPERATIONS

Particulars	(₹ in Lakhs)	
	Year Ended 31st March, 2020	Year Ended 31st March, 2019
Sale of Products		
Manufactured Goods		
Local Sales	6,634.21	13,249.70
Export Sales	2,189.87	2,860.65
Traded Goods		
Local Sales	130.85	758.19
Export Sales	2,248.58	174.41
Total	11,203.51	17,042.95

27 OTHER INCOME

Particulars	(₹ in Lakhs)	
	Year Ended 31st March, 2020	Year Ended 31st March, 2019
Interest Income	99.36	72.62
Sale of Scrap / Wastages	14.41	3.63
Profit on Sale of Fixed Assets	367.11	–
Net Gain on Foreign Currency Transactions	116.43	31.24
Miscellaneous Income	58.69	54.34
Total	656.01	161.83

28 COST OF MATERIAL CONSUMED

Particulars	(₹ in Lakhs)	
	Year Ended 31st March, 2020	Year Ended 31st March, 2019
Opening Stock	1,361.35	1,376.53
Purchases During The Year	6,008.51	13,133.83
Net Opening Stock	7,369.86	14,510.37
Less : Closing Stock	–	(1,361.35)
Total	7,369.86	13,149.01

29 CHANGES IN INVENTORIES OF FINISHED GOODS, WIP AND STOCK IN TRADE

Particulars	(₹ in Lakhs)	
	Year Ended 31st March, 2020	Year Ended 31st March, 2019
Finished Goods		
Opening Stock of Finished Goods	237.16	393.46
Less : Closing Stock of Finished Goods	–	(426.46)
	237.16	(33.00)
Work In Progress		
Opening Stock of Work In Progress	46.85	46.21
Less : Closing Stock of Work In Progress	–	(46.85)
	46.85	(0.64)
Stock In Trade		
Opening Stock of Stock In Trade	–	346.02
Less : Closing Stock of Stock In Trade	–	–
	–	346.02
Total	284.01	312.38



30 EMPLOYEE BENEFIT EXPENSES

(₹ in Lakhs)

Particulars	Year Ended 31st March, 2020	Year Ended 31st March, 2019
Salaries and Wages	458.24	592.38
Contribution to Provident and Other Funds	20.04	29.16
Staff Welfare Expenses	11.50	21.32
Total	489.78	642.87

31 FINANCE COSTS

(₹ in Lakhs)

Particulars	Year Ended 31st March, 2020	Year Ended 31st March, 2019
Interest Costs	64.23	113.68
Other Finance Costs	25.49	33.02
Total	89.73	146.70

32 OTHER EXPENSES

(₹ in Lakhs)

Particulars	Year Ended 31st March, 2020	Year Ended 31st March, 2019
Consumption of Packing Materials	146.33	223.97
Consumption of stores and spare parts	91.89	155.95
Power and Fuel	498.98	1,032.17
Other Manufacturing Expenses	1.97	3.79
Repair and Maintenance		
– Repairs to Buildings	17.92	41.42
– Repairs to Machinery	13.54	28.37
– Repairs to Others	11.49	14.35
Export Freight and Insurance	428.35	264.92
Other Selling Expenses	147.06	256.04
Advertisement and Business promotion	4.92	6.77
Auditors Remuneration (footnote 'i')	5.00	4.25
Bad Debts Written Off	0.20	–
Conveyance and Travelling expenses	22.01	42.13
Corporate Social Responsibility (CSR) Expenses	–	18.81
Donation	10.00	2.04
Director's Sitting Fees	15.00	11.00
Insurance	38.25	31.89
Legal and Professional Expenses	77.41	40.41
Loss on Sale of Fixed Assets	0.41	4.08
Other Miscellaneous Expenses	227.62	171.71
Doubtful Debts	165.61	106.51
Rent, Rates and Taxes	163.50	30.07
Total	2,087.46	2,490.64

Footnote (i)

(₹ in Lakhs)

Particulars	Year Ended 31st March, 2020	Year Ended 31st March, 2019
Statutory Audit Fees	5.00	4.25
Total	5.00	4.25

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33 CONTINGENT LIABILITIES AND COMMITMENTS (TO THE EXTENT NOT PROVIDED FOR)

(₹ in Lakhs)

Sr. No.	Particulars	As at March 31, 2020	As at March 31, 2019
A.	Contingent Liabilities		
	Claims against the Company not acknowledged as debt :		
	i. Income-tax matters under appeal	675.89	226.50
	ii Disputed excess service tax refund	2.29	2.29
	Total	678.18	228.80
B.	Bank Guarantee	12.87	3.83
	Total	12.87	3.83

Note :

In respect of item (A) and (B) above, it is not possible for the Company to estimate the timings of cash outflow which

- would be determinable only on receipt of judgement pending at various forums/authorities.
- the Company does not expect any reimbursements in respect of the above Contingent Liabilities.

34 DISCLOSURE PURSUANT TO IND-AS 12 ON "INCOME TAXES"

A. Components of Tax Expenses / (Income)

(₹ in Lakhs)

Particulars	Year Ended 31st March, 2020	Year Ended 31st March, 2019
a. Profit or Loss Section		
Current Income Tax (Including Income Tax of Earlier Years)	(21.79)	94.71
Deferred Tax	(134.62)	(78.61)
Income Tax Expense Reported in the Statement of Profit or Loss	(156.41)	16.09
b. Other Comprehensive Income Section		
Tax expenses on remeasurements of defined benefit plans	8.51	(1.25)
Income Tax Expense Charged to OCI	8.51	(1.25)

B. Reconciliation of Income Tax Expense/(Income) and Accounting Profit multiplied by domestic tax rate applicable in India

(₹ in Lakhs)

Particulars	Year Ended 31st March, 2020	Year Ended 31st March, 2019
Profit Before Tax	(760.89)	(281.10)
Corporate Tax rate as per Income Tax Act, 1961	26.00%	26.00%
Tax on Accounting Profit	(197.83)	(73.09)
Tax effect of :		
Income Exempt from Tax	-	-
Income Consider Separately not Taxable	(95.45)	-
Expenses Allowed separately	-	(48.31)
Tax on Expense not Deductible	84.07	74.29
Chp VI A Deduction	-	-
Prior Period Tax	(21.79)	95.95
Tax on Capital Gain	246.17	-
Others	(36.96)	45.86
Current Tax Provision (A)	(21.79)	94.71
Deferred Tax Liability Recognised	-	43.55
Deferred Tax Asset Recognised	134.62	122.15
Deferred tax Provision (B)	(134.62)	(78.61)
Tax expenses recognised in statement of Profit and Loss (A+B)	(156.41)	16.10
Effective Tax Rate	20.56%	-5.73%

C. Deferred Tax

FY 2019-20

Components and Reconciliation of Deferred Tax (Assets)/Liabilities

(₹ in Lakhs)

Particulars	Opening Balance	Recognised in Profit or Loss	Recognised in other Comprehensive Income	Closing Balance
Property, Plant and Equipment and Intangible Assets	48.55	(1.69)	–	46.86
Provision for Doubtful Debts and Advances	(9.41)	(93.78)	–	(103.19)
Provision for Security Deposit	(66.64)	–	–	(66.64)
Accrued Expenses Deductible on Cash Basis	(23.08)	–	–	(23.08)
Actuarial Gain/(Loss) on Employee Defined Benefits Obligation	(4.91)	(8.50)	–	(13.41)
Income Tax Loss	47.10	(39.15)	–	7.95
Total	(8.38)	(143.12)	–	(151.51)

FY 2018-19

Components and Reconciliation of Deferred Tax (Assets)/Liabilities

(₹ in Lakhs)

Particulars	Opening Balance	Recognised in Profit or Loss	Recognised in other Comprehensive Income	Closing Balance
Property, Plant and Equipment and Intangible Assets	249.32	(200.77)	–	48.55
Provision for Doubtful Debts and Advances	(58.88)	49.47	–	(9.41)
Provision for Security Deposit	(35.26)	(31.38)	–	(66.64)
Accrued Expenses allowable on cash basis	(80.04)	56.96	–	(23.08)
Actuarial gain/(loss) on employee defined benefits obligation	(4.91)	–	–	(4.91)
Income Tax Loss	–	47.10	–	47.10
Total	70.23	(78.61)	–	(8.38)

35 EARNINGS PER SHARE (EPS)

(₹ in Lakhs)

Particulars	Year Ended 31st March, 2020	Year Ended 31st March, 2019
Net Profit / (Loss) after Tax as per Statement of Profit and Loss attributable to Equity Shareholders (₹)	(6,04,47,160)	(2,97,19,046)
Weighted Average number of Equity Shares used as denominator for calculating Basic EPS (No. of Shares)	4600343	4600343
Face Value per Equity Share (₹)	10	10
Basic & Diluted Earnings per Share (₹)	(13.14)	(6.46)

36 DISCLOSURE PURSUANT TO SECTION 186 OF THE COMPANIES ACT, 2013

The Loan provided to Corporate @ 14% p.a. has been utilised by them for meeting their working capital requirement.

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37 DISCLOSURE OF TRANSACTIONS WITH RELATED PARTIES REQUIRED UNDER IND AS 24 ON "RELATED PARTY DISCLOSURES"

A. List of Related Parties

(I) Holding Company

- Aura Alkalies and Chemicals Private Limited

(II) Parties where control exists

Subsidiary Company	Principal place of Business	Proportionate Ownership Interest	
		As at 31st March, 2020	As at 31st March, 2019
Ashwa Minerals Private Limited	India	100%	100%
Aeon Procure Private Limited (w.e.f. 17.12.2019)	India	100%	0%

(III) Associates (Firms)

- Altage Stone Crushing Industries
- Bharat Abrasives and Chemicals Industries
- Kantilal Mohanlal Mehta
- Manohar Daryayani
- Nilesh Mines
- Prabhudas Vithaldas
- Prachi Mines
- Saurashtra Traders
- Sandeep Abrasives Industries
- Vinod Pandya
- Yogita Allied & Calcined Products

(IV) Directors / Key Managerial Personnel (KMP) of the Company

- Executive Director & CEO (Resigned w.e.f. December 1, 2019) Mr. Purab Shah
- Independent Director Mr. Manoj Ganatra
- Independent Director Mr. Shekhaar Shetty
- Independent Director Mrs. Hina Shah
- Non Executive Director Mr. Sunil Shah
- Non Executive Director (up to 28th May, 2019) Mrs. Neeta Shah
- Company Secretary & Compliance Officer Ms. Seema Gangawat
- Chief Financial Officer (Resigned w.e.f. February 21, 2020) Mr. Vaize Ahmed Kampli

(V) Relatives of Director /KMP of the Company

- Ms. Khyati Kaji (Upto November 30, 2019)

B. Transactions (In Aggregate) with Related Parties

(₹ in Lakhs)

Sr. No.	Particulars	As at March 31, 2020	As at March 31, 2019
	Loans to wholly owned subsidiary		
i.	Aeon Procure Private Limited	103.06	-
	Total	103.06	-
	Investment in Wholly Owned Subsidiary		
i.	35,000/- Shares @ 2250/- of Aeon Procure Private Limited	787.50	-
ii.	10,000/- Shares @ 731/- of Ashwa Mineral Private Limited	73.10	73.10
	Total	860.60	73.10
	Interest Received		
i.	Aeon Procure Private Limited	3.40	-
	Total	3.40	-
	Remuneration to Directors / KMP*		
i.	Mr. Purab Shah (Resigned w.e.f. December 1, 2019)	22.48	32.24
ii.	Ms. Seema Gangawat	12.62	11.78
iii.	Mr. Vaize Ahmed Kampli (Resigned w.e.f. February 21, 2020)	13.28	13.30
	* Excluding provision for Gratuity and Contribution for Provident Fund.		
	Total	48.38	57.32
	Transaction with Relatives of Director / KMP		
i.	Ms. Khyati Kaji (Car Hire Charges) (Upto November 30, 2019)	2.10	1.86
	Total	2.10	1.86
	Sitting Fees paid to Directors		
i.	Mr. Manoj Ganatra	3.90	3.10
ii.	Mr. Shekhaar Shetty	3.80	3.00
iii.	Mr. Sunil Shah	3.90	3.10
iv.	Mrs. Neeta Shah (Resigned w.e.f. May 29, 2019)	-	1.50
v.	Mrs. Hina Shah	3.40	0.30
	Total	15.00	11.00
	Dividend Paid to Holding Co.		
i.	Aura Alkalies and Chemicals Private Limited	25.19	25.19
	Total	25.19	25.19

Note:

During the year, there are no transactions with related parties other than those mentioned herein above.

38 FINANCIAL RISK MANAGEMENT AND POLICIES
A. Capital Management

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

Debt Equity Ratio - Total Debt divided by Total Equity

Particulars	As at	
	31st March, 2020	31st March, 2019
Total Debt (₹ in Lakhs)	–	–
Total Equity (₹ in Lakhs)	3,643.97	4,341.86
Debt Equity Ratio	–	–

B. Financial Risk Management and Policies

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

a. Market Risk

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

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

i. Foreign Currency Risk:

The company is subject to the risk that changes in foreign currency values impact the company export and import.

The company is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to US Dollar and Euro.

The company manages currency exposures within prescribed limits, through use of derivative instruments such as Options, futures and Forward contracts etc. Foreign currency transactions are covered with strict limits placed on the amount of uncovered exposure, if any, at any point of time.

Particulars	As at March 31, 2020		As at March 31, 2019	
	Amount in Foreign Currency	Amount in ₹	Amount in Foreign Currency	Amount in ₹
USD Exposure				
Receivable	\$ 858,483	637.66	\$ 1,516,857	1,049.23
Payable	\$ 307,475	209.49	\$ 507,062	352.51
Netoff (Receivable & Payable)	\$ 551,007	428.17	\$ 1,009,795	696.72
Derivatives to hedge USD Exposure				
Options Contract - USD/INR	–	–	\$ 507,062	352.51
Net Exposure	\$ 551,007	428.17	\$ 1,516,857	1,049.23

ii. Foreign currency sensitivity:

The following table demonstrates the sensitivity to a 5% increase/decrease in foreign currencies exchange rates, with all other variables held constant 5% increase or decrease in foreign exchange rate will have the following impact on before profit before tax.

Particulars	As at March 31, 2020		As at March 31, 2019	
	5% Increase	5% Decrease	5% Increase	5% Decrease
If INR has (Strengthened)/Weakened) against USD				
Net Impact on Profit and Loss	21.41	(21.41)	34.84	(34.84)
Net Impact on Equity	15.84	(15.84)	25.78	(25.78)

iii. Forward foreign exchange contracts/ Options/ Derivatives

It is the policy of the Company to enter into forward foreign exchange contracts/Options & Derivatives to cover foreign currency payments in USD. The Company enters into contracts with terms upto 90 days. The Company's philosophy does not permit any speculative calls on the currency. It is driven by conservatism which guides that company follow conventional wisdom by use of Forward contracts in respect of Trade transactions.

The Company will alter its hedge strategy in relation to the prevailing regulatory framework and guidelines that may be issued by RBI, FEDAI or ISDA or other regulatory bodies from time to time.

Based on the outstanding details of import payable and exports receivable (on event basis) the net trade import exposure is arrived at (i.e. Imports - Exports = Net trade exposures).

Forward cover or options covers is obtained from Banks or Merchant House for each of the aggregated exposures and the Trade deal is booked. The forward cover deals are all backed by actual trade underlines and settlement of these contracts on maturity are by actual delivery of the hedged currency for settling the underline hedged trade transaction.

b. Credit Risk

Credit risk is the risk that counter party will not meet its obligation leading to a financial loss. The Company is exposed to credit risk arising from its operating activities primarily from trade receivables, financing activities and relating to parking of surplus funds as Deposits with Banks. The Company considers probability of default upon initial recognition of assets and where there has been a significant increase in credit risk and on an ongoing basis throughout the reporting period.

The carrying amount of Financial Assets represents the maximum credit exposure:

Financial Instruments and Cash Deposit:

Credit risk from balances with Banks and Financial Institutions is managed by the Company's finance department. Investments of surplus funds are made only with approved counter parties and within credit limits assigned to each counterparty. The limits are set to minimise the concentration of risks and thereby mitigate financial loss through counterparty's potential failure to make payments.

Trade Receivables

The Marketing department has established a credit policy under which each new customer is analysed individually for creditworthiness before the Company's standard payment and delivery terms and conditions are offered. The Company's review includes external ratings, if they are available, and in some cases bank references. Sale limits are established for each customer and reviewed periodically. Trade Receivables of the Company are typically unsecured, except export receivable which is covered through ECGC and to the extent of the security deposits/advances received from the customers or financial guarantees provided by the market organizers in the business. Credit risk is managed through credit approvals and periodic monitoring of the credit worthiness of customers to whom credit terms in the normal course of business are provided. The allowance for impairment of Trade receivables is created to the extent and as and when required, based on the actual collectability of accounts Receivables. The Company evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions and industries and operate in largely independent markets.

The Company measures the expected credit loss of trade receivables and loans from customers based on historical trend, industry practices and the business environment in which the entity operates. Loss rates are based on actual credit loss exposure and past trends.

c. Liquidity Risk

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

The below table provides details regarding the remaining contractual maturities of company's financial liabilities:

Particulars	(₹ in Lakhs)			
	Less than 1 Year	1-5 years	More than 5 years	Total
As at March 31, 2020				
Non-derivative financial liabilities				
Borrowings	-	-	-	-
Trade Payables	799.97	-	-	799.97
Unpaid dividend	5.46	-	-	5.46
Other payables	57.20	-	-	57.20
	862.64	-	-	862.64
Derivative financial liabilities				
Options	-	-	-	-
	-	-	-	-
As at March 31, 2019				
Non-derivative financial liabilities				
Borrowings	840.49	-	-	840.49
Trade Payables	2,362.88	-	-	2,362.88
Unclaimed dividend	5.66	-	-	5.66
Other payables	182.02	-	-	182.02
	3,391.03	-	-	3,391.03
Derivative financial liabilities				
Options	-	-	-	-
	-	-	-	-

39 INFORMATION ON SEGMENT REPORTING AS PER IND AS 108 ON "OPERATING SEGMENTS"

- i) Operating Segments are those components of business whose operating results are regularly reviewed by the Chief Operating Decision making body in the Company to make decisions for performance assessment and resource allocation.
- ii) The Company has two operating Segments i.e. Organic Chemicals and Traded Goods. Thus the segment revenue, segment results, total carrying value of segment assets and segment liabilities and total amount of charge of depreciation during the year are all reflected in the financial statements as at and for the year ended March 31, 2020 and March 31, 2019.

Particulars	(₹ in Lakhs)	
	Year Ended 31st March, 2020	Year Ended 31st March, 2019
[A] Segment Revenue		
a) Own Manufactured		
Organic Chemicals		
Revenue from Operations	8,825.47	16,110.35
Other Income	510.45	135.50
Total	9,335.92	16,245.85
b) Traded Goods		
Revenue from Operations	2,378.03	932.60
Other Income	145.56	26.33
Total	2,523.59	958.94
Net Sales/Income from Operations	11,859.51	17,204.79
[B] Segment Results		
Profit/ (Loss) before Interest, Exceptional items and tax from each segment		
a) Own Manufactured		
Organic Chemicals		
(Loss) / Profit- Operations	(989.07)	(140.93)
Other Income	510.45	135.50
Total	(478.62)	(5.42)
b) Traded Goods		
(Loss) / Profit - Trading	(363.59)	(188.32)
Other Income	145.56	26.33
Total	(218.04)	(161.99)
Total (a + b)	(696.65)	(167.41)
Less :		
(i) Interest (Finance Cost)	64.23	113.68
(Loss) / Profit Before Tax	(760.89)	(281.10)
Current Tax	21.79	(94.71)
Deferred Tax	134.62	78.61
Total Tax Expense	156.41	(16.09)
(Loss) / Profit After Tax	(604.47)	(297.19)

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Particulars	(₹ in Lakhs)	
	Year Ended 31st March, 2020	Year Ended 31st March, 2019
[C] Capital Employed		
Other Information :		
Segment Assets		
a) Organic Chemicals	3,684.54	7,138.20
b) Traded Goods	1,867.80	3,524.83
Total	5,552.35	10,663.02
Segment Liabilities		
a) Organic Chemicals	613.73	3,215.18
b) Traded Goods	1,294.64	3,105.99
Total	1,908.38	6,321.18
(Segment Assets -Segment Liabilities)		
a) Organic Chemicals	3,070.81	3,923.01
b) Traded Goods	573.16	418.83
Total	3,643.98	4,341.85
Depreciation during the year		
a) Organic Chemicals	61.48	116.10
b) Traded Goods	0.54	0.94

iii) The Company has one customer who contributed more than 10% of the company's total revenue during the current and previous year.

iv) The Company does not have reportable segment, i.e Geographical Segement in terms of Ind AS 108 on "Operating Segments".

Particulars	(₹ in Lakhs)					
	India		Rest of The World		Total	
	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19
Segment Revenue	7,421.07	14,169.71	4,438.44	3,035.06	11,859.51	17,204.78
Carrying Cost of Segment Assets	5,552.35	10,663.02	-	-	5,552.35	10,663.02
Net Addition to Fixed Assets and Intangible Assets	12.79	69.59	-	-	12.79	69.59

40 EMPLOYEE BENEFITS

The Company has classified various employee benefits as under:

A. Defined Contribution Plans

a. Provident Fund

b. State Defined Contribution Plans

i. Employers Contribution to Employees Pension Scheme 1995

The Provident Fund is operated by the Regional Provident Fund Commissioner and is administered by the LIC of India as applicable for all eligible employees. Under the schemes, the Company is required to contribute a specified percentage of payroll costs to the retirement benefit schemes to fund the benefits. These funds are recognised by the Income Tax Authorities.

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

Particulars	(₹ in Lakhs)	
	Year Ended 31st March, 2020	Year Ended 31st March, 2019
a. Contribution to Provident Fund	3.85	6.06
b. Contribution to Employees' Pension Scheme	8.74	13.64
Total	12.59	19.69

B. Defined Benefit Plans

a. Gratuity

The Company operates a gratuity plan covering qualifying employees. Under the gratuity plan, the eligible employees are entitled to post retirement benefit at the rate of 15 days salary for each year of service until the retirement age of 58, subject to a payment ceiling of ₹ 20 lakhs. The benefit vests upon completion of five years of continuous service as per "The Payment of Gratuity Act" and once vested it is payable to the employee on retirement or on termination of employment. The Company makes annual contribution to the group gratuity scheme administered by the Life Insurance Corporation of India through its Gratuity Trust Fund.

Gratuity is defined benefit plan and Company is exposed to following Risks:

Investment Risk - The funds are invested by LIC and they provide returns basis the prevalent bond yields, LIC on an annual basis requests for contributions to the fund, while the contribution requested may not be on the same interest rate as the bond yields provided, basis the past experience it is low risk.

Interest Risk - LIC does not provide market value of assets, rather maintains a running statement with interest rates declared annually – The fall in interest rate is not therefore offset by increase in value of Bonds, hence may pose a risk.

Mortality Risk - Since the benefits under the plan is not payable for the life time and payable till retirement age only, plan does not have any longevity risk.

Salary Risk - The liability is calculated taking into account the salary increases, basis past experience of the Company's actual salary increases with the assumptions used, they are in line, hence this risk is low risk.

Gratuity Valuation

Valuations in respect of above have been carried out by independent actuary, as at the balance sheet date, based on the following assumptions:

Particulars	Valuations as at	
	March 31, 2020	March 31, 2019
i. Discount Rate (per annum)	6.80%	7.64%
ii. Rate of Increase in Compensation Levels (per annum)	4.00%	4.00%
iii. Mortality Rate During The Employment	Indian Assured Lives Mortality (2006-08)	
iv. Actuarial Valuation Method	Projected Unit Credit Method	
v. Attrition Rate	Upto Age 45: 2% 46 to 58: 1%	Upto Age 45: 2% 46 to 60 : 1%
vi. Retirement Age	58 Years	60 Years

vii. The expected rate of return on plan assets is determined after considering several applicable factors such as the composition of the plan assets, investment strategy, market scenario, etc. In order to protect the capital and optimise returns within acceptable risk parameters, the plan assets are well diversified.

viii. 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.

ix. The estimate of future salary increases considered, takes into account the inflation, seniority, promotion, increments and other relevant factors.

Particulars	(₹ in Lakhs)	
	Year Ended March 31, 2020	Year Ended March 31, 2019
	Gratuity Funded	Gratuity Funded
i. Changes in Present Value of Obligation		
Present value of defined benefit obligation at the beginning of the year	62.65	56.10
Current Service Cost	8.03	7.30
Interest Cost	0.94	4.30
Actuarial (Gains)/Loss		
Actuarial (gains)/ losses arising from changes in demographic assumption	-	-
Actuarial (gains)/ losses arising from changes in financial assumption	0.34	0.19
Actuarial (gains)/ losses arising from changes in experience adjustment	31.18	(5.24)
Past Service cost - Vested Benefits	-	-
Benefits Paid	(100.63)	-
Present value of defined benefit obligation at the end of the year	2.52	62.65
ii. Fair Value of Plan Assets		
Fair value of plan assets at the beginning of the year	64.98	41.23
Interest Income	2.64	3.93
Return on Plan Assets excl. interest income	(2.28)	(0.25)
Adjustment to Opening Fair Value of Plan Asset	-	-
Employer's Contributions	39.68	20.07
Benefits Paid	(100.63)	-
Fair value of plan assets at the end of the year	4.38	64.98
iii. Amount to be recognised in the Balance Sheet and Statement of Profit and Loss Account		
PVO at end of period	2.52	62.65
Fair Value of Plan Assets at end of period	4.38	64.98
Funded Status	1.85	2.33
Net Assets/(Liability) recognised in the Balance Sheet	1.85	2.33
iv. Net Benefit (Asset) /Liability		
Defined benefit obligation at beginning of period	62.65	56.10
Fair value of plan assets at beginning of period	64.98	41.23
Net Benefit Asset /(Liability)	2.33	(14.87)
v. Net Interest Cost for Current Period		
Interest Cost	0.94	4.30
(Interest Income)	(2.64)	(3.93)
Net Interest Cost for Current Period	(1.69)	0.37
vi. Return on plan assets		
Actual Return on plan assets	0.35	3.68
Interest income included in above	2.64	3.93
Return on plan assets excluding interest income	(2.28)	(0.25)
vii. Expenses recognised in the Statement of Profit and Loss		
Current Service Cost	8.03	7.30
Interest cost on benefit obligation (net)	(1.69)	0.37
Total Expenses recognised in the Statement of Profit and Loss	6.34	7.68

Particulars	Year Ended March 31, 2020	Year Ended March 31, 2019
	Gratuity Funded	Gratuity Funded
viii. Remeasurement Effects Recognised in Other Comprehensive Income for the year		
Actuarial (gains)/ losses arising from changes in demographic assumption	-	-
Actuarial (gains)/ losses arising from changes in financial assumption	0.34	0.19
Actuarial (gains)/ losses arising from changes in experience adjustment	31.18	(5.24)
Return on plan asset	2.28	0.25
Recognised in Other Comprehensive Income	33.81	(4.80)
ix. Movements in the Liability recognised in Balance Sheet		
Opening Net Liability	(2.33)	14.87
Adjustment to opening balance	-	-
Expenses as above	6.34	7.68
Contribution paid	(39.68)	(20.07)
Other Comprehensive Income (OCI)	33.81	(4.80)
Closing Net Liability	(1.85)	(2.33)
x. Cash flow Projection: From the Fund		
Within the next 12 months (next annual reporting period)	0.07	1.77
2nd following year	0.04	1.94
3rd following year	0.06	2.13
4th following year	0.07	4.41
5th following year	0.07	6.49
Sum of Years 6 To 10	1.04	51.42
xi. Sensitivity Analysis		
Projected Benefit Obligation on Current Assumptions		
Delta Effect of +1% Change in Rate of Discounting	2.25	56.84
Delta Effect of -1% Change in Rate of Discounting	2.85	69.33
Delta Effect of +1% Change in Rate of Salary Increase	2.85	69.51
Delta Effect of -1% Change in Rate of Salary Increase	2.24	56.60

Note on Sensitivity Analysis

- Sensitivity analysis for each significant actuarial assumptions of the Company which are discount rate and salary assumptions as of the end of the reporting period, showing how the defined benefit obligation would have been affected by changes is called out in the table above.
- In presenting the above sensitivity analysis, the present value of the projected benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same method as applied in calculating the projected benefit obligation as recognised in the Balance Sheet.
- There is no change in the method from the previous period and the points /percentage by which the assumptions are stressed are same to that in the previous year.

b. Privilege Leave Encashment (Unfunded)

Under the compensated absences plan, leave encashment is payable to all eligible employees on separation from the Company due to death, retirement, superannuation or resignation at the daily rate of last drawn basic salary, as per current accumulation of leave days.

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41. CORPORATE SOCIAL RESPONSIBILITY (CSR)

- a. Amount required to be spent by the Company during the year. ₹ NIL
- b. Amount spent during the year,

(₹ in Lakhs)

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

42. FINANCIAL INSTRUMENTS

The fair values of the financial assets and liabilities are defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Valuation

All financial instruments are initially recognised & subsequently re-measured at fair value as described below

- i. The fair value of Forward Foreign Exchange contracts is determined using forward exchange rates at the balance sheet date.
- ii. The fair value of over the counter Foreign Currency Options contracts is determined using the mark-to-market from Bank.
- iii. The carrying amount of financial assets and financial liabilities measured at amortised cost in the financial statements are a reasonable approximation of their fair values since the Company does not anticipate that the carrying amounts would be significantly different from the values that would eventually be received or settled.

Fair Value measurement hierarchy

The fair value of financial instruments as referred below have been classified into three categories depending on the inputs used in the valuation technique.

The hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and lowest priority to unobservable inputs (Level 3 measurements).

The categories used are as follows:

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

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

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

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

(₹ in Lakhs)

Particulars	As at March 31, 2020				As at March 31, 2019			
	Carrying Amounts	Fair Value			Carrying Amounts	Fair Value		
		Level 1	Level 2	Level 3		Level 1	Level 2	Level 3
Financial Assets								
Measured at Amortised Cost								
Loans	956.54	-	-	-	310.00	-	-	-
Trade Receivable	1,071.32	-	-	-	2,874.95	-	-	-
Cash and Bank Balances	609.76	-	-	-	244.27	-	-	-
Other Financial Assets	10.67	-	-	-	147.41	-	-	-
	2,648.29	-	-	-	3,576.62	-	-	-
Measured at Fair Value through Profit and Loss								
Investment in Equity Shares	-	-	-	-	-	-	-	-
Total Financial Assets	2,648.29	-	-	-	3,576.62	-	-	-
Financial Liabilities								
Measured at Amortised Cost								
Borrowing	-	-	-	-	840.49	-	-	-
Trade Payables	799.97	-	-	-	2,362.88	-	-	-
Other Financial Liabilities	62.66	-	-	-	187.67	-	-	-
	862.64	-	-	-	3,391.04	-	-	-
Measured at Fair Value through Profit and Loss								
Derivative financial instruments	-	-	-	-	-	-	-	-
Total Financial Liabilities	862.64	-	-	-	3,391.04	-	-	-



43 (A) PRODUCTION, STOCKS AND SALES : (AS CERTIFIED BY THE MANAGEMENT)

CHEMICAL DIVISION (Segment 1)

(₹ in Lakhs)

Products	Opening Stock	Production/ Purchase	Sales	Closing Stock
i. Glacial Acetic Acid	-	2.07	2.07	-
	-	(8.59)	(8.59)	-
ii. Ethyl Acetate	390.27	8,997.74	9,388.02	-
	(372.81)	(12,936.92)	(12,919.45)	(390.27)
iii. Acetaldehyde	33.64	1,489.24	1,522.88	-
	(20.65)	(3,194.26)	(3,181.27)	(33.64)
iv. Others	49.39	7.10	56.50	-
	(46.32)	(4.11)	(1.04)	(49.39)
Total (I)	473.31	10,496.16	10,969.46	-
	(439.78)	(16,143.88)	(16,110.35)	(473.31)

GLOBAL TRADING DIVISION (Segment 2)

(₹ in Lakhs)

Products	Opening Stock	Production/ Purchase	Sales	Closing Stock
i. Chemicals	0	234.04	234.04	0.00
	(346.02)	(586.58)	(932.60)	-
Total (₹ In Lakhs) (II)	0	234.04	234.04	0.00
	(346.02)	(586.58)	(932.60)	-
Grand Total (₹ In Lakhs) (I+II)	473.31	10,730.20	11,203.51	0.00
	(785.80)	(16,730.46)	(17,042.95)	(473.31)

Notes :

- (i) Figures in brackets are in respect of the previous year.
- (ii) Loss/ Gain of goods and captive consumption during the year are adjusted in sales quantity.

43 (B) ANALYSIS OF RAW MATERIALS CONSUMED FOR MANUFACTURING ACTIVITIES:

(₹ in Lakhs)

Particulars	2019-20	2018-19
Alcohol	5,131.74	6,945.35
Glacial Acetic Acid	2,238.12	6,203.66
Total	7,369.86	13,149.01

Note : Values are inclusive of incidental expenses like transport, freight etc.

44 VALUE OF RAW MATERIALS, STORES & PACKAGING MATERIALS CONSUMED:

Particulars	2019-20		2018-19	
	% of Total Consumption	₹ in Lakhs	% of Total Consumption	₹ in Lakhs
Imported	48.38%	3,680.45	58.78%	7,952.10
Indigenous	51.62%	3,927.63	41.22%	5,576.83
Total	100.00%	7,608.08	100.00%	13,528.93

45 CIF VALUE OF IMPORTS :

(₹ in Lakhs)

Particulars	2019-20	2018-19
Value of Imports - Chemical Division	3,680.45	7,952.10
Value of Imports - Trading Division	69.70	193.12
Total	3,750.15	8,145.22

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46 EXPENDITURE IN FOREIGN CURRENCY:

Particulars	(₹ in Lakhs)	
	2019-20	2018-19
Travelling	0.46	0.74
Freight & Demurrage	1.35	3.78
Commission Paid	3.99	1.89
Others	2.48	2.02
Total	8.28	8.43

47 FOB VALUE OF EXPORTS :

Particulars	(₹ in Lakhs)	
	2019-20	2018-19
Sale of Goods	4,326.20	2,588.82

48 Balances for Trade Payables, Trade Receivables, Loans and Advances are subject to confirmations from the respective parties and reconciliations, if any, in many cases. In absence of such confirmations, the balances as per books have been relied upon by the auditors.

49 Impact assessment – COVID-19

In the last week of March 2020, an outbreak situation arose in India on account of COVID-2019. The Company has considered such outbreak situation as subsequent event to the Balance Sheet date i.e., March 31, 2020 in terms of Ind AS 10 "Reporting on Event After Balance Sheet Date" and has assessed the operational and financial risk on going forward basis.

In assessing the impact on the recoverability of financial and non-financial assets, the extent to which the COVID-19 pandemic will impact the Company's operations and financial results will depend on future developments, which are highly uncertain, including, among other things, any new information concerning the severity of the COVID-19 outbreak and any action to contain its spread or mitigate its impact whether government mandated or elected by the Company.

The impact on the operations and earnings/ cashflows of the Company due to COVID- 2019 outbreak may be assessed only after clarity on the probable relaxation/ policy announced by Government about reopening of Domestic & Export markets which is still uncertain as on reporting date and lead to impracticable for the Company to estimates Projected Revenue from Operations and Earning for the next year and impact thereon due to COVID-19. Though, the management will continue to closely monitor any material changes arising out of future economic conditions and impact on its business.

As per our report of even date

For **R A Maru & Associates**

Chartered Accountants
Firm Registration No. 141914W

Sd/-

R A Maru

Proprietor
Membership No. 166417
Place: Mumbai
Date: June 26, 2020

For and on behalf of the Board of Directors

Sd/-

Sunil Shah

Director
DIN: 03567415

Sd/-

Manoj Ganatra

Director
DIN : 00568914

Sd/-

Seema Gangawat

Company Secretary & Compliance Officer



Consolidated Financial Statements

CONSOLIDATED INDEPENDENT AUDITOR'S REPORT

To
The Members of
ASHOK ALCO-CHEM LIMITED

Report on Audit of the Consolidated Ind AS Financial Statements

Opinion

We have audited the accompanying consolidated Ind AS financial statements of **ASHOK ALCO-CHEM LIMITED** (hereinafter referred to as "the Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), which comprise the Consolidated Balance Sheet as at 31st March, 2020, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year ended on that date, and a summary of the Consolidated significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated Ind AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate financial statements and other financial information of the subsidiary, the aforesaid consolidated Ind AS 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 u/s. 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 31st March, 2020, the consolidated loss and other comprehensive income, consolidated statement changes in equity and its consolidated cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated Ind AS financial

statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the "Auditor's Responsibilities for the Audit of the Consolidated Ind AS Financial Statements" section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the consolidated Ind AS 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 we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the consolidated Ind AS financial statements.

Emphasis of Matter

We draw attention to Note 46 of the accompanying standalone financial statements which describes the Management's evaluation of impact of uncertainties related to Covid-19 pandemic.

Our Opinion is not qualified in respect of these matters.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated Ind AS financial statements of the current period. These matters were addressed in the context of our audit of the consolidated Ind AS 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.

Key Audit Matters	How the matter was addressed in our audit
<p>GOING CONCERN</p> <p>The Holding Company had two business segments:</p> <p>a. Manufacturing Activities</p> <p>b. Trading Activities</p> <p>During the year under review the holding company has disposed off and assigned the manufacturing activities business at Mahad with assets to a third party in terms of Assets Sale Purchase Agreement dated 14.08.2019</p> <p>COVID-19 has caused significant disruptions to the business across India. The management of holding company has considered the possible effects, if any, that may impact and estimates relating to the uncertainties as at the balance sheet. The management has considered subsequent events, internal and external information and evaluated economic conditions prevailing as at the date of approval of these financial results and the assumption of going concern is not affected.</p>	<p>Our audit procedure included the following:</p> <ul style="list-style-type: none"> • We understood the holding company's policies and procedure control mechanism and methods of evaluation of business and the assumption of going concern. • Management's assessment of the entity's ability to continue as a going concern involves making a judgment, at a particular point in time, about inherently uncertain future outcomes of events or conditions • The auditor's responsibilities are to obtain sufficient appropriate audit evidence regarding, and conclude on, the appropriateness of management's use of the going concern basis of accounting in the preparation of the financial statements, and to conclude, based on the audit evidence obtained, whether a material uncertainty exists about the entity's ability to continue as a going concern.

Other Information

The Holding Company's management and Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Holding Company's Annual Report, but does not include the consolidated Ind AS financial statements and our auditor's report thereon.

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

In connection with our audit of the consolidated Ind AS financial statements, our responsibility is to read the other information and in doing so consider whether the other information is materially inconsistent with the consolidated Ind AS 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.

Responsibility of Management and Those Charged with Governance for the Consolidated Ind AS Financial Statements

The Holding Company's management and Board of Directors are responsible for the matters stated in section 134 (5) of the Act with respect to the preparation of these consolidated Ind AS financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated statement of changes in equity and consolidated cash flows of the Group in accordance with the Ind AS specified under section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015 as amended and other accounting principles generally accepted in India. The respective Board of Directors of the Companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements 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 consolidated Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error which have been used for the purpose of preparation of the consolidated Ind AS financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated Ind AS financial statements, the respective management and Board of Directors of the companies included in the Group are 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 Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are also responsible for overseeing the company's financial reporting process of the Group.

Auditor's Responsibilities for the Audit of the Consolidated Ind AS Financial Statements

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

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

- Identify and assess the risks of material misstatement of the consolidated Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances under section 143 (3) (i) of the Act. We are also responsible for expressing our opinion on whether the Holding Company 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 management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated Ind AS financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause

the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated Ind AS financial statements, including the disclosures, and whether the consolidated Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of such entities or business activities within the Group to express an opinion on the consolidated Ind AS financial statements. We are responsible for the direction, supervision and performance of the audit of financial information such entities included in the consolidated Ind AS financial statements of which we are the independent auditors. For the other entities included in the consolidated Ind AS financial statements, which have been audited by other auditor such other auditor remain responsible for the direction, supervision and performance of the audit carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entity included in the consolidated Ind AS financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

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

Other Matters:

We did not audit the financial statement/financial information of subsidiaries, whose financial statement/financial information reflect total assets of Rs. 861.94/- lacs as at 31st March, 2020, total revenues of Rs. 47.30/- lacs and net cash inflows amounting to Rs. 42.23/- lacs for the year ended on that date, as considered in the consolidated Ind AS financial statements. The financial statement/financial information are audited by other auditors whose reports have been furnished to us by the management and our opinion on the consolidated Ind AS financial statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiary, is based

solely on reports of such other auditor.

Our opinion on the consolidated Ind AS financial statements above, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the report of the other auditor and the financial statements and other financial information certified by the management.

Report on Other Legal and Regulatory Requirements

As required by Section 143(3) of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of subsidiaries as noted in the 'other matters' paragraph, we report, to the extent applicable, 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 of the aforesaid consolidated Ind AS financial statements.
- b) In our opinion, proper books of account as required by law for preparation of the aforesaid consolidated Ind AS financial statements have been kept so far as it appears from our examination of those books and report of the other auditors.
- c) The Consolidated Balance Sheet, Consolidated Statement of Profit and Loss including Statement of Other Comprehensive Income, Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of accounts maintained for the purpose of preparation of consolidated Ind AS financial statements.
- d) In our opinion, the aforesaid consolidated Ind AS financial statements comply with the Ind AS specified under section 133 of the Act.
- e) The matter described in 'Emphasis of Matter' paragraph above in our opinion may not have an adverse effect on the functioning of the company.
- f) On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2020 taken on record by the Board of Directors of the Holding Company and the report of the statutory auditor of its subsidiary company, none of the directors of the Group's companies is disqualified as on 31st March, 2020 from being appointed as a director in terms of section 164 (2) of the Act.
- g) With respect to the adequacy & operating effectiveness of the internal financial controls over financial reporting with reference to these consolidated Ind AS financial statements of the Holding Company and its Subsidiary of the company and the operating effectiveness of such controls, refer to our separate report in "Annexure A".
- h) With respect to the other matters to be included in Auditors Report in accordance with the requirements of Section 197 (16) of the Act, as amended:

In our opinion and according to the information and explanations given to us and based on the reports of the statutory auditors of such subsidiary company incorporated in India which were not audited by us, the remuneration paid during the current year by the Holding Company, its subsidiary company incorporated in India to its directors is in accordance with the provisions of Section 197 of the Act.

i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 as amended, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditor on separate financial statements of the subsidiary as noted in the 'Other Matter' paragraph:

i) The consolidated Ind AS financial statements disclosed the impact of pending litigations on its consolidated financial position of the group. (Refer Note 33 to the consolidated Ind AS financial statements)

- ii) The Group has made provision in the consolidated Ind AS financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
- iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Funds by the Holding Company, its subsidiary incorporated in India during the year ended 31st March, 2020.

For R A Maru & Associates

Chartered Accountants

FRN: 141914W

Sd/-

Rumeet Anil Maru

(Proprietor)

M. No. 166417

UDIN: 20166417AAAAAM1957

Place: Mumbai

Date: 26.06.2020

“ANNEXURE – A” TO THE CONSOLIDATED INDEPENDENT AUDITOR’S REPORT ON CONSOLIDATED IND AS FINANCIAL STATEMENTS

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”)

In conjunction with our audit of consolidated Ind AS financial statements of the company as of and for the year ended 31st March, 2020, we have audited the internal financial controls over financial reporting of **ASHOK ALCO-CHEM LIMITED** (“the Holding Company”) and its subsidiary (the holding company and its subsidiary together referred to as “the Group”) for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The respective Board of Directors and its subsidiary which are incorporated in India are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by these entities 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 (‘ICAI’). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to respective company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors’ Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting with reference to these consolidated Ind AS financial statements 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”) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. 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 with reference to these consolidated Ind AS financial statements 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 with reference to these consolidated Ind AS financial statements and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting with reference to these consolidated Ind AS financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgment, 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 obtained by us and other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Group’s internal financial controls system over financial reporting with reference to these consolidated Ind AS financial statements.

Meaning of Internal Financial Controls over Financial Reporting

A company’s internal financial control over financial reporting with reference to these consolidated Ind AS financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control over financial reporting with reference to these consolidated Ind AS financial statements 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 authorization’s of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized 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 with reference to these consolidated Ind AS financial statements, including the possibility of collusion

or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting with reference to these consolidated Ind AS financial statements to future periods are subject to the risk that the internal financial control over financial reporting with reference to these consolidated Ind AS financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us and based on the consideration of reports of the other auditors as referred to in the Other Matters paragraph the Holding Company and its Subsidiary have in all material respects, an adequate internal financial controls system over financial reporting with reference to these consolidated Ind AS financial statements and such internal financial controls over financial reporting with reference to these consolidated Ind AS financial statements were operating effectively as at 31 March 2020, based on the internal control over financial reporting criteria established by these entities

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.

Other Matters

Our aforesaid reports under section 143 (3) (i) of the Act on the adequacy and operating effectiveness of the internal financial controls over the financial reporting in so far as it relates to subsidiary company, which is the Company incorporated in India, is based on the corresponding reports of the auditors of such Company incorporated in India.

For R A Maru & Associates

Chartered Accountants
FRN: 141914W

Sd/-

Rumeet Anil Maru

(Proprietor)
M. No. 166417
UDIN: 20166417AAAAAM1957

Place: Mumbai
Date: 26.06.2020

CONSOLIDATED BALANCE SHEET

as at March 31, 2020

(₹ in Lakhs)

Sr. No.	Particulars	Note No.	As at March 31, 2020	As at March 31, 2019
I	ASSETS			
	1. Non Current Assets			
	(a) Property, Plant & Equipment	3A	694.60	1,458.39
	(b) Capital Work in Progress		–	5.99
	(c) Other Intangible Assets	3B	0.07	0.07
	(d) Intangible Assets Under Development		23.97	18.66
	(e) Goodwill on consolidation		689.33	–
	(f) Financial Assets			
	(i) Other Financial Assets	4	19.93	78.68
	(g) Deferred Tax Assets (Net)	5	152.47	9.69
	Total Non Current Assets		1,580.36	1,571.48
	2. Current Assets			
	(a) Inventories	6	54.79	1,915.56
	(b) Financial Assets			
	(i) Trade Receivables	7	1,190.10	3,071.20
	(ii) Cash and Cash Equivalents	8	660.13	128.75
	(iii) Bank Balances other than (ii) above	9	32.28	155.94
	(iv) Loans	10	853.14	310.00
	(v) Other Financial Assets	11	10.58	68.73
	(c) Current Tax Assets	12	155.78	1,583.80
	(d) Other Current Assets	13	1,877.15	2,053.53
	Total Current Assets		4,833.93	9,287.53
	Total Assets (1 to 2)		6,414.29	10,858.99
II	EQUITY AND LIABILITIES			
	1. Equity			
	(a) Equity Share Capital	14	460.03	460.03
	(b) Other Equity	15	3,266.82	4,072.40
	Total Equity		3,726.85	4,532.43
	Liabilities			
	2. Non Current Liabilities			
	(a) Financial Liabilities			
	(i) Borrowings	16	598.52	–
	(b) Provisions	17	2.67	62.86
	(c) Deferred Tax Liabilities (Net)	18	7.85	–
	Total Non Current Liabilities		609.04	62.86
	3. Current Liabilities			
	(a) Financial Liabilities			
	(i) Borrowings	19	–	840.49
	(ii) Trade Payables	20	915.59	2,363.97
	(iii) Other Financial Liabilities	21	62.66	190.75
	(b) Other Current Liabilities	22	1,019.97	1,214.02
	(c) Provisions	23	0.91	10.16
	(d) Current Tax Liabilities	24	79.28	1,644.31
	Total Current Liabilities		2,078.42	6,263.70
	Total Liabilities (2 to 3)		2,687.46	6,326.56
	TOTAL EQUITY AND LIABILITIES (1 to 3)		6,414.29	10,858.99

See accompanying notes forming part of the financial statements

1 to 46

As per our report of even date

For and on behalf of the Board of Directors

 For **R A Maru & Associates**

 Chartered Accountants
 Firm Registration No. 141914W

Sd/-

R A Maru

 Proprietor
 Membership No. 166417
 Place: Mumbai
 Date : June 26, 2020

Sd/-

Sunil Shah

 Director
 DIN: 03567415

Sd/-

Manoj Ganatra

 Director
 DIN : 00568914

Sd/-

Seema Gangawat

Company Secretary & Compliance Officer



CONSOLIDATED STATEMENT OF PROFIT AND LOSS

for the Year Ended March 31, 2020

(₹ in Lakhs)

Sr. No.	Particulars	Note No.	Year Ended March 31, 2020	Year Ended March 31, 2019
I	INCOME			
	1. Revenue from Operations	25	11,250.80	17,155.90
	2. Other Income	26	655.38	163.01
	Total Income (1 to 2)		11,906.18	17,318.91
II	EXPENSES			
	1 Cost of Materials Consumed	27	7,373.66	13,151.91
	2 Purchases of Stock in Trade		2,252.60	698.27
	3 Changes in Inventories	28	291.10	311.63
	4 Employee Benefits Expense	29	498.03	658.45
	5 Finance Costs	30	90.53	147.83
	6 Depreciation and Amortization		64.78	118.40
	7 Other Expenses	31	2,202.10	2,508.05
	Total Expenses (1 to 7)		12,772.80	17,594.55
III	Total Profit Before Exceptional Items and Tax (I - II)		(866.62)	(275.64)
IV	Exceptional Items		-	-
V	(Loss) / Profit Before Tax (III - IV)		(866.62)	(275.64)
VI	Tax Expenses			
	Tax Expense - Current Years		-	0.25
	Tax Expense - Earlier Years		21.79	(92.56)
	Deferred Tax		132.68	79.05
	Total Tax Expenses		154.47	(13.26)
VII	(Loss)/Profit For The Year (V - VI)		(712.14)	(288.90)
VIII	Other Comprehensive Income			
	A. Items that will not be reclassified subsequently to profit or loss			
	i. Remeasurement gain/(loss) on the Defined Benefit Plans		(33.81)	4.80
	ii. Income tax on (i) above		8.51	(1.25)
	B. Items that will be reclassified subsequently to profit or loss		-	-
	Total Other Comprehensive Income		(25.30)	3.55
	Total Comprehensive Income For The Year (VII to VIII)		(737.45)	(285.35)
IX	Earnings per equity share:			
	Basic and Diluted		(15.48)	(6.28)
	(Face value ₹ 10 each)			

See accompanying notes forming part of the financial statements

1 to 46

As per our report of even date

For and on behalf of the Board of Directors

For **R A Maru & Associates**
Chartered Accountants
Firm Registration No. 141914W

Sd/-
Sunil Shah
Director
DIN: 03567415

Sd/-
Manoj Ganatra
Director
DIN : 00568914

Sd/-
R A Maru
Proprietor
Membership No. 166417
Place: Mumbai
Date : June 26, 2020

Sd/-
Seema Gangawat
Company Secretary & Compliance Officer

CONSOLIDATED CASH FLOW STATEMENT

for the Year Ended March 31, 2020

(₹ in Lakhs)

Sr. No.	Particulars	Year Ended March 31, 2020	Year Ended March 31, 2019
A	CASH FLOW FROM OPERATING ACTIVITIES		
	Net (Loss)/Profit before Tax	(866.62)	(275.64)
	Adjustments for:		
	Depreciation	64.78	118.40
	Foreign Exchange (Gain) / Loss	(118.04)	(32.41)
	Sundry Balance w/off/ (w/back)	(0.20)	(8.60)
	Loss / (profit) on sale of assets	(367.11)	
	Interest & Finance Charges	90.53	147.83
	Interest Received	(95.48)	(72.62)
		152.61	
	Operating Profit Before Working Capital Changes	(1,292.14)	(123.03)
	Adjustments for changes in working capital		
	Decrease/(Increase) in Receivables	1,881.11	(313.49)
	Decrease/(Increase) in Loans	(543.14)	(25.58)
	Decrease/(Increase) Other Current Financial assets	58.15	(17.55)
	Decrease/(Increase) Other Non Current Financial Assets	58.75	0.15
	Decrease/(Increase) in Inventories	1,860.77	485.07
	Decrease/(Increase) Other Current Assets	176.38	(518.83)
	Increase/(Decrease) in Payables	(1,448.39)	553.60
	Increase/(Decrease) in Other Current Liabilities	(194.04)	(139.96)
	Increase/(Decrease) in Other Financial Liabilities	(128.08)	52.06
	Increase/(Decrease) in Provision	(9.25)	(14.48)
	Increase/(Decrease) in Long term Provision	(60.19)	3.67
	Foreign Exchange (Gain) / Loss	118.04	32.41
	Sundry Balance w/off	0.20	8.60
		105.66	
	Cash generated from operations	478.17	(17.37)
	Income Tax Paid	(155.44)	(147.74)
	NET CASH FLOW FROM OPERATING ACTIVITIES (A)	322.73	(165.11)
B	CASH FLOW FROM INVESTING ACTIVITIES		
	Purchase of Fixed Assets	(710.42)	(88.25)
	Sale/Adjustments of Fixed Assets	1,777.23	-
	Decrease/(Increase) in Goodwill	(689.33)	-
	Decrease/(Increase) in Investments	-	(88.25)
	NET CASH FLOW FROM INVESTING ACTIVITIES (B)	377.48	(88.25)



(₹ in Lakhs)

Sr. No.	Particulars	Year Ended March 31, 2020		Year Ended March 31, 2019	
C	CASH FLOW FROM FINANCING ACTIVITIES				
	(Repayment) of Short Term Borrowings	(840.49)		(71.59)	
	(Repayment) of Long Term Borrowings	598.52		(119.35)	
	Dividend paid	(55.46)		(55.37)	
	Interest Received	95.48		72.62	
	Interest paid	(90.53)	(292.48)	(147.83)	(321.51)
	NET CASH FLOW FROM FINANCING ACTIVITIES (C)		(292.48)		(321.51)
	NET INCREASE/(DECREASE) IN CASH & CASH EQUIVALENTS (A+B+C)		407.72		(574.89)
	Cash and Cash equivalents as at 01.04.19		284.69		859.56
	Cash and Cash equivalents as at 31.03.20		692.41		284.69
	Cash & Cash Equivalents		As at 31/03/20		As at 31/03/19
	Cash in Hand		6.63		1.39
	Cash at Bank		685.77		283.30
	Cash & Cash Equivalents as Stated		692.41		284.69

Note 1

Disclosure in terms of amendment to Ind AS 7 on "Statement of Cash Flows" to evaluate changes in Liabilities arising from financial activities:

Effective April 1, 2017, the Company adopted the amendment to Ind As 7, which require the entities to provided disclosures that enable users of Financial Statements to evaluate changes in liabilities arising from financial activities, including both changes arising from cash flow and non-cash changes, suggesting inclusion of a reconciliation between the opening and closing balances in the Balance Sheets for liabilities arising from financing activities, to meet the disclosure requirement. The adoption of the amendment did not have any material impact on the Financial Statments.

Changes in Liabilites arising from Financing Activities	As at March 31, 2019	Cash Flow	Non Cash Changes	As at March 31, 2020
Borrowing Non Current	–	598.52	–	598.52
Borrowing Current	840.49	(840.49)	–	–
Total	840.49	(241.97)	–	598.52

Note 2

Cash Flow Statement has been prepared under the indirect method as set out in Ind AS 7 specified under section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014.

Note 3

Figures in brackets represent outflows / deductions.

Significant Accounting Policies

2

See accompanying notes forming part of the financial statements

1 to 46

As per our report of even date

For and on behalf of the Board of Directors

For **R A Maru & Associates**
Chartered Accountants
Firm Registration No. 141914W

Sd/-
Sunil Shah
Director
DIN: 03567415

Sd/-
Manoj Ganatra
Director
DIN : 00568914

Sd/-
R A Maru
Proprietor
Membership No. 166417
Place: Mumbai
Date : June 26, 2020

Sd/-
Seema Gangawat
Company Secretary & Compliance Officer

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the Year Ended March 31, 2020

A. Equity Share Capital				(₹ in Lakhs)
Particulars				Amount
Balance as at March 31, 2019				460.03
Changes in Equity Share Capital during the year 2019-20				-
Balance as at March 31, 2020				460.03
B. Other Equity				(₹ in Lakhs)
Particulars	Reserve & Surplus			Total
	Securities Premium	General Reserve	Retained Earnings	
Balance as at April 1, 2018	783.79	1,100.00	2,529.34	4,413.12
Profit / (Loss) for the period	-	-	(288.90)	(288.90)
Other Comprehensive Income	-	-	3.55	3.55
Dividend Paid (Includes Dividend Distribution Tax)	-	-	(55.37)	(55.37)
Balance as at March 31, 2019	783.79	1,100.00	2,188.61	4,072.40
Profit / (Loss) for the period	-	-	(712.14)	(712.14)
Other Comprehensive Income	-	-	(25.30)	(25.30)
Dividend Paid (Includes Dividend Distribution Tax)	-	-	(55.46)	(55.46)
Ind AS Other adjustments	-	-	(12.66)	(12.66)
Balances as at March 31, 2020	783.79	1,100.00	1,383.03	3,266.82
See accompanying notes forming part of the financial statements		1 to 46		

As per our report of even date

For **R A Maru & Associates**
Chartered Accountants
Firm Registration No. 141914W

Sd/-
R A Maru
Proprietor
Membership No. 166417
Place: Mumbai
Date : June 26, 2020

For and on behalf of the Board of Directors

Sd/-
Sunil Shah
Director
DIN: 03567415

Sd/-
Manoj Ganatra
Director
DIN : 00568914

Sd/-
Seema Gangawat
Company Secretary & Compliance Officer

NOTES

forming Part of the Consolidated Financial Statements and Other Explanatory Information's for the Year Ended March 31, 2020

1. CORPORATE INFORMATION

Ashok Alco-Chem Limited ("the Company" or "the Holding Company") is a public limited Company incorporated and domiciled in India and has Registered Office at 12/13, Jeevan Udyog Building, 278, Dr. D. N. Road, Fort, Mumbai- 400 001. The Equity shares of the company are listed on Bombay Stock Exchange Limited (BSE).

The Company and its wholly owned Subsidiaries (jointly referred to as the "Group" herein under) are engaged inter alia, in the business of Manufacturing of Chemicals and Trading in Minerals.

The consolidated financial statements for the year ended March 31, 2020 are approved for issue by the Company's Board of Directors on June 26, 2020.

2. SIGNIFICANT ACCOUNTING POLICIES

A Basis of Consolidation

These Consolidated Financial Statements of the Group have been prepared in accordance with Indian Accounting Standard (Ind AS) prescribed under Section 133 of the Companies Act, 2013

The financial statements of the Company and its Subsidiaries ("the Group") have been consolidated on a line-by-line basis by adding together the book value of items like assets, liabilities, income and expenses after eliminating intra-group balances and intra-group transactions resulting in unrealized profits or losses.

The accounting policies of Subsidiaries have been harmonised to ensure the consistency with the policies adopted by the Holding Company. The consolidated financial statements have been presented to the extent possible, in the same manner as Holding Company's separate financial statements.

The difference between cost of investment in Subsidiaries Company and Holding Company's share of Net Assets at the time of acquisition of shares in Subsidiaries is recognised in the consolidated financial statements as Goodwill or Capital Reserve, as the case may be.

Subsidiaries Company considered in the Consolidated Financial Statements is:

Sr. No.	Name of the Company	Country of Incorporation	Parent's holding as at March 31, 2020	Parent's holding as at March 31, 2019	Financial Year ends
i.	Ashwa Minerals Private Limited	India	100.00%	100.00%	March 31
ii.	Aeon Procure Private Limited (w.e.f. 17 th December 2020)	India	100.00%	–	March 31

B Basis of Preparation

These Consolidated Financial Statements of the Group have been prepared in accordance with Indian Accounting Standards (Ind AS) prescribed under section 133 of the Companies Act 2013 ('Act') read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and the Companies (Indian Accounting Standards) Amended Rules, 2016.

These consolidated financial Statements are prepared on an accrual basis under the historical cost convention or amortised cost, except for the following assets and liabilities:

- i. Certain financial assets and liabilities that are measured at fair value.
- ii. Employee's Defined Benefit Plan measured as per independent actuarial valuation.
- iii. Share-based payments that are measured at fair value.

These consolidated financial statements are presented in Indian Rupees (INR), which is also the Group's functional currency and all amounts are rounded off to the nearest lacs (INR '00,000) up to two decimals, except when otherwise indicated.

Classification of Assets and Liabilities into Current/Non-current:

The Group presents assets and liabilities in the Consolidated Balance Sheet based on Current / Non-current classification.

An asset is classified as Current when:

- It is expected to be realised or intended to be sold or consumed in normal operating cycle; or
- It is held primarily for the purpose of trading; or

- It is expected to be realised within twelve months after the reporting period; or
- It is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as Non-current.

- A liability is classified as Current when:
- It is expected to be settled in normal operating cycle; or
- It is held primarily for the purpose of trading; or
- It is due to be settled within twelve months after the reporting period; or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as Non-current.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents.

Deferred Tax Assets and Liabilities are classified as Non-current assets and liabilities.

2 Operating cycle for current and non-current classification

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

2.1 Property, Plant and Equipment (PPE)

- PPE is recognised when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. PPE (other than Freehold land and Capital Work-in-progress) are stated at cost less accumulated depreciation and impairment losses, if any. The initial cost of an asset comprises its purchase price, non-refundable purchase taxes and any costs directly attributable to bringing the asset into the location and condition necessary for it to be capable of operating in the manner intended by management, the initial estimate of any decommissioning obligation, if any. Cost includes qualifying assets, borrowing costs capitalised in accordance with the Group's accounting policy.
- If significant parts of an item of PPE have different useful lives, then those are accounted as separate items (major components) of PPE.
- Material items such as spare parts, stand-by equipment and service equipment are classified as and when they meet the definition of PPE, as specified in Ind AS 16 on "Property, Plant and Equipment".
- The carrying amount of an item of PPE is derecognised upon disposal or when no future economic benefit is expected to arise from its continued use. Any gain or loss arising on the derecognition of an item of PPE is determined as the difference between the net disposal proceeds and the carrying amount of the item and is recognised in Statement of Profit and Loss.

Capital Work-in-progress

Property, plant and equipment which are not ready for intended use on the date of balance sheet are disclosed as capital work-in-progress. It is carried at cost, such properties are classified and capitalised to the appropriate categories of Property, Plant and Equipment when completed and ready for intended use. Depreciation of these assets, will be provided on the same basis as other property assets are ready for their intended use.

2.2 Depreciation

Depreciation on Property, Plant and Equipment (other than Freehold Land and Capital Work-in-progress) is provided on the Straight-Line Method in accordance with requirements prescribed under Schedule II to the Companies Act, 2013.

The Group's has assessed the estimated useful lives of its PPE and has adopted the useful lives and residual value as prescribed therein.

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

The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any change in estimate accounted for on a prospective basis.

2.3 Intangible Assets and Amortisation

Intangible assets are stated at acquisition cost, net of accumulated amortisation and accumulated impairment losses, if any. Intangible assets are amortised at 25% for 4 years on a straight line basis.

The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

2.4 Impairment of non-financial assets

At the end of each reporting period, the Group's reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets may have been impaired. If any such indication exists, the recoverable amount, which is the higher of its value in use or its fair value less costs of disposal, of the asset or cash-generating unit, as the case may be, is estimated and impairment loss (if any) is recognised and the carrying amount is reduced to its recoverable amount. When it is not possible to estimate the recoverable amount of an individual asset, the Group's estimates the recoverable amount of the cash generating unit to which the asset belongs.

In assessing the 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 specific to the asset for which the estimates of future cash flows have not been adjusted.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

An impairment loss is recognised immediately in the Statement of Profit and Loss. When impairment subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but up to the amount that would have been determined, had no impairment loss been recognized for that asset or cash generating unit. A reversal of an impairment loss is recognised immediately in the Statement of Profit and Loss.

2.5 Inventories

- Inventories are valued at lower of cost and net realizable value.
- Inventories comprise all costs of purchase, conversion and other costs incurred in bringing the inventories to their present location and condition.
- Cost of raw materials, packing materials, including materials in transit, work in process and finished goods are arrived at on the First in first out method of valuation, including manufacturing overheads where applicable.
- Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

2.6 Statement of Cash Flows

Cash flows are reported using the indirect method, whereby net profit for the period is adjusted for the effects of transactions of non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and items of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Groups are segregated.

For the purpose of presentation in the Statement of Cash Flows, cash and cash equivalents include cash on hand, cash at banks, other short-term deposits and highly liquid investments with original maturity of three months or less that are readily convertible into cash and which are subject to an insignificant risk of changes in value, as reduced by bank overdrafts.

2.7 Segment Reporting

- The Group's identifies primary segments based on the dominant source, nature of risks and returns and the internal organisation and management structure. The operating segments are the segments for which separate financial information is available and for which operating profit / loss amounts are evaluated regularly by the Chief Operating Decision Maker (CODM) in deciding how to allocate resources and in assessing performance.
- The accounting policies adopted for segment reporting are in line with the accounting policies of the Group's.
- Segment revenue, segment expenses, segment assets and segment liabilities have been identified to segments on the basis of their relationship to the operating activities of the segment. Revenue, expenses, assets and liabilities which relate to the Group's as a whole and are not allocable to segments on reasonable basis have been included under "unallocated revenue/expenses/ assets/liabilities" respectively.

2.8 Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily

takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the asset. All other borrowing costs are expensed in the period in which they are incurred. Borrowing costs consists of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing costs also include exchange differences to the extent regarded as an adjustment to the borrowing costs.

2.9 Provisions, Contingent Liabilities and Contingent Assets

Provision is recognised when the Group's 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 obligation. Provision is not recognised for future operating losses.

Provision is measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. If the effect of the time value of money is material, the amount of provision is discounted using an appropriate pre-tax rate that reflects current market assessments of the time value of money and, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

A Contingent liability is disclosed in case of a present obligation arising from past events, when it is either not probable that an outflow of resources will be required to settle the obligation, or a reliable estimate of the amount cannot be made. A Contingent Liability is also disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group's.

Contingent Assets are not recognised but where an inflow of economic benefits is probable, contingent assets are disclosed in the financial statements.

2.10 Revenue Recognition

Revenue is recognised to the extent that it is probable that the economic benefits of a transaction will flow to the Group's and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

Sale of Goods

Revenue from sale of goods is recognised upon transfer of significant risks and rewards of ownership of the goods to the customer, while neither continuing managerial involvement nor effective control over the goods sold is retained. Sales include excise duty but exclude Goods and Service Tax (GST). It is measured at fair value of consideration received or receivable, net of returns, rebates and discounts.

Rental Income

Rental Income is accounted as and when accrues.

Interest Income

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Group's and the amount of income can be measured reliably. Interest income is accrued on a timely basis, by reference to the principal outstanding and at the effective interest rate applicable. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of that financial asset.

Dividends

Dividend Income is accounted for when Group's right to receive income is established.

2.11 Leases

At the inception of an arrangement, it is determined whether the arrangement is or contains a lease and based on the substance of the lease arrangement, it is classified as a finance lease or an operating lease.

Finance Leases:

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards incidental to ownership to the lessee.

Assets under finance leases are capitalised at the commencement of lease at the fair value of the leased property or, if lower, the present value of the minimum lease payments and a liability is created for an equivalent amount. Minimum lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability.

Assets given under a finance lease are recognised as a receivable at an amount equal to the net investment in the lease. Lease income is recognised over the period of the lease so as to yield a constant rate of return on the net investment in the lease.

Operating Leases:

Lease agreements where risk and rewards incidental to ownership of an assets, substantially vests with the Lessor, are classified as operating lease.

2.12 Employee Benefits

(i) Short term employee benefits

Employee benefits such as salaries, wages, short term compensated absences, expected cost of bonus and ex-gratia falling due wholly within twelve months of rendering the service are classified as short-term employee benefits and are recognised as an expense at the undiscounted amount in the statement of profit and loss of the year in which the related service is rendered.

(ii) Long-term benefits:

• **Defined Contribution Plan:**

Provident and Family Pension Fund:

The eligible employees of the Groups are entitled to receive post-employment benefits in respect of provident and family pension fund, in which both employees and the Group's make monthly contributions at a specified percentage of the employee's eligible salary (currently 12%). The contributions are made to AACL Trust - Provident Fund Trust. Provident Fund classified as Defined Contributions Plans as the Group's has no further obligation beyond making the contribution. The Group's contribution is charged to the statement of profit and loss as incurred.

• **Defined Benefit Plan:**

Gratuity:

The Group's has an obligation towards gratuity, a defined benefits retirement plan covering eligible employees. The plan provides a lump sum payment to vested employees at retirement or 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 cost of providing benefits is determined using the Projected Unit Credit method, with actuarial valuations being carried out at each Balance Sheet date. The Group's makes contribution to AACL Gratuity Fund Trust based thereon.

Remeasurement, comprising actuarial gains and losses and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability or asset) is reflected immediately in the Balance Sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Remeasurement recognised in other comprehensive income is reflected immediately in retained earnings and is not reclassified to profit or Loss. Past service cost is recognised immediately for both vested and the non-vested portion. The retirement benefit obligation recognised in the Balance Sheet represents the present value of the defined benefit obligation, as reduced by the fair value of scheme assets. Any asset resulting from this calculation is limited taking into account the present value of available refunds and reductions in future contributions to the schemes.

Compensated absences:

The Group's provides for encashment of leave or leave with pay subject to certain rules. The employees are entitled to accumulate leave subject to certain limits for future encashment / availment. The liability is recognized based on number of days of unutilized leave at each balance sheet date on the basis of an independent actuarial valuation. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to the statement of profit and loss in the period in which they arise.

2.13 Taxes on Income

Income tax expense represents the sum of the tax currently payable and deferred tax.

Current Tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as

reported in the Statement of Profit and Loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Group's current tax is calculated using applicable tax rates that have been enacted or substantively enacted by the end of the reporting period and the provisions of the Income Tax Act, 1961 and other tax laws, as applicable.

Deferred Tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the 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. Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current income tax assets against current income tax liabilities and when deferred income tax assets and liabilities relate to the income tax levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net or simultaneous basis.

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 future 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 Group's expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Current and Deferred Tax for the year

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.

2.14 Earnings Per Share

The basic earnings per share are computed by dividing the net profit attributable to the equity shareholders for the year by the weighted average number of equity shares outstanding during the reporting period. Diluted earnings per share is computed by dividing the net profit attributable to the equity shareholders for the year by the weighted average number of equity and dilutive equity equivalent shares outstanding during the year, except where the results would be anti-dilutive.

2.15 Foreign Currency Transactions

Transactions in foreign currencies are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are translated at the rates prevailing at that date.

Non-monetary items that are measured at historical cost denominated in a foreign currency are translated using the exchange rate as at the date of initial transaction. Exchange differences on monetary items are recognised in profit or loss in the period in which they arise.

2.16 Financial Instruments

Financial assets and financial liabilities are recognised when the Group's 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 those 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 recognised in the Statement of Profit and Loss.

Classification and Subsequent Measurement: Financial Assets

The Group classifies financial assets as subsequently measured at amortised cost, fair value through other comprehensive income ("FVOCI") or fair value through profit or loss ("FVTPL") on the basis of following:

- the entity's business model for managing the financial assets; and
- the contractual cash flow characteristics of the financial assets.

Amortised Cost:

A financial asset shall be classified and measured at amortised cost, if both of the following conditions are met:

- the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows, and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Fair Value through Other Comprehensive Income:

A financial asset shall be classified and measured at FVOCI, if both of the following conditions are met:

- the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets, and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Fair Value through Profit or Loss:

A financial asset shall be classified and measured at FVTPL unless it is measured at amortised cost or at FVOCI.

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Classification and Subsequent Measurement: Financial liabilities:

Financial liabilities are classified as either financial liabilities at FVTPL or 'other financial liabilities'.

Financial Liabilities at FVTPL:

Financial liabilities are classified as at FVTPL when the financial liability is held for trading or are designated upon initial recognition as FVTPL.

Gains or Losses on liabilities held for trading are recognised in the Statement of Profit and Loss.

Other Financial Liabilities:

Other financial liabilities (including borrowings and trade and other payables) are subsequently measured at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

Impairment of financial assets:

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

The Credit Policy approved by the Group for bad debts considering past history of bad debts, instead of recognising allowance for expected credit loss based on provision matrix, which uses an estimated default rate, the Group makes provision for doubtful debts based on specific by Board. The Group will reassess the model periodically and make the necessary adjustments for loss allowance.

Derecognition of financial assets:

The Group derecognises a financial asset when the contractual rights to the cash flows from the asset expires, or

when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Group's neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group's recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group's retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group's continues to recognise the financial asset and also recognises a collateralized borrowing for the proceeds received.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset.

On derecognition of a financial asset other than in its entirety (e.g. when the Group's retains an option to repurchase part of a transferred asset), the Group's allocates the previous carrying amount of the financial asset between the part it continues to recognise under continuing involvement, and the part it no longer recognises on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognised and the sum of the consideration received for the part no longer recognised and any cumulative gain or loss allocated to it that had been recognised in other comprehensive income is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset. A cumulative gain or loss that had been recognised in other comprehensive income is allocated between the part that continues to be recognised and the part that is no longer recognised on the basis of the relative fair values of those parts.

Financial liabilities and equity instruments:**▪ Classification as debt or equity:**

Debt and equity instruments issued by the Groups 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.

▪ 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 a Group's are recognised at the proceeds received.

Derecognition of financial liabilities:

The Group's derecognizes a financial liability when its contractual obligations are discharged or cancelled or expired. The Group's also derecognizes a financial liability when its terms are modified and the cash flows under the modified terms are substantially different.

Offsetting:

Financial assets and financial liabilities are offset and the net amount is reported in the Balance Sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

Derivative Financial Instruments:

The Group's enters mainly into foreign exchange forward contracts to mitigate the foreign currency exposure risk.

Derivatives are initially recognised at fair value at the date the derivative contracts are entered and are subsequently remeasured to their fair value at the end of each reporting period. The resulting gain or loss is recognised in Statement of Profit and Loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in Statement of Profit and Loss depends on the nature of the hedge relationship.

2.17 Research and Development:

Revenue expenditure on Research and Development is charged to Statement of Profit and Loss in the year in which it is incurred. Capital expenditure on Research and Development is considered as an addition to Property, Plant and Equipment/ Intangible Assets.

2.18 Critical Accounting Judgments and Key Sources of Estimation Uncertainty

The preparation of the financial statements requires the management to make judgements, estimates and assumptions in the application of accounting policies and that have the most significant effect on reported amounts of assets, liabilities, incomes and expenses, and accompanying disclosures, and the disclosure of contingent

liabilities. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

Key estimates, assumptions and judgements

The key assumptions concerning the future and other major sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below:

Income taxes

Significant judgements are involved in determining the provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions as also to determine the amount of deferred tax that can be recognised, based upon the likely timing and the level of future taxable profits. Also, Refer Note 33.

Property, Plant and Equipment/Intangible Assets

Property, Plant and Equipment/ Other Intangible Assets are depreciated/amortised over their estimated useful lives, after taking into account estimated residual value. The useful lives and residual values are based on the Group's historical experience with similar assets and taking into account anticipated technological changes or commercial obsolescence. Management reviews the estimated useful lives and residual values of the assets annually in order to determine the amount of depreciation/amortisation to be recorded during any reporting period. The depreciation/amortisation for future periods is revised, if there are significant changes from previous estimates and accordingly, the unamortised/depreciable amount is charged over the remaining useful life of the assets.

Employee Benefit Plans

The cost of the defined benefit gratuity plan and other-post employment benefits and the present value of gratuity obligations and compensated absences are determined based on actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, attrition and mortality rates. Due to the complexities involved in the valuation and its long-term nature, these liabilities are highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

Impairment of Financial Assets

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

The Group's reviews its carrying value of investments carried at amortised cost annually, or more frequently when there is indication for impairment. If the recoverable amount is less than its carrying amount, the impairment loss is accounted for.

Recoverability of Trade Receivables

Judgements are required in assessing the recoverability of overdue trade receivables and determining whether a provision against those receivables is required. Factors considered include the credit rating of the counterparty, the amount and timing of anticipated future payments and any possible actions that can be taken to mitigate the risk of non-payment.

Fair Value measurements of Financial Instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets (Net Assets Value in case of units of Mutual Funds), their fair value is measured using valuation techniques including the Discounted Cash Flow (DCF) model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

Impairment of Assets

The Group's has used certain judgements and estimates to work out future projections and discount rates to

compute value in use of cash generating unit and to access impairment. In case of certain assets independent external valuation has been carried out to compute recoverable values of these assets.

Provisions & Contingent liabilities

Provisions and liabilities are recognised in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability requires the application of judgement to existing facts and circumstances, which can be subject to change. The carrying amounts of provisions and liabilities are reviewed regularly and revised to take account of changing facts and circumstances.

2.19 Disclosure pursuant to Ind-AS 27 "Separate Financial Statements"

Investment in Subsidiaries company is accounted at cost.

Name of Investee	Principal Place of Business	Proportionate Ownership Interest	
		As at March 31, 2020	As at March 31, 2019
a. Particulars of Subsidiaries			
i. Ashwa Minerals Private Limited	India	100%	100%
ii. Aeon Procure Private Limited (w.e.f. 17 th December 2020)	India	100%	–

3A PROPERTY, PLANT AND EQUIPMENT

(₹ in Lakhs)

Particulars	Leasehold Land	Buildings	Plant and Machinery	Furniture and Fixtures	Office Equipments	Computers	Vehicles	Air Conditioner	CWIP	Total
Gross Block										
As at April 1, 2019	9.25	185.20	1,516.74	9.80	13.90	9.51	9.78	4.94	325.98	2,085.11
Additions during the year	–	79.27	594.77	21.08	7.70	0.31	–	0.83	6.46	710.42
Deductions/Adjustments during the year	(9.25)	(185.20)	(1,525.05)	(9.40)	(11.85)	(1.42)	–	(5.78)	(332.45)	(2,080.41)
As at March 31, 2020	–	79.27	586.45	21.47	9.74	8.40	9.78	–	–	715.12
Accumulated Depreciation										
As at April 1, 2019	0.37	17.23	262.37	1.43	5.82	4.91	5.92	2.41	–	300.45
Depreciation for the year	0.05	3.96	54.80	0.85	1.67	1.93	1.12	0.53	–	64.91
Deductions/Adjustments during the year	(0.42)	(21.10)	(315.55)	(1.21)	(3.77)	0.13	–	(2.93)	–	(344.86)
As at March 31, 2020	–	0.10	1.62	1.07	3.72	6.97	7.04	–	–	20.50
Net Block as at March 31, 2020	–	79.17	584.83	20.40	6.03	1.43	2.74	–	–	694.61

(₹ in Lakhs)

Particulars	Leasehold Land	Buildings	Plant and Machinery	Furniture and Fixtures	Office Equipments	Computers	Vehicles	Air Conditioner	CWIP	Total
Gross Block										
As at April 1, 2018	9.25	185.20	1,510.24	4.68	10.06	5.31	9.78	4.11	5.41	1,744.03
Additions during the year	–	–	49.98	5.12	3.84	4.22	–	0.83	51.97	115.96
Deductions/Adjustments during the year	–	–	(43.48)	–	–	–	–	–	(51.38)	(94.87)
As at March 31, 2019	9.25	185.20	1,516.74	9.80	13.90	9.52	9.78	4.94	5.99	1,765.11
Accumulated Depreciation										
As at April 1, 2018	0.25	11.45	190.70	0.88	3.30	3.04	4.48	1.41	–	215.52
Depreciation for the year	0.11	5.78	105.13	0.56	2.52	1.87	1.44	1.00	–	118.40
Deductions/Adjustments during the year	–	–	(33.46)	–	–	–	–	–	–	(33.46)
As at March 31, 2019	0.36	17.23	262.37	1.43	5.82	4.91	5.92	2.41	–	300.45
Net Block as at March 31, 2019	8.89	167.97	1,254.37	8.36	8.08	4.62	3.86	2.54	5.99	1,464.66



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3B INTANGIBLE ASSETS

(₹ in Lakhs)

Particulars	Computer Software	CWIP-Intangible Assets	Total
Gross Carrying Value			
As at 1 April, 2019	0.71	18.66	19.37
Additions during the year	0.11	5.31	5.42
Deductions / Adjustments during the year	–	–	–
As at 31 March, 2020	0.82	23.97	24.79
Accumulated Depreciation			
As at 1 April, 2019	0.64	–	0.64
Amortisation for the year	0.11	–	0.11
Deductions/Adjustments during the year	–	–	–
As at 31 March, 2020	0.75	–	0.75
Net Carrying Value as at 31 March, 2020	0.07	23.97	24.04

(₹ in Lakhs)

Particulars	Computer Software	CWIP-Intangible Assets	Total
Gross Carrying Value			
As at April 1, 2018	0.71	–	0.71
Additions during the year	–	18.66	18.66
Deductions / Adjustments during the year	–	–	–
As at March 31, 2019	0.71	18.66	19.37
Accumulated Depreciation			
As at April 1, 2018	0.27	–	0.27
Amortisation for the year	0.27	–	0.27
Deductions/Adjustments during the year	–	–	–
As at March 31, 2019	0.54	–	0.54
Net Carrying Value as at March 31, 2019	0.17	18.66	18.83

4 OTHER FINANCIAL ASSETS

(₹ in Lakhs)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Security Deposits - Considered Good	24.93	78.68
Security Deposits - Considered Doubtful	96.88	101.88
Less: Provision for Doubtful Recovery	(101.88)	(101.88)
Total	19.93	78.68

5 DEFERRED TAX ASSETS (NET)

(₹ in Lakhs)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Deferred Tax Assets (Net) (Refer Note No. 33 C)	152.47	9.69
Total	152.47	9.69

6 INVENTORIES

(₹ in Lakhs)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Raw Materials	1.74	1,361.35
Add : Goods in Transit	–	2.80
	1.73	1,364.16
Work In Progress	–	46.85
Finished Goods	45.13	428.94
Fuel	–	14.55
Stores, Spares and Packing Materials	7.92	61.07
Total	54.78	1,915.57

7 TRADE RECEIVABLES

(₹ in Lakhs)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Unsecured, Considered Good	1,190.10	3,071.20
Unsecured, Considered Doubtful	475.08	195.09
Provision For Doubtful Debts	(475.08)	(195.09)
Total	1,190.10	3,071.20

8 CASH AND CASH EQUIVALENTS

(₹ in Lakhs)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Balances with Banks		
In Current Accounts	653.50	127.35
Cash and Cash Equivalents		
Cash on Hand	6.63	1.39
Total	660.13	128.74

9 BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

(₹ in Lakhs)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Other Bank Balances		
Term Deposits with Bank to the Extent Held as Margin Money and Security Against BG and Other Commitments	28.23	150.28
Earmarked Balances		
Unclaimed Dividend Accounts	4.05	5.66
Total	32.28	155.93

10 CURRENT LOANS

(₹ in Lakhs)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Unsecured, Considered Good		
Loans to Corporates (Refer Note No. 36)	850.83	304.74
Loans and Advances to Staff	0.40	1.78
Loans and Advances to Others	1.91	3.49
Total	853.14	310.00

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11 OTHER FINANCIAL ASSETS

(₹ in Lakhs)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Unsecured, considered goods		
Interest Accrued on FDR	6.05	3.54
Other Receivables - LIC Policy Staff Leave Encashment	0.15	0.21
Other Receivables - Gratuity Fund with LIC	4.38	64.98
Other Deposits	–	(0.01)
Total	10.58	68.73

12 CURRENT TAX ASSETS

(₹ in Lakhs)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Advance Income Tax	155.78	1,583.80
Total	155.78	1,583.80

13 OTHER CURRENT ASSETS

(₹ in Lakhs)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Prepaid Expenses	1.82	48.41
Balances with Government Authorities	1,193.32	1,145.63
Advance to Suppliers	676.49	859.28
Sales Deposits & Others	5.52	0.20
Total	1,877.15	2,053.53

14 EQUITY SHARE CAPITAL

(₹ in Lakhs)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Authorised		
50,00,000 Equity Shares of ₹ 10/- each	500.00	500.00
20,00,000 11% Preference Shares of ₹ 10/- each	200.00	200.00
Total Authorised Share Capital	700.00	700.00
Issued, Subscribed & Paid Up		
46,00,343 Equity Shares of ₹ 10/- each fully paid up	460.03	460.03
Total Issued, Subscribed and Paid up Share Capital	460.03	460.03

Terms/Rights attached to Equity Shares

- The Company has issued only one class of shares referred to as Equity shares having a par value of ₹ 10/- per share. Each shareholder of equity shares is entitled for one vote per share.
- In the Event of liquidation of the Company, the holder of equity shares will be entitled to receive remaining assets of the Company. The distribution will be in proportion to the number of equity shares held by the shareholders.

a. Reconciliation of the number of shares outstanding:

(₹ in Lakhs)

Particulars	As at 31st March, 2020		As at 31st March, 2019	
	No. of Shares	Amount	No. of Shares	Amount
Shares at the beginning of the year	46,00,343	460.03	46,00,343	460.03
Add: Share warrants issued during the year	–	–	–	–
Add : Calls in arrears received during the year	–	–	–	–
Less: Shares forfeited during the year	–	–	–	–
Add : Re-issue of forfeited Shares	–	–	–	–
Shares at the end of the year	46,00,343	460.03	46,00,343	460.03

b. Shareholders having more than 5% holding

Particulars	As at 31st March, 2020		As at 31st March, 2019	
	No. of Shares	% Holding	No. of Shares	% Holding
Aura Alkalies & Chemicals Pvt Ltd.	25,18,632	54.75%	25,18,632	54.75%
Total	25,18,632	54.75%	25,18,632	54.75%

15 OTHER EQUITY

(₹ in Lakhs)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Securities Premium Reserve		
As per last Balance Sheet	783.79	783.79
Add: Additions during the year	–	–
Less: (Deductions) during the year	–	–
	783.79	783.79
General Reserve		
As per last Balance Sheet	1,100.00	1,100.00
Add: Additions during the year	–	–
Less: (Deductions) during the year	–	–
	1,100.00	1,100.00
Retained Earnings		
As per last Balance Sheet	2,188.61	2,529.34
Add: Profit / (Loss) for the Year	(712.15)	(285.36)
Add: Other Comprehensive Income	(25.30)	–
Less: Proposed Dividend (including DDT)	(55.46)	(55.37)
Add: Ind AS Adjustments	(12.66)	–
	1,383.03	2,188.61
Total	3,266.82	4,072.40

Description of the nature and purpose of Other Equity

(a) Securities Premium Reserve

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

(b) General Reserve

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

(c) Retained Earnings

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

Note :

The Board of Directors have proposed to be recommend dividend of ₹ 0.50 per fully paid up equity share of ₹ 10/- each, aggregating ₹ 23.00 Lakhs for the financial year 2019-20, which is based on relevant share capital as on 31st March, 2020. The actual dividend amount will be dependent on the relevant share capital outstanding as on the record date / book closure.

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16 NON-CURRENT BORROWINGS

Particulars	(₹ in Lakhs)	
	As at 31st March, 2020	As at 31st March, 2019
Borrowings		
Term Loans:		
From Bank	275.00	–
Intercorporate loans	323.52	–
{First and exclusive charges on assets created out of term loan and collaterally secured by equitable mortgage of factory land & building, plant & machinery (both present and future) residential property located at MIDC Mahad & personal guarantee of Director to be paid in balance 7 installments as against 28 (36) equal instalments}.		
Total	598.52	–

17 NON-CURRENT PROVISIONS

Particulars	(₹ in Lakhs)	
	As at 31st March, 2020	As at 31st March, 2019
Provision for Leave Encashment	0.15	0.21
Provision for Gratuity	2.52	62.65
Total	2.67	62.86

18 DEFERRED TAX LIABILITIES (NET)

Particulars	(₹ in Lakhs)	
	As at 31st March, 2020	As at 31st March, 2019
Deferred Tax Liabilities (Net) (Refer Note No. 33 C)	7.85	–
Total	7.85	–

19 CURRENT BORROWINGS

Particulars	(₹ in Lakhs)	
	As at 31st March, 2020	As at 31st March, 2019
Loans (Repayable on demand from Banks)		
Secured Working Capital Loan from IDBI Bank Ltd.	–	840.49
From Others		
{First and exclusive charge on current assets (present and future) and collaterally secured by equitable mortgage of factory land & building, plant & machinery (both present and future) & residential property located at MIDC Mahad & personal guarantee of Director}.		
Total	–	840.49

20 TRADE PAYABLES

Particulars	(₹ in Lakhs)	
	As at 31st March, 2020	As at 31st March, 2019
Due to Micro, Medium and Small Enterprises*	–	68.29
Due to Others	915.59	2,295.69
Total	915.59	2,363.97

*In case of subsidiary company i.e. Ashwa Minerals Pvt Ltd, the company has not received information from vendors regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 and hence, disclosures relating to amounts unpaid as at the year – end together with interest paid/ payable under this Act have not been given.

21 OTHER FINANCIAL LIABILITIES (CURRENT)

(₹ in Lakhs)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Other Financial Liabilities		
Unpaid Dividend*	5.46	5.66
Provision For Expenses	55.62	138.11
Employee Related Liabilities	1.58	46.98
Derivative Financial Instruments	–	–
Total	62.66	190.75

* There are no amounts due and outstanding to be transferred to the Investor Education and Protection Fund (IEPF) as on 31st March, 2020. Unclaimed Dividend, if any, shall be transferred to IEPF as and when they become due.

22 OTHER CURRENT LIABILITIES

(₹ in Lakhs)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Statutory Dues	7.84	215.64
Claims Payable	1,012.13	998.38
Total	1,019.97	1,214.02

23 CURRENT PROVISIONS

(₹ in Lakhs)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Provision for Leave Encashment	0.47	9.06
Provision for Gratuity	0.45	1.11
Total	0.92	10.16

24 CURRENT TAX LIABILITIES

(₹ in Lakhs)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Provision for Income Tax	79.28	1,644.31
Total	79.28	1,644.31

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25 REVENUE FROM OPERATIONS

Particulars	(₹ in Lakhs)	
	Year Ended 31st March, 2020	Year Ended 31st March, 2019
Sale of Products		
Manufactured Goods		
Local Sales	6,634.21	13,249.70
Export Sales	2,189.87	2,860.65
Traded Goods		
Local Sales	159.88	841.13
Export Sales	2,266.85	204.42
Total	11,250.80	17,155.90

26 OTHER INCOME

Particulars	(₹ in Lakhs)	
	Year Ended 31st March, 2020	Year Ended 31st March, 2019
Interest Income	95.48	72.62
Sale of Scrap / Wastages	14.41	3.63
Profit on Sale of Fixed Assets	367.11	–
Net Gain on Foreign Currency Transactions	118.04	32.41
Miscellaneous Income	60.34	54.35
Total	655.38	163.01

27 COST OF MATERIAL CONSUMED

Particulars	(₹ in Lakhs)	
	Year Ended 31st March, 2020	Year Ended 31st March, 2019
Opening Stock	1,361.35	1,376.53
Purchases During The Year	6,014.05	13,133.83
Net Opening Stock	7,375.40	14,510.37
Less : Closing Stock	(1.74)	(1,361.35)
Packing Material Consumed	–	2.89
Total	7,373.66	13,151.91

28 CHANGES IN INVENTORIES OF FINISHED GOODS, WIP AND STOCK IN TRADE

Particulars	(₹ in Lakhs)	
	Year Ended 31st March, 2020	Year Ended 31st March, 2019
Finished Goods		
Opening Stock of Finished Goods	239.64	395.19
Less : Closing Stock of Finished Goods	4.61	(428.94)
	244.25	(33.75)
Work In Progress		
Opening Stock of Work In Progress	46.85	46.21
Less : Closing Stock of Work In Progress	–	(46.85)
	46.85	(0.64)
Stock In Trade		
Opening Stock of Stock In Trade	–	346.02
Less : Closing Stock of Stock In Trade	–	–
	–	346.02
Total	291.10	311.63

29 EMPLOYEE BENEFIT EXPENSES

(₹ in Lakhs)

Particulars	Year Ended 31st March, 2020	Year Ended 31st March, 2019
Salaries and Wages	465.54	607.96
Contribution to Provident and Other Funds	20.04	29.17
Staff Welfare Expenses	12.45	21.32
Total	498.03	658.45

30 FINANCE COSTS

(₹ in Lakhs)

Particulars	Year Ended 31st March, 2020	Year Ended 31st March, 2019
Interest Costs	64.23	113.68
Other Finance Costs	26.29	34.15
Total	90.53	147.83

31 OTHER EXPENSES

(₹ in Lakhs)

Particulars	Year Ended 31st March, 2020	Year Ended 31st March, 2019
Consumption of Packing Materials	149.34	223.97
Consumption of stores and spare parts	86.97	155.95
Power and Fuel	500.21	1,032.17
Other Manufacturing Expenses	3.32	3.79
Repair and Maintenance		
– Repairs to Buildings	17.92	41.42
– Repairs to Machinery	13.54	28.37
– Repairs to Others	12.04	14.35
Export Freight and Insurance	428.75	265.03
Export Shipment Expense	–	0.45
Other Selling Expenses	154.30	262.51
Advertisement and Business promotion	4.92	6.77
Auditors Remuneration (Refer footnote "i")	7.60	5.10
Bad Debts Written Off	0.20	–
Conveyance and Travelling expenses	29.31	46.28
Commission & Brokerage	–	4.86
Corporate Social Responsibility (CSR) Expenses	–	18.81
Donation	10.00	2.04
Director's Sitting Fees	15.00	11.00
Insurance	38.46	31.89
Legal and Professional Expenses	78.74	41.36
Loss on Sale of Fixed Assets	0.41	4.08
Sundry Balance written off (Net)	–	(2.98)
Other Miscellaneous Expenses	220.46	174.25
Doubtful Debts	263.24	106.51
Rent, Rates and Taxes	167.35	30.07
Total	2,202.10	2,508.05

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Footnote (i)

Particulars	(₹ in Lakhs)	
	Year Ended 31st March, 2020	Year Ended 31st March, 2019
Statutory Audit Fees	7.60	5.10
Total	7.60	5.10

NOTES TO ACCOUNTS

32 CONTINGENT LIABILITIES AND COMMITMENTS (TO THE EXTENT NOT PROVIDED FOR)

Sr. No.	Particulars	(₹ in Lakhs)	
		As at March 31, 2020	As at March 31, 2019
A.	Contingent Liabilities		
	Claims against the Company not acknowledged as debt :		
i.	Income-tax matters under appeal	675.89	226.50
ii.	Disputed excess service tax refund	2.29	2.29
	Total	678.18	228.80
B.	Bank Guarantee	12.87	3.83
	Total	12.87	3.83

Note :

In respect of item (A) and (B) above, it is not possible for the group to estimate the timings of cash outflow which

- would be determinable only on receipt of judgement pending at various forums/authorities.
- The group does not expect any reimbursements in respect of the above Contingent Liabilities.

33 DISCLOSURE PURSUANT TO IND-AS 12 ON "INCOME TAXES"

A. Components of Tax Expenses / (Income)

Particulars	(₹ in Lakhs)	
	Year Ended 31st March, 2020	Year Ended 31st March, 2019
a. Profit or Loss Section		
Current Income Tax (Including Income Tax of Earlier Years)	(21.79)	92.31
Deferred Tax	(132.68)	(79.05)
Income Tax Expense Reported in the Statement of Profit or Loss	(154.47)	13.27
b. Other Comprehensive Income Section		
Tax expenses on remeasurements of defined benefit plans	8.51	(1.25)
Income Tax Expense Charged to OCI	8.51	(1.25)

B. Reconciliation of Income Tax Expense/(Income) and Accounting Profit multiplied by domestic tax rate applicable in India

(₹ in Lakhs)

Particulars	Year Ended 31st March, 2020	Year Ended 31st March, 2019
Profit before Tax	(866.62)	(275.64)
Corporate Tax rate as per Income Tax Act, 1961	26.00%	26.00%
Tax on Accounting Profit	(225.32)	(71.67)
Tax effect of :		
Income Exempt from Tax	-	-
Income Consider Separately not Taxable	(95.45)	-
Expenses Allowed separately	(2.31)	(48.31)
Tax on Expense not Deductible	84.12	74.29
Chp VI A Deduction	-	-
Prior Period Tax	(21.79)	92.56
Tax on Capital Gain	246.17	-
Others	(7.22)	45.43
Current Tax Provision (A)	(21.79)	92.31
Deferred Tax Liability recognised	-	43.11
Deferred Tax Asset recognised	132.68	122.15
Deferred tax Provision (B)	(132.68)	(79.05)
Tax expenses recognised in statement of Profit and Loss (A+B)	(154.47)	13.26
Effective Tax Rate	17.82%	-4.81%

C. Deferred Tax

FY 2019-20

Components and Reconciliation of Deferred Tax (Assets)/Liabilities

(₹ in Lakhs)

Particulars	Opening Balance	() Recognised in Profit or Loss	Recognised in other Comprehensive Income	Closing Balance
Property, Plant and Equipment and Intangible Assets	48.13	(1.62)	-	46.51
WDV on Fixed Assets	(0.56)	-	-	(0.56)
Provision for Doubtful Debts and Advances	(9.41)	(93.78)	-	(103.19)
Provision for Security Deposit	(66.64)	-	-	(66.64)
Accrued Expenses Allowable on Cash Basis	(9.54)	-	-	(9.54)
Actuarial Gain/(Loss) on Employee Defined Benefits Obligation	(4.92)	-	(8.50)	(13.42)
Leave Encashment	(8.19)	-	-	(8.19)
Bonus Payable	(5.36)	0.28	-	(5.08)
Expenses Allowable For Tax Purpose When Paid	(0.31)	-	-	(0.31)
Income Tax Loss	47.10	(39.15)	-	7.95
Total	(9.69)	(134.27)	(8.50)	(152.47)

FY 2018-19

Components and Reconciliation of Deferred Tax (Assets)/Liabilities

Particulars	Opening Balance	Recognised in Profit or Loss	Recognised in other Comprehensive Income		Closing Balance
Property, Plant and Equipment and Intangible Assets	249.32	(201.19)	-	-	48.13
WDV on Fixed Assets	(0.56)	-	-	-	(0.56)
Provision for Doubtful Debts and Advances	(58.88)	49.47	-	-	(9.41)
Provision for Security Deposit	(35.26)	(31.38)	-	-	(66.64)
Accrued Expenses Allowable on Cash Basis	(66.48)	56.94	-	-	(9.54)
Actuarial Gain/(Loss) on Employee Defined Benefits Obligation	(4.92)	-	-	-	(4.92)
Leave Encashment	(8.19)	-	-	-	(8.19)
Bonus Payable	(5.36)	-	-	-	(5.36)
Expenses Allowable For Tax Purpose When Paid	(0.31)	-	-	-	(0.31)
Income Tax Loss	-	47.10	-	-	47.10
Total	69.36	(79.05)	-	-	(9.69)

(₹ in Lakhs)

34 EARNINGS PER SHARE (EPS)

Particulars	Year Ended	
	31st March, 2020	31st March, 2019
Net Profit / (Loss) after Tax as per Statement of Profit and Loss attributable to Equity Shareholders (₹)	(7,12,14,487)	(2,88,90,332)
Weighted Average number of Equity Shares used as denominator for calculating Basic EPS (No. of Shares)	46,00,343	46,00,343
Face Value per Equity Share (₹)	10	10
Basic & Diluted Earnings per Share (₹)	(15.48)	(6.28)

(₹ in Lakhs)

35 DISCLOSURE PURSUANT TO SECTION 186 OF THE COMPANIES ACT, 2013

The Loan provided to Corporate @ 14% p.a. has been utilised by them for meeting their working capital requirement.

36 DISCLOSURE OF TRANSACTIONS WITH RELATED PARTIES REQUIRED UNDER IND AS 24 ON "RELATED PARTY DISCLOSURES"
A. List of Related Parties
(I) Holding Company

- Aura Alkalies and Chemicals Private Limited

(II) Parties where control exists

Subsidiary Company	Principal place of Business	Proportionate Ownership Interest	
		As at 31st March, 2020	As at 31st March, 2019
Ashwa Minerals Private Limited	India	100%	100%
Aeon Procure Private Limited (w.e.f. 17.12.2019)	India	100%	0%

(III) Associates (Firms)

- Altage Stone Crushing Industries
- Bharat Abrasives and Chemicals Industries
- Kantilal Mohanlal Mehta
- Manohar Daryayani
- Nilesh Mines
- Prabhudas Vithaldas
- Prachi Mines
- Saurashtra Traders

- Sandeep Abrasives Industries
- Vinod Pandya
- Yogita Allied & Calcined Products

(IV) Directors / Key Managerial Personnel (KMP) of the Company

- | | |
|--|---|
| <ul style="list-style-type: none"> ▪ Independent Director ▪ Independent Director ▪ Independent Director ▪ Non Executive Director ▪ Non Executive Director (up to 28th May, 2019) ▪ Executive Director & CEO(Resigned w.e.f. December 1, 2019) ▪ Chief Financial Officer (Resigned w.e.f. February 21, 2020) ▪ Company Secretary & Compliance Officer | <ul style="list-style-type: none"> Mr. Manoj Ganatra Mr. Shekhaar Shetty Mrs. Hina Shah Mr. Sunil Shah Mrs. Neeta Shah Mr. Purab Shah Mr. Vaize Ahmed Kampli Ms. Seema Gangawat |
|--|---|

(V) Relatives of Director /KMP of the Company

- Ms. Khyati Kaji (Upto November 30, 2019)

B. Transactions (In Aggregate) with Related Parties

		(₹ in Lakhs)	
Sr. No.	Particulars	As at March 31, 2020	As at March 31, 2019
	Loans to wholly owned subsidiary		
i.	Aeon Procure Private Limited	103.06	–
	Total	103.06	–
	Investment in Wholly Owned Subsidiary		
i.	35,000/- Shares @ 2250/- of Aeon Procure Private Limited	787.50	–
ii.	10,000/- Shares @ 731/- of Ashwa Mineral Private Limited	73.10	73.10
	Total	860.60	73.10
	Interest Received		
i.	Aeon Procure Private Limited	3.40	–
	Total	3.40	–
	Remuneration to Directors / KMP*		
i.	Mr. Purab Shah (Resigned w.e.f. December 1, 2019)	22.48	32.24
ii.	Ms. Seema Gangawat	12.62	11.78
iii.	Mr. Vaize Ahmed Kampli (Resigned w.e.f. February 21, 2020)	13.28	13.30
	* Excluding provision for Gratuity and Contribution for Provident Fund.		
	Total	48.38	57.32
	Transaction with Relatives of Director / KMP		
i.	Ms. Khyati Kaji (Car Hire Charges) (Upto November 30, 2019)	2.10	1.86
	Total	2.10	1.86
	Sitting Fees paid to Directors		
i.	Mr. Manoj Ganatra	3.90	3.10
ii.	Mr. Shekhaar Shetty	3.80	3.00
iii.	Mr. Sunil Shah	3.90	3.10
iv.	Mrs. Neeta Shah (Resigned w.e.f. May 29, 2019)	–	1.50
v.	Mrs. Hina Shah	3.40	0.30
	Total	15.00	11.00
	Dividend Paid to Holding Co.		
i.	Aura Alkalies and Chemicals Private Limited	25.19	25.19
	Total	25.19	25.19

Note:

During the year, there are no transactions with related parties other than those mentioned herein above.

37 FINANCIAL RISK MANAGEMENT AND POLICIES
A. Capital Management

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

Debt Equity Ratio - Total Debt divided by Total Equity

Particulars	As at	
	31st March, 2020	31st March, 2019
Total Debt (₹ in Lakhs)	598.52	0.00
Total Equity (₹ in Lakhs)	3,726.85	4,532.43
Debt Equity Ratio	0.16	0.80

B. Financial Risk Management and Policies

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

a. Market Risk

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

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

i. Foreign Currency Risk:

The group is subject to the risk that changes in foreign currency values impact the company export and import.

The group is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to US Dollar and Euro.

The group manages currency exposures within prescribed limits, through use of derivative instruments such as Options, futures and Forward contracts etc. Foreign currency transactions are covered with strict limits placed on the amount of uncovered exposure, if any, at any point of time.

Particulars	As at March 31, 2020		As at March 31, 2019	
	Amount in Foreign Currency	Amount in ₹	Amount in Foreign Currency	Amount in ₹
USD Exposure				
Receivable	\$ 885,585	651.88	\$ 1,538,076	1,063.91
Payable	\$ 307,475	209.49	\$ 507,062	352.51
Netoff (Receivable & Payable)	\$ 578,109	442.39	\$ 1,031,014	711.40
Derivatives to hedge USD Exposure				
Options Contract - USD/INR	–	–	\$ 507,062	352.51
Net Exposure	\$ 578,109	442.39	\$ 1,538,076	1,063.91

ii. Foreign currency sensitivity:

The following table demonstrates the sensitivity to a 5% increase/decrease in foreign currencies exchange rates, with all other variables held constant 5% increase or decrease in foreign exchange rate will have the following impact on before profit before tax.

Particulars	As at March 31, 2020		As at March 31, 2019	
	5% Increase	5% Decrease	5% Increase	5% Decrease
If INR has (Strengthened)/Weakened) against USD				
Net Impact on Profit and Loss	22.12	(22.12)	35.57	(35.57)
Net Impact on Equity	16.37	(16.37)	26.32	(26.32)

iii. Forward foreign exchange contracts/ Options/ Derivatives

It is the policy of the group to enter into forward foreign exchange contracts/Options & Derivatives to cover foreign currency payments in USD. The group enters into contracts with terms upto 90 days. The group's philosophy does not permit any speculative calls on the currency. It is driven by conservatism which guides that group follow conventional wisdom by use of Forward contracts in respect of Trade transactions.

The group will alter its hedge strategy in relation to the prevailing regulatory framework and guidelines that may be issued by RBI, FEDAI or ISDA or other regulatory bodies from time to time.

Based on the outstanding details of import payable and exports receivable (on event basis) the net trade import exposure is arrived at (i.e. Imports - Exports = Net trade exposures).

Forward cover or options covers is obtained from Banks or Merchant House for each of the aggregated exposures and the Trade deal is booked. The forward cover deals are all backed by actual trade underlines and settlement of these contracts on maturity are by actual delivery of the hedged currency for settling the underline hedged trade transaction.

The open contract as on 31st March, 2020 for USD 3,07,475/- was covered with buy exchange rate ₹ 68.13/- per dollar.

b. Credit Risk

Credit risk is the risk that counter party will not meet its obligation leading to a financial loss. The Company is exposed to credit risk arising from its operating activities primarily from trade receivables, financing activities and relating to parking of surplus funds as Deposits with Banks. The Company considers probability of default upon initial recognition of assets and where there has been a significant increase in credit risk and on an ongoing basis throughout the reporting period.

The carrying amount of Financial Assets represents the maximum credit exposure:

Financial Instruments and Cash Deposit:

Credit risk from balances with Banks and Financial Institutions is managed by the Company's finance department. Investments of surplus funds are made only with approved counter parties and within credit limits assigned to each counterparty. The limits are set to minimise the concentration of risks and thereby mitigate financial loss through counterparty's potential failure to make payments.

Trade Receivables

The Marketing department has established a credit policy under which each new customer is analysed individually for credit worthiness before the group's standard payment and delivery terms and conditions are offered. The group review includes external ratings, if they are available, and in some cases bank references. Sale limits are established for each customer and reviewed periodically. Trade Receivables of the Company are typically unsecured, except export receivable which is covered through ECGC and to the extent of the security deposits/advances received from the customers or financial guarantees provided by the market organizers in the business. Credit risk is managed through credit approvals and periodic monitoring of the credit worthiness of customers to whom credit terms in the normal course of business are provided. The allowance for impairment of Trade receivables is created to the extent and as and when required, based on the actual collectability of accounts Receivables. The group evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions and industries and operate in largely independent markets.

The group measures the expected credit loss of trade receivables and loans from customers based on historical trend, industry practices and the business environment in which the entity operates. Loss rates are based on actual credit loss exposure and past trends.

c. Liquidity Risk

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

The below table provides details regarding the remaining contractual maturities of company's financial liabilities :

Particulars	(₹ in Lakhs)			
	Less than 1 Year	1-5 years	More than 5 years	Total
As at March 31, 2020				
Non-derivative financial liabilities				
Borrowings	598.52	275.00	–	873.52
Trade Payables	915.59	–	–	915.59
Unpaid dividend	5.46	–	–	5.46
Other payables	57.20	–	–	57.20
	1,576.77	275.00	–	1,851.77
Derivative financial liabilities				
Options	–	–	–	–
	–	–	–	–
As at March 31, 2019				
Non-derivative financial liabilities				
Borrowings	840.49	–	–	840.49
Trade Payables	2,363.97	–	–	2,363.97
Unclaimed dividend	5.66	–	–	5.66
Other payables	185.09	–	–	185.09
	3,395.21	–	–	3,395.21
Derivative financial liabilities				
Options	–	–	–	–
	–	–	–	–

38 INFORMATION ON SEGMENT REPORTING AS PER IND AS 108 ON "OPERATING SEGMENTS"

- i) Operating Segments are those components of business whose operating results are regularly reviewed by the Chief Operating Decision making body in the group to make decisions for performance assessment and resource allocation.
- ii) The group has two operating Segments i.e. Organic Chemicals and Traded Goods. Thus the segment revenue, segment results, total carrying value of segment assets and segment liabilities and total amount of charge of depreciation during the year are all reflected in the financial statements as at and for the year ended March 31, 2020 and March 31, 2019.

(₹ in Lakhs)

Particulars	Year Ended 31st March, 2020	Year Ended 31st March, 2019
[A] Segment Revenue		
a) Own Manufactured		
Organic Chemicals		
Revenue from Operations	8,824.08	16,110.35
Other Income	510.45	135.49
Total	9,334.53	16,245.84
b) Traded Goods		
Revenue from Operations	2,426.72	1,045.55
Other Income	144.93	27.51
Total	2,571.66	1,073.06
Net Sales/Income from Operations	11,906.19	17,318.90
[B] Segment Results		
Profit/ (Loss) before Interest, Exceptional items and tax from each segment		
a) Own Manufactured		
Organic Chemicals		
(Loss) / Profit- Operations	(989.07)	(140.92)
Other Income	510.45	135.49
Total	(478.62)	(5.43)
b) Traded Goods		
(Loss) / Profit - Trading	(468.70)	(184.03)
Other Income	144.93	27.51
Total	(323.77)	(156.52)
Total (a + b)	(802.38)	(161.95)
Less :		
(i) Interest (Finance Cost)	64.23	113.68
(Loss) / Profit Before Tax	(866.62)	(275.63)
Current Tax	21.79	(92.31)
Deferred Tax	132.68	79.05
Total Tax Expense	154.47	(13.27)
(Loss) / Profit After Tax	(712.14)	(288.90)

ASHOK ALCO-CHEM LIMITED

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Particulars	(₹ in Lakhs)	
	Year Ended 31st March, 2020	Year Ended 31st March, 2019
[C] Capital Employed		
Other Information :		
Segment Assets		
a) Organic Chemicals	3,684.54	7,065.11
b) Traded Goods	2,729.75	3,793.86
Total	6,414.29	10,858.97
Segment Liabilities		
a) Organic Chemicals	613.73	3,215.18
b) Traded Goods	2,073.72	3,111.38
Total	2,687.45	6,326.56
(Segment Assets -Segment Liabilities)		
a) Organic Chemicals	3,070.81	3,849.93
b) Traded Goods	656.04	682.48
Total	3,726.85	4,532.41
Depreciation during the year		
a) Organic Chemicals	62.02	117.05
b) Traded Goods	0.86	1.35

iii) The group has one customer who contributed more than 10% of the company's total revenue during the current and previous year.

iv) The group does not have reportable segment, i.e Geographical Segment in terms of Ind AS 108 on "Operating Segments".

Particulars	(₹ in Lakhs)					
	India		Rest of The World		Total	
	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19
Segment Revenue	7,449.47	14,253.84	4,456.71	3,065.07	11,906.19	17,318.91
Carrying Cost of Segment Assets	6,414.29	10,858.97	-	-	6,414.29	10,858.97
Net Addition to Fixed Assets and Intangible Assets	710.42	121.95	-	-	710.42	121.95

39 EMPLOYEE BENEFITS

The group has classified various employee benefits as under:

A. Defined Contribution Plans

a. Provident Fund

b. State Defined Contribution Plans

i. Employers Contribution to Employees Pension Scheme 1995

The Provident Fund is operated by the Regional Provident Fund Commissioner and is administered by the LIC of India as applicable for all eligible employees. Under the schemes, the group is required to contribute a specified percentage of payroll costs to the retirement benefit schemes to fund the benefits. These funds are recognised by the Income Tax Authorities.

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

Particulars	(₹ in Lakhs)	
	Year Ended 31st March, 2020	Year Ended 31st March, 2019
a. Contribution to Provident Fund	3.85	6.06
b. Contribution to Employees' Pension Scheme	8.74	13.64
Total	12.59	19.69

B. Defined Benefit Plans

a. Gratuity

The group operates a gratuity plan covering qualifying employees. Under the gratuity plan, the eligible employees are entitled to post retirement benefit at the rate of 15 days salary for each year of service until the retirement age of 58, subject to a payment ceiling of ₹ 20 lakhs. The benefit vests upon completion of five years of continuous service as per "The Payment of Gratuity Act" and once vested it is payable to the employee on retirement or on termination of employment. The group makes annual contribution to the group gratuity scheme administered by the Life Insurance Corporation of India through its Gratuity Trust Fund.

Gratuity is defined benefit plan and Company is exposed to following Risks:

Investment Risk - The funds are invested by LIC and they provide returns basis the prevalent bond yields, LIC on an annual basis requests for contributions to the fund, while the contribution requested may not be on the same interest rate as the bond yields provided, basis the past experience it is low risk.

Interest Risk - LIC does not provide market value of assets, rather maintains a running statement with interest rates declared annually – The fall in interest rate is not therefore offset by increase in value of Bonds, hence may pose a risk.

Mortality Risk - Since the benefits under the plan is not payable for the life time and payable till retirement age only, plan does not have any longevity risk.

Salary Risk - The liability is calculated taking into account the salary increases, basis past experience of the Company's actual salary increases with the assumptions used, they are in line, hence this risk is low risk.

Gratuity Valuation

Valuations in respect of above have been carried out by independent actuary, as at the balance sheet date, based on the following assumptions:

Particulars	Valuations as at	
	March 31, 2020	March 31, 2019
i. Discount Rate (per annum)	6.80%	7.64%
ii. Rate of Increase in Compensation Levels (per annum)	4.00%	4.00%
iii. Mortality Rate During The Employment	Indian Assured Lives Mortality (2006-08)	
iv. Actuarial Valuation Method	Projected Unit Credit Method	
v. Attrition Rate	Upto Age 45: 2% 46 to 58: 1%	Upto Age 45: 2% 46 to 60 : 1%
vi. Retirement Age	58 Years	60 Years

vii. The expected rate of return on plan assets is determined after considering several applicable factors such as the composition of the plan assets, investment strategy, market scenario, etc. In order to protect the capital and optimise returns within acceptable risk parameters, the plan assets are well diversified.

viii. 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.

ix. The estimate of future salary increases considered, takes into account the inflation, seniority, promotion, increments and other relevant factors.

Particulars	(₹ in Lakhs)	
	Year Ended March 31, 2020	Year Ended March 31, 2019
	Gratuity Funded	Gratuity Funded
i. Changes in Present Value of Obligation		
Present value of defined benefit obligation at the beginning of the year	62.65	56.10
Current Service Cost	8.03	7.30
Interest Cost	0.94	4.30
Actuarial (Gains)/Loss		
Actuarial (gains)/ losses arising from changes in demographic assumption	–	–
Actuarial (gains)/ losses arising from changes in financial assumption	0.34	0.19
Actuarial (gains)/ losses arising from changes in experience adjustment	31.18	(5.24)
Past Service cost - Vested Benefits	–	–
Benefits Paid	(100.63)	–
Present value of defined benefit obligation at the end of the year	2.52	62.65
ii. Fair Value of Plan Assets		
Fair value of plan assets at the beginning of the year	64.98	41.23
Interest Income	2.64	3.93
Return on Plan Assets excl. interest income	(2.28)	(0.25)
Adjustment to Opening Fair Value of Plan Asset	–	–
Employer's Contributions	39.68	20.07
Benefits Paid	(100.63)	–
Fair value of plan assets at the end of the year	4.38	64.98
iii. Amount to be recognised in the Balance Sheet and Statement of Profit and Loss Account		
PVO at end of period	2.52	62.65
Fair Value of Plan Assets at end of period	4.38	64.98
Funded Status	1.85	2.33
Net Assets/(Liability) recognised in the Balance Sheet	1.85	2.33
iv. Net Benefit (Asset) /Liability		
Defined benefit obligation at beginning of period	62.65	56.10
Fair value of plan assets at beginning of period	64.98	41.23
Net Benefit Asset /(Liability)	2.33	(14.87)
v. Net Interest Cost for Current Period		
Interest Cost	0.94	4.30
(Interest Income)	(2.64)	(3.93)
Net Interest Cost for Current Period	(1.69)	0.37
vi. Return on plan assets		
Actual Return on plan assets	0.35	3.68
Interest income included in above	2.64	3.93
Return on plan assets excluding interest income	(2.28)	(0.25)

Particulars	Year Ended March 31, 2020	Year Ended March 31, 2019
	Gratuity Funded	Gratuity Funded
vii. Expenses recognised in the Statement of Profit and Loss		
Current Service Cost	8.03	7.30
Interest cost on benefit obligation (net)	(1.69)	0.37
Total Expenses recognised in the Statement of Profit and Loss	6.34	7.68
viii. Remeasurement Effects Recognised in Other Comprehensive Income for the year		
Actuarial (gains)/ losses arising from changes in demographic assumption	-	-
Actuarial (gains)/ losses arising from changes in financial assumption	0.34	0.19
Actuarial (gains)/ losses arising from changes in experience adjustment	31.18	(5.24)
Return on plan asset	2.28	0.25
Recognised in Other Comprehensive Income	33.81	(4.80)
ix. Movements in the Liability recognised in Balance Sheet		
Opening Net Liability	(2.33)	14.87
Adjustment to opening balance	-	-
Expenses as above	6.34	7.68
Contribution paid	(39.68)	(20.07)
Other Comprehensive Income (OCI)	33.81	(4.80)
Closing Net Liability	(1.85)	(2.33)
x. Cash flow Projection: From the Fund		
Within the next 12 months (next annual reporting period)	0.07	1.77
2nd following year	0.04	1.94
3rd following year	0.06	2.13
4th following year	0.07	4.41
5th following year	0.07	6.49
Sum of Years 6 To 10	1.04	51.42
xi. Sensitivity Analysis		
Projected Benefit Obligation on Current Assumptions		
Delta Effect of +1% Change in Rate of Discounting	2.25	56.84
Delta Effect of -1% Change in Rate of Discounting	2.85	69.33
Delta Effect of +1% Change in Rate of Salary Increase	2.85	69.51
Delta Effect of -1% Change in Rate of Salary Increase	2.24	56.60

Note on Sensitivity Analysis

- Sensitivity analysis for each significant actuarial assumptions of the Company which are discount rate and salary assumptions as of the end of the reporting period, showing how the defined benefit obligation would have been affected by changes is called out in the table above.
- In presenting the above sensitivity analysis, the present value of the projected benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same method as applied in calculating the projected benefit obligation as recognised in the balance sheet.
- There is no change in the method from the previous period and the points /percentage by which the assumptions are stressed are same to that in the previous year.

b. Privilege Leave Encashment (Unfunded)

Under the compensated absences plan, leave encashment is payable to all eligible employees on separation from the Company due to death, retirement, superannuation or resignation at the daily rate of last drawn basic salary, as per current accumulation of leave days.

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40 CORPORATE SOCIAL RESPONSIBILITY (CSR)

- a. Amount required to be spent by the Company during the year. ₹ NIL
- b. Amount spent during the year,

(₹ in Lakhs)

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

41 FINANCIAL INSTRUMENTS

The fair values of the financial assets and liabilities are defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Valuation

All financial instruments are initially recognised & subsequently re-measured at fair value as described below:

- The fair value of Forward Foreign Exchange contracts is determined using forward exchange rates at the balance sheet date.
- The fair value of over the counter Foreign Currency Options contracts is determined using the mark-to-market from Bank.
- The carrying amount of financial assets and financial liabilities measured at amortised cost in the financial statements are a reasonable approximation of their fair values since the group does not anticipate that the carrying amounts would be significantly different from the values that would eventually be received or settled.

Fair Value measurement hierarchy

The fair value of financial instruments as referred below have been classified into three categories depending on the inputs used in the valuation technique.

The hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and lowest priority to unobservable inputs (Level 3 measurements).

The categories used are as follows:

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

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

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

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

(₹ in Lakhs)

Particulars	As at March 31, 2020				As at March 31, 2019			
	Carrying Amounts	Fair Value			Carrying Amounts	Fair Value		
		Level 1	Level 2	Level 3		Level 1	Level 2	Level 3
Financial Assets								
Measured at Amortised Cost								
Loans	853.14	-	-	-	310.00	-	-	-
Trade Receivable	1,190.10	-	-	-	3,071.20	-	-	-
Cash and Bank Balances	692.41	-	-	-	284.69	-	-	-
Other Financial Assets	30.51	-	-	-	147.41	-	-	-
	2,766.15	-	-	-	3,813.31	-	-	-
Measured at Fair Value through Profit and Loss								
Investment in Equity Shares	-	-	-	-	-	-	-	-
Total Financial Assets	2,766.15	-	-	-	3,813.31	-	-	-
Financial Liabilities								
Measured at Amortised Cost								
Borrowing	598.52	-	-	-	840.49	-	-	-
Trade Payables	915.59	-	-	-	2,363.97	-	-	-
Other Financial Liabilities	62.66	-	-	-	190.75	-	-	-
	1,576.77	-	-	-	3,395.21	-	-	-
Measured at Fair Value through Profit and Loss								
Derivative financial instruments	-	-	-	-	-	-	-	-
Total Financial Liabilities	1,576.77	-	-	-	3,395.21	-	-	-



42 CIF VALUE OF IMPORTS :

Particulars	(₹ in Lakhs)	
	2019-20	2018-19
Value of Imports - Chemical Division	3,680.45	7,952.10
Value of Imports - Trading Division	69.70	193.12
Total	3,750.15	8,145.22

43 EXPENDITURE IN FOREIGN CURRENCY:

Particulars	(₹ in Lakhs)	
	2019-20	2018-19
Travelling	2.80	3.26
Freight & Demurrage	4.49	3.78
Commission Paid	3.99	1.89
Others	2.48	2.02
Total	13.76	10.95

44 FOB VALUE OF EXPORTS :

Particulars	(₹ in Lakhs)	
	2019-20	2018-19
Sale of Goods	4,467.94	2,617.87

45 Balances for Trade Payables, Trade Receivables, Loans and Advances are subject to confirmations from the respective parties and reconciliations, if any, in many cases. In absence of such confirmations, the balances as per books have been relied upon by the auditors.

46 Impact assessment – COVID-19

In the last week of March 2020, an outbreak situation arose in India on account of COVID-2019. The Company has considered such outbreak situation as subsequent event to the Balance Sheet date i.e., March 31, 2020 in terms of Ind AS 10 "Reporting on Event After Balance Sheet Date" and has assessed the operational and financial risk on going forward basis.

In assessing the impact on the recoverability of financial and non-financial assets, the extent to which the COVID-19 pandemic will impact the Company's operations and financial results will depend on future developments, which are highly uncertain, including, among other things, any new information concerning the severity of the COVID-19 outbreak and any action to contain its spread or mitigate its impact whether government mandated or elected by the Company.

The impact on the operations and earnings/ cashflows of the Company due to COVID- 2019 outbreak may be assessed only after clarity on the probable relaxation/ policy announced by Government about reopening of Domestic & Export markets which is still uncertain as on reporting date and lead to impracticable for the Company to estimates Projected Revenue from Operations and Earning for the next year and impact thereon due to COVID-19. Though, the management will continue to closely monitor any material changes arising out of future economic conditions and impact on its business.

As per our report of even date

For **R A Maru & Associates**
Chartered Accountants
Firm Registration No. 141914W

Sd/-
R A Maru
Proprietor
Membership No. 166417
Place: Mumbai
Date : June 26, 2020

For and on behalf of the Board of Directors

Sd/-
Sunil Shah
Director
DIN: 03567415

Sd/-
Manoj Ganatra
Director
DIN : 00568914

Sd/-
Seema Gangawat
Company Secretary & Compliance Officer

FORM AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014) Statement containing salient features of the financial statement of subsidiaries/ associate companies/ Joint Venture for the year ended 31st March, 2020

Part "A": Subsidiaries

Sr. No.	Particulars	Details
1	Name of the subsidiary	Aeon Procure Private Limited
2	Reporting period	17.12.2019 - 31.03.2020
3	Reporting currency	RUPEES
4	Share capital	100,000
5	Reserves & surplus	1,11,07,213
6	Total assets	9,44,10,410
7	Total Liabilities	8,29,53,195
8	Investments	-
9	Turnover (Including other Income)	1,93,92,695
10	Profit before taxation	35,43,755
11	Provision for taxation	-
12	Profit after taxation	35,43,755
13	Proposed Dividend	NIL
14	% of shareholding	100%

Part "B" – Associates and Joint Ventures

Statement pursuant to section 129(3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

Sr. No.	Name of Associates Company	Details
1	Latest audited Balance Sheet Date	
2	Shares of Associate Company held by the Company on the year end	
	No. of Shares	
	Amount of Investment in Associate Company	
	Extend of Holding %	
3	Description of how there is significant influence	N.A.
4	Reason why the associate Company is not consolidated	
5	Net worth attributable to shareholding as per latest audited Balance Sheet	
6	Profit/Loss for the year	
	i. Considered in Consolidation	
	ii. Not Considered in Consolidation	

As per our report of even date

For **R A Maru & Associates**

Chartered Accountants
Firm Registration No. 141914W

Sd/-

R A Maru

Proprietor

Membership No. 166417

Place: Mumbai

Date : June 26, 2020

For and on behalf of the Board of Directors

Sd/-

Sunil Shah

Director

DIN: 03567415

Sd/-

Manoj Ganatra

Director

DIN : 00568914

Sd/-

Seema Gangawat

Company Secretary & Compliance Officer



FORM AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014) Statement containing salient features of the financial statement of subsidiaries/ associate companies/ Joint Venture for the year ended 31st March, 2020

Part "A": Subsidiaries

Sr. No.	Particulars	Details
1	Name of the subsidiary	Ashwa Minerals Private Limited
2	Reporting period	01.04.2019 - 31.03.2020
3	Reporting currency	RUPEES
4	Share capital	100,000
5	Reserves & surplus	1,54,91,421
6	Total assets	1,60,77,423
7	Total Liabilities	4,86,000
8	Investments	-
9	Turnover (Including other Income)	2,,52,622
10	Profit before taxation	(1,07,40,896)
11	Provision for taxation	34,367
12	Profit after taxation	(1,07,75,263)
13	Proposed Dividend	NIL
14	% of shareholding	100%

Part "B" – Associates and Joint Ventures

Statement pursuant to section 129(3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

Sr. No.	Name of Associates Company	Details
1	Latest audited Balance Sheet Date	
2	Shares of Associate Company held by the Company on the year end	
	No. of Shares	
	Amount of Investment in Associate Company	
	Extend of Holding %	
3	Description of how there is significant influence	N.A.
4	Reason why the associate Company is not consolidated	
5	Net worth attributable to shareholding as per latest audited Balance Sheet	
6	Profit/Loss for the year	
	i. Considered in Consolidation	
	ii. Not Considered in Consolidation	

As per our report of even date

For **R A Maru & Associates**
Chartered Accountants
Firm Registration No. 141914W

Sd/-
R A Maru
Proprietor
Membership No. 166417
Place: Mumbai
Date : June 26, 2020

For and on behalf of the Board of Directors

Sd/-
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Seema Gangawat
Company Secretary & Compliance Officer



ASHOK ALCO-CHEM LIMITED

CIN: L24110MH1992PLC069615

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