

PARRY CHEMICALS LIMITED

***FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022***

INDEPENDENT AUDITOR'S REPORT

To The Members of PARRY CHEMICALS LIMITED

Report on the Ind AS Financial Statements

Opinion

I have audited the standalone financial statements of PARRY CHEMICALS LIMITED ("the Company"), which comprise the balance sheet as at 31st March 2022, and the statement of Profit and Loss, (statement of changes in equity) and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information [

In my opinion and to the best of my information and according to the explanations given to me, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, and profit/loss, for the year ended on that date.

Basis for Opinion

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

Other Information [or another title if appropriate, such as "Information Other than the Financial Statements and Auditor's Report Thereon"]

The Company's Board of Directors is responsible for the other information. The other information comprises the board's report, annexures to Annual return included in the Annual report but does not include the financial statements and our auditor's report thereon.

My opinion on the financial statements does not cover the other information and I do not express any form of assurance conclusion thereon. In connection with my audit of the financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.

Management's Responsibility for the Standalone Financial Statements

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

In preparing the 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 also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

My objectives are to obtain reasonable assurance about whether the 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 my 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 financial statements

A further description of my responsibilities for the audit of the financial statements is included in Annexure A of this auditor's report. forms part of my auditor's report

Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, I give in Annexure B a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

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

I have sought and obtained all the information and explanations which to the best of my knowledge and belief are necessary for the purposes of my audit.

- (a) In my opinion, proper books of account as required by law have been kept by the Company so far as it appears from my examination of those books.
- (b) The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account
- (c) In my opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (d) On the basis of the written representations received from the directors as on 31st March, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2022 from being appointed as a director in terms of Section 164 (2) of the Act.
- (e) 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 my separate Report in "Annexure C".
- (f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in my opinion and to the best of my information and according to the explanations given to me
 - i. The Company does not have any pending litigations which would impact its financial position.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there are any material foreseeable losses.
 - iii. There are no amounts which are required to be transferred to the Investor Education and Protection Fund by the Company
 - (iv) (a) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

P. Senthamarai Kannan

CA

Chartered Accountant

337/4, Second Avenue, Above Santosh Super Market, Anna Nagar, Chennai 600040

Phone: 26267515, 9841065395.

(b) The management has represented that, to the best of its knowledge and belief, no funds have been received by the company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

(c) Based on such audit procedures that were considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.

(d) No dividend has been declared or paid during the year.



For P. Senthamarai Kannan
Chartered Accountant

P. Senthamarai Kannan
Membership No. 018206

Place: Chennai

Date: 20/04/2022

P. Senthamarai Kannan

CA

Chartered Accountant

337/4, Second Avenue, Above Santosh Super Market, Anna Nagar, Chennai 600040

Phone: 26267515, 9841065395.

ANNEXURE 'A'

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

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

- Identify and assess the risks of material misstatement of the 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 my 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 Companies Act, 2013, I am also responsible for expressing my 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 I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my 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 financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

I 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 I identify during my audit.

I also provide those charged with governance with a statement that I 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 my independence, and where applicable, related safeguards.



Place: Chennai

Date: 20/04/2022 /

**For P. Senthamarai Kannan
Chartered Accountant**

Membership No. 018206

ANNEXURE 'B'

The Annexure referred to in paragraph 1 of my Report of even date to the members of PARRY CHEMICALS LIMITED on the accounts of the company for the year ended 31st March, 2022.

On the basis of such checks as I considered appropriate and according to the information and explanation given to me during the course of my audit, I report that:

- i. (a) The company has maintained proper records showing full particulars including quantitative details and situation of its Property Plant and Equipment
(b) As explained to me, Property Plant and Equipment have been physically verified by the management at reasonable intervals; no material discrepancies are noticed on such verification.
(c) The title deeds of immovable property are held in the name of the Company
(d) The Company has not revalued its Property Plant and Equipment during the year
(e) According the information and explanation given to me no proceedings have been initiated or are pending against the Company for holding Benami Property under the Benami Transactions (Prohibition Act) 1988 (45 of 1988) and rules made thereunder.
- ii. The company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act.
- iii. The Company has not given any loans, or provided advance in the nature of Loans or stood guarantee or security or provided security to any other entity.
- iv. The company has not acquired any Investments and hence the applicability of Section 185 and 186 of the Act does not arise.
- v. The Company has not accepted any deposits or amount deemed to be deposits during the year hence Clause 3(v) of the Order is not applicable.
- vi. The Company being a Service Company, Clause 3(vi) of the Order relating to maintenance of cost records is not applicable.
- vii. (a) According to the information and explanations given to me, and records of the Company examined by me, in my opinion, the Company is regular in depositing the undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, GST, duty of customs, duty of excise, value added tax, cess goods and services act and any other statutory dues as applicable, with the appropriate authorities. There are no arrears of undisputed statutory dues outstanding as at 31st March 2022 for a period of more than six months from the date they become payable.

(b) According to the information and explanations given to me, and the records of the Company examined by me, there are no dues of income tax or sales tax or service tax, GST or duty of customs or duty of excise or value added tax or cess which have not been deposited on account of any dispute.
- viii. According to the information and explanations given to me and the books examined by me there were no instances of transactions surrendered or disclosed as income during the year in tax assessments under the Income Tax Act 1961.
- ix. The Company has not raised by way of initial public offer or further public offer (including debt instruments) and has not made Preferential allotment or private placement or convertible Debentures during the year.

P. Senthamarai Kannan

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Chartered Accountant

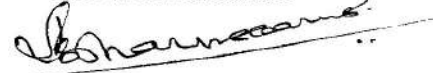
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Phone: 26267515, 9841065395.

- x. During the course of my examination of the Books and Records of the Company carried out in accordance with the Generally Accepted Auditing Practices in India and according to the information and explanations given to me, I have neither come across any instance of fraud on or by the Company noticed or reported during the year nor have I been informed of such case by the Management.
- xi. The provisions of clause (xii) are not applicable to the company as it is not a Nidhi Company.
- xii. According to the information and explanations given to me, the company has complied with section 177 and 188 of the Act wherever applicable and has disclosed the transactions with related parties as required by the applicable accounting standards
- xiii. The Company has not incurred cash losses during the Financial year and in the immediately preceding previous year.
- xiv. According to the information and explanations given to me, the Company has not entered into any non-cash transactions with directors or persons connected with them.
- xv. According to the information and explanations given to me, the Company is not required to be registered under section 45- IA of the Reserve Bank of India Act, 1934.
- xvi. Based on the information and explanations given to me and on the basis of Financial Ratios, ageing and expected date of realisation of Financial Assets and payment of Financial Liabilities, other information accompanying the Financial statements, my knowledge of the Board of Directors and based on management plans and based on my evidence supporting the assumptions, nothing has come to my attention, which cause me to believe that any material uncertainty as on the date of Audit Report that Company is not capable of meeting its liabilities existing at the date of Balance Sheet within a period of one year from the Balance Sheet date. I further state that my reporting is based on the date of Audit Report and in neither give any guarantee or assurance in this regard.
- xvii. The Provisions of the Act relating to CSR Expenses is not applicable to the Company.



For P. Senthamarai Kannan
Chartered Accountant


Membership No. 018206

Place: Chennai

Date: 20/04/2022

ANNEXURE IV

**ANNEXURE TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE
STANDALONE FINANCIAL STATEMENTS OF PARRY CHEMICALS LIMITED**

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

I have audited the internal financial controls over financial reporting of PARRY CHEMICALS LIMITED ("the Company") as of March 31, 2022 in conjunction with my audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

My responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on my audit. I conducted my 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 I 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.

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

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

P. Senthamarai Kannan

Chartered Accountant

337/4, Second Avenue, Above Santosh Super Market, Anna Nagar, Chennai 600040

Phone: 26267515, 9841065395.

CA

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

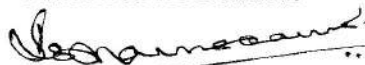
Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal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

Opinion

In my 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 March 31, 2022, 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 P. Senthamarai Kannan

Chartered Accountant



Membership No.18206



Place: Chennai

Date: 20/04/2022

PARRY CHEMICALS LIMITED
Balance Sheet as at 31 March 2022
(₹ in lakhs, unless otherwise stated)

	Note	As at 31 March 2022	As at 31 March 2021
I ASSETS			
1 Non-current assets			
(a) Property, plant and equipment	1	16.05	16.05
(b) Right of Use- Assets	3	696.49	712.55
		712.54	728.60
2 Current assets			
(a) Financial assets			
i) Trade receivables	4	8.05	5.30
ii) Cash and cash equivalents	5	1,454.96	43.21
iii) Loans	2	-	1,368.00
iv) Other financial assets	6	34.32	29.39
(b) Current Tax Assets (Net)	7	10.71	10.46
(c) Other current assets	8	2.03	2.62
		1,510.07	1,458.98
Total assets		2,222.61	2,187.58
II EQUITY AND LIABILITIES			
1 Equity			
(a) Equity share capital	9	1,000.00	1,000.00
(b) Other equity	10	720.92	684.77
Total equity		1,720.92	1,684.77
2 Non-current liabilities			
(a) Other financial liabilities		-	-
3 Current liabilities			
(a) Financial liabilities			
i) Trade payables	13	-	-
(a) Due to Micro enterprises and Small enterprises		1.37	2.51
(b) Due to Other than Micro enterprises and Small enterprises	11	500.00	500.00
ii) Other financial liabilities	12	0.32	0.30
(b) Other current liabilities		501.69	502.81
Total liabilities		501.69	502.81
Total equity and liabilities		2,222.61	2,187.58

Refer accompanying notes forming part of the financial statements

In terms of my report attached

For and on behalf of the Board of Directors



P. Senthamarai Kannan
Chartered Accountant
Membership No. 018206



Jayashree Satagopan
Director

S. Sankarasubramanian
Director

Place: Secunderabad/Chennai
Date: 20/04/2022

Anand S Krishnan
Chief Financial Officer

Sourav Dhar
Company Secretary


PARRY CHEMICALS LIMITED
Statement of Profit and Loss for the period ended 31 March 2022
(₹ in lakhs, unless otherwise stated)

	Note	For the Period ended 31 March 2022	For the Period ended 31 March 2021
I Income			
Revenue from operations	14	27.70	28.93
Other income	15	69.05	57.47
Total income		96.75	86.40
II Expenses			
Finance costs	16	-	0.11
Depreciation and amortisation expense	17	16.06	16.06
Other expenses	18	26.98	25.00
Total expenses		43.04	41.17
III Profit before tax (I - II)		53.71	45.23
IV Tax expense:			
Current tax		17.56	15.43
Total tax		17.56	15.43
V Profit for the Period (III - IV)		36.15	29.80
VI Total Other comprehensive income		-	-
VII Total comprehensive income for the year (V + VI)		36.15	29.80
VIII Earnings per equity share of Rs.10/- each			
Basic (Rs.)		0.36	0.30
Diluted (Rs.)		0.36	0.30

Refer accompanying notes forming part of the financial statements

In terms of my report attached

For and on behalf of the Board of Directors


P. Senthamarai Kannan
Chartered Accountant
Membership No. 018206



Place: Secunderabad/Chennai
Date :20/04/2022

Jayashree Satagopan
Director

S. Sankarasubramanian
Chairman

Anand S Krishnan
Chief Financial Officer

Sourav Dhar
Company Secretary

PARRY CHEMICALS LIMITED**Cash Flow Statement for the year ended 31 March 2022**

(₹ in lakhs, unless otherwise stated)

	For the Period ended 31 March 2022	For the Period ended 31 March 2021
Cash Flow from Operating Activities		
Profit Before Tax	53.71	45.23
Adjustments for:		
Interest income	(69.05)	(57.47)
Depreciation	16.06	16.06
Interest expenses	-	0.11
Operating Profit Before Working Capital Changes	0.72	3.93
<i>Changes in working capital:</i>		
(Increase) / Decrease in Trade Receivable	(2.76)	(5.30)
(Increase) / Decrease in Other Current Assets	0.59	1.49
Increase / (Decrease) in Trade Payable	(1.14)	(1.38)
Increase / (Decrease) in Other Liabilities	0.02	498.90
Cash Generated from Operations	(2.57)	497.64
Direct taxes paid (net of refunds)	(17.81)	(13.82)
Net cash flow from operating activities (A)	(20.38)	483.82
Cash Flow from Investing Activities		
Inter-corporate deposits/ loans given	-	(1,368.00)
Inter-corporate deposits matured/ loans received	1,368.00	856.79
Interest Received on ICD & Others	64.13	66.44
Net cash from/ (used in) investing activities (B)	1,432.13	(444.77)
Cash Flow from Financing Activities		
Interest Paid	-	(0.11)
Net cash from/ (used in) financing activities (C)	-	(0.11)
Net (decrease)/Increase in cash and cash equivalents (A + B + C)	1,411.75	38.94
Cash and cash equivalents at the beginning of the year	43.21	4.27
Cash and cash equivalents at the end of the period	1,454.96	43.21

In terms of my report attached

For and on behalf of the Board of Directors

P. Senthamarai Kannan
P. Senthamarai Kannan
Chartered Accountant
Membership No. 018206



Jayashree Satagopan
Director

S. Sankarasubramanian
Chairman

Place: Secunderabad
Date: 20/04/2022

Anand S Krishnan
Chief Financial Officer

Sourav Dhar
Company Secretary

PARRY CHEMICALS LIMITED
Statement of Changes in Equity for the year ended 31 March 2022
(₹ in lakhs, unless otherwise stated)

a. Equity share capital

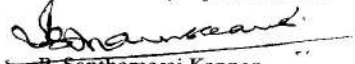
	Number of shares	Amount
Balance as at 31 March 2021	10,000,000	100,000,000
Balance as at 31 March 2022	10,000,000	100,000,000

b. Other equity

Particulars	Reserves and Surplus	
	Retained earnings	Total
Balance at 1 April, 2020	654.97	654.97
Profit for the year	29.80	29.80
Other comprehensive income for the year, net of income tax	-	-
Total comprehensive income for the period	29.80	29.80
Balance at 31 March, 2021	684.77	684.77
Balance at 1 April, 2021	684.77	684.77
Profit for the year	36.15	36.15
Other comprehensive income for the year, net of income tax	-	-
Total comprehensive income for the period	36.15	36.15
Balance at 31 March 2022	720.92	720.92

See accompanying notes forming part of the financial statements

In terms of my report attached


P. Senthamarai Kannan
Chartered Accountant
Membership No. 018206

For and on behalf of the Board of Directors

Jayashree Satagopan
Director

S. Sankarasubramanian
Chairman

Place: Secunderabad/Chennai
Date: 20/04/2022

Anand S Krishnan
Chief Financial Officer

Sourav Dhar
Company Secretary



PARRY CHEMICALS LIMITED
Notes forming part of the financial statements
(₹ in lakhs, unless otherwise stated)

	As at 31 March 2022	As at 31 March 2021
1 Property, plant and equipment		
Carrying amounts of:		
Freehold land	16.05	16.05
	<u>16.05</u>	<u>16.05</u>
2 Financial assets: Loans		
Financial assets carried at amortised cost (Unsecured, considered good)		
Inter-corporate deposits	-	1,368.00
	<u>-</u>	<u>1,368.00</u>
Current	-	1,368.00
Non-current	-	-
	<u>-</u>	<u>1368.00</u>
3 Right of Use Assets- Land		
Pre-payment for leasehold land	712.55	728.61
Less: Depreciation on ROU	(16.06)	(16.06)
	<u>696.49</u>	<u>712.55</u>
4 Trade receivables		
Financial assets carried at amortised cost Unsecured, considered good **	8.05	5.30
Less: Allowance for Doubtful debts	-	-
	<u>8.05</u>	<u>5.30</u>
** Receivable from Related Party		
4.1 Ageing of Un Disputed Trade receivable Considered good	As at 31 March 2022	As at 31 March 2021
Less than 6 months	8.05	5.30
6months- 1 Years	-	-
1-2 Years	-	-
Total	<u>8.05</u>	<u>5.30</u>
5 Cash and cash equivalents		
Cash on hand	-	-
Balances with Banks:		
On Current accounts	2.96	43.21
On Deposit accounts	1452.00	-
	<u>1454.96</u>	<u>43.21</u>
6 Financial assets carried at amortised cost		
Interest accrued but not due on deposits, loans, others	34.32	29.39
	<u>34.32</u>	<u>29.39</u>
Current	34.32	29.39
Non-current	-	-
	<u>34.32</u>	<u>29.39</u>
7 Current Tax Assets (Net)		
Advance payment of income tax - (Net of provision for taxation)	10.71	10.46
	<u>10.71</u>	<u>10.46</u>

PARRY CHEMICALS LIMITED
Notes forming part of the financial statements
(₹ in lakhs, unless otherwise stated)

8 Other Current Assets

GST Input Credit

2.03	2.62
2.03	2.62

9 Equity

9.1 Equity share capital

Authorised Share capital :

1,00,00,000 fully paid equity shares of Rs.10 each (For the Year ended 31st March 2021 1,00,00,000 equity shares of Rs.10 each)

1,000 1,000

Issued and subscribed capital comprises:

1,00,00,000 Equity Shares of Rs.10/each (For the year ended 31st March 2021 1,00,00,000 Equity Shares of Rs.10/each).

1,000	1,000
1,000	1,000

9.2 Reconciliation of number of equity shares and amount outstanding at the beginning and at the end of the period:

	Numbers of Shares	Amount
Balance as at 1 April 2020	10,00,000	1,000
Add: Equity shares allotted during the year	-	-
Balance as at 31 March 2021	10,00,000	1,000
Add: Equity shares allotted during the period	-	-
Balance as at 31 March 2022	10,00,000	1,000

9.3 Shares held by Promoter at the end of the year

Coromandel International Limited- Holding Company

No of Shares held at year end	10,00,000	10,00,000
% of Total Shares held	100	100
% Change during the year	-	-

9.4 Rights, preferences and restriction relating to each class of share capital:

Equity shares: The Company has one class of equity shares having a face value of Rs.10/- each. Each shareholder is eligible for one vote per share held.

9.5 As at 31st March 2022 and 31st March 2021 the entire Paid up Capital is held by Coromandel International Ltd., the Holding Company.

10 Other equity

Retained earnings	720.92	684.77
	720.92	684.77

Retained earnings

Balance at beginning of the Year	684.77	654.97
Profit for the period	36.15	29.80
	720.92	684.77

11 Other Financial liabilities

Financial liabilities carried at amortised cost

leasehold related advance

500.00	500.00
500.00	500.00

Current

500.00 500.00

Non-current

500.00	500.00
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PARRY CHEMICALS LIMITED
Notes forming part of the financial statements
(₹ in lakhs, unless otherwise stated)

12 Other liabilities

	As at 31 March 2022	As at 31 March 2021
Other liabilities (including statutory remittances)	0.32	0.30
	0.32	0.30
Current	0.32	0.30
Non-current	-	-
	0.32	0.30

13 Trade payables

Due to Micro and Small enterprises	-	-
Others	1.37	2.51
	1.37	2.51

There are no dues/interests outstanding to Small and Micro Enterprises as at the Balance Sheet date.

13.1 Ageing of Trade payables - Other than Disputed

	As at 31 March 2022	As at 31 March 2021
Un-billed	1.37	2.51
Not due	-	-
Less than 1 Year	-	-
Total	1.37	2.51

14 Revenue from operations

The following is an analysis of the Company's revenue:

	For the Period ended 31 March 2022	For the Period ended 31 March 2021
Sales	-	-
Other operating revenue	27.70	28.93
Total Revenue from operations	27.70	28.93
Other operating revenues comprise:		
Commission	25.30	26.53
Rent	2.40	2.40
	27.70	28.93

15 Other income

Interest income	69.05	57.35
Others	-	0.12
	69.05	57.47

16 Finance costs

Interest expense	-	-
Other borrowing costs and charges	-	0.11
	-	0.11

17 Depreciation and amortisation expense

Depreciation on ROU- Land	16.06	16.06
	16.06	16.06

18 Other expenses

Rates and taxes	1.85	1.85
Professional and consultancy	1.95	0.25
Audit fees	1.23	1.52
Security charges reimbursed to Holding Company.	15.35	14.88
Service charges reimbursed to Holding Company.	6.60	6.50
	26.98	25.00

PARRY CHEMICALS LIMITED

Notes forming part of the financial statements

PARRY CHEMICALS LIMITED

Note :19 Accompanying Notes to Financial Statements for the Year Ended 31st March 2022;

1. General information

Parry Chemicals Ltd ("the Company") is a company incorporated under the Companies Act 1956 in India. It is a wholly owned subsidiary of Coromandel International Limited.

The address of its registered office and principal place of business are disclosed in the annual report.

The Company acts as an agent for trading pesticides manufactured by Coromandel International Ltd.

2.1 Significant Accounting Policies:

2.1 Statement of compliance

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

2.2 Basis of preparation and presentation

The financial statements have been prepared on the historical cost basis.

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

The principal accounting policies are set out below.

2.3 Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable. Revenue excludes recoveries towards service tax& GST.

2.4 Rendering of services

Income from services rendered is recognised based on the agreements/arrangements with the concerned parties and when services are rendered.

2.5 Dividend and interest income

- Dividend income from investments is recognised when the shareholder's right to receive payment has been established (provided that it is probable that the economic benefits will flow to the company and the amount of income can be measured reliably).
- 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 time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

2.6 Leasing

The Company as a lessee

- At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") for its Lease Hold Land.
- The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment loss. Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value

PARRY CHEMICALS LIMITED

Notes forming part of the financial statements

less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

2.7 Earnings per share

The Company presents basic and diluted earnings per share ("EPS") data for its equity shares. Basic EPS is calculated by dividing the profit or loss attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Diluted EPS is determined by adjusting the profit or loss attributable to equity shareholders and the weighted average number of equity shares outstanding for the effects of all dilutive potential equity shares.

2.8 Taxation

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

- **Current tax**

Current tax represents tax currently payable based on taxable profit for the year determined in accordance with the provisions of the Income tax Act, 1961. 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 tax rates that have been enacted or substantively enacted by the end of the reporting period.

- **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 utilized. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

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

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

- **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. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

2.9 Property, plant and equipment

Freehold Land is stated at cost plus registration charges.

PARRY CHEMICALS LIMITED

Notes forming part of the financial statements

2.10 Provisions, Contingent liabilities and Contingent assets

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

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

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

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

A contingent asset is a possible asset that may arise because of a gain that is contingent on future events that are not under an entity's control. Existence of the contingent asset is required to be disclosed when the inflow of economic benefits is probable.

2.11 Financial Instruments

Capital Management

The Company's capital management is intended to maximise the return to shareholders for meeting the long-term and short-term goals of the Company through the optimization of the debt and equity balance.

The Company determines the amount of capital required on the basis of annual and long-term operating plans and strategic investment plans. The funding requirements are met through equity and long-term/short-term borrowings. The Company monitors the capital structure on the basis of Net debt to equity ratio and maturity profile of the overall debt portfolio of the Company.

For the purpose of capital management, capital includes issued equity capital, securities premium and all other reserves attributable to the equity shareholders of the Company. Net debt includes all long and short-term borrowings as reduced by cash and cash equivalents.

The following table summarises the capital of the Company		
	As at 31 March 2022	As at 31 March 2021
Equity	1000.00	1000.00
Short-term borrowings and current portion of long-term debt	-	-
Long-term debt	-	-
Net debt	-	-
Total capital (equity + net debt)	1000.00	1000.00
Net debt to Capital Ratio	-	-

PARRY CHEMICALS LIMITED

Notes forming part of the financial statements

Categories of financial instruments		
	As at 31 March 2022	As at 31 March 2021
Financial assets		
Measured at fair value through profit or loss (FVTPL)	-	-
Measured at amortised cost		
(a) Cash and Cash equivalents	1454.96	43.21
(b) Trade receivable	8.05	5.30
(b) Other financial assets at amortised cost	34.32	1397.39

Financial risk management objectives

The Company has adequate internal processes to assess, monitor and manage financial risks. These risks include market risk (including currency risk, interest rate risk and other price risk), credit risk and liquidity risk.

The Company seeks to minimise the effects of these risks by using financial instruments such as foreign currency forward contracts, option contracts, interest and currency swaps to hedge risk exposures and appropriate risk management policies as detailed below. The use of these financial instruments is governed by the Company's policies approved by the Board of Directors, which provide written principles on foreign exchange risk, interest rate risk, credit risk and the investment of excess liquidity. The Company does not enter into trade financial instruments, including derivative financial instruments, for speculative purposes.

Item	Primarily affected by	Risk management policies
Credit risk	Ability of customers or counterparties to financial instruments to meet contractual obligations	Credit approval and monitoring practices; counterparty credit policies and limits; arrangements with financial institutions
Liquidity risk	Fluctuations in cash flows	Preparing and monitoring forecasts of cashflows; cash management policies; multiple-year credit and banking facilities

Credit risk arrangement

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments.

Customer credit risk is managed by each business unit subject to the Company's established policy, procedures and control relating to the customer credit risk management. The Company uses financial information and past experience to evaluate credit quality of majority of its customers and individual credit limits are defined in accordance with this assessment. Outstanding receivables and the credit worthiness of its counterparties are periodically monitored and taken up on case to case basis. The Company evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions representing large number of minor receivables operating in independent markets.

The credit risk on cash and bank balances is limited because the counterparties are banks with high credit ratings assigned by international credit rating agencies.

PARRY CHEMICALS LIMITED

Notes forming part of the financial statements

Liquidity risk management

The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

2.12 Critical accounting judgements and key sources of estimation uncertainty

In the application of the Company's accounting policies, which are described in note 1.1, the directors of the Company are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. 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.

2.13 Related Party Disclosures

Information relating to Related Party Transactions as per Ind AS 24 notified under Section 133 of the Act.

a. Names of the Related Parties and their Relationship:

	Name of the Related Party	Relationship
(a)	Coromandel International Limited	Holding Company
(b)	S. Sankarasubramanian	Chairman
(c)	Jayshree Satagopan	Director
(d)	Rajesh Mukhija	Director

b. Transactions During the Year(excluding GST).

	Particulars	2021-22 ₹ in lakhs	2020-21 ₹ in lakhs
a)	Coromandel International Limited		
	From Coromandel International Limited		
	- Commission Received	25.30	26.53
	- Rental Income	2.40	2.40
	To Coromandel International Limited		
	- Reimbursement of Securities charges	16.61	13.62
	- Service Charges	6.50	6.50
	-Reimbursement of Property tax	1.85	1.85

c. Outstanding Balances as at 31st March 2022:

	Particulars	2021-22 ₹ in lakhs	2020-21 ₹ in lakhs
a)	Coromandel International Ltd - Debit / (Credit)	8.05	5.30

PARRY CHEMICALS LIMITED

Notes forming part of the financial statements

2.14 Segment Reporting**Operating Business Segment:**

The Company acts as an agent for trading Pesticides manufactured by Coromandel International Ltd and this is the only operating segment

2.15 Earnings Per Share

	2021-22	2020-21
Profit after Tax as Per Profit & Loss Statement (₹ in lakhs)	36.15	29.80
Number of Shares	1,00,00,000	1,00,00,000
Earnings Per Share –Basic	0.36	0.30
Earnings Per Share –Diluted(₹)	0.36	0.30

2.16 Payments to Auditors

	Rs in lakhs	
	For the Year ended 31 March 2022	For the Year ended 31 March 2021
Audit fees	1.00	1.00
Tax audit fees	-	0.25
Limited reviews	0.23	0.23
Certification relating to Company law& Income tax	-	0.04
Total	1.23	1.52

2.17 Current tax Liabilities

Reconciliation of tax expense to the accounting profit is as follows:	Rs in lakhs	
	For the year ended 31st March 2022	For the year ended 31st March 2021
Accounting profit before tax	53.71	45.23
Tax expense at statutory tax rate 25.17% (PY 25.17 %)	13.52	11.39
<i>Adjustments:</i>		
Effect of income that is exempt from tax		
Effect of expenses that are not deductible in determining taxable profit	4.04	4.04
Tax expense reported in the Statement of Profit and Loss	17.56	15.43

2.18 Other Matters.

Based on the information available with the Company, there are no dues/ Interest outstanding to Micro, Small & Medium Enterprises as at March 31, 2022 (2021: Nil)

2.19 Covid Impact

There is no impact of COVID-19 on the recoverability of carrying values of assets & also there is no major impact on the financial statements of the Company for the financial year ended 31 March 2022.

PARRY CHEMICALS LIMITED

Notes forming part of the financial statements

2.20 Ratio Analysis and its elements

Ratio	Formula	31 March 2022	31 March 2021	% Change	Reason for variance
Current Ratio	Current assets/Current liabilities	3.01	2.90	3.73	-
Debtors Turnover ratio (days)	Operating Revenue/ Avg Trade receivables * Number of days	4.15	5.46	-23.98	
Debt-Equity ratio	Total Debt/ Share holders equity	-	-	-	-
Debt Service coverage ratio	Earnings available for Debt Service / Debt Service	-	-	-	-
Return on Equity	Net Profit after tax / Average share holders equity	0.02	0.02	-	-
Trade payables turnover ratio	Purchases/ Avg Trade payables * Number of days	-	-	-	
Net capital turnover ratio	Net sales / Working capital	-	-	-	
Net profit ratio	Net Profit after tax /Revenue from Operation	1.31	1.03	26.70	Higher FD Placed around ₹ 500 Lakhs
Return on capital employed	Earnings before Interest and taxes / capital employed	0.05	0.04	0.01	-

2.21 Previous figures have been regrouped wherever necessary.

2.22 Approval of financial statements

The financial statements were approved by the Board of Directors on 20 April 2022.

SIGNATURES TO NOTE Nos. -: 1 to 19

In terms of my report attached

On Behalf of the Board of Directors



P.Senthamarai Kannan
Chartered Accountant
Membership No.018206

Jayashree Satagopan
Director

S. Sankarasubramanian
Chairman

UDIN: 22018206 AH WDVJ 9088

PLACE: Secunderabad/Chennai
DATE: 20/04/2022

Anand S Krishnan
Chief Financial Officer

Sourav Dhar
Company Secretary

