CHROMATIC INDIA LIMITED

Regd. Office : 207, Vardhaman Complex Premises Co-op, Soc. Ltd., L.B.S. Marg, Vikhroli (W), Mumbai - 400 083. **CIN No. : L99999MH1987PLC044447,**
Tel.: 61369800 **Fax :** 25793973 E-mail : chromatic@mtnl.net.in website : www.chromatic.in **GST IN : 27AAACCC6220B1ZC**
Corporate Office : 501, Maker Chamber V, 221, Nariman Point, Mumbai (INDIA) - 400 021. Tel.: 22875661 E-mail : chromatic@mtnl.net.in
Factory : B-12/2, Lote Parshuram Indl. Area, Tal. - Khed, Dist. Ratnagiri. Tel.: 02356 - 272240, 272364 Fax : 02356 - 272127 E-mail : chromatic_chiplun@hotmail.com
Dombivali Unit : W-34, M.I.D.C., Phase-II, Dombivali (East), Dist-Thane.

Date: September 5, 2020

To.
The Manager
Listing Department,
The Bombay Stock Exchange Limited
PhirozeJeejeebhoy Towers,
Dalal Street, Mumbai-400001
Phones : 91-22-22721233/4, 91-22-66545695
Fax : 91-22-22721919

Script Code: 530191

To.
The Manager
Listing Department,
National Stock Exchange of India Limited
Exchange Plaza, C-1 Block G, Bandra
Kurla Complex, Bandra (E), Mumbai-400051.
Tel No: (022) 26598100 – 8114
Fax No: (022) 26598120

Script Code: CHROMATIC

Subject: 33rd Annual General Meeting of the Members of the Company and Annual Report 2019-20

Dear Sir / Madam,

With reference to the above captioned subject and pursuant to Regulation 34(1) and other applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, please find attached herewith the 33rd Annual Report of the Company for the financial year 2019-209 containing, *inter alia*, the Notice convening the 33rd Annual General Meeting of the Company.

The entire Annual Report 2019-20 is available on the website of the Company at www.chromatic.in

The same may be taken on record and disseminated to all concerned.

Thanking you,
Yours faithfully,
For Chromatic India Ltd.

Vinod Kumar Kaushik
Whole-time Director
(DIN: 02586479)

CHROMATIC INDIA LIMITED

CHROMATIC INDIA LIMITED

33rd ANNUAL REPORT

2019-20

The Thirty Third Annual General Meeting of

The Members of Chromatic India Limited is

Scheduled on Tuesday, the 29th day of September, 2020 at 11.00 A.M.

through Video Conference ("VC") / Other Audio Visual Means (“OAVM") without physical presence of members at a common venue in compliance with applicable provisions of the Companies Act 2013 read with MCA’s General circular no. 20/2020 dated 5th May 2020

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33rd Annual Report 2019-20

Corporate Information

Board of Directors

Mr. Vinod Kumar Kaushik	-	Whole-time Director
Mr. Mayank R. Kotadia	-	Non Executive & Independent Director
Mrs. Hiral H. Bavishi	-	Non Executive & Independent Director
Mr. Siraj A. Shaikh	-	Non Executive & Independent Director

Executives

Mr. Nitin kumar Chhotalal Kothari – Chief Financial Officer

Auditors

M/s. S. K. Badjatya & Co.,
Chartered Accountants (Part of the year)

M/s. Dargar & Co.,
Chartered Accountants

Bankers

Bank of India, Axis Bank Ltd., Central Bank of India, State Bank of India

Registered Office

Chromatic India Limited
CIN: L99999MH1987PLC044447
207, Vardhaman Complex Premises Co. op. Society Ltd.,
L.B.S. Marg, Vikhroli (West), Mumbai – 400083
Tel. No. +91 22 6136 9800
Fax No. +91 22 25793973
Email: chromatic@mtnl.net.in, cs@chromatic.in
Website: www.chromatic.in

Registrar & Share Transfer Agent

M/s. Bigshare Services Private Limited
CIN: U99999MH1994PTC076534
1st Floor, Bharat Tin Works Building, Opp. Vasant Oasis
Makwana Road Marol, Andheri East Mumbai 400059
Tel No.: +91 22 6263 8200
Fax: +91 22 6263 8299
Email:investor@bigshareonline.com
Website: www.bigshareonline.com

NOTICE TO SHAREHOLDERS

NOTICE is hereby given that the 33rd Annual General Meeting of the Members of Chromatic India Limited will be held on Tuesday, September 29, 2020 at 11.00 a.m. through Video Conference ("VC") / Other Audio Visual Means ("OAVM") without physical presence of members at a common venue in compliance with applicable provisions of the Companies Act 2013 read with MCA's General circular no. 20/2020 dated 5th May 2020, to transact the following business:

Ordinary Business

Item No. 1- Adoption of Financial Statements for the year ended March 31, 2020.

Ordinary Resolution

To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended March 31, 2020, including Audited Balance Sheet as at March 31, 2020 and the Statement of Profit and Loss Account for the year ended on that date, on a Standalone and Consolidated basis, together with the Reports of the Board of Directors and the Auditors thereon and to pass the following resolution as an Ordinary Resolution:

"RESOLVED THAT the Audited Financial Statements (Standalone & Consolidated) of the Company i.e. Balance Sheet, Statement of Profit & Loss Account, Cash Flow Statement, Report of the Board of Directors and Auditors thereon for the financial year ended March 31, 2020 as received, be and are hereby approved and adopted."

"RESOLVED FURTHER THAT any of the Director(s) of the Company, be and are hereby severally authorized to certify the true copy of the resolution and furnish the same to any other concerned authorities for their record and necessary action.**"**

Item No. 2- Appointment of Director retiring by rotation

Ordinary Resolution

To appoint a Director in place of Mr. Vinod Kumar Kaushik (DIN: 02586479), who retires by rotation and being eligible, offers himself for reappointment.

Item No. 3- Appointment of Statutory Auditors

Ordinary Resolution

To consider and approve the following resolution as an Ordinary Resolution:

"**RESOLVED THAT** pursuant to the provisions of Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 (the Act) and the Companies (Amendment) Act, 2017, read with the Companies (Audit and Auditors) Rules, 2014 (the rules) (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), appointment of M/s. Dargar & Co., Chartered Accountants, (ICAI Firm Registration No. 007289W), who have confirmed their eligibility to be appointed as Statutory Auditors, in terms of provisions of Section 141 of the Act, and Rule 4 of the Rules, be and is hereby appointed to hold office for a period of five consecutive years from the conclusion of this (33rd) Annual General Meeting until the conclusion of the (38th) Annual General Meeting of the

Company which is going to be held in the year 2025, at such remuneration as maybe mutually agreed between the Board of Directors of the Company and the Auditors based on the recommendation of the Audit Committee."

"RESOLVED FURTHER THAT any of the Director(s) of the Company, be and are hereby severally authorized to do all such acts, deeds and things which are necessary to give effect to the aforesaid resolution."

By Order of the Board of Directors
For Chromatic India Limited

Vinod Kumar Kaushik
Whole-time Director

Registered Office
207, Vardhaman Complex Premises Co. op. Society Ltd.,
L.B.S. Marg, Vikhroli (West), Mumbai – 400083.
Tel. No. +91 22 6136 9800
Email: chromatic@mtnl.net.in, cs@chromatic.in
Website: www.chromatic.in
CIN: L99999MH1987PLC044447

Place: Mumbai
Date: September 5, 2020

Notes:-

General instructions for accessing and participating in the 33rd AGM through VC/OAVM Facility and voting through electronic means including remote e-Voting:

1. In view of the COVID-19 pandemic, the Ministry of Corporate Affairs ('MCA') has vide its General Circular No. 20/2020 dated May 5, 2020 in relation to 'Clarification on holding of Annual General Meeting ('AGM') through video conferencing ('VC') or other audio visual means ('OAVM') read with General Circular No. 14/2020 dated April 8, 2020 and General Circular No. 17/2020 dated April 13, 2020 in relation to 'Clarification on passing of ordinary and special resolutions by companies under the Companies Act, 2013 and the rules made thereunder on account of the threat posed by Covid-19' (collectively referred to as 'MCA Circulars') and the Securities and Exchange Board of India ('SEBI') vide its circular No. SEBI/HO/CFD/CMD1/ CIR/P/2020/79 dated May 12, 2020 in relation to 'Additional relaxation in relation to compliance with certain provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 – Covid-19 pandemic' ('SEBI Circular') permitted the holding of the Annual General Meeting ('AGM'/'the Meeting') through VC/OAVM, without the physical presence of the members at a common venue. In compliance with the provisions of the Companies Act, 2013 (the 'Act'), the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations') and MCA Circulars, the 33rd AGM of the Company is being held through VC/OAVM on Tuesday, September 29, 2020 at 11.00 a.m. (IST). Hence, members can attend and participate in the ensuing AGM through VC/OAVM.

2. There is no special business in the Notice of the 33rd Annual General Meeting and therefore no Explanatory Statement pursuant to the provisions of Section 102(1) of the Companies Act, 2013 setting out the material

facts in respect to the Special Business is annexed. However, Explanatory Statement pursuant to Regulation 36(5) of the SEBI Listing Regulations in respect of Appointment of Auditors is forming part of this Notice.

3. The aforesaid MCA General Circular dated May 5, 2020 read with MCA General Circular dated April 13, 2020 and SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/ 79 dated May 12, 2020 have granted relaxations to the companies, with respect to printing and dispatching physical copies of the Annual Reports and Notices to members. **Accordingly, the Company will only be sending soft copy of the Annual Report 2019-20 and Notice convening 33rd AGM via e-mail, to the members whose e-mail ids are registered with the Company or the Registrar and Share Transfer Agent or Depository Participant/Depository on or before 21 days of the scheduled Annual General Meeting of the Company.**

4. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at www.chromatic.in. The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively. The AGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM) i.e. www.evotingindia.com.

5. Pursuant to MCA Circular No. 14/2020 dated April 08, 2020, the **facility to appoint proxy to attend and cast vote for the members is not available for this 33rd AGM**. However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the members such as the President of India or the Governor of a State or body corporate can attend the AGM through VC/OAVM and cast their votes through e-voting.

6. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice.

7. The facility of participation at the AGM through VC/OAVM will be made available to atleast 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.

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

9. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and MCA Circulars dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting's agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL, on all resolutions set forth in this Notice. Further note that members who have voted by e-voting services cannot vote at the AGM.

10. AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 08, 2020 and MCA Circular No. 17/2020 dated April 13, 2020 and MCA Circular No. 20/2020 dated May 05, 2020.

11. In terms of Section 152 of the Companies Act, 2013, Mr. Vinod Kumar Kaushik (DIN: 02586479), Whole-time Director of the Company, retires by rotation at the AGM and being eligible offers himself for re-appointment. Details as required in Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter called as the Listing Regulations) entered into with the Stock Exchanges, of persons seeking appointment / re-appointment as Directors are annexed to this notice as "Annexure A".

12. The requirement to place the matter relating to appointment of Auditors for ratification by members at every Annual general Meeting is done away vide notification dated May 7, 2018 issued by the Ministry of Corporate Affairs. Accordingly, the resolution for appointment does not propose for ratification of appointment of Auditors.

13. Pursuant to Section 91 of the Companies Act, 2013, the Register of Members and Share Transfer Books of the Company will remain closed from Friday, 25 September, 2020 to Tuesday, 29 September, 2020 (both days inclusive) for the purpose of this Annual General Meeting.

14. In case of joint holders, the member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the AGM.

15. Members who hold shares in physical form in multiple folios in identical names or joint holding in the same order of names are requested to send the share certificates to Bigshare, for consolidation into a single folio.

16. Corporate members intending to attend the meeting through their authorized representatives are requested to email to the Company a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.

17. Electronic copies of all the documents referred to in the accompanying Notice of the AGM shall be made available for inspection on all working days between 11.00 am to 1.00 pm, except Saturdays, Sundays and Public holidays up to the date of this Annual General Meeting.

18. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN to the Company / Bigshare Services Private Limited and also register nomination of their shareholding in the Company in Form SH-13.

19. Pursuant to Section 72 of the Companies Act, 2013, shareholders holding shares in physical form may file nomination in the prescribed Form SH-13 and for cancellation /Variation in nomination in the prescribed Form SH-14 with the Company's Registrar and Transfer Agent. In respect of shares held in electronic /demat form, the nomination form may be filed with the respective Depository Participant.

20. As per Regulation 40 of the SEBI Listing Regulations, as amended, transfer of securities would be carried out in dematerialized form only with effect from April 1, 2019, except in case of transmission or transposition of

securities. However, members can continue to hold shares in physical form. In view of the same 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 dematerialized form. Members can contact the Company's RTA for assistance in this regard.

21. Members are requested to update their Bank Account Number, Name and Address of the Bank / Branch, change in their address and other details to the Registrar and Share Transfer Agent of the Company i.e. M/s. Bigshare Services Private Limited in respect of shares held in physical mode and to their respective DPs for demat mode. Members are also requested to update their email ids by writing to M/s. Bigshare Services Private Limited at investor@bigshareonline.com

22. To prevent fraudulent transactions, members are advised to exercise due diligence and notify the Company of any change in address or demise of any member as soon as possible. Members are also advised not to leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned Depository Participants and holdings should be verified.

23. To support the "Green Initiative", the Members who have not registered their e-mail address so far are requested to register their e-mail address with the Company / M/s. Bigshare Services Private Limited / Depositories for receiving all communication including Annual Report, Notices, Circulars, etc. from the Company electronically. (For demat account holders, with their DP).

24. Members desirous of obtaining any information / clarification(s) concerning the accounts and operations of the Company or intending to raise any query are requested to forward the same at least 10 days before the date of meeting to the Company Secretary at chromatic@mtnl.net.in of the Company so that the same may be attended appropriately.

25. The Company appointed Mr. Dharmesh Sarvaiya, Practicing Company Secretary (Membership No. A 46848 and CP. No: 17136) as Scrutinizer to conduct the e-voting in a fair and transparent manner. The Scrutinizer shall within a period of not exceeding 3 working days from the conclusion of voting period, shall unblock the votes in presence of two witness, who are not in employment of the Company and after scrutinizing the votes received shall make a Scrutinizer's report of the votes casted in favor or against or invalid votes in connection with the resolution(s) mentioned in the Notice of the Meeting and submit the same forthwith to the Chairman of the Company.

26. The results declared along with Scrutinizer's report shall be placed on the website of the Company immediately and shall also be communicated to the Stock Exchanges. The Resolutions shall be deemed to be passed, if approved, on the date of AGM.

E-voting:

In compliance with the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended), Regulation 44 of the SEBI Listing Regulations (as amended), MCA Circulars and the SEBI Circular, the Company is providing its members the facility to exercise their right to vote on resolutions proposed to be considered at the AGM by electronic means (by using the electronic voting system provided by CDSL) either by remote e-voting prior to the AGM or by remote e-voting during the AGM. Instructions for members for attending the AGM through VC/OAVM are explained below.

The members can opt for only one mode of remote e-voting i.e. either prior to the AGM or during the AGM. The members present at the Meeting through VC/OAVM who have not already cast their vote by remote e-voting prior to

the Meeting shall be able to exercise their right to cast their vote by remote e-voting during the Meeting. The members who have cast their vote by remote e-voting prior to the AGM are eligible to attend the Meeting but shall not be entitled to cast their vote again.

The remote e-voting period begins Saturday, 26 September, 2020 at 9:00 A.M. and ends on Monday, 28 September, 2020 at 5.00 P.M. The remote e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.

A person, whose name is recorded in Register of Members or in the Register of Beneficial Owners maintained by the depositories as on Monday, 21 September, 2020 ('the cut-off date'), shall be entitled to vote in respect of the shares held, by availing the facility of remote

THE INTRUCTIONS FOR SHAREHOLDRES FOR REMOTE E-VOTING ARE AS UNDER:

(i) The voting period begins on Saturday, 26 September, 2020 and ends on at 9:00 A.M. and ends on Monday, 28 September, 2020 at 5.00 P.M.. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of Monday, 21 September, 2020 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

(ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.

(iii) The shareholders should log on to the e-voting website www.evotingindia.com.

(iv) Click on "Shareholders" module.

(v) Now enter your User ID

a. For CDSL: 16 digits beneficiary ID,
b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.

OR

Alternatively, if you are registered for CDSL's EASI/EASIEST e-services, you can log-in at https://www.cdslindia.com from Login - Myeasi using your login credentials. Once you successfully log-in to CDSL's EASI/EASIEST e-services, click on e-Voting option and proceed directly to cast your vote electronically.

(vi) Next enter the Image Verification as displayed and Click on Login.

(vii) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any company, then your existing password is to be used.

(viii) If you are a first time user follow the steps given below:

	For Shareholders holding shares in Demat Form and Physical Form
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)

	• Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/ Registrar and Share Transfer Agent of the Company Bigshare Services Private Limited or contact Company/ Registrar and Share Transfer Agent of the Company Bigshare Services Private Limited.
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. • If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).

(ix) After entering these details appropriately, click on "SUBMIT" tab.

(x) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

(xi) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

(xii) Click on the EVSN for relevant <Chromatic India Limited> on which you choose to vote.

(xiii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

(xiv) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

(xv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

(xvi) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

(xvii) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.

(xviii) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

(xix) Shareholders can also cast their vote using CDSL's mobile app "m-Voting". The m-Voting app can be downloaded from respective Store. Please follow the instructions as prompted by the mobile app while Remote Voting on your mobile.

PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL ADDRESSES ARE NOT REGISTERED WITH THE DEPOSITORIES FOR OBTAINING LOGIN CREDENTIALS FOR E-VOTING FOR THE RESOLUTIONS PROPOSED IN THIS NOTICE:

1. For Physical shareholders- please provide necessary details like 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 Company/RTA email id.

2. For Demat shareholders -, please provide Demat account detials (CDSL-16 digit beneficiary ID or NSDL-16 digit DPID + CLID), 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 Company/RTA email id.

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

1. Shareholder will be provided with a facility to attend the AGM through VC/OAVM through the CDSL e-Voting system. Shareholders may access the same at https://www.evotingindia.com under shareholders/members login by using the remote e-voting credentials. The link for VC/OAVM will be available in shareholder/members login where the EVSN of Company will be displayed.

2. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.

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

4. 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.

5. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance atleast 10 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at chromatic@mtnl.net.in. The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance 5 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at chromatic@mtnl.net.in. These queries will be replied to by the company suitably by email. Queries received after the aforesaid timelines shall not be entertained.

6. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.

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

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for Remote e-voting.

2. Only those shareholders, who are 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 available during the AGM.

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

4. Shareholders who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.

(xx) **Note for Non – Individual Shareholders and Custodians**

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the "Corporates" module.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; chromatic@mtnl.net.in, if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

If you have any queries or issues regarding attending AGM & e-Voting from the e-Voting System, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com or contact Mr. Nitin Kunder (022-23058738) or Mr. Mehboob Lakhani (022-23058543) or Mr. Rakesh Dalvi (022-23058542).

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Manager, (CDSL) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call on 022-23058542/43.

By Order of the Board of Directors
For Chromatic India Limited

Vinod Kumar Kaushik
Whole-time Director

Place: Mumbai
Date: September 5, 2020

EXPLANATORY STATEMENT PURSUANT TO REGULATION 36(5) OF THE SEBI LODR REGULATIONS

Item No. 3 of the Notice - Appointment of Statutory Auditors :

Pursuant to the provisions of Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Amendment) Act, 2017, read with the Companies (Audit and Auditors) Rules, 2014, the Board on the recommendation of the Audit Committee has appointed M/s. Dargar & Co., Chartered Accountants, (FRN: 007289W) as Statutory Auditor of the Company to hold office till the conclusion of this 33rd Annual General Meeting, on such remuneration as may be determine by the Board of Directors of the Company on the recommendation of the Audit Committee.

The aforesaid appointment of M/s. Dargar & Co., as Statutory Auditors of the Company expires at the conclusion of the this 33rd Annual General Meeting and they have consented to further continue as the Statutory Auditors of the Company subject to the approval of shareholders of the Company in the ensuing Annual General Meeting.

The Company has received confirmation from M/s. Dargar & Co., to the effect that their appointment, if made, would be within the prescribed limits under Section 141(3) of the Companies Act, 2013 and that they are not disqualified for such appointment within the meaning of Section 141 of the Companies Act, 2013 and also under the SEBI Listing Regulations.

Disclosures in respect of Regulation 36(5) of the SEBI Listing Regulations are as follows:

(a) Proposed fees payable to M/s. Dargar & Co., for Statutory Audit is Rs. 2 Lakhs p.a.

(b) Terms of appointment and in case of a new auditor:

- (i) The firm is eligible for appointment and is not disqualified for appointment under section 141 of the Companies Act, 2013, the Chartered Accountant Act, 1949 and rules and regulations made there under;
- (ii) The firm satisfies other criteria as provided under Section 141 of the Act;
- (iii) The proposed appointment would be as per the terms provided under the Act;
- (iv) The proposed appointment is within the limits laid down by or under the authority of the Act;
- (v) There are no proceedings pending against either of the partners or the firm with respect to professional matters of conduct in the Institute of Chartered Accountants of India or any competent authority or any Court.
- (vi) The appointment shall be for a period of five consecutive years from the conclusion of this (33rd) Annual General Meeting until the conclusion of the (38th) Annual General Meeting of the Company which is going to be held in the year 2025 and in oblige with the terms of reference of the Audit Committee.

(c) There is no material change in the fee payable to the new Statuary Auditor from that paid to the previous Statuary Auditor.

(d) The appointment of M/s. Dargar & Co., as Statutory Auditors of the Company has been made on recommendation of the Audit Committee in its meeting held on July 27, 2020.

(e) Credentials of the Statutory Auditor proposed to be appointed:

M/s Dargar & Co., Chartered Accountants, was formed in 1994 as a proprietary concern. Till today the firm continued to function as a proprietary firm.

The Proprietor's Profile :

Mr. Vijay Dargar, B. Com., F C A : After graduating in commerce from the University of Ajmer. Mr. Dargar completed his Chartered Accountancy in 1994 with 49th Rank in Final Examinations. He developed his ability to appreciate the finer points of Audit, Tax and Finance during his tenure with M/s Karnavat & Co., Fort, Mumbai- 400 001, from 1991 to May 1994, a leading Mumbai based Audit & Tax Consulting Firm. Besides his expertise in taxation related matters. During his 25 years stint in profession, Mr. Dargar has gained considerable experience in Statutory Audit, Bank Audits, Internal Audits and Management Audits, Preparation of Project Reports & Feasibility Studies and Working Capital Management and Financial Management Planning and Financial policy determination and Capital structure planning advice regarding raising finance are some strong area in which Mr. Dargar has considerable command. Mr. Dargar has considerable leadership skills and enthusiasm to lead the entire team towards the defined goals of the firm.

Location and Infrastructure:

The Reg. Office is located at 58, Maharastra Bhavan, Nr. Handloom House, Fort, Mumbai- 400 001 about 5 minute from the Churchgate and V. T. station.

The Reg. Office Address is:

M/s Dargar & Co.
58, Maharastra Bhavan, 4th Floor
Nr. Handloom House,
Bora Masjid Street,
Fort, Mumbai – 400 001

The Board recommends their appointment for a period of 5 consecutive years from the conclusion of this (33rd) Annual General Meeting until the conclusion of the (38th) Annual General Meeting of the Company which is going to be held in the year 2025 and therefore resolution for appointment of M/s. Dargar & Co., has put forth for the approval of the members.

Members are requested to consider their appointment as Statutory Auditors of the Company from the conclusion of this (33rd) Annual General Meeting until the conclusion of the (38th) Annual General Meeting of the Company which is going to be held in the year 2025, at a remuneration decided by the Board of Directors of the Company on the recommendation of the Audit Committee.

The Board recommends appointment of M/s. Dargar & Co., as the Statutory Auditors of the Company at the ensuing Annual General Meeting.

Annexure to the Notice

"Annexure A"

Details of Directors seeking appointment / re-appointment at this Annual General Meeting
[Pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard – 2 on General Meetings]

Name of the Director	Mr. Vinod Kumar Kaushik
Father's Name	Mr. Maheshwar Dayal Kaushik
Designation	Executive, Whole Time Director
Date of Birth	February 01, 1949
Age	70
Nationality	Indian
Date of Appointment on Board	April 01, 2019
Qualifications	Master in Arts, Maths
Experience / Expertise in specific functional areas	Wide experience in Finance & Administration.
Directorships held in other Body Corporate (as on 31.03.2020)	NIL
Positions held in Mandatory Committees (i.e, Audit Committee, Stakeholders Relationship Committee and Nomination Committee) of other Companies.	NIL
Number of Shares held in the Company (as on 31.03.2020)	NIL
Relationships between the Directors inter – se and or KMP	NIL
Terms and conditions of appointment / re-appointment	Executive, Wholetime Director, Full time basis
Remuneration last drawn including sitting fees, if any.	Rs. 19.87 Lacs for FY 2019-20
Remuneration proposed to be paid	As to be recommended by Nomination Remuneration Committee
Date of first appointment on the Board	September 9, 2009

For other details such as number of meetings of to Board attended during the year and remuneration drawn in respect of above Directors please refer to the Corporate Governance Report which is a part of this Annual Report.

By Order of the Board of Directors
For Chromatic India Limited

Vinod Kumar Kaushik
Whole-time Director

Place: Mumbai
Date: September 5, 2020

Registered Office

207, Vardhaman Complex Premises Co. op. Society Ltd.,
L.B.S. Marg, Vikhroli (West), Mumbai – 400083.
Tel. No. +91 22 6136 9800
Email: chromatic@mtnl.net.in, cs@chromatic.in
Website: www.chromatic.in
CIN: L99999MH1987PLC044447

BOARD'S REPORT

To the Members,

Your Directors present herewith the 33rd Annual Report and the Audited Financial Statements of the Company for the financial year ended March 31, 2020.

Financial Results

The summary of the financial performance of the Company for the financial year ended March 31, 2020 compared to the previous year ended March 31, 2019 is summarized below:

(In Rupees)

Particulars	**2019-20**	**2018-19**
Net Sales and Other Income	102,942,853	81,246,457
Profit/ (Loss) Before Tax	(6,995,627)	(3,705,060)
Add / (Less): Deferred Tax Adjustments	(787,021)	390,815
Less: Current Income Tax		-
Less: Ealier Year Tax	(19,468,328)	-
Less: Fringe Benefit Tax		-
Less: Wealth Tax		-
Profit/(Loss) after Tax	(25,676,934)	(4,095,875)
Add/(Less): Prior Year short provision for Tax	-	-
Balance Brought Forward	1,876,529	6,009,865
Amount Available for Appropriation	(23,803,764)	1,876,529
Appropriations		
Dividend/Interim Dividend on Equity Shares	-	-
Tax on Dividend	-	-
Surplus / Deficit Carried Forward	(23,803,764)	1,876,529

Operational Performance and State of Affairs of the Company

Total income generated for the financial year ended March 31, 2020 is Rs.10.29 crores as against Rs. 8.12 crores for the financial year ended March 31, 2019. The Loss before tax is Rs. 69.96 lacs for the year ended 2019-20 compared to Rs. 37.05 lacs for the year ended 2018-19. The Net Loss after tax is Rs. 256.77 lacs for the financial year 2019-20 as against Rs 40.96 lacs for the financial year 2018-19.

Dividend

To conserve the financial resources, no dividend has been recommended for the year under review.

Transfer to Reserve

No amount is proposed to transfer to the General Reserve Account as required under the Companies Act, 2013.

Change in Nature of Business

There is no change in nature of business of the Company during the year under review.

Ongoing Projects & State of Affairs

The Ongoing Projects & State of Affairs of the Company is presented as part of Management Discussion and Analysis Report which forms part of the Annual Report.

Further information regarding the potential impact of COVID-19 and various steps taken by your Company are provided as part of the Management Discussion and Analysis Report (MDAR).

Management Discussion and Analysis

The Management's Discussion and Analysis on Company's performance – industry trends and other material changes with respect to the Company and its subsidiaries pursuant to Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (herein after called as the "Listing Regulations") is presented in a separate section forming part of the Annual Report.

Disclosures Under Section 134(3)(l) of the Companies Act, 2013

Except as disclosed elsewhere in the report, there were no material changes and commitments, occurred during the period between the end of the financial year to which the financial statements relate and date of this report, which could affect the financial position of the Company.

Internal Financial Control (IFC) System and their adequacy

The Company's present Internal Control Systems are commensurate with its size. However, looking at the growth in the size of the Company and its operations it is strengthening these systems further. The Company places great emphasis on the maintenance of effective internal controls, both from the point of view of compliance with statutory requirements as well as supporting the smooth and efficient running of the business.

The Management is taking further initiatives in terms of adding more capacities, which would have significant benefit in the coming years.

A process driven framework for Internal Financial Control has been designed and implemented by the Company within the meaning of the explanation to Section 134(5)(e) of the Companies Act, 2013. For the financial year ended March 31, 2020, the Board is of the opinion that the Company has sound Internal Financial Control commensurate with its size and nature of its Business operations and operating effectively and no material weakness exist.

The Company has appointed M/s. Ponkshe Kulkarni & Co. (FRN: 107962W) Chartered Accountants, as Internal Auditors of the Company pursuant to Section 138 of the Companies Act, 2013 read with Rule 13 of The Companies (Accounts) Rules, 2014.

Corporate Governance and Shareholders Information

Your Company has taken adequate steps to adhere to all the stipulations laid down in the provisions of the Listing Regulations. A report on the Corporate Governance is included as a part of this Report. A Certificate from the Practicing Company Secretary as required under Schedule V(E) of Listing Regulations, confirming the compliance with the conditions of the Corporate Governance as stipulated under Listing Regulations, forming a part of this Report.

Compliance of Secretarial Standards of ICSI

In terms of Section 118(10) of the Companies Act, 2013, the Company is complying with the Secretarial Standards issued by the Institute of Company Secretaries of India and approved by Central Government with respect to Meetings of the Board of Directors and General Meetings.

Subsidiary Company / Associate / Joint Venture Company

As on March 31, 2020, your Company has one wholly owned subsidiary (WOS), namely, Chromatic International FZE.

The Company has incorporated the aforesaid 100% wholly – owned subsidiary, Chromatic International FZE on 21st October, 2010.

The Company will make available electronically, on request, the annual accounts of the subsidiary company Chromatic International FZE and the related information to any member of the Company who may be interested in obtaining the same. Electronic copies of these documents will also be kept open for inspection during the business hours at the registered office of the Company. The Consolidated Financial Statements presented by the Company includes the financial result of its subsidiary company.

During the year under review, Company does not have any associate company and joint venture company pursuant to the provisions of Companies Act, 2013.

Pursuant to Section 129(3) of the Companies Act, 2013 read with Rule 5 of the Companies (Accounts) Rules, 2014, a statement, in Form AOC-1, containing the prescribed details of subsidiaries is attached to this Annual Report, as **'Annexure A.'**

Policy for determining material subsidiaries is disclosed on the website of the Company at www.chromatic.in

Listing of Equity Shares

The equity shares of your company are listed on Bombay Stock Exchange Limited (BSE) and National Stock Exchange of India Limited (NSE). The equity shares of the Company was listed and admitted for dealing on National Stock Exchange with effect from 29th May, 2012. The annual listing fees for the year 2020-21 is yet to be paid to the Bombay Stock Exchange Limited and National Stock Exchange of India Limited.

Human Resource Development

Company encourages a culture that develops and empowers people, promotes team building and nurtures new ideas. The Company's recruitment practice ensures that suitable candidates with merit are recruited and provided with the right opportunities to grow within the organization.

Depository System

Your Company's equity shares are available for dematerialization through National Securities Depository Limited and Central Depository Services (India) Limited. As of March 31, 2020, 99.64% of the Equity shares were held in demat form. In view of the numerous advantages offered by the Depository system, members holding shares in physical mode are advised to avail of the facility of dematerialization form either of the Depositories. Company's ISIN is INE662C01015.

SEBI has decided that securities of listed Companies can be transferred only in dematerialized form. In view of the above and to avail various benefits of dematerialization, members are advised to dematerialise shares held by them in physical form.

Buy-Back of Shares

During the financial year under review, Company has not announced any Buy-back of its Shares.

Share Capital

During the financial year under review, there is no change in the capital structure of the Company by way of further issue, bonus, sweat equity share, employee stock option scheme or in any other manner. The paid up equity share capital of the Company as on March 31, 2020 was Rs. 710,461,000/- divided into 71,046,100 equity shares of Rs. 10/- each. As on March 31, 2020, Directors shareholding in the Company is as mentioned in this Annual Report.

Pledge of shares

As on March 31, 2020, the Promoter of the Company does not have any shares which are encumbered / pledged.

Board Meetings

During the Financial year, eight Board Meetings were held and the details of which are given in the Corporate Governance Report. The provisions of the Companies Act, 2013, Secretarial Standards as prescribed by the Institute of Company Secretaries of India and the Listing Regulations were adhered to while considering the time gap between the two meetings.

Directors / Key Managerial Personnel

1. Composition of Directors

    a. Appointment

During the year 2019-20 Ms. Hiral Hitesh Bavishi (DIN: 08147837) was appointed as an Additional Director (Independent) on the Board with effect from June 29, 2019. Further in the previous (32nd) Annual General Meeting held on September 30, 2019, Ms. Hiral Hitesh Bavishi was appointed as an Independent Director for a term upto five consecutive years i.e., with effect from the date of this (32nd) Annual General Meeting, up to the Annual General meeting to be held in the year 2024.

b. Resignation

Ms. Diana M Joshi, Non-Executive Independent Director has resigned from the Board with effect from June 21, 2019. The Board wishes to place on record its deep appreciation for the valuable contributions made by her to the Board and the Company during her tenure as Director.

c. Re-appointment

As per the provisions of Section 152 of the Companies Act, 2013, not less than two-third of the total number of Directors, other than Independent Directors shall be liable to retire by rotation. One-third of these Directors are required to retire every year and if eligible, these Directors qualify for re-appointment. At the ensuing AGM, Mr. Vinod Kumar Kaushik, Whole time Director of the Company, retires by rotation and being eligible, offers himself for re-appointment. A detailed profile of Mr. Vinod Kumar Kaushik as required under Regulation 36(3) of the Listing Regulations is provided separately by way of an Annexure to the Notice of the AGM.

The resolution seeking approval of the members for the re-appointment of Mr. Vinod Kumar Kaushik as Whole time Director has been incorporated in the Notice of the Annual General Meeting of the Company.
All the appointment(s) and reappointment(s) has been recommended by the Nomination and Remuneration Committee of the Company.

2. Declaration by Independent Directors

The Company has received declaration from all the Independent Directors of the Company confirming that they meet with the criteria of independence as prescribed both under sub-section (6) of section 149 of the Companies Act, 2013.

3. Key Managerial Personnel

a. CFO

During the financial year under review, Mr. Nitinkumar Chhotalal Kothari has been appointed as Chief Financial Officer of the Company w.e.f. 16th April, 2019.

b. Company Secretary

During the financial year under review, Ms. Roshni Jigar Shah was appointed as Company Secretary & Compliance Officer w.e.f. 16th April, 2019. However, Ms. Roshni Jigar Shah resigned from the post of Company Secretary & Compliance Officer w.e.f. 17th August, 2019.

At present the Company does not have any whole-time Company Secretary, the Company is in search for suitable candidate for this post.

Apart from above, there is no other change in Key Managerial Personnel of the Company.

Familiarization programme for Independent Directors

The Company proactively keeps its Directors informed of the activities of the Company, its management and operations and provides an overall industry perspective as well as issues being faced by the industry.

Pursuant to the provisions of Regulation 25 of the Listing Regulations, the Company has formulated a programme for familiarising the Independent Directors, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company etc. through various initiatives. The details of the aforementioned programme is available on the Company's website.

Company's policy relating to Directors Appointment, Payment of Remuneration and discharge of their duties

The provisions of Section 178(1) of the Companies Act, 2013 relating to constitution of Nomination and Remuneration Committee are applicable to the Company and hence the Company has devised a policy relating to appointment of Directors, payment of Managerial remuneration, Directors qualifications, positive attributes, independence of Directors and other related matters as provided under the aforesaid provisions.

Board Evaluation

In accordance with the provisions of the Companies Act, 2013, Companies (Amendment) Act, 2017 and Chapter II Regulation 4 of the Listing Regulations, annual evaluation has been carried out of the performance of the Board and Audit, Nomination and Remuneration and Stakeholder Relationship Committees.

The Board carried out an annual evaluation of its performance as well as of the working of its committees and individual Directors, including Whole time Director of the Board. As there being no specific Chairman, the Whole time Director's performance evaluation was carried out by Independent Directors at a separate meeting.

The performance evaluations of the Independent Directors were carried out by the entire Board, excluding the Director being evaluated. The performance evaluation of the Chairman and the Non-Independent Directors were carried out by the Independent Directors who also reviewed the performance of the Board as a whole.

In addition, Independent Directors were evaluated based on parameters such as qualification, experience, knowledge and competency, fulfilment of functions, ability to function as a team, initiative, commitment independence, independent views and judgement, availability, attendance and participation in the discussion at the Meetings, adherence to the Code of Ethics (Code of Conduct) of the Company as well as the Code for Independent Directors as applicable, understanding the environment in which the Company operates and contribution to strategic decision and raising valid concerns to the Board, interpersonal relations with other Directors and management, objective evaluation of Board's performance, rendering independent unbiased opinion, safeguarding of confidential information and maintaining integrity. Details of the policy on evaluation of Board's performance is available on the website Company.

Directors Responsibility Statement

To the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statements in terms of Section 134(3)(c) of the Companies Act, 2013:

a. In the preparation of Annual Accounts for the year ended March 31, 2020, the applicable Accounting Standard have been followed along with proper explanation relating to material departure and there are no material departures from the same;

b. The Directors 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 as at March 31, 2020, and loss of the Company for the year ended on that date;

c. The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provision of Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

d. The Directors have prepared the Annual financial statements of the Company on a going concern basis;

e. Proper internal financial controls were in place and that the financial controls were adequate and were operating effectively; and

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

Auditors and Auditors' Report

The Company had appointed M/s. S. K. Badjatya & Co., Chartered Accountants (ICAI Firm Registration no. 004017C), in the (31st) Annual General Meeting held on September 26, 2018, as the Statutory Auditor of the Company who shall hold office till the conclusion of this 33rd Annual General Meeting of the Company. However, M/s. S. K. Badjatya & Co., resigned as Statutory Auditor of the Company w.e.f. July 22, 2020.

Pursuant to section 139 of the Companies Act, 2013 and rules framed thereunder, the Board on the recommendation of the Audit Committee has appointed M/s. Dargar & Co., Chartered Accountants, (FRN: 007289W) as Statutory Auditor of the Company to hold office till the conclusion of this 33rd Annual General Meeting, on such remuneration as may be determine by the Board of Directors of the Company on the recommendation of the Audit Committee.

The aforesaid appointment of M/s. Dargar & Co., as Statutory Auditors of the Company expires at the conclusion of the this 33rd Annual General Meeting and they have consented to further continue as the Statutory Auditors of the Company subject to the approval of shareholders of the Company in the ensuing Annual General Meeting.

The Company has received confirmation from M/s. Dargar & Co., to the effect that their appointment, if made, would be within the prescribed limits under Section 141(3) of the Companies Act, 2013 and that they are not disqualified for such appointment within the meaning of Section 141 of the Companies Act, 2013 and also under the SEBI Listing Regulations. The Board recommends their appointment for a period of 5 consecutive years from the conclusion of this (33rd) Annual General Meeting until the conclusion of the (38th) Annual General Meeting of the Company which is going to be held in the year 2025 and therefore resolution for appointment of M/s. Dargar & Co., has put forth for the approval of the members.

Members are requested to consider their appointment as Statutory Auditors of the Company from the conclusion of this (33rd) Annual General Meeting until the conclusion of the (38th) Annual General Meeting of the Company which is going to be held in the year 2025, at a remuneration decided by the Board of Directors of the Company on the recommendation of the Audit Committee.

The Board recommends appointment of M/s. Dargar & Co., as the Statutory Auditors of the Company at the ensuing Annual General Meeting.

Both the Statutory Auditor's Audit fees details for FY 2019-20 is disclosed in the Annual Financial Statements of the Company forming part of the 33rd Annual Report 2019-20.

There are no entity(ies) related to the Company directly or indirectly, in the network firm / network entity of which the statutory auditor is a part.

Secretarial Audit

According to the provisions of Section 204 of the Companies Act, 2013 read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel), 2014, The Board of Directors in their meeting held on June 29, 2020 had appointed M/s. Sarvaiya & Co., a firm of Company Secretary in Practice to undertake the Secretarial Audit of the Company for the FY 2019-20. The Report of the Secretarial Audit Report submitted by them is enclosed as a part of this Report as "**Annexure B"**.

However, M/s. Nishi Jain, Company Secretary in Practice having Membership No.: 22386 & CP No.: 8429 was appointed as Secretarial Auditor of the Company for the FY 2019-20 in the meeting of the Board of Directors of the Company held on May 15, 2019, however, due to the Corona pandemic the Company is not in position to clear her dues immediately, whereas, Ms. Nishi Jain had kept prior condition that she will initiate the Secretarial Audit only after Company clear her dues.
Since the due date for submission of Secretarial Audit Report for the FY 2019-20 was nearing and upon several request M/s. Nishi Jain is not ready to commence audit, the said matter was taken up before Board on June 29, 2020 and the Board in the said meeting decided to remove M/s. Nishi Jain from the position of Secretarial Auditor for the FY 2019-20 and on recommendation of the Audit Committee appointed M/s. Sarvaiya & Co., Company Secretary in Practice as Secretarial Audit of the Company for the FY 2019-20.
In respect of the aforesaid appointment all provisions of Clause (8) of Part I of the First schedule to the Company Secretaries Act has been followed. A confirmation on the aforesaid has also been received from ICSI.

Explanation or Comments on Qualifications, Reservations or Adverse Remarks or Disclaimers made by the Auditors in their Reports:

(i) Statutory Auditor:

The observations and comments given in the report of the Auditors are as follows:

- Sundry Debtors and Loans & Advances (other than advances to subsidiaries) includes amount of Rs 4.06 Crores and Rs 1.06 Crores respectively which are outstanding for a period of more than 3 years

- Loans & Advances includes non-interest bearing unsecured loan of Rs. 268,96,23,337/- given to Chromatic International FZE, the subsidiary of the company for overseas Business Development. The subsidiary did not do any business during the year. Company has not made the accounting treatment as prescribed in Ind AS 109 (Financial Instruments) and Ind AS 113 (Fair Value Measurement)

- The Company has classified one of its Building which has been given on rent, as Investment Property as per Ind AS 40 (Investment Property) and elected to continue with the carrying value recognised as at 1 April 2016

measured as per previous GAAP. Company has not measured the Investment property at Fair value as on 31.03.2019 as prescribed in Ind AS 40.

- During the year 2018-19, Asst. Commissioner of Income Tax has passed the order for the A.Y. 2015-16 against the Company for the Income Tax demand of Rs 22,66,99,645/-. Said demand has not yet provided in the books as on 31st March 2020.

- The Capital work in progress includes an amount of Rs. 105.72 Crores, paid during previous accounting years for setting up of power plant. The procurement has not been done for pending clearances from the Govt. These advances are subject to confirmation and reconciliation and outstanding for more than 3 years.

- The Company carrying heavy cash in hand balance, which in our opinion is not line with the size of business. We have not physically verified the cash balance

Explanation or comments under Section 134(f)(i) of the Companies Act, 2013 in respect of the above Auditors observations are as follows:

- The management has estimated that the current assets, loans and advances shall have value on realization in the ordinary course of business. Though balances of sundry debtors, sundry creditors, loans and advances and other personal accounts are subject to confirmation and reconciliation, the management feels the same are recoverable.

- The management is of the opinion that the subsidiary would commence business and the advances lent to the subsidiary would be utilized for the purpose of its business.

- The government is not allowing chemical manufacturing in this premises and therefore the building has been rented out.

- The Company has filed appeal against the order in consultation with legal experts.

- Backward integration could not be done in the absence of govt. clearances.

- The Cash is kept available for on demand production purposes

(ii) Statutory Auditor:

The observations and comments given in the report of the Auditors are as follows:

- During the year under review the Company has not appointed full time Company Secretary required as per provisions of section 203 of the Companies Act, 2013.

- During the year under review Securities Exchange Board of India vide its order u/s 11 and 11B of the Securities and Exchange Board of India Act 1992, has restrained Company from assessing Securities Market fir period of Five years starting from September 30, 2019.

Explanation or comments under Section 134(f)(i) of the Companies Act, 2013 in respect of the above Auditors observations are as follows:

- During the year under review the Company does not have any whole-time Company Secretary, the Company is in search for suitable candidate for this post.

- During the year under review SEBI order u/s 11 and 11B of the Securities and Exchange Board of India Act 1992 has been passed in respect of GDR issue. Due to unfavourable business and lack of funds the Company could not adhere to the GDR norms.

Reporting of Fraud

During the year under review, the auditors have not reported any fraud under Section 143(12) of the Companies Act, 2013 and therefore, no details are required to be disclosed under Section 134(3)(c)(a) of the Companies Act, 2013.

Shares in suspense account

No equity share of the Company was in suspense account as on March 31, 2020.

Cost Audit

As per the Cost Audit Orders and the amended Companies (Cost Records and Audit) Rules, 2014, Cost Audit is not applicable to the Company's products /business for the financial year 2019-20.

Deposits

Your Company has not accepted any deposits under Section 73 of the Companies Act, 2013 for the year under review and, as such; no amount on account of principal or interest on deposits was outstanding during the period under review.

Consolidated Financial Results

The statement containing the salient features of the financial statement of the Subsidiary Company as required under Section 129(3) of the Companies Act, 2013 in Form AOC-1 is annexed herewith as **'Annexure A'**. However, your Company does not have Associate or Joint Venture as on 31st March, 2020.

Foreign Exchange Earnings and Outgo

During the year under review, Company has made following transactions in Foreign Currency.

(Rs. in Lakh)

Particular	**2019-20**	**2018-19**
Expenditure in Foreign Currency	53.12	0.44
Earning in Foreign Currency	737.77	548.91

Conversation of Energy, Technology Absorption & Foreign Earnings and Outgo:

Information in accordance with the provision of Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014 regarding conversation of energy and technology absorption are as per **Annexure-C** and forms part of this report.

Environment and Social Concern

Your Company continues its efforts for the betterment of the environment and conservation of scarce natural resources.

Details of Policy Developed and Implemented by the Company on its Corporate Social Responsibility Initiatives

The Company has not developed and implemented any Corporate Social Responsibility initiatives as the said provisions are not applicable on the Company for the financial year ending March 31, 2020.

Vigil Mechanism

In pursuant to the provisions of the Section 177(9) and (10) of the Companies Act, 2013, a Vigil Mechanism for Directors and Employees to report genuine concerns has been established. The Vigil Mechanism Policy has been uploaded on the website of the Company at www.chromatic.in.

Risk Management

Your company has been regularly assessing the risk and ensures that the risk mitigation plans are in place.

Prohibition of Insider Trading

In compliance with SEBI (Prohibition of Insider Trading) Regulations, 2015, the Company has adopted a 'Code of Conduct for Regulating, Monitoring and Reporting of Trading by insiders' and 'Code of Fair Disclosure' of Unpublished Price Sensitive Information to ensure prohibition of Insider Trading in the Organization. The said codes are available on Company's website. The 'Trading Window' is closed when the Compliance Officer determines that a designated person or class of designated persons can reasonably be expected to have possession of Unpublished Price Sensitive Information. The Company Secretary of the Company has been designated as Compliance Officer to administer the Code of Conduct and other requirements under SEBI (Prohibition of Insider Trading) Regulations, 2015.

However, at present the position of Company Secretary & Compliance Officer is vacant and the Company is in search of a suitable candidate for the same. Hence, till the said vacancy is filled the whole time Director is assigned as Compliance Officer for the above purpose.

Disclosure under Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013

Our company has in place an Anti-Sexual Harassment Policy at workplace. Our policy aims at prevention of harassment of employees as well as contractors and lays down the guidelines for identification, reporting and prevention of sexual harassment. Your Directors state that during the year under review, there were no cases reported pursuant to the Sexual Harassment of Women at Workplace (Prevention Prohibition and Redressal) Act, 2013.

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

Company has constituted Internal Com plain Committee in accordance with Section 4 of Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 and the yearly Annual Report under section 21 of the Sexual Harassment of Woman at Workplace (Prevention, Prohibition & Redressal) Act, 2013 is also filed with the relevant authorities.

Significant and Material Orders Passed by the Regulators or Courts

During the year under review Securities Exchange Board of India vide its order u/s 11 and 11B of the Securities and Exchange Board of India Act 1992, has restrained Company from assessing Securities Market fir period of Five years starting from September 30, 2019.

Other than the above, there are no signi ficant material orders passed by the Regulators / Courts which would impact the going concern status of the Company and its future operations.

Disclosure of Composition of Audit Committee

The provisions of Section 177 of the Companies Act, 2013 read with Rule 6 and 7 of the Companies (Meetings of the Board and its Powers) Rules, 2013 is applicable to the Company. The Composition is in line with the provisions of the Listing Regulations read with Section 177 of the Companies Act, 2013.

Disclosure of Composition of Stakeholders Relationship Committee

The provisions of Section 178 of the Companies Act, 2013 is applicable to the Company. The Composition is in line with the provisions of the Listing Regulations read with Section 178 of the Companies Act, 2013.

Related Party Transactions

During the year, Company has not ent ered into any transac tion referred to in sub-section (1) of Section 188 of the Companies Act, 2013 read with Rule 15 of the Companies (Meetings of Board and its powers) Rules, 2014 with related parties.

The Related Party Transactions that were entered during the financial year were on the Arm's Length Basis and were in the ordinary course of business. There wer e no Related Party Transactions (RPTs) entered into by the Company during the financial year, which attracted the provisions of section 188 of the Companies Act, 2013.

There were no materially significant transactions wi th the Company's Promoters; Directors; Management, KMP or their Relatives which could have a potential conflict with the interests of the Company. Transactions with related parties entered by the Company in the normal course of the business are peri odically placed before the committee for its omnibus approval.

There being no 'material' related party transactions as defined under regulation 23 of SEBI Listing Regulations, 2015, there are no details to be disclosed in Form AOC-2 in that regard. During the year 2019-20, pursuant to section 177 of the Companies Act, 2013 and regulation 23 of SEBI Listing Regulations, 2015, all RPTs were placed before the Audit Committee for its approval.

The Board of Directors of the Com pany has, on the recommendation of the Audit Committee, adopted a policy to regulate transactions between the company and its related par ties, in compliance with the applicable provisions of the Companies.

Pursuant to Regulation 34(3) read with Schedule V of the Listing Regulations, the Company shall make disclosures in compliance with the Accounting Standard on "Related Party Disclosures" as per the following:

Sr. No.	In the accounts of Chromatic India Limited	Disclosures of amounts at the year end and the maximum amount of loans / advances / Investments outstanding during the year.
1	**Holding Company:**	
1a.	Cheetah Multitrade Private Limited	Loan Taken by the Company = Rs. 8,182,402/-
2	**Subsidiary:**	
2a.	Chromatic International FZE	Loan Given by the Company = Rs. 268,96,23,337
3	**Holding Company**	Investments by the loan in the shares of parent company and subsidiary company, when the company has made a loan or advance in the nature of loan= NA

Disclosures of transactions of the listed entity with promoter / promoter group:

During the year under review, as per Schedule V (2A) of the SEBI Listing Regulations, the Company has only one promoter i.e., Cheetah Multitrade Private Limited. The Company has taken loan of Rs. 8,182,402/- form the promoter, apart from this there is no other transaction with the promoter. Disclosures of transactions of the Company with the Promoter as per the applicable Ind AS are forming part of the financial Statements of the Company.

Particulars of Loans, Guarantees or Investments

In pursuance to the provisions of Section 186 of the Companies Act, 2013, the details of the Loans, guarantees or investments are given in the notes to the financial statements in this Annual Report.

Annual Return

As per Companies (Amendment) Act, 2017 Annual Return of the Company has been uploaded on the website www.chromatic.in

Particulars of Employees

The information required pursuant to Section 197 read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Companies (Particulars of Employees) Rules, 1975, in respect of the employees of the Company is as follows:

a) Employed throughout the year NIL
b) Employed for part of the year NIL

The Company has not employed any individual whose remuneration falls beyond the purview of the limits prescribed under the provisions Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

The remuneration paid to all the Key Managerial Personnel was in accordance with the remuneration policy adopted by the Company.

The details pursuant to Section 197 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are annexed as **'Annexure D.'**

Remuneration Policy

The Board, on the recommendation of the Nomination & Remuneration Committee, framed a policy for selection and appointment of Directors, Senior Management and their remuneration and to develop & recommend to the Board a set of Corporate Governance Guidelines. The policy of the Company on Directors appointment and remuneration including criteria for determining qualifications, positive attributes, independence of Directors and other matters provided under Section 178(3) of the Companies Act, 2013 and Regulation 19 of the Listing Regulations is available on the Company's website.

Remuneration Ratio of the Director's/Key Managerial Personnel (KMP)/Employees

The information required pursuant to Section 197 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Companies (Particulars of Employees) Rules, 1975 in respect of employees of the Company and Director's/Key Managerial Personnel is furnished hereunder:

Sr. No	Name	Designation	Remuneration paid in F.Y 2019-20 (Rs. In Lakhs)	Remuneration paid F.Y. 2018-19 (Rs. In Lakhs)	Increase in Remuneration from Previous year (Rs. In Lakhs)	Ratio/Times per Median of Employees Remuneration
1	Mr. Vinod Kumar Kaushik	Whole Time Director	19.87	12.33	7.27%	-
2	*Ms. Roshni Jigar Shah	Company Secretary	0.98	2.06	-	-

*Ms. Roshni Jigar Shah was appointed as Company Secretary & Compliance Officer w.e.f. 16th April, 2019 and resigned w.e.f. 17th August, 2019.

Relationship between average increase in remuneration and Company's performance:

In line with Company's reward philosophy, merit increases and annual bonus pay-outs of its Employees including Key Managerial Personnel are directly linked to individual performance as well as that of the business. Given the superior business performance and the performance rating of the Key Managerial Personnel, appropriate reward by way of merit increase or variable pay have been awarded to the Key Managerial Personnel for the current year. This was duly reviewed and approved by the Nomination & Remuneration Committee of the Company.

Acknowledgement

Your Directors take this opportunity to thank all investors, customers, vendors, banks/financial institutions, regulatory and government authorities and Stock Exchanges for their consistent support and encouragement to the Company. The Directors also place on record their sincere appreciation to all employees of the Company for their hard work, dedication and commitment. The enthusiasm and unstinting efforts of the employees have enabled the Company to remain at the forefront of the Industry.

Cautionary Statement:

Statements in the Board's Report and the Management Discussion & Analysis describing the Company's objectives, expectations or forecasts may be forward-looking within the meaning of applicable securities laws and regulations. Actual results may differ materially from those expressed in the statement. Important factors that could influence the Company's operations include global and domestic market conditions affecting cost as well as the selling prices of the services, changes in government regulations, tax laws, economic developments within the country and other factors such as litigation and industrial relations.

By order of the Board of Directors
For Chromatic India Limited

Mayank Rasiklal Kotadia	Vinod Kumar Kaushik
Director	Director
DIN: 07484438	DIN: 02586479

Place: Mumbai
Date: September 5, 2020

ANNEXURE INDEX

Annexure	Content
A	Form AOC-1
B	Secretarial Audit Report – MR-3
C	Conservation of Energy, Technology absorption, Foreign Earnings and Outgo.
D	Particulars of Employees

Form AOC-1

Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Part "A": Subsidiaries

(Rs. in Lacs)

Sr. No.	Name of the subsidiary Companies	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Reporting currency	Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	Share capital	Reserves & surplus	Total assets	Total Liabilities	Investments (excluding Investment in Subsidiaries)	Turnover	Profit before taxation	Provision for taxation	Profit after taxation	Proposed Dividend	% of shareholding	Country
1	Chromatic International FZE	31-03-2020	AED	20.34	20.34	1067.18	26908.34	26908.34	-	-	-1.01	-	-1.01	-	100	UAE
	(previous year)			(18.87)	(18.87)	(989.93)	(24960.45)	(24960.45)	-	-	(-0.94)	-	(-0.94)	-	100	UAE

* Amount reported in equivalent INR.

Notes: The following information shall be furnished at the end of the statement:

1. All mentioned above are yet to commence operations as on reporting date.
2. None of above are liquidated or sold during the year.
3. Previous year's figure is given in bracket.

For and on behalf of Board of Directors

Sd/-	Sd/-
Mayank Rasiklal Kotadia	Vinod Kumar Kaushik
Director	Whole time Director
(DIN:07484438)	(DIN: 02586479)

Place: Mumbai
Date: July 31, 2020

Annexure to Director Report
Annexure - B

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31st MARCH 2020

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

To,
The Members,
Chromatic India Limited

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Chromatic India 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 opinion thereon.

Based on the verification of **Chromatic India Limited** 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, I 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:

I have examined the Books, Papers, Minute Books, Forms and Returns filed and other records maintained by **Chromatic India Limited** ("the company") as given in **Annexure I** 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 there under,

(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 is not applicable to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

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

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

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

c) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;

d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 - **Not applicable to the Company during the audit period;**

e) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 - **Not applicable to the Company during the audit period;**

f) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 - **Not applicable to the Company during the audit period;**

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

h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 - **Not applicable to the Company during the audit period;**

i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 - **Not applicable to the Company during the audit period;**

(vi) Other applicable Acts and Rules annexed as **Annexure- II**

I 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 Agreements entered into by the Company with Bombay Stock Exchange;

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

1. *During the year under review the Company has not appointed full time Company Secretary required as per provisions of section 203 of the Companies Act, 2013*
2. *During the year under review Securities Exchange Board of India vide its order u/s 11 and 11B of the Securities and Exchange Board of India Act 1992, has restrained Company from assessing Securities Market fir period of Five years starting from September 30, 2019.*

I further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, Independent Directors and Women 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 provision of the Act.

Adequate notices is given to all Directors to schedule the Board Meetings, Agenda and detailed notes on agenda at least seven days in advance, and a system exists for seeking and obtaining further information and clarification on the agenda items before the meeting and for meaningful participation at the meeting.

During the period, all the decisions in the Board Meetings were carried out unanimously.

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.

FOR SARVAIYA & CO.

(Dharmesh Sarvaiya)
Proprietor
ACS NO.:46848
C.P.No.:17136
UDIN: A046848B000662672

Place: Mumbai

Date: 31/07/2020

Note: This report is to be read with our letter of even date which is annexed as '**Annexure-III'** and forms an integral part of this report.

ANNEXURE – I

List of documents verified

1. Memorandum & Articles of Association of the Company.

2. Annual Report for the Financial Year ended 31st March, 2019.

3. Minutes of the meetings of the Board of Directors, Audit Committee, Nomination & Remuneration committee, along with Attendance Register held during the financial year under report.

4. Minutes of General Body Meetings held during the financial year under report.

5. Agenda papers submitted to all the directors/members for the Board Meetings and Committee meetings.

6. Declarations received from the Directors of the Company pursuant to the provisions of Section 184 of Companies Act, 2013.

7. E-forms filed by the company, from time to time, under applicable provisions of the Companies Act, 1956 and Companies Act, 2013 and attachments thereof during the financial year under report.

8. Intimations / documents/ reports / returns filed with the Stock Exchanges pursuant to the provisions of Listing Agreement during the financial year under report.

9. Statutory Registers viz.

   - Register of Directors' & Key Managerial Personnel (KMP)
   - Register of Members
   - Register of Investments
   - Register of Related Party Transactions

ANNEXURE – II

List of Applicable Laws to the Company

Registered Office:

207, VARDHAMAN SERVICE INDUSTRIAL ESTATE, FITWELL COMPOUND, 10, L.B.S. MARG, VIKHROLI (W), MUMBAI MH 400083 IN.

Corporate Office:

207, VARDHAMAN SERVICE INDUSTRIAL ESTATE, FITWELL COMPOUND, 10, L.B.S. MARG, VIKHROLI (W), MUMBAI MH 400083 IN.

Address other than R/o where all or any books of account and papers are maintained

207, VARDHAMAN SERVICE INDUSTRIAL ESTATE, FITWELL COMPOUND, 10, L.B.S. MARG, VIKHROLI (W), MUMBAI MH 400083 IN.

Under the Major Group and Head:

1) Companies Act, 2013.

2) The Maternity Benefit Act, 1961.

3) The Payment of Gratuity Act, 1972.

4) The Maharashtra Shops & Establishment Act, 1972.

5) The Employee's State Insurance Act, 1948.

6) Employee's Compensation Act, 1923.

7) The Maharashtra State Tax on Professions, Trades, Callings and Employments Act, 1975.

8) The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

9) The Employees Provident Funds and Miscellaneous Provisions Act, 1952.

10) The Profession Tax Act, 1975

11) The Environment (Protection) Act, 1986

12) Water (Prevention and Control of Pollution) Act, 1974

13) Air (Prevention and Control of Pollution) Act, 1981

14) Environment Protection Act, 1986

15) Maharashtra Fire Prevention & Life Safety Measures Act, 2006

16) Income Tax Act, 1961

17) Relevant provisions of the Service Tax and Rules and Regulations thereunder.

ANNEXURE-III

To,
The Members,
Chromatic India Limited.

Our report of even date is to be read with this letter.

1. Maintenance of secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.

2. Due to ongoing Corona Pandemic we are unable to visit Companies registered office in person to conduct the Audit and have relied on soft copies of all the documents produced to us by officers of the Company for verification.

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

4. We have not verified the correctness and appropriateness of financial records and books of accounts of the Company.

5. Wherever required, we have obtained Management Representation about the compliance laws, rules and regulations, and happening of events etc.

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

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

FOR SARVAIYA & CO.

(Dharmesh Sarvaiya)
Proprietor
ACS NO.:46848
C.P.No.:17136

Place: Mumbai
Date: 31/07/2020

Annexure to Director Report
Annexure – C

Disclosure of Particulars with respect to Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo

[Pursuant to Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014]

A. Conservation of Energy

A. Conservation of Energy :

a) Energy conservation measures taken :
Energy Conservation continues to receive priority attention at all the levels. All requisite efforts are made to conserve and optimise the use of energy with continuous monitoring, improvement in maintenance and distribution systems and through improved operational techniques.

b) Total energy conservation & energy consumption per unit of production (as per form - A annexed hereto)

B. Technology Absorption :

a) Updation of Technology is a continuous process, absorption implemented and adapted by the Company for innovation. Efforts are continuously made to develop new products required in the Textile Dyes Industry. The details of the Technology absorption is as per Form - B.

b) The Company has been able to successfully indigenise the toolings to a large extent and successfully developed new products by virtue of technology absorption, adaptation and innovation.

C. Foreign exchange earnings and outgo : **(Rs. in Lakhs)**

Foreign exchange earnings : 53.12

Foreign exchange outgo : 737.77

Form - A		
Form for disclosure of particulars with respect to conservation of energy		
A. Power and fuel consumption :	**2019-20**	**2018-19**
1. Electricity :	KWH	
Unit	165947	419953
Total Amt. (Rs.)	2205430	2387970
Rate per Unit (Rs.)	7.7	6.98

2. Furnace Oil :		
Quantity (Ltrs)	15661	55005
Total Amt. (Rs.)	651267	2310210
Average Rate (Rs.)	41.5	42
3. Briquettes / Firewoods :		
Quantity (Kgs)	0	0
Total Amt. (Rs.)	0	0
Average Rate (Rs.)	0	0
4. Coal		
Unit	244680	160050
Total Amt. (Rs)	1957440	1265995
Rate per Unit(Rs.)	8	7.19
B. Consumption per unit of production :		
Production Unit (In Kg.)	178927	140096
Electricity Unit		
Furnace Oil (Ltrs)		
Coal		

Form – B

(See Rule - 2)

(Form for disclosure of particulars with respect to absorption.)

Research and Development (R&D)

1. Research and development in the area of new value added products is continuing.
2. As a result of last year R & D efforts the new products are already running in the market.

Annexure to Director Report
Annexure - D

Particulars of employees
Information as per Rule 5(1) of Chapter XIII, Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

Sr. No.	Requirements	Disclosure
I	The ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year;	6.7 as stated above in the report
II	The percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year;	NA
III	The percentage increase in the median remuneration of employees in the financial year;	7.4%
IV	The number of permanent employees on the rolls of company	There were 39 permanent employees on the rolls of the Company as on March 31, 2020
V	The explanation on the relationship between average increase in remuneration and company performance	NIL
VI	Comparison of the remuneration of the Key Managerial Personnel against the performance of the company	Remuneration of the Key Managerial Personnel is as per the Company's policy and in line with the performance of the company.
VII	Variations in the market capitalisation of the company, price earnings ratio as at the closing date of the current financial year and previous financial year and percentage increase over decrease in the market quotations of the shares of the company in comparison to the rate at which the company came out with the last public offer in case of listed companies, and in case of unlisted companies, the variations in the net worth of the company as at the close of the current financial year and previous financial year.	The market capitalisation as on March 31, 2020 was Rs. 74.59 Lakhs (Rs 42.63 Lakhs as on 31st March, 2019).
VIII	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	There is no exceptional increase in Managerial Remuneration.
IX	Comparison of the each remuneration of the Key Managerial Personnel against the performance of	Remuneration of Key Managerial Personnel is in line with the bench mark study and

	the company	performance of the company.
X	The key parameters for any variable component of remuneration availed by the directors	Depends on the performance parameters set for key managerial personnel as approved by the committees of the Board.
XI	The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year.	NIL
XII	Affirmation that the remuneration is as per the remuneration policy of the company	We affirm that the remuneration is as per the remuneration policy of the Company.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Chemicals dyes Industry

In view of the slow- down on the economic front over the world and its corresponding impact on chemical dyes Industry across the globe, the chemicals dyes business experienced very challenging conditions during the year. With high natural / synthetic prices and the slowing down in end-product demand, customers undertook production cuts at periodic intervals. This did impact the demand for chemicals dyes adversely. The resultant mismatch in supply and demand of certain key chemicals impacted their selling prices, resulting in pressure on margins. Cost increases on account of various inputs, aggravated the situation further. Despite this, our Company managed to retain its volumes at the previous year's levels.

Industry Structure and Development

Chemical industry is capital as well as knowledge intensive industry. This industry plays a significant role in the Global economic and social development. It is also human resource intensive industry and hence generates employment. The diversification within the chemical industry is huge and covers more than thousands of commercial products. Chemicals are used in a wide variety of products and processes. They are major contributors to national and world economies, their sound management throughout their lifecycle is essential in order to avoid significant and increasingly complex risks to human health and ecosystems and substantial costs to national economies. There is immense potential for increasing consumption within the country as also for India to become a reliable supplier of such quality chemicals to the world.

Chemicals play a major role in improving the quality of life by enabling the manufacture of the goods and materials that need whilst mitigating adverse environmental impact. By developing new usages of chemicals, processes and sustainable routes to produce novel environmental friendly materials, it can achieve low carbon processes that can make high value products of the Company for humans and solve energy and sustainability challenges.

Our Company is a manufacturer and supplier of Chemical Dyes, Dye Intermediates and Basic Chemicals. It currently focuses on manufacturing basic chemicals to feed dye intermediates and dyes manufacturing through a successful strategy of backward integration. The product range caters mainly to textiles industries. The Company has its manufacturing facility at Khed, District Ratnagiri. The setting up of additional production facilities will enable your Company to capture a higher market share out of additional production volumes.

Total income generated for the financial year ended March 31, 2020 is Rs. 10.29 as against Rs. 8.12 crores for the financial year ended March 31, 2019. The Loss before tax is Rs. 69.96 lacs for the year ended 2019-20 compared to Rs. 37.05 lacs for the year ended 2018-19. The Net profit after tax is Rs. 256.77 lacs for the financial year 2019-20 as against Rs. 40.96 lacs for the financial year 2018-19.

Business Outlook: Opportunities and threats

Over the last fifteen years, the Indian chemicals industry has graduated from manufacturing principle chemicals in a highly regulated market to being a mature industry in a liberalized economy. Until 1991, India had a closed economy, with the domestic chemical industry enjoying protection in the form of differential import duties on raw materials and finished chemical products. Chemical manufacturing was largely controlled by licensing regulations. This industry is among the fastest growing industries in India. The bulk of chemicals produced in India comprise either upstream products or intermediates, which go into a variety of manufacturing applications.

Indian chemical companies with well-built systems and structured operations are likely to be benefited. It has been contributing to India's growing economy in a phenomenal way. Today, India has achieved considerable progress in production of basic organic and inorganic chemicals, dyestuffs and intermediates. Those companies who are manufacturing highly valued chemicals and who are compliant of industrial quality standards can make their mark not just in India but even in the overseas markets as well.

The sales efforts are also well supported by a team of technical experts who play a pivotal role in providing pre / post sales technical services, training to customer's employee, on-site back-up, recipe and process customization, product development etc.

Our Company's R&D activities broadly comprise various processes for developing new products, standardizing analytical methods and identifying substitutes for key raw materials. Through the R&D centre, the Company continuously interacts with consumers to obtain feedback on its existing as well as new products to complement its new product development activities.

Threats, Risks and Concerns:

The Company is a manufacturer and suppliers of Dyes, Intermediates and Basic chemicals. However, the following major issues may hamper business operation as well as growth of the Company:

(a) Volatility in prices of raw material especially crude oil and transportation cost can adversely affect the business operations and can thin out the profitability of the Company.

(b) The Company is doing business with various countries, therefore, our business operations and growth is dependent upon the political, climatic, economic, regulatory and social environment of such countries.

(c) The Company is a exporter therefore; the volatility in foreign exchange rates may affect the business operation as well as growth of the Company.

The Company is continuously working towards achieving further improvements in the quality of its products as well as in technological and operational efficiencies of its manufacturing processes. It also strives to develop new products to improve its participation in the market and enlarge its product range. The company is also, through its strong research initiatives, engage in developing new products which would meet the emerging needs of its customers and the environmental challenges of the future. The pricing scenario of chemicals dyes, accordingly, is likely to undergo a positive change with the reduction in the global supply position.

Periodic assessment across the Company is undertaken to identify and thereafter prioritize significant risks. Owners are identified for all such risks and are assigned the responsibility to develop and deploy mitigation strategies. These are subjected to a review by the Board.

With the expectation of an improvement in the market conditions for the Chemical Industry during the year, the Company will endeavour to perform better than the last year.

Potential impact of COVID-19 and various steps taken

The Company's Production facilities operated at B-12/2, Lote Parshuram Industrial Area, Taluka: Khed, Dist. Ratnagiri, Maharashtra, India remained shut down from March 24, 2020 due to Lockdown.

The Company has partially resumed its operations at the factory from 20th April. 2020 after receiving the prior permissions from the concerned authorities and adhering to the safety norms as prescribed by the Central and State Government of India

As per Guidelines of Stat e Government and all the office staff have adopted work from Home and are working regularly from their respective homes.

Exhaustive measures have been undertaken by the Company to ensure safe workplace for the employees with appropriate social distancing and high standard of hygiene.

The Company has also taken various steps such as thermal screening of all employees and visitors, sanitizing the premises on regular basis, enforcing wearing of masks, asking all employees to have Arogya Setu App on their mobiles and continuously follow guidelines as prescribed by the Central or State Government from time to time. Work from Home option is also continued for certain category(s)
of employees. The Company has also ensured complete adherence to all safety guidelines to minimize the spread of this deadly corona virus.

It is not easy to assess the full impact of COVID-19 with reasonable certainty, however currently, with the close down of the factory as stated above, have impacted the overall production of our Dyes & Chemicals upto the contribution of 60% of our sales.

As regards our Dyes & Chemicals business have been affected on account of paucity and irregularity of orders. Our business has thus been affected by Covid-19, to the extent mentioned.

The profitability of the Company has been impacted on account of shut down of production due to the Corona outbreak. However, with the slowly opening of lockdown we anticipate better operations in the near future.

Segment–wise or product-wise performance

The company has only one manufacturing plant and a unified marketing and administrative set-up due to which segment wise disclosures of Liabilities and Profitability cannot be determined.

The Company operates in one business segment, namely manufacturing & trading of S. O. Dyes & Chemicals and geographic segments i.e. the Domestic and the Overseas are summarised as follows. :

Particulars	Domestic	Overseas	Total
Sales	70,31,340	737,77,496	808,08,836
	(99,08,707)	(548,91,436)	(648,00,143)
Total Sales	70,31,340	737,77,496	808,08,836
	(99,08,707)	(548,91,436)	(648,00,143)

Note: Figures in bracket represent previous year figures.

Financial and Operational Performance

The highlights of the Financial Operational Performance are given below :

(Rupees in Lakhs)

Sr. No	Particulars	2019-20	2018-19
1.	Sales/ Income from Operations	808,08,836	648,00,143
2.	Other Income	221,34,017	164,46,314
3.	Sub – Total	1029,42,853	812,46,457
4.	Total Expenditure (Before Interest)	1077,35,761	828,17,827
5.	Profit Before Interest and Exceptional Items	(47,92,908)	(15,71,370)
6.	Profit/Loss from Ordinary Activities Before Tax	(69,95,627)	(37,05,060)
7.	Profit/Loss After Tax	(256,76,934)	(40,95,875)

Internal control systems and their Adequacy

Effective Internal Control Systems have been out in place by the Management to provide reasonable assurance for :

- Safeguarding Assets and their usage
- Maintenance of Proper Accounting Records and
- Adequacy and Reliability of the information used for carrying on Business Operations.

Key elements of the Internal Control Systems are as follows:

(i) Existence of well defined organisational structure and Authority
(ii) Existence of Corporate Policies for Financial Reporting and Accounting
(iii) Existence of Management Information System updated from time to time as and when required
(iv) Existence of Internal Audit System
(v) Review of Opportunities and Risk factors depending on the domestic scenario and to undertake measures as may be necessary.

The Company has appointed an Independent internal auditor to conduct internal audit and to ensure effective compliance and effectiveness of the Internal Control Systems in place.

The members of the Audit Committee are regularly reviewing the Internal Audit Reports for the audit carried out in all the significant areas of the operations. In addition to it, the Audit Committee approves all the audit plans and reports for significant issues raised by the Auditors. The Internal Audit Reports are circulated on a regular basis for the perusal of the Senior Management and appropriate action is taken as and when required.

Material developments in Human Resources / Industrial Relations front, including number of people employed

In view of the acute shortage of skilled and equipped human resources prevailing in the country, our focus during the year was to enhance the capabilities of our existing workforce. In order to ensure employee motivation and confidence level which would enable the Company to face the current challenges and seize future opportunities, various initiatives were taken for the same. Necessary steps are taken to strengthen the areas in which the employees of the Company need improvement. The Company complies with all the regulations pertaining to Safety. The Company continues to have an excellent track record in the area of Safety. The main objective of the company is to achieve zero accident/ incident and safe working environment. Regular programmes are therefore held on health and safety awareness, fire fighting and first aid, apart from other development programmes. Industrial relations remained cordial during the year.

The employee development is quite extensive as the Company believes in investing in the human capital at our own company first and foremost. At present there are in all 39 employees associated with the Company. The Company has

invested its time and resources in training and developing its workforce to become indispensable resources for the Company later on.

The Company believes individuals in any organization is a vital resource and must be valued, nurtured and retained. Employees are the most valuable assets and truly the backbone of an organization. Every employee in his/her own way contributes towards the success or failure of an organization. Without employees in an organization, even the most powerful machinery with the latest technology would not function.

Details of significant changes in key financial ratios & Return on Net Worth

There are no significant changes i.e., change of 25% or more as compared to the financial year 2018-2019 in key financial ratios such as Debtors Turnover, Inventory Turnover, Debt Equity Ratio, Net Profit Margin, etc.

Moreover there is no specific change Return on Net Worth as compared to the financial year 2018-2019.

Cautionary statement

Statements in the Management Discussion & Analysis Report describing the Company's objectives, projections, estimates, expectations or predictions are 'forward looking statements' within the meaning of applicable securities laws and regulations. Actual results could differ from those expressed or implied depending upon various economic conditions like raw material availability and prices, cyclical demand and pricing in the Company's principal markets, fluctuation in forex rates, changes in Government regulations, tax regimes, economic developments within India and the countries in which business is conducted, and other incidental factors. The Readers are cautioned not to place undue reliance on the forward looking statements.

For and on behalf of the Board of Directors
Chromatic India Limited

Sd/-
Vinod Kumar Kaushik
Whole Time Director
(DIN: 02586479)

Place: Mumbai
Date: September 5, 2020

Report on Corporate Governance

1. Company's Philosophy on code of Corporate Governance

SEBI vide its notification No. SEBI/LAD-NRO/GN/2015-16/013 dated 2 September 2015 notified the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred as 'SEBI Listing Regulations, 2015'), which were made applicable with effect from 1 December 2015 and repealed the erstwhile listing agreement with the stock exchanges. This Report, therefore, states the compliance status as per requirements of Companies Act, 2013 and SEBI Listing Regulations, 2015.

The Company believes that effective corporate governance is not just the framework enforced by the regulation but it is supported through the principles of transparency, unity, integrity, spirit and responsibility towards the stakeholders, shareholders, employees and customers. Good corporate governance requires competence and capability levels to meet the expectations in managing the business and its resources and helps to achieve goals and objectives of the organization.

The Company's philosophy on Corporate Governance is founded upon a rich legacy of fair, ethical and transparent governance practices, many of which were in place even before they were mandated by adopting highest standards of professionalism, honesty, integrity and ethical behavior.

The Company is highly committed to the adoption and adherence of good Corporate Governance Practices so as to ensure that all the stakeholders of the Company obtain requisite information about the Company and its operations in an efficient and timely manner. Such Corporate Governance Practices also help enhancement of long term shareholder value and interest of other Stakeholders.

The Company's corporate governance philosophy has been further strengthened through Code of Conduct for Prevention of Insider Trading for its employees including Executive and Non-executive Directors. Company not only adheres to the prescribed corporate governance practices but is also committed to sound principles and practices under Companies Act, 2013, erstwhile Companies Act, 1956, Listing Regulations and the applicable Laws, Rules, Regulations and Guidelines issued by Securities and Exchange Board of India (SEBI). Corporate Governance strengthens investors trust and ensures a long-term partnership that helps in fulfilling a company's quest for higher growth and profits.

The Company is in compliance with the requirements of the guidelines on corporate governance stipulated under SEBI Listing Regulations, 2015.

2. Board of Directors

(a) Board Composition

As on March 31, 2020, the Board of Directors of the Company have an optimum combination of Executive; Non-Executive Directors and Independent Directors who have an in depth knowledge of Business, in addition to the expertise in their areas of specialization. The Board of Directors comprises of Four Directors which includes one Woman Director. The Composition of the Board is in conformity with Regulation 17(1) of the Listing Regulations entered with the Stock Exchanges.

The Board meets at regular intervals to discuss and decide on Company / business policy and strategy apart from other Board business. The Notices of Board meetings (including Committee meetings) of the Company are circulated to the

Directors well in advance to facilitate them to plan their schedule and to ensure meaningful participation in the meetings. However in case of special and urgent business need, the Board's approval is taken by passing resolution(s) by circulation, as permitted by law, which is confirmed in the subsequent Board meeting. The Board of Directors has complete access to the information within the Company.

The Company secretary is responsible for collation, review and distribution of all papers submitted to the Board and Committees thereof for consideration. The Company Secretary attends almost all the meetings of the Board and its Committees, advises / assures the Board on Compliance and Governance principles ensures appropriate recording of minutes of the meeting. However, at present as the post of Company Secretary is vacant, the same is in the custody of the whole time director of the Company.

The minutes of the proceedings of the meetings of the Board of Directors / Committee(s) are noted and the draft minutes are circulated amongst the members of the Board for their perusal. Comments, if any, received from the Directors are incorporated in the Minutes, in consultation with the Chairman of the meeting. The Minutes are approved and confirmed by the members of the Board prior to the next meeting and were signed and entered into the Minutes book within the statutory time limit prescribed by Companies Act, 2013.

As mandated by Regulation 26 of the Listing Regulations, none of the Directors on the Board are the Members of the more than ten Committees or Chairman of more than five Committees across all the public companies in which they are Directors. Necessary disclosures regarding Committee positions in other public companies as on March 31, 2020 have been received by the Directors.

Directorship & Membership / Chairmanship of Committees held by them as on March 31, 2020 are as follows:

Name of the Director	**Category**	**Number of Board Meetings during the year 2019-20**		**Attendan-ce at the last AGM held on 30.9.2019**	**Number of Directorships in other public companies**	**Number of Committee position held in other public companies***	
		Held	**Attended**			**Chairman**	**Member**
Mr. Vinod Kumar Kaushik (Whole-time Director (DIN: 02586479)	Non Promoter Executive Director	8	8	Yes	0	NIL	NIL
Mr. Mayank R Kotadia (DIN: 07484438)	Independent, Non Executive Director	8	5	Yes	2	NIL	NIL
Mr. Siraj Ahmed Shaikh (DIN: 08204720)	Independent, Non Executive	8	8	No	0	NIL	NIL

*Ms. Diana Joshi (DIN: 06966287)	Independent, Non Executive Director	2	2	No	0	NIL	NIL
**Mrs. Hiral Hitesh Bavishi (DIN: 08147837)	Independent, Non Executive Director	6	6	Yes	0	NIL	NIL

* Ms. Diana Joshi resigned w.e.f. 21.06.2019
** Mrs. Hiral Hitesh Bavishi has been appointed w.e.f. 29.06.2019.

(b) Details of Board Meetings Held During the Year

During the Year, the Board held eight meetings on the following dates:

Board Meeting	Dates
First	18th April, 2019
Second	15th May, 2019
Third	29th June, 2019
Fourth	25th July, 2019
Fifth	14th August, 2019
Sixth	14th November, 2019
Seventh	24th December, 2019
Eighth	13th February, 2020

The gap between any two meetings has been less than one hundred and twenty days.

(c) None of the Directors are related inter-se during the year.

During the year under review, none of the Directors have inter-se relationship among them.

(d) Shareholding of Non- Executive Director in the Company during the year.

During the year under review, the Company does not have any convertible securities nor have issued any convertible instruments. None of the Non – Executive Directors holds shares in the Company during the year

(e) Independent Directors

The Company has complied with the definition of Independence as per Regulation 16(b) of the Listing Regulations and according to the provisions of Section 149(6) of the Companies Act, 2013. The requisite declarations have also been obtained from all the independent directors pursuant to Section 149(7) of the Companies Act, 2013. All the independent directors have confirmed to the Board that they meet the criteria for independence in terms of Regulation 25 of the Listing Regulations and Section 149 (6) of the Companies Act, 2013.

Pursuant to the provisions of Regulation 25(7) of the Listing Regulations, the Company has formulated a programme for familiarising the Independent Directors with the company, their roles, rights, responsibilities in the company, nature of the industry in which the company operates, business model of the company etc through various initiatives. The details of the aforementioned programme is available on the company's website www.chromatic.in

(f) Meeting of Independent Directors

Section 149(8) of the Act read with Schedule IV of the Act and Regulation 25(3) of the Listing Regulations require the Independent Directors of the Company to hold at least one meeting in a year, without the attendance of non-independent directors and members of management. The Independent Directors of the Company generally meet once every year in compliance to the provisions of the Companies Act and the SEBI Listing Regulations. However, as per the MCA general circular no. 11 /2020 dated 24th March, 2020, relaxation from holding the Independent Directors Meeting for the financial year 2019-20 is granted. Due to the pandemic COVID 19 and lockdown situation prevailing in the country the Meeting of the Independent Directors was not held for the financial year 2019-20.

Skills/Expertise/Competence of the Board of Directors Matrix setting out the list of skills/expertise/competence identified by the board of directors as required in the context of the Company's business and sector for it to function effectively and those actually available with the board are given in the below table:

Table: List of skills/expertise/competence identified by the board of directors as required in the context of the Company's business and sector:

Part A: Collective Skills

Skill Area	Description	Skill/expertise / competence available with the Board
Strategy and planning	Ability to think strategically; identify and critically assess strategic opportunities and threats. Develop effective strategies in the context of the strategic objectives of the Company relevant policies and priorities	Yes
Policy Development	Ability to identify key issues and opportunities for the Company and develop appropriate policies to define the parameters within which the organisation should operate.	Yes
Governance, Risk and Compliance	Experience in the application of corporate governance principles in a commercial enterprise or other regulated entity.	Yes
	Ability to identify key risks to the Company in a wide range of areas including legal and regulatory compliance	
	Experience in the appointment and evaluation of senior executive managers.	
Financial Performance	Qualifications and experience in accounting and/or finance and the ability to:	Yes
	• Analyse key financial statements;	
	• Critically assess financial viability and performance;	
	• Contribute to strategic financial planning;	
	• Oversee budgets and the efficient use of resources;	
	• Oversee funding arrangements and accountability.	
Government Relations (policy & process)	Experience in managing government relations and industry advocacy strategies.	Yes
Member and stakeholder	High level reputation and established networks in the consumer or business groups, and the ability to effectively engage and communicate	Yes

engagement	with key stakeholders.	
Commercial Experience	A broad range of commercial/business experience, in areas including communications, marketing, branding and business systems, practices and improvement.	Yes
Legal	Qualification and experience in legal practice with emphasis on:	Yes
	• Chemical & Dyes Industry	
	• Employment law	
	• Health & Safety legislation	
Human Resource Management	Qualification and experience in human resource management with an understanding of:	Yes
	• Chemical & Dyes Industry	
	• Employment law	
Information Technology / Digital Skills	Qualification and experience in IT Digital skills with an ability to apply new technology to the Chemical & Dyes Industry.	Yes

Part B: Personal Attributes

Attributes	Description	Skill/expertise/ competence available with the Board
Integrity (ethics)	A commitment to:	Yes
	• Understanding and fulfilling the duties and responsibilities of a Director, and maintaining knowledge in this regard through professional development;	
	• Putting the Company's interests before any personal interests;	
	• Acting in a transparent manner and declaring any activities or conduct that might be a potential conflict;	
	• Maintaining Board confidentiality at all times	
Effective Communicator	The ability to: • Listen to, and constructively and appropriately debate, other people's viewpoints;	Yes
	• Develop and deliver cogent arguments;	
	• Communicate effectively with a broad range of stakeholders.	
Constructive Questioner	The preparedness to ask questions and challenge the Company's management and peer Directors in a constructive and appropriate way about key issues.	Yes
Contributor and Team Player	The ability to work as part of a team, and demonstrate the passion and time to make a genuine and active contribution to the Company's Board.	Yes
Commitment	A visible commitment to the purpose for which the Company has been established and operates, and its ongoing success.	Yes
Leader	Innate leadership skills, including the ability to:	Yes
	• Appropriately represent the Company;	
	• Set appropriate Board and organisation culture;	

	• Make and take responsibility for decisions and actions.	

3. Audit Committee

(a) Terms of Reference

The terms of reference of the Audit Committee are broadly as under:

1. Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.

2. Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees.

3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors.

4. Reviewing, with the management, the annual financial statements before submission to the board for approval, with particular reference to:

    a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of section 134(5) of the Companies Act, 2013

    b. Changes, if any, in accounting policies and practices and reasons for the same

    c. Major accounting entries involving estimates based on the exercise of judgment by management

    d. Significant adjustments made in the financial statements arising out of audit findings

    e. Compliance with listing and other legal requirements relating to financial statements

    f. Disclosure of any related party transactions

    g. Qualifications in the draft audit report.

5. Reviewing, with the management, the quarterly financial statements before submission to the board for approval

5A. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.

6. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems.

7. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.

8. Discussion with internal auditors any significant findings and follow up there on.

9. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board.

10. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.

11. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non payment of declared dividends) and creditors.

12. To review the functioning of the Whistle Blower mechanism, in case the same is existing.

12A. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience & background, etc. of the candidate.

13. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

14. Appointment of Cost Auditor.

(b) Composition

The Audit Committee of the Company is constituted in line with the provision of Regulation 18 of the SEBI Listing Regulations read with Section 177 of the Companies Act, 2013.

With the resignation of Ms. Diana Joshi and appointment of Mrs. Hiral Hitesh Bavishi w.e.f. June 21, 2019 and June 29 2019 respectively, the Audit Committee was reconstituted on its meeting held on August 14, 2019, consisting of the following Directors:

Name	Category	Position Held
Mr. Mayank Rasiklal Kotadia	Independent, Non Executive	Chairman/Member
Mr. Vinod Kumar Kaushik	Whole Time Director	Member
Mr. Siraj Shaikh	Independent, Non Executive	Member
Mrs. Hiral Hitesh Bavishi	Independent, Non Executive	Member

All the members of the Audit Committee are financially literate and Mr. Mayank R Kotadia, Chairman possesses requisite financial / accounting expertise.

The Audit Committee invites the CFO and representatives of the Statutory Auditors, Internal Auditors to be present at its meeting.

(c) Meetings and Attendance during the year

During the year 2019-20, five Audit Committee Meetings were held on 15th April, 2019, 15th May, 2019, 14th August, 2019, 14th November 2019, and 13th February, 2020. Attendance of Committee Members at Committee Meetings is as follows:

Name	Number of Meetings Attended
Mr. Mayank R Kotadia	4
Mr. Vinod Kumar Kaushik	4
Mr. Siraj Ahmed Shaikh	4
Ms. Diana M Joshi*	2
Mrs. Hiral Hitesh Bavishi**	2

*Resigned w.e.f. June 21, 2019
**Appointed w.e.f. June 29, 2019

4. Nomination and Remuneration Committee

(a) Terms of Reference

The Company has constituted a Nomination and Remuneration Committee of Directors in line with the provision of Regulation 19 read with Schedule II Part D of Listing Regulations and Section 178 of the Companies Act, 2013. The broad terms of reference of the Remuneration Committee are as under:

a) To recommend / review / approve the remuneration, service agreement, commission / incentive remuneration payable to the Managing Director, Whole-time Director (s) on the basis of their performances.

b) Approval of the commission payable to the Non-Executive Directors of the Company, if any.

a) To identify persons who are qualified to become directors and who may be appointed as Directors. To formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration for the Directors, Key Managerial Personnel and other designated employees.

b) To 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.

c) To establish criteria for evaluation of performance of independent directors and the board of directors;

d) To review and maintain the policy laid down on diversity of board of directors;

e) To review the performance evaluation of independent directors and on basis of a report thereof recommend to the board whether to extend or continue the term of appointment of the independent director.

Such other matters as the Board may from time to time request the Nomination and Remuneration Committee to examine and recommend / approve.

(b) Composition

The Nomination & Remuneration Committee of the Company is constituted in line with the provision of Regulation 19 of the SEBI Listing Regulations read with Section 178 of the Companies Act, 2013.

With the resignation of Ms. Diana Joshi and appointment of Mrs. Hiral Hitesh Bavishi w.e.f. June 21, 2019 and June 29 2019 respectively, the Nomination and Remuneration Committee was reconstituted on its meeting held on June 29, 2019 and currently consists of the following Three Directors:

Name	Category	Position Held
Mr. Mayank R Kotadia	Independent, Non Executive	Chairman
Mr. Siraj Ahmed Shaikh	Independent, Non Executive	Member
Mrs. Hiral Hitesh Bavishi	Independent, Non Executive	Member

(c) Meetings and Attendance during the year

During the year 2019-20, three Nomination and Remuneration Committee Meetings were held on 15th April, 2019, 29th June 2019 and 14th August 2019. Attendance of Committee Members at committee Meetings is as follows:

Name	Number of Meetings Attended
Mr. Mayank R Kotadia	3
Mr. Siraj Ahmed Shaikh	3
Ms. Diana Mahesh Joshi*	1
Mrs. Hiral Hitesh Bavishi**	2

*Resigned w.e.f. June 21, 2019
**Appointed w.e.f. June 29, 2019

(d) Performance Evaluation Criteria for Non Executive and Independent Directors.
Pursuant to the provisions of the Companies Act, 2013 and Regulation 17(10) of the Listing Regulations, the Board has carried out an annual performance evaluation of its own performance, the directors individually as well as the evaluation of the working of its Audit and Nomination & Remuneration Committees. The details of the policy on evaluation of Board's performance is available on the Company's website www.chromatic.in

a.Remuneration of Directors:

(a) None of the Directors of the Company has any material pecuniary relationship or business relationship with the Company.

During the year under review, none of the Directors of the Company has any material pecuniary relationship or business relationship with the Company.

(b) Criteria of making payments to the Non Executive Directors

During the year under review, all payments made by the Company to its Non-Executive Directors are in conformity with the provisions of the Companies Act 2013, Listing Regulations and the Remuneration Policy of the Company.

(c) Disclosure with respect to remuneration, in addition to disclosures required under the Companies Act, 2013:

(i) All elements of remuneration package of the whole time Director has been made in the Extract of Annual Return in form MGT-9

(ii) Except for the maximum fixed amount of remuneration including perquisites and other amenities, there are no other fixed components and performance linked incentives paid to the Director, the performance criteria of the Directors are carried out as per the policy of performance evaluation of the Board;

(iii) The Contract of service of the executive directors is for 5 years and is in form upto March 31, 2024, notice period and other conditions there of shall be as per the agreement entered into by the Company with the said Director;

(iv) There are no stock option(s) issued to any of the Directors.

(d) Remuneration Policy:

The Company's remuneration policy is driven by the success and performance of the individual employee and the Company. Through its compensation programme, the Company endeavors to attract, retain, develop and motivate a high performance workforce. The Company follows a compensation mix of fixed pay, benefits and variable pay. The individual performance pay is determined by business performance.

The Company pays remuneration by way of salary, benefits, perquisites, amenities and allowances to its Whole-time Director as per the service agreements entered into by the Company with him.

During the year, the Company had paid sitting fees per meeting to its Non-Executive Directors for attending Board and its committee meetings. The Company pays a sitting fee of Rs. 500/- for each Board and Committee meeting attended by the members of the Board, other than the Whole-time Director. The Company also reimburses the out-of-pocket expenses incurred by the Directors for attending meetings.

(e) Details of the Remuneration for the year ended March 31, 2020:

a) Non-Executive Directors:

Names	Sitting Fees (in Rs.)
Mr. Mayank R Kotadia	10,000
Mr. Siraj Ahmed Shaikh	10,000
Ms. Diana Mahesh Joshi*	3,000
Mrs. Hiral Hitesh Bavishi**	7,000

*Resigned w.e.f. June 21, 2019
**Appointed w.e.f. June 29, 2019

b)Whole-time Director:

(Rs. in lakh)

Name of Director and period of appointment	Salary	Other Perquisites (LTA & Medical Allowance + PF employer contribution)	Total
Mr. Vinod Kumar Kaushik (appointed w.e.f. 1.4.2019 for 5 years)	18.24	1.63	19.87

The above figures do not include provisions for gratuity, for the Whole-time Director.

The Company does not have any Employee Stock Option Scheme.

During the year under review none of the Directors of the Company holds Shares in the Company as on March 31, 2020.

6. Stakeholders Relationship Committee

(a) Composition

With the resignation of Ms. Diana Joshi and appointment of Mrs. Hiral Hitesh Bavishi w.e.f. June 21, 2019 and June 29 2019 respectively, the Stakeholders Relationship Committee was reconstituted on its meeting held on August 14, 2019, currently consists of the following Four Directors:

Name	Category	Position Held
Mr. Mayank R Kotadia	Independent, Non Executive	Chairman
Mr. Vinod Kumar Kaushik	Whole Time Director	Member
Mr. Siraj Ahmed Shaikh	Independent, Non Executive	Member
Mrs. Hiral Hitesh Bavishi	Independent, Non Executive	Member

The Company has duly appointed M/s. Big Share Services Pvt Ltd to act as Registrar and Share Transfer Agent of the Company for servicing the shareholders holding shares in physical or dematerialized form. All requests for dematerialization of shares are likewise processed and confirmations thereof are communicated to investors within the prescribed time.

(b) Terms of Reference

The Company has constituted a Stakeholders Relationship Committee of Directors in line with the provision of Regulation 20 of Listing Regulations and Section 178(5) of the Companies Act, 2013 to look into the redressal of complaints of investors such as transfer / transmission / demat / credit of shares / remat of shares, non-receipts of dividend/notices/annual reports, etc.

(c) Meetings and Attendance during the year

Four meetings of the Committee were held during the year 2019-20 which are as follows:
15th May, 2019, 14th August, 2019, 14th November, 2019 and 13th February, 2020.

Attendance of Committee Members at Committee Meetings is as follows:

Name	Number of Meetings Attended
Mr. Mayank R Kotadia	4
Mr. Vinod Kumar Kaushik	4
Mr. Siraj Ahmed Shaikh	4
Ms. Diana M Joshi*	1
Mrs. Hiral Hitesh Bavishi**	3

*Resigned w.e.f. June 21, 2019
**Appointed w.e.f. June 29, 2019

(d) Status of Shareholders' Complaints as on 31 March, 2020

During the year under review, the Company has resolved all the complains received any investor grievances.

7. General Body Meetings

(i) Annual General Meetings

The Annual General Meeting of the Company for financial years 2016-17, 2017-18 and 2018-19 were held at 207, Vardhaman Complex Premises Co.op Soc. Ltd., Fitwell Compound, L.B.S. Marg, Vikhroli (West), Mumbai – 400083, the details of which are as under:

Year	Day, Date & Time	Whether Special Resolution Passed
2018-2019	Monday, 30th September, 2019 – 11.00 AM	Yes
2017-2018	Wednesday, September 26, 2018 – 11.00 AM	No
2016-2017	Wednesday, September 27, 2017 – 11.00 AM	Yes

(ii) Extra Ordinary General Meetings

No Extraordinary general meeting was held of the Company during the year under review.

(iii) Postal Ballot

During the year under review and during the previous year, no resolution (special / ordinary) was passed through postal ballot pursuant to the provisions of Section 110 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014.

No further resolution is proposed to be passed through postal ballot.

8. Means of Communications

Quarterly, half-yearly and yearly (Audited) Annual Financial Results of the Company are regularly submitted to the Stock Exchanges in accordance with the Listing Regulations and are generally published in Free Press Journal and Nav Shakti. The official press release is also issued. The same is also uploaded on the website of the Company at www.chromatic.in

The Company also files the following information, statements, reports on the website as specified by SEBI:

- Full version of the Annual Report including the Balance Sheet, Statement of Profit and Loss Account, Directors' Report and Auditors' Report, Cash Flow Statement and Quarterly Financial Statements.
- Corporate Governance Report.
- Shareholding Pattern.

There are no presentations made to any institutional investor(s) or to any analysts.

9. General Shareholders Information

i) 33rd Annual General Meeting

Date	Tuesday, 29th September, 2020
Time	11.00 AM
Venue	VC/OAVM facility provided by the CDSL e-Voting system. (Please refer instructions for the same)

As required under Regulation 36(3) of the Listing Regulations, particulars of the Directors seeking appointment / re-appointment at the forthcoming Annual General Meeting (AGM) are given in the Annexure to the Notice of the 33rd Annual General Meeting.

(ii) Financial Calendar (tentative)

Financial Calendar	**1st April to 31st March**
Financial Year	**2019-20**
Annual General Meeting	**29th September, 2020**

(iii) Date of Book Closure / Record Date

Date of Book Closure / Record Date	**As mentioned in the Notice of Annual General Meeting to be held on September 29, 2020**

(iv) Listing on Stock Exchanges

Stock Exchanges	Stock Code	Whether Listing Fees are paid
Bombay Stock Exchange Limited Floor 25, P J Towers, Dalal Street, Mumbai – 400001	530191	No
National Stock Exchange of India Limited Exchange Plaza, BandraKurla Complex, Bandra (East), Mumbai – 400051	CHROMATIC	No
Luxembourg Stock Exchange	CHROMATIC INDIA	Yet to be paid

BP 165, L-2011, Luxembourg, Siege Social, 11, avenue de la Porte – Neuve	LTD

(v) Company Registration details

The Company is registered in the State of Maharashtra, India. The Corporate Identity Number (CIN) allotted to the Company by the Ministry of Corporate Affairs (MCA) is L99999MH1987PLC044447.

(vi) Market Price Data

High, Low and number of shares traded during each month in the financial year 2019-20 on the National Stock Exchange Limited and Bombay Stock Exchange:

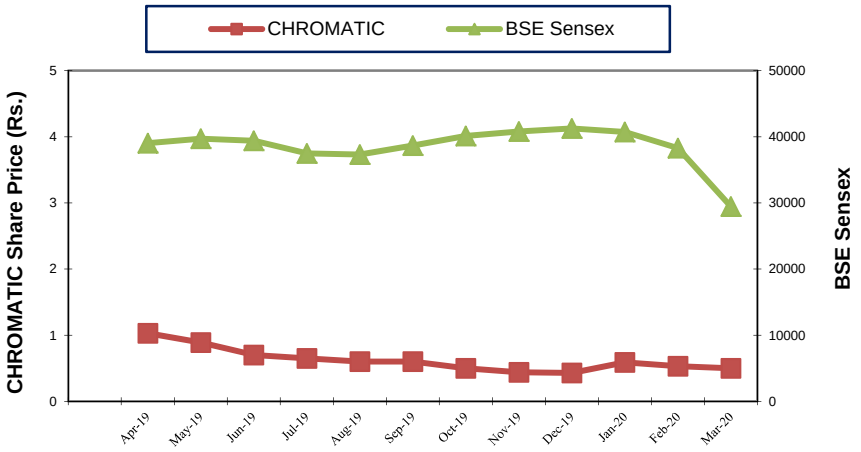
Month	National Stock Exchange of India Limited	
	High Price (Rupees)	Low Price (Rupees)
April – 19	**1.15**	**0.85**
May – 19	**1.00**	**0.75**
June – 19	**0.95**	**0.60**
July – 19	**0.70**	**0.45**
August - 19	**0.75**	**0.50**
September – 19	**0.65**	**0.50**
October – 19	**0.50**	**0.35**
November – 19	**0.55**	**0.40**
December – 19	**0.55**	**0.40**
January – 20	**0.65**	**0.45**
February – 20	**0.60**	**0.45**
March – 20	**0.55**	**0.40**

The equity shares of the Company was listed and admitted for dealing on National Stock Exchange with effect from 29th May, 2012.

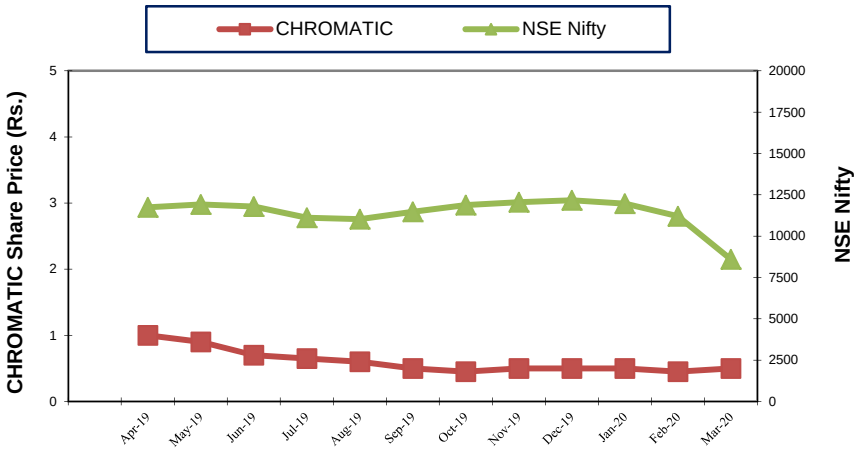
Month	Bombay Stock Exchange Limited	
	High Price (Rupees)	Low Price (Rupees)
April – 19	1.15	0.83
May – 19	1.00	0.75
June – 19	0.92	0.60
July – 19	0.77	0.48
August - 19	0.65	0.46
September – 19	0.64	0.44
October – 19	0.60	0.40
November – 19	0.51	0.44

December – 19	0.55	0.42
January – 20	0.59	0.45
February – 20	0.62	0.49
March – 20	0.55	0.47

(vii) Performance of the share price of the Company in comparison to the BSE Sensex:



Performance of the share price of the Company in comparison to the NSE Nifty:



(viii)Registrar and Transfer Agents:

M/s Bigshare Services Private Limited
1st Floor, Bharat Tin Works Building, Opp. Vasant Oasis
Makwana Road Marol, Andheri East Mumbai 400059
Phone no. +91 22 4043 0200
Fax no: +91 22 2847 5207
Email:investor@bigshareonline.com
Website:www.bigshareonline.com

(ix) Share Transfer System:

99.64% of the shares of the Company are in electric form as on March 31, 2020. Transfer of these shares is done through the depositories with no involvement of the Company. As regards transfer of shares held in physical form, the transfer documents can be lodged with Registrar and Share Transfer Agent of the Company at the above given address. All valid requests for dematerialization of shares are processed and confirmation given to the depositories within 21 days.

Transfer of shares in physical form is normally processed within ten to fifteen days from the date of receipt if the documents are complete in all respects.

Pursuant to provisions of SEBI Regulations, on half yearly basis, certificates have been issued by a Company Secretary-in-Practice for due compliance of share transfer formalities by the Company. Further, Share Capital Audit is done on a quarterly basis for reconciliation of the share capital of the Company.

(x) Distribution of Shareholding as on March 31, 2020: -

SHAREHOLDING OF NOMINAL		SHAREHOLDERS		SHARES HELD	
		Number	% to Total	Number	% to Total
1	500	4188	37.2200	906023	1.2753
501	1000	2074	18.4323	1901041	2.6758
1001	2000	1411	12.5400	2389621	3.3635
2001	3000	691	6.1411	1866996	2.6279
3001	4000	338	3.0039	1260487	1.7742
4001	5000	664	5.9012	3241963	4.5632
5001	10000	815	7.2432	6691219	9.4181
10001	10001 and above	1071	9.5183	52788750	74.3021
Total		**11252**	**100.00**	**7,10,46,100**	**100.000**

(xi) Dematerialization of Shares and liquidity:

The Company's shares are available for trading on both the depositories in India viz. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). Equity Shares of the Company representing 99.64% of the Company's share capital are dematerialized as on March 31, 2020.

The Company's Shares are regularly traded on the Bombay Stock Exchange Limited and National Stock Exchange of India Limited in electronic form.

Under the Depository System, the International Securities Identification Number (ISIN) allotted to the Company's shares is INE662C01015.

(xiii) Outstanding GDRs/ADRs/Warrants or any Convertible instruments, conversion date and likely impact on equity:

As on March 31, 2020, the Company does not have any underlying equity shares in respect of outstanding GDR.

(xii) Commodity Price risk and commodity hedging activities or foreign exchange risk and hedging activities

The Company does not deal with commodity trading, as it does not have any commodities listed on any stock exchange. The foreign exchange risk is minimal as the same are hedged by undertaking export / import activities when the prices are favourable.

(x) SEBI Complaints redresssal System (SCORES)

SEBI has initiated SCORES for processing the investor complaints in a centralized web based system and online redressal of the Shareholders complaints. Our Company is in compliance with the SCORES and redressed the complaints well within the stipulated time.

(xii)Factory location

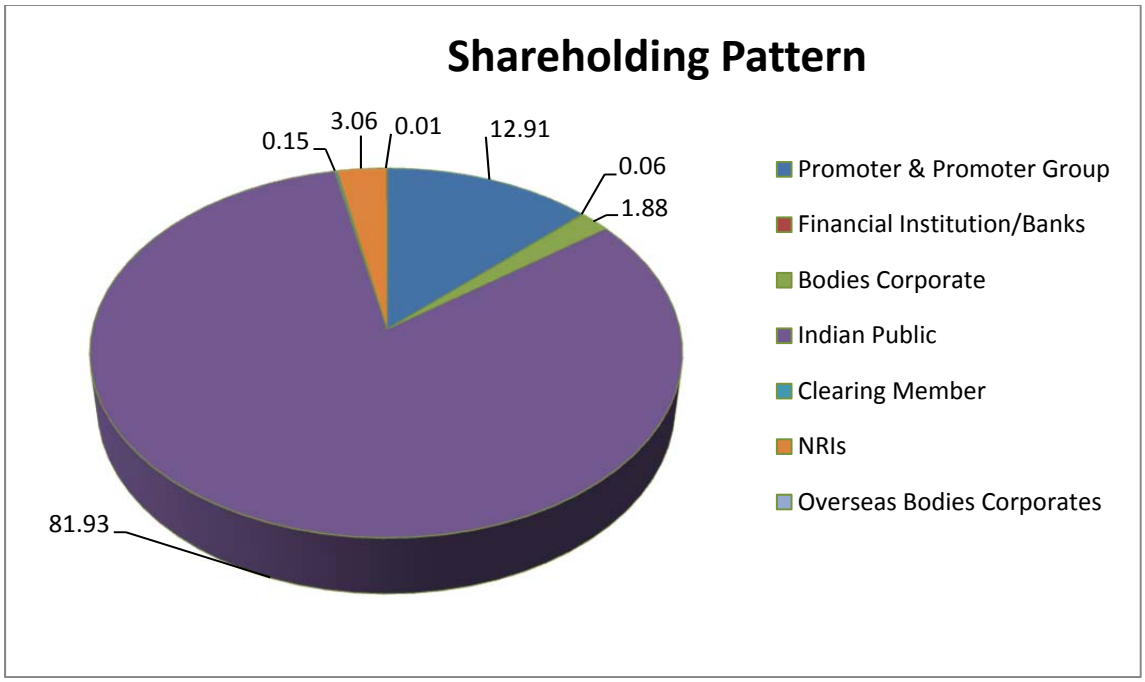
(1) B-12/2, LoteParshuram Industrial Area,
Taluka: Khed,
Distt. Ratnagiri

(xi) Address for correspondence:

Chromatic India Limited
207, Vardhaman Complex Premises Co-op Soc Ltd,
L. B. S. Marg, Vikhroli (W),
Mumbai – 400083
Phone No.: 022 61369800
Fax No.: 022 25793973
Email Id: chromatic@mtnl.net.in, cs@chromatic.in
Website: www.chromatic.in

(xiii) Shareholding Pattern as on March 31, 2020:

Category	Shareholders(Nos.)	No. of Shares	Percentage
Promoter & Promoter Group	1	9,173,305	12.91
Foreign Institutional Investors (FIIs)	0	0	0
Public Shareholding:			
Bodies Corporate	57	1,339,372	1.88
Public	10,758	58,210,828	81.93
NRIs	186	2,169,164	3.06
Clearing Members	25	104,884	0.15
Financial Institutions/ Banks	2	44,432	0.06
Overseas Bodies Corporates	1	4,115	0.01
Grand Total	**11,030**	**7,10,46,100**	**100.00**



(xiv) Listing fees and Annual Custodian Fees

The Company has already paid the Listing fees to National Stock Exchange of India Limited and Bombay Stock Exchange Limited for the F.Y 2019-20.

The Annual Custodian Fees of CDSL & NSDL has already been paid for the year 2019-20.

10. Compliance Certificate of the Practicing Company Secretary

Certificate from the Practicing Company Secretary, M/s. Sarvaiya & Co., confirming compliance with conditions of Corporate Governance as stipulated under Schedule V Part E of the Listing Regulations, is attached to this Report.

11. Disclosures

(a) Materially significant related party transactions that may have potential conflict with the interests of company at large.

During the year 2019-20, there were no materially significant transactions with related parties i.e., directors, management, subsidiaries, or relatives conflicting with the Company's interest at large. Attention of Members is drawn to the disclosures of transactions with related parties set out in the Notes on Accounts forming part of the Annual Report. Policy on dealing with related party transactions available on the company's website www.chromatic.in

(b) Details of non-compliance by the company, penalties, imposed on the company by Stock Exchange or SEBI or any statutory authority, on any matter related to capital markets, during the last three years.

Company has complied with all the requirements of regulatory authorities. No penalties were imposed on the Company by Stock Exchanges, SEBI or any other statutory authority on any matter related to capital market during the last three years.

(c) Establishment of vigil mechanism, whistle blower policy, and affirmation that no personnel has been denied access to the audit committee

The Company has maintained a workplace where it can retain and treat all complaints concerning questionable accounting practices, internal accounting controls or auditing matters or concerning the reporting of fraudulent financial information to all our stakeholders. The employees should be able to raise these free of any discrimination, retaliation or harassment. Pursuant to the policy, employees are encouraged to report questionable accounting practices to Mr. Mayank Kotadia, Chairman Audit Committee through email or by correspondence through post. Further details are available on the company's website www.chromatic.in

The Company also has established a whistle blower policy for the above purpose and no personnel has been denied access to the audit committee

(d) Details of compliance with mandatory requirements and adoption of non-mandatory requirements

The Company has complied with all mandatory requirements as per the provisions of the Listing Regulations and compliance with the non-mandatory requirements of this clause has been detailed hereunder:

i) Communication to Shareholders: The quarterly, half-yearly and annual statement of financial results of the Company are published in newspapers and are also posted on the Company's website.
ii) Audit Qualification: The Company is in the regime of qualified financial statements the disclosures and explanations relating to the same are submitted accordingly.
iii) Reporting of Internal Auditor: The Internal Auditor directly reports to the Audit Committee.

(e) Code for prevention of Insider – Trading practices

In compliance with the SEBI regulation on prevention of insider trading, the Company has instituted a comprehensive Code of Conduct for prevention of insider trading, for its Management and staff. The Code lays down guidelines, which advises them on procedures to be followed and disclosures to be made, while dealing with shares of the Company and cautioning them of the consequences of violations. No personnel have been denied access to the audit committee.

(f) Share Capital Audit Report:

A qualified practicing Company Secretary carried out share capital audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and the Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. The Share Capital Audit report confirms that the total issued / paid-up capital is in agreement with the total number of shares in physical form and the total number of dematerialized shares held with NSDL and CDSL. Pursuant to the provisions of the listing regulations entered by the Company with the Stock Exchanges, certificates, on a half yearly basis, have been issued by the Company Secretary in Practice for due compliance of share transfer formalities by the company.

(g) Policy on "Material" Subsidiaries

Policy for determining material subsidiaries of the Company is disclosed on the company's website www.chromatic.in

12. Other Disclosures

(a)None of the Directors received any loans and advances from the Company during the year.

During the year under review, none of the Directors received any loans and advances from the Company during the year.

(b) None of the Directors, except the following hold shares in the Company during the year.

During the year under review, the Company does not have any convertible securities nor have issued any convertible instruments. None of the Directors hold shares in the Company during the year.

(c) Code of Conduct

Chromatic Code of Conduct laid down by the Company is applicable to all the Directors and Senior Management of the Company. The Code of Conduct is posted on the Company's website. All the Board Members and Senior Management of the Company have affirmed compliance with the Code of Conduct for the Financial Year ended March 31, 2020. A declaration to this effect, duly signed by the Whole time Director is forming part of this Annual Report.

The Company promotes ethical behavior in all its business activities and has put in place a mechanism for reporting illegal or unethical behavior. The Company has a Vigil mechanism and Whistle blower policy under which the employees are free to report violations of applicable laws and regulations and the Code of Conduct. The reportable matters may be disclosed to the Ethics and Compliance Task Force which operates under the supervision of the Audit

Committee. Employees may also report to the Chairman of the Audit Committee. During the year under review, no employee was denied access to the Audit Committee.

(d) Recruitment and Remuneration of Senior Officers

The Company has in place criteria of recruitment and remuneration of senior officers just below the level of board of directors, including appointment or removal of Chief Financial Officer and the Company Secretary and has followed the provisions of Schedule II Part E of the Listing regulations to the extent applicable.

(e) Compliance with Corporate Governance requirements

During the year under review the Company has complied with the corporate governance requirements specified in regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the Listing Regulations.

(f) Disclosures with respect to demat suspense account/ unclaimed suspense account

During the year under review the Company does not have any shares in the demat suspense account or unclaimed suspense account

13. Management Initiatives for Controls and Compliance

The internal financial controls have been documented, embedded and digitised in the business processes. Internal controls are regularly tested for design and operating effectiveness.

Declaration by Whole-time Director

I, Vinod Kumar Kaushik (DIN: 02586479) Whole-time Director of Chromatic India Limited, pursuant to Schedule V Part D of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 hereby confirm that:

The Board of Directors of Chromatic India Limited has laid down a code of conduct for all Board Members and Senior Management of the Company. All the Board Members and Senior Management Personnel have affirmed their compliance with the said code of conduct for the year ended March 31, 2020.

For Chromatic India Limited

Sd/-
Vinod Kumar Kaushik
Whole Time Director
(DIN: 02586479)

Date: September 5, 2020
Place: Mumbai

Certificate on Corporate Governance

[Pursuant to Schedule V Part E of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To,
The Board of Directors,
Chromatic India Limited
Mumbai.

We have examined the relevant records of Chromatic India Limited for the purpose of certifying the compliance of conditions of Corporate Governance as stipulated in the revised provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (herein after referred to as the "Listing Regulations") entered into by the Company with stock exchanges in India as applicable on the Company for the year ended March 31, 2020.

The Compliance of conditions of Corporate Governance is the responsibility of the management. Our examination has been limited to review of the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance as stipulated in the said clause. It is neither an audit nor an expression of opinion on the financial statement of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of the Corporate Governance as stipulated in the provisions of the above mentioned Listing Regulations.

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

For Sarvaiya & Co.
Practicing Company Secretaries

Dharmesh Sarvaiya
Mem No: A46848
CP: 17136
UDIN: A046848B000663706

Place: Mumbai
Date: July31, 2020

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 of
Chromatic India Limited
207, Vardhaman Service Industrial Estate,
Fitwell Compound, 10, L.B.S. Marg, Vikhroli (West),
Mumbai-400083.

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Chromatic India Limited having CIN: L99999MH1987PLC044447 and having registered office at 207, Vardhaman Service Industrial Estate, Fitwell Compound, 10, L.B.S. Marg, Vikhroli (West), Mumbai-400083 (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my 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 me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on March 31, 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.

However vide SEBI has debarred Mr. Vinod Kumar Kaushik from accessing Securities Market for period of three years starting from September 30, 2019.

Sr. No.	Name of Director	DIN	Date of appointment in Company
1	Vinod Kumar Kaushik	02586479	29/09/2009
2	Mayank Rasiklal Kotadia	07484438	30/12/2016
3	Hiral Hitesh Bavishi	08147837	29/06/2019
4	Siraj Ahmed Shaikh	08204720	31/08/2018

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. My responsibility is to express an opinion on these based on my 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.

Thank You
Yours Faithfully,
For Sarvaiya & Co.

DHARMESH VJIAY KUMAR SARVAIYA
Proprietor
Membership No: ACS 46848
COP: 17136
Date: July 31, 2020
Place: Mumbai
UDIN: A046848B000664201

Certification by Whole Time Director

COMPLIANCE CERTIFICATE UNDER REGULATION 17(8) READ WITH SCHEDULE II PART B OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

I Vinod Kumar Kaushik (DIN 02586479), Whole Time Director of the Company certify that:

A) I have reviewed financial statements and the cash flow statement for the year ended March 31, 2020 and that to the best of my knowledge and belief:

   (1) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
   (2) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

B) There are, to the best of my knowledge and belief, no transactions entered into by the Company during the year ended March 31, 2020 which are fraudulent, illegal or violative of the Company's code of conduct.

C) I accept responsibility for establishing and maintaining Internal Controls for financial reporting and that I have evaluated the effectiveness of Internal Control Systems of the Company pertaining to financial reporting and I have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such Internal Controls, if any, of which I was aware and the steps I have taken or propose to take to rectify these deficiencies.

D) I have indicated to the Auditors and the Audit committee:

   (1) significant changes in Internal Control over financial reporting during the year ended March 31, 2020, if any;
   (2) significant changes in Accounting Policies, if any, during the year ended March 31, 2020 and that the same have b een disclosed in the notes to the financial statements; and
   (3) instances of significant fraud of which I have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's Internal Control System over financial reporting.

For Chromatic India Limited

Sd/-
Vinod Kumar Kaushik
Whole Time Director
(DIN: 02586479)

Date: September 5, 2020
Place: Mumbai

Independent Auditor's Report

To the Members of Chromatic India Limited

Report on the Audit of the Standalone Financial Statements

Opinion

1. We have audited the accompanying standalone financial statements of Chromatic India Limited ('the Company'), which comprise the Balance Sheet as at 31 March 2020, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements, subject to note nos. 24, 25, 26, 27, 28, 32 & 42 give the information required by the Companies Act, 2013 ('Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Indian Accounting Standards ('Ind AS') specified under section 133 of the Act, of the state of affairs (financial position) of the Company as at 31 March 2020, and its profit (financial performance including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing 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 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 financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

4. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

5. We have determined the matters described below to be the key audit matters to be communicated in our report.

	Key audit matter	How our audit addressed the key audit matter
1.	We draw reference to note 24 & 26 to the standalone financial statements. Sundry Debtors and Loans & Advances (other than advances to subsidiaries) includes amount of Rs 4.06 Crores and Rs 1.06 Crores respectively which are outstanding for a period of more than 3 years.	Our audit procedures were focused on obtaining sufficient appropriate audit evidence that the carrying value of Sundry Debtors and Loans & Advances are not materially misstated. In the absence of proper audit evidence including but not limited to absence of balance confirmation, we have relied on the written representation from the management who are in the opinion that current assets, loans and advances shall have a value on realisation in the ordinary course of business at least equal to the amount at which they are stated in the balance sheet and provision for all known liabilities have been made and contingent liabilities disclosed properly.

2.	We draw reference to note 25 to the standalone financial statement. Loans & Advances includes non-interest bearing unsecured loan of Rs. 268,96,23,337/- given to Chromatic International FZE, the subsidiary of the company for overseas Business Development. The subsidiary did not do any business during the year. Company has not made the accounting treatment as prescribed in Ind AS 109 (Financial Instruments) and Ind AS 113 (Fair Value Measurement)	As represented by the management, due to non-availability of repayment plan, Company is not able to provide the impact as required by Ind AS 109 (Financial Instruments) and Ind AS 113 (Fair Value Measurement). Due to absence of proper information, we have given our opinion subject to this.
3.	We draw reference to note 27 to the standalone financial statement. Company has classified one of its Building which has been given on rent, as Investment Property as per Ind AS 40 (Investment Property) and elected to continue with the carrying value recognised as at 1 April 2016 measured as per previous GAAP. Company has not measured the Investment property at Fair value as on 31.03.2019 as prescribed in Ind AS 40.	As per management, the govt. is not allowing chemical manufacturing in this premises and therefore the building has been rented out. Due to absence of proper information, we have given our opinion subject to this.
4.	We draw reference to note 28 to the standalone financial statements. During the year 2018-19, Asst. Commissioner of Income Tax has passed the order for the A.Y. 2015-16 against the Company for the Income Tax demand of Rs 22,66,99,645/-. Said demand has not yet provided in the books as on 31st March 2020.	As explained by management, the Co. has filed appeal against the order in consultation with legal experts. Due to absence of proper documents, we have not given our opinion on this.
5.	We draw reference to note 29 to the standalone financial statements. Capital work in progress includes an amount of Rs. 105.72 Crores, paid during previous accounting years for setting up of power plant. The procurement has not been done for pending clearances from the Govt. These advances are subject to confirmation and reconciliation and outstanding for more than 3 years.	As per management backward integration could not be done in the absence of govt. clearances. Due to absence of proper documents/ information, we have given our opinion subject to this.
6.	We draw reference to the note 6(d). Company carrying heavy cash in hand balance, which in our opinion is not line with the size of business. We have not physically verified the cash balance.	We have relied on the written representation of the management who confirms the availability of cash balance.

We have determined that there are no other key audit matters to communicate in our report.

Information other than the Financial Statements and Auditor's Report thereon

6. The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the financial statements and our auditor's report thereon. The Annual Report is expected to be made available to us after the date of this auditor's report.

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

   In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available 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.

When we read the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

7. The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the state of affairs (financial position), profit or loss (financial performance including other comprehensive income), changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Ind AS specified under section 133 of the Act. 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 were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

8. 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.

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

Auditor's Responsibilities for the Audit of the Financial Statements

10. Our 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 our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Standards on Auditing 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.

11. As part of an audit in accordance with Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We 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 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 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 financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

12. 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.

13. 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.

14. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the 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

15. As required by section 197(16) of the Act, we report that the Company has paid remuneration to its directors during the year in accordance with the provisions of and limits laid down under section 197 read with Schedule V to the Act.

16. 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 the Annexure I a statement on the matters specified in paragraphs 3 and 4 of the Order.

17. Further to our comments in Annexure I, as required by section 143(3) of the Act, we report that:

    a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;

    b) in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

    c) the standalone financial statements dealt with by this report are in agreement with the books of account;

    d) in our opinion, the aforesaid standalone financial statements comply with Ind AS specified under section 133 of the Act;

    e) on the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2020 from being appointed as a director in terms of section 164(2) of the Act;

    f) we have also audited the internal financial controls over financial reporting (IFCoFR) of the Company as on 31 March 2020 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date and our report dated 31 July 2020 as per Annexure II expressed unmodified opinion;

g) with respect to the other matters to be included in the Auditor's Report in accordance with rule 11 of the Companies (Audit and Auditors) Rules, 2014 (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 financial statements as at 31 March 2020;

ii. the Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, and as required on long-term contracts including derivative contracts as at 31 March 2020;

iii. there has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company during the year ended 31 March 2020; and

iv. the disclosure requirements relating to holdings as well as dealings in specified bank notes were applicable for the period from 8 November 2016 to 30 December 2016, which are not relevant to these standalone financial statements. Hence, reporting under this clause is not applicable.

For Dargar & Co.
Chartered Accountants
Firm Registration No. 007289W

CA. Vijay Dargar
Proprietor
Membership No. 076191

Place: Mumbai
Date: 31st July, 2020

Annexure I to the Independent Auditor's Report of even date to the members of Chromatic India Limited, on the standalone financial statements for the year ended 31 March 2020

Annexure I

Based on the audit procedures performed for the purpose of reporting a true and fair view on the financial statements of the Company and taking into consideration the information and explanations given to us and the books of account and other records examined by us in the normal course of audit, and to the best of our knowledge and belief, we report that:

(i) (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 in a phased manner, designed to cover all the items over a period of three years, which in our opinion, is reasonable having regard to the size of the company and nature of its business. Pursuant to the program, a portion of the fixed asset has been physically verified by the management during the year and no material discrepancies between the books records and the physical fixed assets have been noticed

.

(c) The title deeds of all the immovable properties (which are included under the head 'Property, plant and equipment') are held in the name of the Company.

(ii) The inventories have been physically verified by the management during the year. As explained to us, there was no material discrepancies noticed on physical verification of inventories as compared to the book records.

(iii) In respect of the Loans, secured or unsecured, granted by the company to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act, 2013 ('the Act') there is no overdue amount of loan granted to said companies. The company has given non-interest bearing loan of Rs. 268.96 Cr**.** to its subsidiary for doing business in overseas market.

(iv) In our opinion and according to the information and explanations provided to us, the Company has complied with the provisions of Section 185 and 186 of the Companies Act, 2013 in respect of investments and guarantees.

(v) According to the information and explanations given to us, the company has not accepted any deposits from the public.

(vi) The Company is required to maintain the cost records as prescribed by the Central Government of India under sub-section (1) of section 148 of the Companies Act for the activities carried on by the company. We are of the opinion that primafacie the prescribed records have been maintained. We have, however, not made a detailed examination of cost records with a view to determine whether they are accurate or complete.

(vii) In respect of statutory dues

a) Undisputed statutory dues including provident fund, investor education and protection fund, Employees' state insurance, income-tax, sales-tax, wealth-tax, customs duty, excise duty, have not been timely deposited with the appropriate authorities and there have been slight delays in few cases.

b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, investor education and protection fund, employees' state insurance, wealth-tax, sales-tax, customs duty, excise duty and other undisputed statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable except an amount of Rs. 1,63,053/- on account of Income Tax for the A.Y. 2011-12 and Rs. 32,14,286/- for the A.Y. 2012-13 and Rs. 2,30,510/- on account of Dividend Distribution Tax for the F.Y. 2012-13 and interest thereon (if any).

c) According to the information and explanations given to us the amounts which were required to be transferred to the investor education and protection fund in accordance with the relevant provisions of the Companies Act, 2013 and rules there under has been transferred to such fund within time.

(viii) Based on our audit procedures and as per the information and explanations given by the Management, we have observed that the Company has defaulted in repayment of certain dues to a financial institution or bank or debenture holders, which later on regularized during the year.

(ix) In our opinion, the Company has applied moneys raised by way of term loans for the purposes for which these were raised. The Company did not raise moneys by way of term loans during the year.

(x) No fraud by the Company or on the company by its officers or employees has been noticed or reported during the period covered by our audit.

(xi) Managerial remuneration has been paid by the company in accordance with the requisite approvals mandated by the provisions of Section 197 of the Act read with Schedule V to the Act.

(xii) In our opinion, the Company is not a Nidhi Company. Accordingly, provisions of clause 3(xii) of the Order are not applicable.

(xiii) In our opinion all transactions with the related parties are in compliance with Sections 177 and 188 of Act, where applicable, and the requisite details have been disclosed in the financial statements etc., as required by the applicable Ind AS.

(xiv) During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures.

(xv) In our opinion, the Company has not entered into any non-cash transactions with the directors or persons connected with them covered under Section 192 of the Act.

(xvi) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

For Dargar & Co.
Chartered Accountants
Firm Registration No. 007289W

CA. Vijay Dargar
Proprietor
Membership No. 076191

Place: Mumbai
Date: 31st July, 2020

Annexure II to the Independent Auditor's Report of even date to the members of Chromatic India Limited, on the standalone financial statements for the year ended 31 March 2020

Annexure II

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

1. In conjunction with our audit of the standalone financial statements of Chromatic India Limited ("the Company") as at and for the year ended 31 March 2020, we have audited the internal financial controls over financial reporting (IFCoFR) of the Company as at that date.

Management's Responsibility for Internal Financial Controls

2. The Company's Board of Directors is responsible for establishing and maintaining internal financial controls based on 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 ('the Guidance Note') issued by the Institute of Chartered Accountants of India (the '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 the Company's business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

3. Our responsibility is to express an opinion on the Company's IFCoFR based on our audit. We conducted our audit in accordance with the Standards on Auditing, issued by the ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of IFCoFR, and the Guidance Note issued by the ICAI. 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 IFCoFR were established and maintained and if such controls operated effectively in all material respects.

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the IFCoFR and their operating effectiveness. Our audit of IFCoFR included obtaining an understanding of IFCoFR, 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.

5. 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 IFCoFR.

Meaning of Internal Financial Controls over Financial Reporting

6. A company's IFCoFR 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 IFCoFR include 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

7. Because of the inherent limitations of IFCoFR, 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 IFCoFR to future periods are subject to the risk that the IFCoFR may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

8. In our opinion, the Company has, in all material respects, adequate internal financial controls over financial reporting and such controls were operating effectively as at 31 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 issued by the ICAI.

For Dargar & Co.
Chartered Accountants
Firm Registration No. 007289W

CA. Vijay Dargar
Proprietor
Membership No. 076191

UDIN: 20076191AAAAHQ3873

Place: Mumbai
Date: 31st July, 2020

CHROMATIC INDIA LTD

CIN No : L99999MH1987PLC044447

Balance Sheet as on 31st March,2020

	Notes	As on 31st March, 2020	As on 31st March,2019
ASSETS			
Non-Current Assets			
Property,Plant And Equipment	3	3,08,35,852	3,33,48,331
Capital Work in Progress	4	1,05,72,00,000	1,05,72,00,000
Investment Properties	5	-	89,107
Other Intangible Assets		-	-
Intangible Assets Under Development*		-	-
Biological Assets Other Than Bearing Plants*		-	-
Investments Accounted for Using The Equity Method		-	-
Financial Assets			
i. Investments	6(a)	12,54,350	13,11,950
ii. Loans	6(c)	2,69,10,22,808	2,49,63,20,124
iii. Other Financial Assets		-	-
Deferred Tax Assets		-	-
Other non-current Assets			
Total Non-Current Assets		**3,78,03,13,010**	**3,58,82,69,512**
Current Assets			
Inventories	7	2,10,84,710	1,63,64,785
Financial Assets			
i. Investments		-	-
ii. Trade Receivables	6(b)	12,65,49,297	54,82,83,227
iii. Cash And Cash Equivalents	6(d)	2,12,10,236	2,03,51,399
iv. Bank Balance other than(iii)above*		-	-
v. Loans	6(c)	70,52,315	5,90,76,567
vi. Other Financial Assets		-	-
Other Current Assets	8	1,58,99,378	1,89,97,852
Current tax assets (Net)	9	64,85,503	1,92,34,841
Assts classified as held for sale		-	-
Total Current Assets		19,82,81,440	68,23,08,671
Total Assets		**3,97,85,94,449**	**4,27,05,78,183**
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	10(a)	71,04,61,000	71,04,61,000
Other Equity			
Equity component of compound financial Instruments		-	-
Reserves and Surplus	10(b)	1,98,16,82,296	2,00,73,62,589
Other Reserve	10(c)	74,65,19,180	61,02,84,897
Equity Attributable to owners of Chromatic India Ltd		3,43,86,62,477	3,32,81,08,486
Non-Controlling Interests			
Total Equity		**3,43,86,62,477**	**3,32,81,08,485**
LIABILITIES			
Non-Current Liabilities			
Financial Liabilities			
i. Borrowings		-	-
ii. Other Financial Liabilities		-	-
Provisions		-	-
Employee Benefit Obligations		-	-
Deferred Tax Liabilities	11	32,40,60,233	26,64,36,449
Government Grants		-	-
Other non-current Liabilities		-	-
Total non-Current Liabilities		32,40,60,235	26,64,36,449
Current Liabilities			
Financial liabilites			
i. Borrowings	12(a)	3,68,90,685	2,84,26,089
ii. Trade Payables	12(b)	17,24,01,379	63,40,94,962
iii. Other Financial Liabilities	12(c)	58,07,625	65,66,386
Provisions		-	-
Employee Benefit Obligations	13	7,72,048	9,45,813
Government Grants		-	-
Current Tax Liabilities		-	-
Other Current liabilities	14	-	60,00,000
Liabilities directly associated with assets classified as held for Sale		-	-
Total Current Liabilities		21,58,71,736	67,60,33,249
Total Liabilities		53,99,31,971	94,24,69,698
Total Equity And Liabilities		**3,97,85,94,449**	**4,27,05,78,183**

The accompanying notes are an integral part of the financial statements.

As per our report of even date attached

For M/s Dargar & Co.
Chartered Accountants
Firm Registration No. : 007289W

For and on behalf of Board of Directors
Chromatic India Ltd

Mr.V.K.Kaushik
Whole Time Director
Din No : 02586479

Mr.Mayank Kotadia
Director
Din No : 07484438

Vijay Dargar
Partner
Membership No. 76191
Place: Mumbai
Date : 31st July,2020

Mr. Nitin Kumar Kothari
Chief Financial Officer
Place: Mumbai
Date : 31st July,2020

CHROMATIC INDIA LTD

CIN No : L99999MH1987PLC044447

Statement of Profit & Loss for the Year Ended 31st March,2020

(Amount in INR)

	Note No.	For the Year Ended 31st March, 2020	For the Year Ended 31st March 2019
Continuing Operations			
Revenue from operations	15	8,08,08,836	6,48,00,143
Other income	16(a)	2,21,34,017	1,52,32,426
Other Gains	16(b)	-	12,13,888
Total Income		10,29,42,853	8,12,46,457
Expenses			
Cost of material consumed	17(a)	6,93,25,064	5,22,26,332
Changes in Inventories of work-in-progress & Finished Goods	17(b)	(36,25,031)	(55,23,273)
Employee benefits expense	18	1,56,69,286	1,66,19,753
Depreciation and Amortization expense	19	25,61,993	24,72,037
Other Expense	20	2,38,04,449	1,70,22,979
Financial Cost	21	22,02,719	21,33,689
Total Expenses		**10,99,38,480**	**8,49,51,517**
Profit before exceptional items and tax		**(69,95,627)**	**(37,05,059)**
Exceptional Items		-	-
Profit Before Tax from Continuing Operations		**(69,95,627)**	**(37,05,059)**
Income Tax Expense			
(a) Current tax		-	-
(b) Deferred tax		(7,87,021)	3,90,815
(c) Earlier Year		1,94,68,328	-
Total Tax Expense		**1,86,81,307**	**3,90,815**
Profit/(loss) from Continuing operation		**(2,56,76,934)**	**(40,95,874)**
Profit/(loss) from Discontinued operations		-	-
Profit for the period		**(2,56,76,934)**	**(40,95,874)**
Other comprehensive Income			
A. Item that may be reclassified to profit or loss			
a. Exchange difference on transalation of foreign assets & Liabilities		19,47,02,684	15,81,71,139
B Item that will not be reclassified to profit or loss			
a. Changes in fair value of FVOCI Equity Instruments		(57,600)	560
Total comprehensive income for the period		**16,89,68,150**	**15,40,75,825**
Earning per equity share(for Continuing operation)			
(1)Basic		(0.36)	(0.06)
(2)Diluted		(0.36)	(0.06)
Earning per equity share(for Discontinued operation)			
(1)Basic		-	-
(2)Diluted		-	-
Earning per share (for discontinued & continuing Operation)			
(1)Basic		.	(0.06)
(2)Diluted		(0.36)	(0.06)

The accompanying notes are an integral part of the financial statements.

As per our report of even date attached
For M/s Dargar & Co.
Chartered Accountants
Firm Registration No. : 007289W

For and on behalf of Board of Directors
Chromatic India Ltd

Mr.V.K.Kaushik
Whole Time Director
Din No : 02586479

Mr.Mayank Kotadia
Director
Din No : 07484438

Vijay Dargar
Partner
Membership No. 76191
Place: Mumbai
Date : 31st July,2020

Mr.Nitin Kumar Kothari
Chief Financial Officer
Date : 31st July,2020

CHROMATIC INDIA LTD

CIN No : L99999MH1987PLC044447

STANDALONE CASH FLOW STATEMENT AS ON 31.03.2020

(Amount in Lacs)

	PARTICULARS	YEAR ENDED 31.03.2020		YEAR ENDED 31.03.2019	
I	**CASH FLOW FROM OPERATING ACTIVITIES**				
	Profit before income tax including discontinued operations:		(69.96)		(37.05)
	Adjustment for :				
	Depreciation	25.62		24.72	
	Interest	16.14		17.88	
	Rental Income	-		(10.56)	
	Loss on sale of Fixed Assets	(192.94)		2.32	
	Interest earned	(0.27)		(5.30)	
	Loss/ expenses of previous year adjusted	0.03	(151.41)	(0.37)	28.70
	OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES		**(221.37)**		**(8.35)**
	Changes in operating assets and liabilities :				
	Advances	4,701.38		329.11	
	(Increase)/ Decrease in Inventories	(47.20)		(93.51)	
	Increase/(Decrease) in Trade & Other Payables	(4,686.26)	(32.08)	(84.19)	151.41
	CASH GENERATED FROM OPERATIONS		**(253.45)**		**143.06**
	Income Tax Paid	-	-	-	-
	NET CASH FLOW FROM OPERATING ACTIVITIES		**(253.45)**		**143.06**
II	**CASH FLOW FROM INVESTING ACTIVITIES**				
	Purchase of Fixed Assets	(1.66)		(38.69)	
	Proceeds from Sale of Fixed Assets	195.00		4.00	
	Rental Income	-		10.56	
	Interest Received	0.27	193.60	5.30	(18.83)
	NET CASH USED IN INVESTING ACTIVITIES		**193.60**		**(18.83)**
III	**CASH FLOW FROM FINANCING ACTIVITIES**				
	(Repayment) / increase in Long Term Borrowings	-		-	
	(Repayment) / increase in Short Term Borrowings	84.65		(32.70)	
	Interest Paid	(16.14)	68.51	(17.88)	(50.58)
	NET CASH USED IN FINANCING ACTIVITIES		**68.51**		**(50.57)**
IV	**NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS**		8.66		73.65
	ADD : Opening Balance as on 01.04.2019 (P.Y. As on 01.04.18)		203.51		129.86
	CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR		**212.17**		**203.51**

Notes to the cash flow statement :

Cash and cash equivalent consist of cash on hand and balances with banks and investments in money market instruments.

	31.03.2020	31.03.2019
Cash on hand	190.37	172.90
Balances with banks	21.73	30.61
	212.10	**203.51**

Vijay Dargar
Propriter
Membership No. 76191

For and on behalf of Board of Directors
Chromatic India Ltd

Mr.V.K.Kaushik
Whole Time Director
Din No : 02586479

Mr.Mayank Kotadia
Director
Din No : 07484438

Vijay Dargar
Partner
Membership No. 76191
Place : Mumbai
Date : 31st July,2020

Mr. Nitin Kumar Kothari
Chief Financial Officer

Place: Mumbai
Date : 31st July,2020

Statement of changes in equity

Particulars	Equity share capital	Reserve & surplus				Other Reserves		
		Capital Reserve	Security Premium Reserve	General Reserve	Retained Earning	FVOCI Equity Investment	Foreign Currency Translation Reserve	Total Equity
Balnce as at 1 April 2018	**71,04,61,000**	**16,95,000**	**1,98,58,12,100**	**1,79,78,960**	**60,09,869**	**46,840**	**49,95,17,700**	**3,22,15,21,468**
								-
Changes in equity Share Capital	-	-	-	-		-	-	-
Profit for the year	-	-	-	-	(40,95,875)	-	-	(40,95,875)
Prior period items					(37,464)			
Other comprehensive income								
Changes in fair value of FVOCI equity instruments	-	-	-	-	-	560		560.00
Exchange Differences on Translation on foreign assets & liabilities	-	-	-	-	-	-	15,81,71,139	15,81,71,139
Deffered Tax Assets/(Liabilities)	-	-	-	-	-	-	(4,74,51,342)	(4,74,51,342)
								-
Balance as on 31st March 2019	**71,04,61,000**	**16,95,000**	**1,98,58,12,100**	**1,79,78,960**	**18,76,529**	**47,400.00**	**61,02,37,497**	**3,32,81,08,486**
Changes in equity Share Capital	-	-	-	-				-
Profit for the year	-	-	-	-	(2,56,76,934)	-		(2,56,76,934)
Prior period items	-	-	-	-	(3,358)	-		(3,358)
Other comprehensive income	-	-	-	-	-	-		-
Changes in fair value of FVOCI equity instruments	-	-	-	-	-	(57,600)		-57,600
Exchange Differences on Translation on foreign assets & liabilities	-	-	-	-	-	-	19,47,02,684	19,47,02,684
Deffered Tax Assets/(Liabilities)	-	-	-	-	-	-	(5,84,10,805)	(5,84,10,805)
Balance as on 31st March 2020	**71,04,61,000**	**16,95,000**	**1,98,58,12,100**	**1,79,78,960**	**(2,38,03,765)**	**(10,200)**	**74,65,29,379**	**3,43,86,62,475**

Note No.3 property Plant & Equipment

	Land-Lease Hold	Building & Res.Flat	Furniture & Fixture	Plant & Machinery	Office & Other Equipment	Vehicles	Total
Year Ended 31st March 2018							
Gross Carrying Amount							
Deemed Cost As AT 1st April 2018	1,17,02,920	2,93,38,599	27,81,217	5,56,05,751	62,48,924	54,10,456	11,10,87,867
Exchange Differences	-	-	-	-	-	-	-
Additions	-	-	-	6,40,000.00	27,74,766	10,53,811	44,68,577
Assets Included in a Disposal	-	-	-	-	-	-	-
Group Classified as held for sale	-	-	-	-	-	10,70,361	-
Disposals	-	-	-	-	-	0	0
Closing gross carrying amount	**1,17,02,920**	**2,93,38,599**	**27,81,217**	**5,62,45,751**	**90,23,690**	**53,93,906**	11,44,86,083
Accumulated depreciation	13,28,750	1,85,90,619	27,78,576	4,71,01,473	59,75,814	33,46,317	7,91,21,549
Depreciation charge during the year	1,56,713	9,76,323	866	6,33,147	2,92,557	3,94,630	24,54,236
Assets included in a disposal group	-	-	-	-	-	-	-
classified as held for sale(Note 33)	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	4,38,041	4,38,041
Exchange Differences	-	-	-	-	-	-	-
Closing accumulated depreciation	14,85,463	1,95,66,942	27,79,442	4,77,34,620	62,68,371	33,02,906	8,11,37,744
Net carrying amount as on 31 March 2019	**1,02,17,457**	**97,71,657**	**1,775**	**85,11,131**	**27,55,319**	**20,91,000**	**3,33,48,330**
Year Ended 31st March 2019	-	-	-	-	-	-	-
Gross Carrying Amount	-	-	-	-	-	-	-
Opening gross carrying amount	1,17,02,920	2,93,38,599	27,81,217	5,62,45,751	90,23,690	53,93,906	11,44,86,083
Exchange Differences	-	-	-	-	-	-	-
Additions/Delation	-	-	-	-	1,66,371.04	-	1,66,371
Assets classified as held for sale(Note 11)	-	-	-	-	-		-
Disposals	1,54,142.00	-	-	-	-	-	-
Transfers	-	-	-	-	-	-	-
Closing gross carrying amount	1,15,48,778	2,93,38,599	27,81,217	5,62,45,751	91,90,061	53,93,906	11,44,98,312
Accumulated depreciation and impairment							
Opening accumulated depreciation	14,85,463	1,95,66,942	27,79,442	4,77,34,620	62,68,371	33,02,906	8,11,37,744
Depreciation charge during the year	1,55,520	9,78,997	866	6,31,183	4,14,080	3,81,347	25,61,993
Impairment loss (iii)(Note.1)	-	-	-	-	-	-	-
Disposals	37,276	-	-	-	-	-	-
Exchange Differences	-	-	-	-	-	-	-
Assets classified as held for sale(Note 11)	-	-	-	-	-	-	-
Closing accumulated depreciation and impairment	16,03,707	2,05,45,939	27,80,308	4,83,65,803	66,82,451	36,84,253	8,36,99,737
Net carrying amount as on 31 March 2020	**99,45,071**	**87,92,661**	**909**	**78,79,948**	**25,07,610**	**17,09,653**	**3,08,35,852**

Note No.04 Capital Work in Progress

Particulars	As at 31st March, 2020	As at 31st March, 2019
	Rs.	Rs.
Capital Work in Progress	1,05,72,00,000	1,05,72,00,000
Total	**1,05,72,00,000**	**1,05,72,00,000**

Note No.05 Investment Property

Particulars	31.03.2020	31.03.2019
Gross Carrying Amount		
Opening gross Carrying Amount/Deemed Cost	13,09,679	13,09,679
Additions	-	-
Disposal	13,09,679	
Closing Gross carrying amount	**-**	**13,09,679**
Accumulated depreciation		
Opening Accmulated Depreciation	12,20,572	12,02,771
Depreciation Charge	-	17,801
Disposal	12,20,572	
Closing Accumulated Depreciation	**-**	**12,20,572**
Net Carrying Amount	**-**	**89,107**
Amount recognised in Profit & Loss Account		
Rental Income	-	10,56,000
Direct Op Expenses from property that generated rental income	-	-
Profit from Investment property before Dep	-	10,56,000
Depreciation	-	(17,801)
Profit from Investment property	**-**	**10,38,199**

Note no.6(a) Non-Current Investment

Details of Non-Current Investment

Name of the Body Corporate	Subsidiary / Associate / JV/ Controlled Entity / Others	Quoted / Unquoted	No. of Shares		Partly Paid / Fully paid	Extent of Holding (%)		Amount (Rs.)	
			2020	2019		2020	2019	2020	2019
Investement in Equity Instruments									
Long Term, Trade									
Chromatic Ferro Alloys Ltd. Equity shares of 10/- each fully paid up	Subsidiary	Unquoted	-	-	Fully paid	0.00%	0.00%	-	-
Chromatic International FZE Equity shares of 100000 AED each fully paid	Subsidiary	Unquoted	100000	100000	Fully paid	100%	100%	12,28,550	12,28,550
Long Term, Non - Trade									
Equity shares of Bank of India of Rs. 10 each at a premium of Rs. 35/- each	Others	Quoted	800	800	Fully paid	-	-	25,800	83,400
Total								**12,54,350**	**13,11,950**

Particular	**2019-20**	**2018-19**
Aggregate amount of quaoted investment	25,800	83,400
Aggregate amount of unquaoted investment	12,28,550	12,28,550
Aggregate amount of impairment in value of investment	-	-
Total	**12,54,350**	**13,11,950**

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Note -06(b) Trade receivable

Particulars	As at 31st March, 2020	As at 31st March, 2019
	Rs.	Rs.
Trade receivables	12,69,31,560	54,86,65,489
Receivables from related parties	-	-
Less:Provision for doubtfull trade receivables	3,82,263	3,82,263
Total receivables	**12,65,49,297**	**54,82,83,227**
Current Portion	12,65,49,297	54,82,83,227
Non-current portion	-	-

Break-up of security Details

Particulars	As at 31st March, 2020	As at 31st March, 2019
	Rs.	Rs.
Secured considered goods	-	-
Unsecured considered goods	12,69,31,560	54,86,65,489
Doubtful	-	-
Total	**12,69,31,560**	**54,86,65,489**
Allowance for doubtfuldebts	3,82,263	3,82,263
Total trade receivables	**12,65,49,297**	**54,82,83,227**

Note -06 (c) Loans

Particulars	As at 31st March, 2020		As at 31st March, 2019	
	Current	Non current	Current	Non current
Unsecured, considered good:				
Loans and advances to related parties				
- Arcoiris SA	-	-		-
- Chromatic International FZE	-	2,68,96,23,337		2,49,49,20,653
Loans and advances to employees	58,435		80,435	
Other advances	69,93,880		5,89,96,132	
Doubtful	-			
Security Deposits		13,99,471		13,99,471
Less: Provision for doubtful loans and advances				
Sub total (a)	**70,52,315**	**2,69,10,22,808**	**5,90,76,567**	**2,49,63,20,124**

Note -06(d)Cash and cash equivalents

Particulars	As at 31st March, 2020	As at 31st March, 2019
	Rs.	Rs.
Balance with banks		
i.In current accounts	14,59,110	22,42,145
ii.In EEFC accounts		
iii.In deposits accounts	-	-
iv.In earmarked accounts		
-Unpaid dividend accounts	20,056	20,056
-Unpaid matured deposits	-	-
-Unpaid matured debentures	-	-
- Share application money received for allotment of securities and due for refund	-	-
- Balances held as margin money or security against borrowings, guarantees and other commitments	6,84,208	7,88,294
- Other earmarked accounts (Gratuity Account)	10,093	10,447
Cash on hand	1,90,36,770	1,72,90,458
	2,12,10,236	**2,03,51,399**

Note-7 Inventories

(At lower of cost and net realisable value)

Particulars	As at 31st March,2020	As at 31st March,2019
	Rs.	Rs.
Raw materials (including Goods in transit)	92,44,310	81,49,416
Finished Goods	-	-
Work-in-progress	1,18,40,400	82,15,369
Total	**2,10,84,710**	**1,63,64,785**

Note -8 Other current assets

Particulars	As at 31st March,2020	As at 31st March,2019
	Rs.	Rs.
Prepaid Expenses	2,24,733	2,42,748
Rent Receivable	1,05,118	2,95,198
Balances with government authorities		
i Vat credit receivable	99,51,903	1,06,44,926
ii Service tax credit receivable	-	-
iii Export incentive receivable	6,47,360	31,61,836
iv Balance with central excise	-	-
v)Balance with GST	49,70,264	46,53,144
Total	**1,58,99,378**	**1,89,97,852**

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Note-9 Current tax assets

Particulars	As at 31st March,2020	As at 31st March,2019
	Rs.	Rs.
TDS receivable/Deposit with IT (net of provisions)	64,85,503	1,92,34,841
Total	64,85,503	1,92,34,841

Note -10 (a) Share Capital

1

Particulars	As at 31st March,2020		As at 31st March,2019	
	Number	Amount	Number	Amount
Authorised				
Equity Shares of Rs 10/- each	125000000	1,25,00,00,000	125000000	1,25,00,00,000
Issued				
Equity Shares of Rs 10/- each	71046100	71,04,61,000	71046100	71,04,61,000
Subscribed & Paid up				
Equity Shares of Rs 10/- each fully paid	71046100	71,04,61,000	71046100	71,04,61,000
Total	**71046100**	**71,04,61,000**	**71046100**	**71,04,61,000**

2

Particulars	As at 31st March,2020		As at 31st March,2019	
	Number	Amount (Rs.)	Number	Amount (Rs.)
Shares outstanding at the beginning of the year	71046100	71,04,61,000	71046100	71,04,61,000
Shares issued during the year	-	-	-	-
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	71046100	71,04,61,000	71046100	71,04,61,000

3 **Details of Shares held by the Holding Company, the ultimate Holding Company their subsidiaries and associates**

Particulars	As at 31st March,2020		As at 31st March,2019	
	Number	Amount	Number	Amount
Holding Company of Chromatic India Limited	9173305	9,17,33,050	9173305	9,17,33,050

4

Details of shares held by each shareholder holding more than 5 percent shares				
Name of Shareholder	As at 31st March,2020		As at 31st March,2019	
	Shares held	% of Holding	Shares held	% of Holding
M/s. Cheetah Multitrade Pvt. Ltd.	9173305	12.91%	9173305	12.91%

Note-10(b) Reserve and surplus

Particulars	As at 31st March, 2020	As at 31st March, 2019
Capital reserve	16,95,000	16,95,000
Securities premium reserve	1,98,58,12,100	1,98,58,12,100
General reserve	1,79,78,960	1,79,78,960
Other reserve	74,65,19,180	61,02,84,897
Retained earnings	(2,38,03,764)	18,76,529
Total	2,72,82,01,477	2,61,76,47,486

Particulars	As at 31st March, 2020	As at 31st March, 2019
	Rs.	Rs.
Capital reserve		
Opening balance	16,95,000	16,95,000
Add: Additions during the year (give details)	-	-
Less: Utilised / transferred during the year (give details)	-	-
Closing balance	16,95,000	16,95,000
Securities premium account		
Opening balance	1,98,58,12,100	1,98,58,12,100
Add : Premium on shares issued during the year	-	-
Less : Utilised during the year for:		
Issuing bonus shares	-	-
Closing balance	1,98,58,12,100	1,98,58,12,100
General reserve		
Opening balance	1,79,78,960	1,79,78,960
Add: Transferred from surplus in Statement of Profit and Loss	-	-
Less: Utilised / transferred during the year for:		
Issuing bonus shares	-	-
Others (give details)	-	-
Closing balance	1,79,78,960	1,79,78,960
Retained earnings		
Opening balance	18,76,529	60,09,869
Add: Profit / (Loss) for the year	(2,56,76,934)	(40,95,875)
Add: Adjustment Relating to Fixed Assets*	-	-
TOTAL	(2,38,00,406)	19,13,993
Add/ (Less): Prior Period Expenses	(3,358)	(37,464)
Profit after Tax and Prior Period Adjustments	(2,38,03,764)	18,76,529
Less: Provision for dividend (including Dividend Tax)	-	-
Closing balance	(2,38,03,764)	18,76,529
	1,98,16,82,296	2,00,73,62,589

Note-10(c)Other Reserve

Ref. No.	As at 31st March, 2020	As at 31st March, 2019
	Rs.	Rs.
Foreign currency translation reserve		
Opening balance	61,02,37,497	49,95,17,700
Add / (Less): Effect of foreign exchange rate variations during the year	19,47,02,684	15,81,71,139
Add/(Less): Deffered Tax Assets/(Liabilities)	(5,84,10,805)	(4,74,51,342)
Add / (Less): Transferred to Statement of Profit and Loss on disposal of the net investment in non-integral foreign operations	-	-
Closing balance	74,65,29,380	61,02,37,497
FVOCI equity investments reserve		
Opening balance	47,400	46,840
Changes in fair value of FVOCI equity instruments	(57,600)	560
Closing balance	(10,200)	47,400
Toatl	74,65,19,180	61,02,84,897

Notes:

Foreign currency translation reserve

Exchange differences arising on translation of the foreign operations are recognized in other comprehensive income as described in accounting policy and accumulated in a separate reserve within equity. The cumulative amount is reclassified to profit or loss when the net investment is disposed off.

FVOCI Equity Instruments

The Company has elected to recognize changes in the fair value of investments in quoted equity securities in other comprehensive income. These changes are accumulated within the FVOCI equity investments reserves within equity. The Company transfers amount from this reserve to retained earnings when the relevant equity securities are derecognized.

Note No.11 Deferred Tax Liabilities

Particulars	As at 31st March,2020	As at 31st March, 2019
	Rs.	Rs.
Deffered tax Liabilities	26,64,36,449	21,85,94,292
Deffered tax Liabilities/assets for current year	(7,87,021)	3,90,815
Changes in Foreign currency Translation reserve	5,84,10,805	4,74,51,342
	-	-
Total	**32,40,60,233**	**26,64,36,449**

Note - 12(a) Non current borrowings

Particulars	As at 31st March,2020	As at 31st March, 2019
Term loans		
From banks		
Secured	-	-
Unsecured	-	-
Total	**-**	**-**
From other parties		
Secured*(Interest@11.50%)		-
Unsecured	-	-
	-	**-**
Total	**-**	**-**

*** Secured by Hypothecation of underlying assets purchased.**

Note - 12(a) Current borrowings

Particulars	As at 31st March,2020	As at 31st March,2019
Loan repayable on demand		
From bank		
Secured#		
i Cash credit lilit from bank of india (interest @13%)	1,06,12,996	41,25,655
ii Export packing credit from bank of india(Interest @9.00%)	1,73,99,999	42,31,999
Unsecured	-	-
Total(a)	**2,80,12,995**	**83,57,654**
From Other parties		
Secured @		-
Unsecured	81,82,402	1,94,30,427
Advances from Customer	6,95,287	6,38,007
Total(b)	88,77,689	2,00,68,434
Total(a+b)	**3,68,90,685**	**2,84,26,089**

 # Secured by exclusive charge on the underlying plant & machineries i.e. Hot Air Generator, Hypoyhecation of Stocks, Collateral Security of Equitable Mortgage of Land & Buildings situated at B-12/2, Lote Parshuram Indl. Area, Taluka-Khed, Distt. Ratnagiri and simple deposit of title deeds of office premises situated at Vikhroli, Mumbai.

@ Secured by shares held by the Promoters

Note - 12(b) Trade payable

Particulars	As at 31st March,2020	As at 31st March,2019
Trade payable	17,24,01,379	63,40,94,962
Trade payable to related parties	-	-
Total	**17,24,01,379**	**63,40,94,962**

Note - 12(c) Other financial liabilities

Particulars	As at 31st March,2020	As at 31st March,2019
Current maturities of long-term debt (Refer Note (i) below)	-	-
Current maturities of finance lease obligations	-	-
Interest Payable	-	-
Other payables		
i Statutory remittances (Contributions to PF and ESIC, Withholding Taxes, Excise Duty, VAT, Service Tax, etc.)	2,35,346	2,39,035
ii Others: Salary & Wages	9,48,682	7,80,997
iii Unclaimed Dividend	20,056	20,056
iv Other Liabilities	46,03,541	55,26,298
Total	**58,07,625**	**65,66,386**

Note - 13 Employee benefit obligations

Particulars	As at 31st March,2020	As at 31st March, 2019
Provision for bonus	5,07,037	5,61,631
Provision for other employee benefits - Exgratia	-	-
Provision for Gratuty employee benefits	2,65,011	3,84,182
Total	**7,72,048**	**9,45,813**

Note - 14 Other Current liabilities

As at 31st March, 2017	As at 31st March,2020	As at 31st March,2019
Other Current liabilities	-	60,00,000
Total	-	60,00,000

Note 15: Revenue from operations

Particulars	For the year ended 31st March 2020	For the year ended 31st March 2019
	Rs.	Rs.
Sale of products	7,37,77,496	5,48,91,436
Sales of traded goods	70,31,340	99,08,707
Total	**8,08,08,836**	**6,48,00,143**

Note 16(a):Other income

Particulars	For the year ended 31st March 2020	For the year ended 31st March 2019
	Rs.	Rs.
Interest Received	26,541	5,29,648
Dividend-others from Long Term Investments	-	-
Rent Recd	-	10,56,000
Conversion Charges	7,12,393	12,66,195
Duty Drawback	11,47,015	8,25,333
Profit on Sales of Fixed Assets	1,92,94,027	
Sales of MEIS License	-	1,15,43,462
Misc & other income	9,54,041	11,788
Total	**2,21,34,017**	**1,52,32,426**

Note 16(b): Other gain

Particulars	For the year ended 31st March 2020	For the year ended 31st March 2019
	Rs.	Rs.
Foreign Exchange Gain	-	12,13,888
Total	**-**	**12,13,888**

Note 17(a) : Cost of material consumed

Particulars	For the year ended 31st March 2020	For the year ended 31st March 2019
	Rs.	Rs.
Raw Material consumed		
Opg Stock of Raw Material	81,49,416	43,21,693
Add : Raw Material Purchase	6,90,66,828	5,40,92,426
Packing Material	5,64,288	14,05,231
Freight Inward	7,88,842	5,56,398
	7,85,69,374	6,03,75,748
Less : Closing stock	92,44,310	81,49,416
Total	**6,93,25,064**	**5,22,26,331**

Note 17(b) : Changes in inventories

Particulars	For the year ended 31st March 2020	For the year ended 31st March 2019
	Rs.	Rs.
Inventory at the beginning of the year Finished & Work in Progress		
Finished Goods	-	-
Work in Progress	82,15,369	26,92,096
	82,15,369	**26,92,096**
Inventory at the end of the year		
Finished Goods	-	-
Work in Progress	1,18,40,400	82,15,369
	1,18,40,400	**82,15,369**
Changes in Inventories	**(36,25,031)**	**(55,23,273)**

Note 18: Employees benefit expense

Particulars	For the year ended 31st March 2020	For the year ended 31st March 2019
	Rs.	Rs.
Salary, Wages and Bonus Etc.	1,41,33,618	1,41,53,620
Company's Contribution to Provident Fund, ESIC & Gratuity	9,39,999	14,01,006
Staff welfare Expenses & other Amenities	5,66,939	10,18,612
Leave Encashment	28,730	46,515
Total	**1,56,69,286**	**1,66,19,753**

Note 19: Depreciation and Amortization Expenses

Particulars	For the year ended 31st March 2020	For the year ended 31st March 2019
	Rs.	Rs.
Depreciation of property,Plant & equipment	25,61,993	22,75,630
Depreciation on investment property	-	17,801
Total	**25,61,993**	**22,93,431**

Note 20 : Other Expense

Particulars	For the year ended 31st March 2020	For the year ended 31st March 2019
	Rs.	Rs.
Rates & Taxes	2,42,709	2,50,267
Power & Water	32,79,062	34,02,627
Stores & Spares	10,66,848	5,52,234
Repairs and Maintenance :		
- Repairs to Building	-	4,13,761
- Repairs to Machinery	3,34,841	9,67,245
- Repairs to Others	93,309	6,86,498
Advertisement & Sales Promotion	50,464	53,587
Freight & Forwarding Charges	8,75,874	7,94,978
Travelling Expenses	53,65,467	1,12,283
Auditor's Remuneration	7,06,703	5,63,555
Insurance	2,03,341	1,67,725
Telephone Charges	1,98,259	1,87,441
Conveyance & Car Expenses	7,26,042	7,43,892
Labour Charges	20,91,291	18,89,443
General Expenses	9,77,992	8,88,551
ROC & Listing Compliance	9,24,889	12,86,022
Courier Charges	1,69,206	1,52,149
Lab Expenses	2,39,695	1,66,281
Office Expenses	2,17,058	2,45,679
Rent	1,35,000	1,80,000
Loss on Sales of Asstes	-	2,32,319
Professional Charges	30,63,787	27,16,115
Printing & Stationery	99,026	83,145
Balance Written Off	22,28,739	2,87,182
Foreign Exchange Loss (Net)	5,14,848	-
Total	**2,38,04,449**	**1,70,22,979**

Note-21: Financial Cost

Particulars	For the year ended 31st March 2020	For the year ended 31st March 2019
	Rs.	Rs.
Interest expense		
Bank Interest	15,49,512	17,79,424
Other Interest	64,345	8,955
Bank Charges	5,88,862	3,45,310
Total	**22,02,719**	**21,33,689**

CHROMATIC INDIA LIMITED

Notes forming part of the financial statements

Note-1: Company Overview

The Company is currently in the business of manufacturing, trading and export of Synthetic Organic Dyestuff and dyes intermediates. The Company concentrates on the Reactive Dyestuff mainly Vinyl Sulfone type, bi-functional, multi-functional and high exhaustion and the latest dyestuff to make liquid dyestuff. All the products are appreciated all over the world. At present, the Company is manufacturing only Reactive Dyes based on Vinyl Sulphone & Cyanuric Chloride. In future, the Company is planning to manufactures Disperse & Vat Dyes. The Company has also started trading activities in chemicals and building material and also has taken Power Trading license from Govt. of India.

Note-2: Significant Accounting Policies

2.1 Basis of Preparation of Financial Statements

a) The financial statements of the Company have been prepared on an accrual basis and under the historical cost convention except for certain financial instruments which have been measured at fair value. The accounting policies are consistently applied by the Company during the year and are consistent with those used in previous yearexcept for the changes in accounting policies required to be made on adoption of Indian Accounting Standards notified under theCompanies Act, 2013.

b) In accordance with the notification issued by the Ministry of Corporate Affairs, the Company has adopted Indian AccountingStandards (referred to as "Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 with effect from April 1, 2017. Previous period's and year's numbers in the financial statements have been restated to Ind AS.

c) These financial statements have been prepared in accordance with Ind AS 34 Interim Financial Reporting as notified under theCompanies (Indian Accounting Standards) Rules, 2015 read with Section 133 of the Companies Act, 2013.

d) These financial statements are the Company's first Ind AS Standalone financial statements.

2.2 Use of Estimates

The preparation of the condensed financial statements in conformity with Ind AS requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenue, expenses, assets and liabilities and disclosure of contingent liabilities at the end of period /year. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

2.3 Revenue Recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

Sale of Goods
Revenue is recognized when the significant risks and rewards of ownership of the goods have passed to the buyer. Excise Duty, Sales Tax and VAT are deducted from turnover (gross).

Interest
Revenue is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.

Dividends
Revenue is recognized when the shareholders' right to receive payment is established by the balance sheet date. Dividend from subsidiaries is recognized even if same are declared after the balance sheet date but pertains to period on or before the date of balance sheet.

Rentals
Revenue is recognized on accrual & time proportion basis.

2.4 Accounting for Export Incentive:

Export incentive are recognized on exports on accrual basis, and based on the estimated realizable value of such entitlements.

2.5 Property, plant and equipment:

Fixed Assets are stated at cost (net of Cenvat Credit) of acquisition/construction and includes amounts added on revaluation, less accumulated depreciation and impairment loss. Cost includes purchase price, borrowing costs and any direct expenses as well as clearly identifiable indirect expenses incurred to bring the assets to their working condition for its intended use.

Transition to Ind AS

On transition to Ind AS, the group has elected to continue with the carrying value of all of its property, plant and equipment as at 1 April 2016 measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment.

Expenditure during Project Implementation Period:
All expenditure, including advances given during the project implementation period, is accumulated and disclosed as capital work-in progress until the assets are ready for commercial use.

2.6 Investment Property

Property that is held for long term rental yields or for capital appreciation or both, and that is not occupied by the Company, is classified as Investment Property. Investment property is measured initially at its cost, including related transaction costs and borrowing costs, where applicable. Subsequent expenditure is capitalized to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Company and cost of the item can be measured reliably. All other repairs and maintenance cost are expensed when incurred. When part of an investment property is replaced, the carrying amount of the replaced part is derecognized.
Investment property are depreciated using the straight line method over their estimated useful lives.

Transition to Ind AS
On transition to Ind AS, the Company has elected to continue with the carrying value of its Investment properties recognized as at 1stApril 2016 measured as per the previous GAAP and use that carrying value as the deemed cost of investment properties.

2.7 Depreciation and Amortisation

Depreciation on Fixed Assets is provided to the extent of depreciable amount on 'Straight Line Method' as on 31.03.2014 on the remaining useful life of the Assets in the manner and at the rates specified in Schedule II of the Companies Act, 2013 except in the case of buildings where WDV as on 31.03.2014 has been depreciated in the remaining estimated life of the asset (as certified by the management in the absence of complete details of additions), which is different than those prescribed in schedule-II. Assets acquired under finance lease are depreciated over the period of lease. Leasehold land & and premium thereon are depreciated over the period of lease. Also individual capital items of upto a value of Rs.5,000/- have been fully depreciated.

2.8 Impairment of Assets

The carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the asset's net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value at the weighted average cost of capital. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life. Previously recognised impairment loss is increased or reversed depending on changes in circumstances. However the carrying value after reversal is not increased beyond the carrying value that would have prevailed by charging usual depreciation if there was no impairment.

2.9 Leased Assets

Finance leases, which effectively transfer to the Company, all the risks and benefits incidental to ownership of the leased item, are capitalized at the lower of the fair value and present value of the minimum lease payments at the inception of the lease term and disclosed as leased assets. Lease payments are apportioned between the finance charges and reduction of the lease liability based on the implicit rate of return. Finance charges are charged directly against income. Lease management fees, legal charges and other initial direct costs are capitalised. If there is no reasonable certainty that the Company will obtain the ownership by the end of the lease term, capitalized leased assets are depreciated over the shorter of the estimated useful life of the asset or the lease term.

2.10 Foreign Currency Transactions

i) Initial Recognition:
Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

(ii) Conversion:
Foreign currency monetary items are reported using the closing rate. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction; and non-monetary items which are carried at fair value or other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when the values were determined. Equity Investment in foreign companies are recorded at the exchange rates prevailing on the date of making the investments, however, any advances to foreign company are reported using the closing rate.

(iii) Exchange Differences:
Exchange differences arising on a monetary item that, in substance, form part of the company's net investment (except investment in share capital) in a non-integral foreign operation is recognized in other comprehensive income and accumulated in a foreign currency translation reserve in the financial statements until the disposal of the net investment, at which time they are recognised as income or as expenses.
Exchange differences arising on the settlement of monetary items not covered above, or on reporting such monetary items of company at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognized as income or as expenses in the year in which they arise.

iv) Forward Exchange Contracts not intended for trading or speculation purposes:
The premium or discount arising at the inception of forward exchange contracts is amortised as expense or income over the life of the contract. Exchange differences on such contracts are recognised in the statement of profit and loss in the year in which the exchange rates change. Any profit or loss arising on cancellation or renewal of forward exchange contracts is recognised as income or as expense for the year. None of the forward exchange contracts are taken for trading or speculation purpose.

2.11 Investment

Investments that are readily realisable and intended to be held for not more than a year are classified as current investments. All other investments are classified as long-term investments. Current investments are carried at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognise a decline other than temporary in the value of the Investment.

2.12 Inventories

Inventories are valued as follows:

Raw materials, packing material, Work in progress, components, stores and spares:
Lower of cost and net realizable value. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost is determined on First in First out basis (FIFO).

Finished goods:
Lower of cost and net realizable value. Cost includes direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity. Cost of finished goods includes excise duty.
Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the product saleable.

2.13 Taxes on Income:

Tax expense comprises of current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961 enacted in India. Deferred income tax reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years.

Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to the taxes on income levied by same governing taxation laws. Deferred tax assets are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such

deferred tax assets can be realised. In situations where the company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that they can be realised against future taxable profits.

At each balance sheet date the Company re-assesses unrecognised deferred tax assets. It recognisesunrecognised deferred tax assets to the extent that it has become reasonably certain or virtually certain, as the case may be that sufficient future taxable income will be available against which such deferred tax assets can be realised.

The carrying amount of deferred tax assets are reviewed at each balance sheet date. The company writes-down the carrying amount of a deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realised. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available
MAT credit is recognised as an asset only when and to the extent there is convincing evidence that the company will pay normal income tax during the specified period. In the year in which the Minimum Alternative tax (MAT) credit becomes eligible to be recognized as an asset in accordance with the recommendations contained in guidance Note issued by the Institute of Chartered Accountants of India, the said asset is created by way of a credit to the profit and loss account and shown as MAT Credit Entitlement. The Company reviews the same at each balance sheet date and writes down the carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that Company will pay normal Income Tax during the specified period.

2.14 Employee Benefits:

Retirement benefits in the form of Provident Fund and Government administered Employees Insurance and Pension Plans are defined contribution schemes and the contributions are charged to the Profit and Loss Account of the year when the contributions to the respective funds are due. There are no other obligations other than the contribution payable to the respective funds.

Gratuity liability is a defined benefit obligations and are provided for on the basis of an actuarial valuation. The Company makes annual contributions to the Employee's Group Gratuity-cum-Life Assurance Scheme of the Life Insurance Corporation of India, a funded

defined benefit plan for qualifying employees. The Scheme provides for lump-sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount equivalent to 15 days salary payable for each completed year of service or part thereof in excess of six months. Vesting occurs upon completion of five years of service.

The Company has a scheme for compensated absences for employees, the liability of which is recognized on actual basis instead of accrual basis and charged to Profit and Loss Account in the year of payment.

Expenditure on Voluntary Retirement Scheme are amortised over the period of two years.

2.15 Borrowing Cost:

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 respective asset. All other borrowing costs are expensed in the period they occur.

2.16 Earnings Per Share:

Basic earnings per share is calculated by dividing the net profit for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

2.17 Provision:

A provision is recognized when an enterprise has a present obligation as a result of past event; it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

2.18 Cash and Cash equivalents:

Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.

2.19 Segment:

In accordance with Notified Indian Accounting Standard (Ind AS-108) "Operating Segments", the Company's business constitutes only one reportable business segment being manufacturing & trading of S. O. Dyes & Chemicals and hence no separate disclosure to attributable Revenues, Profits, Assets, Liabilities, and Capital Employed are given. Geographical segments details i.e. the Domestic and the Overseas are provided in the notes to the accounts.

2.20 Contingent Liabilities:

Contingent Liabilities, if any, are disclosed in the Notes to Accounts. Provision is made in the accounts in respect of those contingencies which are likely to materialize into liabilities after the year end till the approval of the accounts by the Board of Directors and which have material effect on the position stated in the Balance Sheet.

2.21 First-time adoption of Ind-AS:

These financial statements, for the year ended March 31, 2018 are the first financial statements the Company has prepared inaccordance with Ind-AS. For periods up to and including the year ended March 31, 2017 the Company prepared its financial statementsin accordance with statutory reporting requirements in India immediately before adopting Ind AS ('previous GAAP').

Accordingly, the Company has prepared condensed financial statements which comply with Ind-AS applicable for year ended March 31, 2018, together with the previous year ended March 31, 2017. In preparing these financial statements, the Company's openingbalance sheet was prepared as at April 1, 2016, the Company's date of transition to Ind-AS. There were no adjustments made by theCompany in restating its Indian GAAP financial statements including the balance sheet as at April 1, 2016 and the financial statementsas at and for the year ended March 31, 2017.

Exemptions applied:

Ind AS 101 allows first-time adopters certain optional exemptions from the retrospective application of certain requirements under IndAS. The Company has applied the following optional exemptions:

a) Deemed cost :The Company has elected to measure the carrying value for all of its Property, Plant & Equipment and Investment Properties as per theprevious GAAP and used that as its deemed cost as at the date of transition to Ind AS i.e. April 1, 2016.
b) Ind AS 101 allows a Company to measure investments in subsidiaries and associates at the deemed cost. The Company hasconsidered the carrying amount as per previous GAAP at the previous reporting date as the deemed cost.
c) Ind AS 101 allows a Company to designate investments in equity instruments at FVOCI on the basis of the facts and circumstances at the date of transition to IndAS. The Company has elected to apply this exemption for its investment in equity instruments.

CHROMATIC INDIA LTD.

Notes forming part of the financial statements

OTHER NOTES TO ACCOUNTS

22	**Contingent liabilities not provided for:**	**As at 31-03-20 (Rs. In Lacs)**	**As at 31-03-19 (Rs. In Lacs)**
	Income Tax Demand for which company has gone into appeal	**2267.00**	**2461.68**
	Bank Guarantees (secured by fixed deposit receipts)	**6.94**	**7.99**

23 There are no Micro, Small and Medium Enterprises, as defined in the Micro, Small and Medium Enterprises Development Act, 2006 to whom the company owes dues on account of principal amount together with interest and accordingly no additional disclosures have been made.

The above information regarding Micro, Small and Medium Enterprises has been determined to the extent such parties have been identified on the basis of information available with the company. This has been relied upon by the auditors.

24 In the opinion of the Board, current assets, loans and advances shall have a value on realisation in the ordinary course of business at least equal to the amount at which they are stated in the balance sheet and provision for all known liabilities have been made and contingent liabilities disclosed properly.Sundry Debtors & Loan and Advances (othr than Advances to subsidiaries) includes amount of Rs.4.06 Crore & Rs.1.06 Crore respetively for a period of more than 3 years.

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25 Loans & Advances includes non-interest bearing unsecured loan of **Rs. 268,96,23,337/-** given to Chromatic International FZE, the subsidiary of the company for overseas Business Development. The subsidiary did not do any business during the year. Company has not made the accounting treatment as prescribed in Ind AS 109 (Financial Instruments) and Ind AS 113 (Fair Value Measurement). Due to non availability of repayment plan, Company is not able to provide the impact of the same in Balance sheet/ Notes.

26 The Company has written off Debit Balances of Rs. 46.572 crore and writeback of Credit Balances of Rs. 46.566 Crores.

27 On transition to Ind AS, Company has classified one of its Building which has been given on rent, as Investment Property as per Ind AS 40 (Investment Property) and elected to continue with the carrying value recognised as at 1 April 2016 measured as per previous GAAP. Further, as prescribed in IAS 40, Company has not measured the Investment property at Fair value as on 31.03.2020.

28 During the year 2018-19 commissioner of income tax (Appeal), has passed the order for the A.Y. 2015-16 against the company for the income tax demand Rs.22,61,99,645/- said demand has not yet provided in the books as on 31st March 2020

29 Capital work in progress includes an amount of **Rs. 105.72** Crores, paid during previous accounting years for setting up of power plant. The procurement has not been done for pending clearances from the Govt. These advances are subject to confirmation and reconciliation and outstanding for more than 3 years.

30 No events or transactions have occurred since the date of Balance Sheet or are pending that would have a material effect on the financial statements at the date or for the period then ended, other than those reflected or fully disclosed in the Notes on Accounts.

31	**Net amount of exchange differences**	**As at 31-03-20**	**As at 31-03-19**
		(Rupees)	**(Rupees)**
	The net amount of exchange differences debited / (credited) 'to profit & loss account	5,14,848	(12,13,888)

32 Provision for Gratuity payable to employees has been covered by the Group Gratuity Policy taken by the company with LIC of India and premium of the policy has been duly accounted for as advised by LIC of India . However, no provision has been made for leave encashment as required by

A. Defined Contribution Plans – Employers contribution to Provident Fund :

During the year the company has recognized the following amounts in the statement of Profit & Loss

Employers Contribution to Provident fund	2019-20	2018-19
	8,50,835.00	8,69,369.00

B. State Plans – Employers contribution to Employee State Insurance:

During the year the company has recognized the following amounts in the Statement of Profit & Loss

Employers Contributions to Employee State Insuranc	2019-20	2018-19
	5,854.00	6,323.00

Present value of gratuity obligation based on actuarial valuation using the projected unit credit Method which recognizes each period of service as

I.	Change in present value of obligations:	Gratuity 2019-20	Gratuity 2018-19
	Present value of obligation at the beginning	50,27,218.00	49,46,248.00
	Current service costs	1,93,582.00	2,05,850.00
	Benefits paid	-	-
	Acturial (Gain)/Loss on obligation	(3,87,530.00)	(1,24,880.00)
	Present value of obligation at the end	**48,33,270.00**	**50,27,218.00**

II.	Amount to be recognized in the Balance Sheet:	2019-20	2018-19
	Present value of obligation at the end of the current year	48,33,270.00	50,27,218.00
	Fair value of plan assets at the end of the I.V.P	-	-
	Funded status	45,68,259.00	48,63,669.00
	Unrecongized Actuarial (Gain)/Loss at the end	-	-
	Net (Assets)/Liability Recognized in the Balance Shee	**2,65,011.00**	**1,63,549.00**

III.	Expenses recognized in the Statement of Profit & Los	2019-20	2018-19
	Current service cost	1,93,582.00	2,01,763.00
	Net Actuarial (Gain)/Loss recognized in the I.V.P	2,65,011.00	-
	Expenses recognized in the Statement of Profit & Loss	-	12,676.00

IV.	Actuarial Assumptions:	LIC 2006-08 (Ultimate) 2019-20	LIC 2006-08 (Ultimate) 2018-19
	Discounting Rate	7.25%	7.50%
	Salary Rise	5.00%	5.00%
	Withdrawl Rate	1% - 3%	1% - 3%
	Average Past Service	22.76	22.15

33 Segment reporting

Company

Particulars	Domestic	Overseas	Total
Sales	70,31,340	7,37,77,496	-
	(99,08,707)	(5,48,91,436)	(6,48,00,143)
Total Sales	70,31,340	7,37,77,496	-
	(99,08,707)	(5,48,91,436)	(6,48,00,143)

Figures in bracket represent previous year figures.

The following table shows the distribution of sales in India and outside India

Name of the country	2019-20 (Rupees)	2018-19 (Rupees)
India	70,31,340	99,08,707
Switzerland	5,85,14,003	4,62,11,751
Austria		-
Bangladesh	11,78,850	46,85,930
Italy		14,89,755
Singapore	1,40,84,643	-
Basel		11,97,200
Brazil		13,06,800
Total	**8,08,08,836**	**6,48,00,143**

Disclosure of Segment-wise Liabilities and Profitability has not been possible, as the company has only one manufacturing plant and a unified marketing and

Segment assets	As at 31-03-20 (Rupees)	As at 31-03-19 (Rupees)
Export Debtors	12,65,09,914	11,60,87,700
Total	**12,65,09,914**	**11,60,87,700**

34 Related Party Disclosures

As per the Accounting Standard 18, disclosures of transactions with the related parties as defined in the Accounting Standard are given below:

(i) List of related parties and relationships:

	Name of the Related Party	Nature of Relationship
(a)	Cheetah Multitrade Pvt. Ltd.	
(b)	Chromatic International FZE	100% Subsidiary
(c)	Mr.V.K.Kaushik	Key Managerial Personnel
(d)	Mr Siraj Ahemad Shaikh (Part of the year)	Independent Director
(e)	Ms. Diana Mahesh Joshi (Part of the year)	Independent Director
(f)	Mr.Mayank Kotadia	Independent Director
(g)	Hiral Hitesh Baveshi (Part of Year)	Independent Director
(i)	Ms Roshani Shah	Company Secretary

(ii)	**Entities in which any director or his relative is a partner , director or member**	
(a)	Chromatic Sponge Iron Limited	Company
(b)	Chromatic Ferro Alloys Ltd.	Company
(c)	Arihant Multi comarcial Ltd	Company

(iii)	**Remuneration to Whole Time Directors:** (Includes benefits which are debited to respective expenses)	**As at 31-03-20 (Rupees)**	**As at 31-03-19 (Rupees)**
a	Remuneration	18,24,000	10,56,000
b	Provident Fund Contribution	1,26,720	1,26,720
c	Other Perquisites (LTA & Medical Allowance)	-	50,000
d	Conveyance	36,000	36,000
	Total	**19,86,720**	**12,32,720**

(iv)	**Transactions during the year with related parties(excluding reimbursments)**	**2019-20 (Rupees)**	**2018-19 (Rupees)**
	With Holding Company: Cheetah Multitrade Pvt. Ltd.		
	Unsecured loan taken	-	-
	With Subsidiary: Chromatic International FZE		
	Investment in Share Capital of Chromatic International FZE	-	-
	Unsecured loan given	-	-
	With Subsidiary: Chromatic Ferro Alloys Ltd.		
	Investment in Share Capital of Chromatic Ferro Alloys Ltd.	-	-
	Advances given / received back	-	-
	With Key Managerial Personnel :		
	Mr.V.K.Kaushik-Remuneration	19,86,720	12,32,720
	Mr.Ajay Sethi - Director Sitting Fees	-	2,000
	Ms. Diana Mahesh J - Director Sitting Fees	9,000	8,000
	Mr.Mayank Kotadia - Director Sitting Fees	9,000	8,000
	Mr Siraj Ahemad Sh - Director Sitting Fees	9,000	-
	Mr.Sandeep Pawar - Director Sitting Fees	-	2,000
	Ms. Hiral Hitesh Bav - Director Sitting Fees	8,000	
	Ms.Suruchi Pedneka - Remuneration	-	2,06,000
	Ms.Roshani Shaha - Remuneration	97,650	
(v)	**Closing balance as on 31st March:**		
	With Holding Company: Cheetah Multitrade Pvt. Ltd.		
	Unsecured loan taken	81,82,402	81,82,402
	With Subsidiary: Chromatic International FZE		
	Investment in Share Capital of Chromatic International FZE	12,28,550	12,28,550
	Unsecured loan given (including exchange rate difference)	-	2,33,67,49,514

35 Calculation of Earning Per Shares

(i)	Basic EPS	As at 31-03-20 (Rupees)	As at 31-03-19 (Rupees)
	Net Profit / (Loss) after tax available for equity shareholders	19,47,02,684	15,81,71,139
	Weighted average no. of Equity Shares used as denominator	7,10,46,100	7,10,46,100
	Basic Earning Per Share (In Rupees)	**2.741**	**2.226**

(ii)	Diluted EPS	As at 31-03-20 (Rupees)	As at 31-03-19 (Rupees)
	Net Profit / (Loss) after tax available for equity shareholders	19,47,02,684	15,81,71,139
	Weighted average no. of Equity Shares used as denominator	7,10,46,100	7,10,46,100
	Diluted Earning Per Share (In Rupees)	**2.741**	**2.226**

36 Deferred Tax

Particulars	Opening Balance as at 01.04.2019	During the year 2019-20	Closing Balance as at 31.03.2020
Deferred Tax Assets			
Ex-Gratia	-	-	-
Bonus	(18,121)	(16,869)	(34,990)
Unpaid Interest	-	-	-
	-		
	(18,121)	**(16,869)**	**(34,990)**
Deferred Tax Liability			
Written down Value	48,87,970	(8,03,890)	40,84,080
Change in Foreign currency translation reserve	26,15,30,358	5,84,10,805	31,99,41,163
Net Deferred Tax Liability	**26,64,36,449**	**5,76,23,783**	**32,40,60,233**

37 Disclosure pursuant to Clause 32 of The Equity Listing Agreement and section 186 of the Companies Act, 2013 **(Rs in Lacs)**

Particulars	Year ended 31/03/2020	Year ended 31/03/2019
Loans and advances in the nature of loans to subsidiaries		
Chromatic International FZE		
Balance as at the year end	26,896.23	24,949.21
Maximum amount outstanding at any time during the year*	26,896.23	24,992.31
(Interest free loan given to subsidiary has been utilised for meeting working capital requirement)		

*there have been no transactions with the subsidiary during the year. The effect/ variation in balances is due to adjustment of foreign exchange fluctuation

38

Earnings in foreign currency	As at 31-03-20 (Rupees)	As at 31-03-19 (Rupees)
F.O.B. Value of Exports (on accrual basis)	7,37,77,496	5,48,91,436

39

Value of import on CIF basis	As at 31-03-20 (Rupees)	As at 31-03-19 (Rupees)
Raw Materials & Packing Material Purchased	-	6,61,396
Stores and Spares Purchased	-	-

40

Expenditure in foreign currency	As at 31-03-20 (Rupees)	As at 31-03-19 (Rupees)
Travelling Expenses	53,11,555	44,057

41 **Particulars of unhedged foreign currency exposure as at balance sheet date**

Particulars	Currency	As at 31-03-20		As at 31-03-19	
		USD	Rupees	USD/EURO	Rupees
Debtors (net of advances)	USD	16,78,295.51	12,65,09,916	16,78,295.51	11,60,87,700
	EURO			-	-

42 Pursuant to Indian Accounting Standard (AS)-36 on "Impairment of Asset" issued by The Institute of Chartered Accountants of India, the company assessed its

43 **Disclosure as per clause 32 of the listing agreement:**
Loans given to subsidiary company where no repayment schedule is prescribed.

Name of subsidiary company	As at 31-03-20 (Rupees)	Maximum balance outstanding during the year
Unsecured Loan to Chromatic International FZE	-	2,68,96,23,337
	(2,33,67,49,514)	(2,36,94,87,753)

Figures in bracket represent previous year figures.

44 **Additional quantitative information**

Details of licensed and installed capacity and actual production	As at 31-03-20 in KG	As at 31-03-19 in KG
Licensed capacity	12,00,000	12,00,000
Installed capacity	12,00,000	12,00,000
Actual production	1,78,987	1,40,096

A Details of finished goods / WIP as on 31-03-20 **All Quantities are in KG**

Particulars	Opening Stock		Production	Turnover		Closing Stock	
	Quantity	Value (Rs.)	Quantity	Quantity	Value (Rs.)	Quantity	Value (Rs.)
S.O. Dyestuffs (Reactive dyes)	22,452	26,92,096	1,78,987	1,81,063	7,97,81,663	20,376	1,17,22,491
Total	**22,452**	**26,92,096**	**1,78,987**	**1,81,063**	**7,97,81,663**	**20,376**	**1,17,22,491**
Previous Year	(9,641)	(26,92,096)	(1,40,096)	(1,27,285)	(6,48,00,143)	(22,452)	(82,15,389)

Figures in bracket represent previous year figures.

B Raw material consumed/ sales

Particulars	For the year ended 31-03-20		For the year ended 31-03-19	
	Quantity	Value (Rs.)	Quantity	Value (Rs.)
H. Acid	3569	14,02,277	5391	22,56,323
J. Acid	11255	94,68,830	6054	47,09,731
Vinyl Sulphone	25784	63,26,226	3589	11,88,768
C F.Oil	14351	6,26,984	26550	12,57,613
Coal	244680	19,37,642	160050	12,58,858
Other raw materials		40,42,490		4,15,56,039
		2,38,04,449		**5,22,27,332**

Raw material/Packing material & stores & spares imported/ indigenous:

Particulars		For the year ended 31.03.2020		For the year ended 31.03.2019	
		Value (Rs.)	%	Value (Rs.)	%
A)	**Raw Material & Packing Material**				
	Imported	-	0.00	6,61,396	1.19
	Indigenous	6,96,31,116	100.00	5,48,36,260	98.81
		6,96,31,116	**100.00**	**5,54,97,656**	**100.00**
B)	**Stores & Spares**				
	Imported	-	0.00	-	0.00
	Indigenous	10,66,848	100.00	5,52,234	100.00
		10,66,848	**100.00**	**5,52,234**	**100.00**

45 The company is operating in single line of product i.e. manufacturing of Dyes & Chemicals on the specific orders received from its customers. In view of this,

46 Previous year figures have been regrouped, rearranged, reclassified and reworked wherever necessary. Amounts and other disclosures for the preceding year are

AUDITORS' REPORT

As per our report of even date attached
For M/s Dargar & Co.
Chartered Accountants
Firm Registration No. : 007289W

Vijay Dargar
Partner
Membership No. 76191
Place: Mumbai
31t July 2020

For and on behalf of Board of Directors
Chromatic India Ltd

Mr.V.K.Kaushik
Whole Time Director
Din No : 02586479

Mr.Mayank Kotadia
Director
Din No : 07484438

Mr. Nitin Kumar Kothari
Chief Financial Officer

Independent Auditor's Report

To the Members of Chromatic India Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

1. We have audited the accompanying consolidated financial statements of Chromatic India Limited ('the Company'), which comprise the Consolidated Balance Sheet as at 31 March 2020, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements, subject to note nos. 24, 25, 26, 27, 28, 31 & 40 give the information required by the Companies Act, 2013 ('Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Indian Accounting Standards ('Ind AS') specified under section 133 of the Act, of the consolidated state of affairs (consolidated financial position) of the Company as at 31 March 2020, and its consolidated profit (consolidated financial performance including other comprehensive income), its consolidated cash flows and the consolidated changes in equity for the year ended on that date.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing 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 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 financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained and the audit evidence obtained by other auditors in terms of their reports referred to in paragraph 15 of the other matters paragraph below, is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

4. Key audit matters are those matters that, in our professional judgment and based on the consideration of the reports of the other auditors on separate financial statements and on the other financial information of the subsidiaries and associates, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

5. We have determined the matters described below to be the key audit matters to be communicated in our report.

	Key audit matter	How our audit addressed the key audit matter
1.	We draw reference to note 24 & 25 to the consolidated financial statements. Sundry Debtors and Loans & Advances (other than advances to subsidiaries) includes amount of Rs 4.06 crore and Rs 1.06 crore respectively which are outstanding for a period of more than 3 years.	Our audit procedures were focused on obtaining sufficient appropriate audit evidence that the carrying value of Sundry Debtors and Loans & Advances are not materially misstated. In the absence of proper audit evidence including but not limited to absence of balance confirmation, we have relied on the written representation from the management who are in the opinion that current assets, loans and advances shall have a value on realisation in the ordinary course of business at least equal to the amount at which they are stated in the balance sheet and provision for all known liabilities have been made and contingent liabilities disclosed properly.

2.	We draw reference to note 26 to the consolidated financial statements. Company has classified one of its Building which has been given on rent, as Investment Property as per Ind AS 40 (Investment Property) and elected to continue with the carrying value recognised as at 1 April 2016 measured as per previous GAAP. Company has not measured the Investment property at Fair value as on 31.03.2019 as prescribed in Ind AS 40.	As per management, the govt. is not allowing chemical manufacturing in this premises and therefore the building has been rented out. Due to absence of proper information, we have given our opinion subject to this.
3.	We draw reference to note 27 to the consolidated financial statements. During the year 2018-19, Asst. Commissioner of Income Tax has passed the order for the A.Y. 2015-16 against the Company for the Income Tax demand of Rs 22,66,99,645/-. Said demand has not yet provided in the books as on 31st March 2020.	As explained by management, the Co. has filed appeal against the order in consultation with legal experts. Due to absence of proper documents, we have not given our opinion on this.
4.	We draw reference to note 28 to the consolidated financial statements. Capital work in progress includes an amount of Rs. 105.72 Crores, paid during previous accounting years for setting up of power plant. The procurement has not been done for pending clearances from the Govt. These advances are subject to confirmation and reconciliation and outstanding for more than 3 years.	As per management backward integration could not be done in the absence of govt. clearances. Due to absence of proper documents/ information, we have given our opinion subject to this.
5.	We draw reference to the note 6(d). Company carrying heavy cash in hand balance, which in our opinion is not line with the size of business. We have not physically verified the cash balance.	We have relied on the written representation of the management who confirms the availability of cash balance.

We have determined that there are no other key audit matters to communicate in our report.

Information other than the Consolidated Financial Statements and Auditor's Report thereon

6. The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the consolidated financial statements and our auditor's report thereon. The Annual Report is expected to be made available to us after the date of this auditor's report.

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

   In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

   When we read the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

7. The Holding Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated state of affairs (consolidated financial position), consolidated profit or loss (consolidated financial performance including other comprehensive income), consolidated changes in equity and consolidated cash flows of the Group including its associates in accordance with the accounting principles generally accepted in India, including the Ind AS specified under section 133 of the Act. The Holding Company's Board of Directors is also responsible for ensuring accuracy of records including financial information considered necessary for the preparation of consolidated Ind AS financial statements.

   Further, in terms of the provisions of the Act, the respective Board of Directors /management of the companies included in the Group, and its associate companies covered under the Act are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error. These financial statements have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

8. In preparing the consolidated financial statements, management is responsible for assessing the Group'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.

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

    - Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

    - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the holding company 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 Group'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 consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

12. 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.

13. 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.

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

Other Matter

15 We did not audit the financial statements of Chromatic International FZE a subsidiary of the Company, whose financial statements reflect total assets of ₹ 27995.65 lacs as at 31 March 2020, total revenues of ₹ Nil and net cash inflows amounting to ₹ Nil for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiary, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiary, is based solely on the reports of the other auditors.

Our opinion, and matters identified and disclosed under key audit matters section above, in so far as it relates to the balances and affairs of such subsidiaries located outside India is based on the reports of other auditors and the conversion adjustments prepared by the management of the Holding Company and audited by us.

Our opinion above on the consolidated financial statements, and our report on other legal and regulatory requirements below, are not modified in respect of the above matters with respect to our reliance on the work done by and the reports of the other auditors.

Report on Other Legal and Regulatory Requirements

16. As required by section 197(16) of the Act, based on our audit and on the consideration of the reports of the other auditors, referred to in paragraph 15, on separate financial statements of the subsidiaries and associates, we report that the Holding Company and one associate company covered under the Act paid remuneration to their respective directors during the year in accordance with the provisions of and limits laid down under section 197 read with Schedule V to the Act.

17. As required by Section 143 (3) of the Act, based on our audit and on the consideration of the reports of the other auditors on separate financial statements and other financial information of the subsidiaries and associates, 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 purpose of our audit of the aforesaid consolidated financial statements;

b) in our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors;

c) the consolidated financial statements dealt with by this report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements;

d) in our opinion, the aforesaid consolidated financial statements comply with Ind AS specified under section 133 of the Act;

e) on the basis of the written representations received from the directors of the Holding Company and taken on record by the Board of Directors of the Holding Company and the reports of the other statutory auditors of its subsidiary companies and associate companies covered under the Act, none of the directors of the Group companies and its associate companies covered under the Act, are disqualified as on 31 March 2020 from being appointed as a director in terms of Section 164(2) of the Act.

f) With respect to the adequacy of the internal financial controls over financial reporting of the Holding Company, and its subsidiary companies and associate companies covered under the Act, and the operating effectiveness of such controls, refer to our separate report in 'Annexure I';

g) With respect to the other matters to be included in the Auditor's Report in accordance with rule 11 of the Companies (Audit and Auditors) Rules, 2014 (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 auditors on separate financial statements as also the other financial information of the subsidiaries and associates:

i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group and its associates as detailed in note 35 to the consolidated financial statements;
ii. The Holding Company and its associates did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31 March 2020;
iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company and associate companies during the year ended 31 March 2020;
iv. The disclosure requirements relating to holdings as well as dealings in specified bank notes were applicable for the period from 8 November 2016 to 30 December 2016, which are not relevant to these consolidated financial statements. Hence, reporting under this clause is not applicable.

For Dargar & Co.
Chartered Accountants
Firm Registration No. 007289W

CA. Vijay Dargar
Proprietor
Membership No. 076191

Place: Mumbai
Date: 31st July, 2020

Annexure I to the Independent Auditor's Report of even date to the members of Chromatic India Limited, on the consolidated financial statements for the year ended 31 March 2020

Annexure I

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

1. In conjunction with our audit of the consolidated financial statements of Chromatic India Limited ("the Holding Company") and its subsidiary (the Holding Company and its subsidiary together referred to as "the Group") as at and for the year ended 31 March 2020, we have audited the internal financial controls over financial reporting (IFCoFR) of the Holding Company, its subsidiary, which are companies covered under the Act, as at that date.

Management's Responsibility for Internal Financial Controls

2. The respective Board of Directors of the Holding Company, its subsidiary, which are companies covered under the Act, are responsible for establishing and maintaining internal financial controls based on 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 ('the Guidance Note') issued by the Institute of Chartered Accountants of India (the '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 the Company's business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

3. Our responsibility is to express an opinion on the IFCoFR of the Holding Company, its subsidiary company as aforesaid based on our audit. We conducted our audit in accordance with the Standards on Auditing, issued by the ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of IFCoFR, and the Guidance Note issued by the ICAI. 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 IFCoFR were established and maintained and if such controls operated effectively in all material respects.

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the IFCoFR and their operating effectiveness. Our audit of IFCoFR included obtaining an understanding of IFCoFR, 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.

5. We believe that the audit evidence we have obtained and the audit evidence obtained by the other Auditors in terms of their report, is sufficient and appropriate to provide a basis for our audit opinion on the IFCoFR of the Holding Company, its subsidiary company as aforesaid.

Meaning of Internal Financial Controls over Financial Reporting

6. A company's IFCoFR 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 IFCoFR include 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

7. Because of the inherent limitations of IFCoFR, 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 IFCoFR to future periods are subject to the risk that the IFCoFR may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

8. In our opinion and based on the consideration of the reports of the other Auditor on the IFCoFR of the subsidiary company, the Holding Company, its subsidiary company, which are companies under the Act, have, in all material respects, adequate internal financial controls over financial reporting and such controls were operating effectively as at 31 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 issued by the ICAI.

For Dargar & Co.
Chartered Accountants
Firm Registration No. 007289W

CA. Vijay Dargar
Proprietor
Membership No. 076191

UDIN: 20076191AAAAHQ3873

Place: Mumbai
Date: 31st July, 2020

CHROMATIC INDIA LTD

CIN No : L99999MH1987PLC044447

Consolidated Balance Sheet as on 31st March 2020

	Notes	As on 31st March, 2020	As on 31st March,2019
ASSETS			
Non-Current Assets			
Property,Plant And Equipment	3	3,08,35,852	3,33,48,331
Capital Work in Progress	4	1,05,72,00,000	1,05,72,00,000
Investment Properties	5	-	89,107
Other Intangible Assets		-	-
Intangible Assets Under Development*		-	-
Biological Assets Other Than Bearing Plants*		-	-
Investments Accounted for Using The Equity Method		-	-
Financial Assets			
i. Investments	6(a)	25,800	83,400
ii. Loans	6(c)	2,80,09,64,119	2,59,83,02,804
iii. Other Financial Assets		-	-
Deferred Tax Assets		-	-
Other non-current Assets			
Total Non-Current Assets		**3,88,90,25,771**	**3,68,90,23,642**
Current Assets			
Inventories	7	2,10,84,710	1,63,64,785
Financial Assets			
i. Investments		-	-
ii. Trade Receivables	6(b)	12,65,49,297	54,82,83,227
iii. Cash And Cash Equivalents	6(d)	2,12,33,208	2,03,72,708
iv. Bank Balance other than(iii)above*		-	-
v. Loans	6(c)	70,52,315	5,90,76,567
vi. Other Financial Assets		-	-
Other Current Assets	8	1,58,99,378	1,89,97,852
Current tax assets (Net)	9	64,85,503	1,92,34,841
Assts classified as held for sale		-	-
Total Current Assets		19,83,04,412	68,23,29,980
Total Assets		**4,08,73,30,183**	**4,37,13,53,622**
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	10(a)	71,04,61,000	71,04,61,000
Other Equity			
Equity component of compound financial Instruments		-	-
Reserves and Surplus	10(b)	2,05,34,95,178	2,08,00,64,204
Other Reserve	10(c)	78,14,43,438	63,72,34,850
Equity Attributable to owners of Chromatic India Ltd		3,54,53,99,616	3,42,77,60,054
Non-Controlling Interests			
Total Equity		**3,54,53,99,616**	**3,42,77,60,054**
LIABILITIES			
Non-Current Liabilities			
Financial Liabilities			
i. Borrowings		-	-
ii. Other Financial Liabilities		-	-
Provisions		-	-
Employee Benefit Obligations		-	-
Deferred Tax Liabilities	11	32,48,47,254	26,64,36,449
Government Grants		-	-
Other non-current Liabilities		-	-
Total non-Current Liabilities		32,48,47,254	26,64,36,449
Current Liabilities			
Financial liabilites			
i. Borrowings	12(a)	3,68,90,685	2,84,26,089
ii. Trade Payables	12(b)	17,24,01,379	63,40,94,962
iii. Other Financial Liabilities	12(c)	70,19,202	76,90,257
Provisions		-	-
Employee Benefit Obligations	13	7,72,048	9,45,813
Government Grants		-	-
Current Tax Liabilities		-	-
Other Current liabilities	14	-	60,00,000
Liabilities directly associated with assets classified as held for Sale		-	-
Total Current Liabilities		21,70,83,314	67,71,57,120
Total Liabilities		54,19,30,568	94,35,93,569
Total Equity And Liabilities		**4,08,73,30,183**	**4,37,13,53,622**

The accompanying notes are an integral part of the financial statements.

As per our report of even date attached

For M/s Dargar & Co.

Chartered Accountants

Firm Registration No. : 007289W

Vijay Dargar

Partner

Membership No. 76191

Place: Mumbai

Date : 31st July,2020

For and on behalf of Board of Directors

Chromatic India Ltd

Mr.V.K.Kaushik
Whole Time Director
Din No : 02586479

Mr.Mayank Kotadia
Director
Din No : 07484438

Mr.Nitin Kumar Kothari
Chief Financial Officer
Date : 31st July,2020

CHROMATIC INDIA LTD

CIN No : L99999MH1987PLC044447

Consolidated Statement of Profit & Loss for the Year Ended 31st March,2020

(Amount in INR)

	Note No.	For the Year Ended 31st March 2020	For the Year Ended 31st March 2019
Continuing Operations			
Revenue from operations	15	8,08,08,836	6,48,00,143
Other income	16(a)	2,21,34,017	1,52,32,426
Other Gains	16(b)	-	12,13,888
Total Income		10,29,42,853	8,12,46,457
Expenses			
Cost of material consumed	17(a)	6,93,25,064	5,22,26,332
Changes in Inventories of work-in-progress & Finished Goods	17(b)	(36,25,031)	(55,23,273)
Employee benefits expense	18	1,56,69,286	1,66,19,753
Depreciation and Amortization expense	19	25,61,993	24,72,037
Other Expense	20	2,39,06,162	1,71,17,328
Financial Cost	21	22,02,719	21,33,689
Total Expenses		**11,00,40,193**	**8,50,45,866**
Profit before exceptional items and tax		**(70,97,340)**	**(37,99,409)**
Exceptional Items		**-**	**-**
Profit Before Tax from Continuing Operations		**(70,97,340)**	**(37,99,409)**
Income Tax Expense			
(a) Current tax		-	-
(b) Deferred tax		-	3,90,815
(c) Earlier Year		1,94,68,328	-
Total Tax Expense		**1,94,68,328**	**3,90,815**
Profit/(loss) from Continuing operation		**(2,65,65,668)**	**(41,90,224)**
Profit/(loss) from Discontinued operations		**-**	**-**
Profit for the period		**(2,65,65,668)**	**(41,90,224)**
Other comprehensive Income			
A. Item that may be reclassified to profit or loss			
a. Exchange difference on transalation of foreign assets & Liabilities		12,42,31,048	16,46,43,796
B Item that will not be reclassified to profit or loss			
a. Changes in fair value of FVOCI Equity Instruments		(57,600)	560
Total comprehensive income for the period		**9,76,07,780**	**16,04,54,132**
Earning per equity share(for Continuing operation)			
(1)Basic		(0.374)	(0.06)
(2)Diluted		(0.374)	(0.06)
Earning per equity share(for Discontinued operation)			
(1)Basic		-	-
(2)Diluted		-	-
Earning per share (for discontinued & continuing Operation)			
(1)Basic		(0.37)	(0.06)
(2)Diluted		(0.37)	(0.06)

The accompanying notes are an integral part of the financial statements.

As per our report of even date attached

For M/s Dargar & Co.
Chartered Accountants
Firm Registration No. : 007289W

Vijay Dargar
Partner
Membership No. 76191
Place: Mumbai
Date : 31st July,2020

For and on behalf of Board of Directors
Chromatic India Ltd

Mr.V.K.Kaushik
Whole Time Director
Din No : 02586479

Mr.Mayank Kotadia
Director
Din No : 07484438

Mr.Nitin Kumar Kothari
Chief Financial Officer
Date : 31st July,2020

CHROMATIC INDIA LTD

CIN No : L99999MH1987PLC044447

CONSOLIDATED CASH FLOW STATEMENT AS AT 31.03.2020

(Amount in Lacs)

	PARTICULARS	YEAR ENDED 31.03.2020		YEAR ENDED 31.03.2019	
I	**CASH FLOW FROM OPERATING ACTIVITIES**				
	Profit before income tax including discontinued operations:		(70.97)		(37.99)
	Adjustment for :				
	Depreciation	25.62		24.72	
	Interest	16.14		17.88	
	Rental Income	-		(10.56)	
	Loss on sale of Fixed Assets	(192.94)		2.32	
	Interest earned	(0.27)		(5.30)	
	Loss/ expenses of previous year adjusted	(0.03)	(151.48)	(0.37)	28.70
	OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES		**(222.45)**		**(9.30)**
	Changes in operating assets and liabilities :				
	Advances	4,701.53		329.19	
	(Increase)/ Decrease in Inventories	(47.20)		(93.51)	
	Increase/(Decrease) in Trade & Other Payables	(4,685.38)	(31.05)	(83.55)	152.13
	CASH GENERATED FROM OPERATIONS		**(253.50)**		**142.82**
	Income Tax Paid	-	-	-	-
	NET CASH FLOW FROM OPERATING ACTIVITIES		**(253.50)**		**142.82**
II	**CASH FLOW FROM INVESTING ACTIVITIES**				
	Purchase of Fixed Assets	(1.66)		(38.69)	
	Proceeds from Sale of Fixed Assets	195.00		4.00	
	Rental Income	-		10.56	
	Interest Received	0.27	193.60	5.30	(18.83)
	NET CASH USED IN INVESTING ACTIVITIES		**193.60**		**(18.83)**
III	**CASH FLOW FROM FINANCING ACTIVITIES**				
	(Repayment) / increase in Long Term Borrowings	-		-	
	(Repayment) / increase in Short Term Borrowings	84.65		(32.70)	
	Interest Paid	(16.14)	68.51	(17.88)	(50.57)
	NET CASH USED IN FINANCING ACTIVITIES		**68.51**		**(50.57)**
IV	**NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS**		8.60		73.41
	ADD : Opening Balance as on 01.04.2018 (P.Y. As on 01.04.17)		203.73		130.32
	CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR		**212.33**		**203.73**

Notes to the cash flow statement :

Cash and cash equivalent consist of cash on hand and balances with banks and investments in money market instruments.

	31.03.2020	31.03.2019
Cash on hand	190.37	172.90
Balances with banks	21.96	30.82
	212.33	**203.73**

Vijay Dargar
Propriter
Membership No. 76191

For and on behalf of Board of Directors
Chromatic India Ltd

Mr.V.K.Kaushik
Whole Time Director
Din No : 02586479

Mr.Mayank Kotadia
Director
Din No : 07484438

Vijay Dargar
Partner
Membership No. 76191
Place: Mumbai
Date : 31st July,2020

Mr.Nitin Kumar Kothari
Chief Financial Officer

Statement of changes in equity

Particulars	Equity share capital	Reserve & surplus				Other Reserves		
		Capital Reserve	Security Premium Reserve	General Reserve	Retained Earning	FVOCI Equity Investment	Foreign Currency Translation Reserve	Total Equity
Balnce as at 1 April 2018	**71,04,61,000**	**18,53,350**	**1,98,58,12,100**	**1,79,78,960**	**7,79,54,033**	**46,840**	52,20,32,208	**3,31,61,38,491**
								-
Changes in equity Share Capital	-	-	-	-		-	-	-
Profit for the year	-	-	-	-	(41,90,224)	-	-	(41,90,224)
Prior period items					(37,464)			(37,464)
Other comprehensive income								
Changes in fair value of FVOCI equity instruments	-	-	-	-	-	560		560
Exchange Differences on Translation on foreign assets & liabilities	-	-	-	-	-	-	16,46,43,796	16,46,43,796
Deffered Tax Assets/(Liabilities)	-	-	-	-	-	-	(4,74,51,342)	(4,74,51,342)
								-
Balance as on 31st March 2019	**71,04,61,000**	**18,53,350**	**1,98,58,12,100**	**1,79,78,960**	**7,37,26,345**	**47,400**	**63,92,24,662**	**3,42,91,03,817**
Changes in equity Share Capital	-	-	-	-				-
Profit for the year	-	-	-	-	(2,65,65,668)	-		(2,65,65,668)
Prior period items	-	-	-	-	(3,358)	-		(3,358)
Other comprehensive income	-	-	-	-	-	-		-
Changes in fair value of FVOCI equity instruments	-	-	-	-	-	(57,600)		(57,600)
Exchange Differences on Translation on foreign assets & liabilities	-	-	-	-	-	-	20,26,76,993	20,26,76,993
Deffered Tax Assets/(Liabilities)	-	-	-	-	-	-	(5,84,10,805)	(5,84,10,805)
Balance as on 31st March 2020	**71,04,61,000**	**18,53,350**	**1,98,58,12,100**	**1,79,78,960**	**4,71,57,318**	**(10,200)**	**78,34,90,850**	**3,54,67,43,378**

Note No.3 property Plant & Equipment

	Land-Lease Hold	Building & Res.Flat	Furniture & Fixture	Plant & Machinery	Office & Other Equipment	Vehicles	Total
Year Ended 31st March 2018							
Gross Carrying Amount							
Deemed Cost As AT 1st April 2018	1,17,02,920	2,93,38,599	27,81,217	5,56,05,751	62,48,924	54,10,456	11,10,87,867
Exchange Differences	-	-	-	-	-	-	-
Additions	-	-	-	6,40,000.00	27,74,766	10,53,811	44,68,577
Assets Included in a Disposal	-	-	-	-	-	-	-
Group Classified as held for sale	-	-	-	-	-	10,70,361	-
Disposals	-	-	-	-	-	0	0
Closing gross carrying amount	**1,17,02,920**	**2,93,38,599**	**27,81,217**	**5,62,45,751**	**90,23,690**	**53,93,906**	11,44,86,083
Accumulated depreciation	13,28,750	1,85,90,619	27,78,576	4,71,01,473	59,75,814	33,46,317	7,91,21,549
Depreciation charge during the year	1,56,713	9,76,323	866	6,33,147	2,92,557	3,94,630	24,54,236
Assets included in a disposal group	-	-	-	-	-	-	-
classified as held for sale(Note 33)	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	4,38,041	4,38,041
Exchange Differences	-	-	-	-	-	-	-
Closing accumulated depreciation	14,85,463	1,95,66,942	27,79,442	4,77,34,620	62,68,371	33,02,906	8,11,37,744
Net carrying amount as on 31 March 2019	**1,02,17,457**	**97,71,657**	**1,775**	**85,11,131**	**27,55,319**	**20,91,000**	**3,33,48,331**
Year Ended 31st March 2019	-	-	-	-	-	-	-
Gross Carrying Amount	-	-	-	-	-	-	-
Opening gross carrying amount	1,17,02,920	2,93,38,599	27,81,217	5,62,45,751	90,23,690	53,93,906	11,44,86,083
Exchange Differences	-	-	-	-	-	-	-
Additions	-	-	-	-	1,66,371.04	-	1,66,371
Assets classified as held for sale(Note 11)	-	-	-	-	-		-
Disposals	1,54,142.00	-	-	-	-	-	-
Transfers	-	-	-	-	-	-	-
Closing gross carrying amount	1,15,48,778	2,93,38,599	27,81,217	5,62,45,751	91,90,061	53,93,906	11,44,98,312
Accumulated depreciation and impairment							
Opening accumulated depreciation	14,85,463	1,95,66,942	27,79,442	4,77,34,620	62,68,371	33,02,906	8,11,37,744
Depreciation charge during the year	1,55,520	9,78,997	866	6,31,183	4,14,080	3,81,347	25,61,993
Impairment loss (iii)(Note.1)	-	-	-	-	-	-	-
Disposals	37,276	-	-	-	-	-	-
Exchange Differences	-	-	-	-	-	-	-
Assets classified as held for sale(Note 11)	-	-	-	-	-	-	-
Closing accumulated depreciation and impairment	16,03,707	2,05,45,939	27,80,308	4,83,65,803	66,82,451	36,84,253	8,36,99,737
Net carrying amount as on 31 March 2020	**99,45,071**	**87,92,661**	**909**	**78,79,948**	**25,07,610**	**17,09,653**	**3,08,35,852**

Note No.04 Capital Work in Progress

Particulars	As at 31st March, 2020	As at 31st March, 2019
	Rs.	Rs.
Capital Work in Progress	1,05,72,00,000	1,05,72,00,000
Total	**1,05,72,00,000**	**1,05,72,00,000**

Note No.05 Investment Property

Particulars	31.03.2020	31.03.2019
Gross Carrying Amount		
Opening gross Carrying Amount/Deemed Cost	13,09,679	13,09,679
Additions	-	-
Closing Gross carrying amount	**13,09,679**	**13,09,679**
Accumulated depreciation		
Opening Accmulated Depreciation	12,20,572	12,02,771
Depreciation Charge	-	17,801
Closing Accumulated Depreciation	**12,20,572**	**12,20,572**
Net Carrying Amount	**89,107**	**89,107**
Amount recognised in Profit & Loss Account		
Rental Income	-	10,56,000
Direct Op Expenses from property that generated rental income	-	-
Profit from Investment property before Dep	-	-
Depreciation	-	(17,801.00)
Profit from Investment property	-	**10,38,199**

CHROMATIC INDIA LTD
CIN No : L99999MH1987PLC044447

Note no.6(a) Non-Current Investment

Details of Non-Current Investment

Name of the Body Corporate	Subsidiary / Associate / JV/ Controlled Entity / Others	Quoted / Unquoted	No. of Shares		Partly Paid / Fully paid	Extent of Holding (%)		Amount (Rs.)	
			2020	2019		2020	2019	2020	2019
Investement in Equity Instruments									
Long Term, Non - Trade									
Equity shares of Bank of India of Rs. 10 each at a premium of Rs. 35/- each	Others	Quoted	800	800	Fully paid	-	-	25,800	83,400
Total								**25,800**	**83,400**

Particular	2018-19	2019-20
Aggregate amount of quaoted investment	25,800	83,400
Total	**25,800**	**83,400**

Note -06(b) Trade receivable

Particulars	As at 31st March, 2020	As at 31st March, 2019
	Rs.	Rs.
Trade receivables	12,69,31,560	54,86,65,489
Receivables from related parties	-	-
Less:Provision for doubtfull trade receivables	3,82,263	3,82,263
Total receivables	**12,65,49,297**	**54,82,83,227**
Current Portion	12,65,49,297	54,82,83,227
Non-current portion	-	-

Break-up of security Details

Particulars	As at 31st March, 2020	As at 31st March, 2019
	Rs.	Rs.
Secured considered goods	-	-
Unsecured considered goods	12,69,31,560	54,86,65,489
Doubtful	-	-
Total	**12,69,31,560**	**54,86,65,489**
Allowance for doubtfuldebts	3,82,263	3,82,263
Total trade receivables	**12,65,49,297**	**54,82,83,227**

Note -06 (c) Loans

Particulars	As at 31st March, 2020		As at 31st March, 2019	
	Current	Non current	Current	Non current
Unsecured, considered good:				
Loans and advances to related parties				
- Arcoiris SA	-	-		-
- Chromatic International FZE	-			
Loans and advances to employees	58,435		80,435	
Other advances	69,93,880		5,89,96,132	
Doubtful	-			
Security Deposits		13,99,471		13,99,471
Loans & Advances (Consolidated)		2,79,95,64,648		2,59,69,03,333
Sub total (a)	**70,52,315**	**2,80,09,64,119**	**5,90,76,567**	**2,59,83,02,804**

Note -06(d)Cash and cash equivalents

Particulars	As at 31st March, 2020	As at 31st March, 2019
	Rs.	Rs.
Balance with banks		
i.In current accounts	14,82,082	22,63,454
ii.In EEFC accounts		
iii.In deposits accounts	-	-
iv.In earmarked accounts		
-Unpaid dividend accounts	20,056	20,056
-Unpaid matured deposits	-	-
-Unpaid matured debentures	-	-
- Share application money received for allotment of securities and due for refund	-	-
- Balances held as margin money or security against borrowings, guarantees and other commitments	6,84,208	7,88,294
- Other earmarked accounts (Gratuity Account)	10,093	10,447
Cash on hand	1,90,36,770	1,72,90,458
	2,12,33,208	**2,03,72,708**

Note-7 Inventories

(At lower of cost and net realisable value)

Particulars	As at 31st March,2020	As at 31st March,2019
	Rs.	Rs.
Raw materials (including Goods in transit)	92,44,310	81,49,416
Finished Goods	-	-
Work-in-progress	1,18,40,400	82,15,369
Total	**2,10,84,710**	**1,63,64,785**

Note -8 Other current assets

Particulars	As at 31st March,2020	As at 31st March,2019
	Rs.	Rs.
Prepaid Expenses	2,24,733	2,42,748
Rent Receivable	1,05,118	2,95,198
Balances with government authorities		
i Vat credit receivable	99,51,903	1,06,44,926
ii Service tax credit receivable	-	-
iii Export incentive receivable	6,47,360	31,61,836
iv Balance with central excise	-	-
v)Balance with GST	49,70,264	46,53,144
Total	**1,58,99,378**	**1,89,97,852**

0

Note-9 Current tax assets

Particulars	As at 31st March,2020 Rs.	As at 31st March,2019 Rs.
TDS receivable/Deposit with IT (net of provisions)	64,85,503	1,92,34,841
Total	64,85,503	1,92,34,841

Note -10 (a) Share Capital

1

Particulars	As at 31st March,2020		As at 31st March,2019	
	Number	Amount	Number	Amount
Authorised				
Equity Shares of Rs 10/- each	125000000	1,25,00,00,000	125000000	1,25,00,00,000
Issued				
Equity Shares of Rs 10/- each	71046100	71,04,61,000	71046100	71,04,61,000
Subscribed & Paid up				
Equity Shares of Rs 10/- each fully paid	71046100	71,04,61,000	71046100	71,04,61,000
Total	**71046100**	**71,04,61,000**	**71046100**	**71,04,61,000**

2

Particulars	As at 31st March,2020		As at 31st March,2019	
	Number	Amount (Rs.)	Number	Amount (Rs.)
Shares outstanding at the beginning of the year	71046100	71,04,61,000	71046100	71,04,61,000
Shares issued during the year	-	-	-	-
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	71046100	71,04,61,000	71046100	71,04,61,000

3 **Details of Shares held by the Holding Company, the ultimate Holding Company their subsidiaries and associates**

Particulars	As at 31st March,2020		As at 31st March,2019	
	Number	Amount	Number	Amount
Holding Company of Chromatic India Limited	9173305	9,17,33,050	9173205	9,17,32,050

4

Details of shares held by each shareholder holding more than 5 percent shares				
Name of Shareholder	As at 31st March,2020		As at 31st March,2019	
	Shares held	% of Holding	Shares held	% of Holding
M/s. Cheetah Multitrade Pvt. Ltd.	9173305	12.91%	9173205	12.91%

Note-10(b) Reserve and surplus

Particulars	As at 31st March, 2020	As at 31st March, 2019
Capital reserve	18,53,350	18,53,350
Securities premium reserve	1,98,58,12,100	1,98,58,12,100
General reserve	1,79,78,960	1,79,78,960
Statutory Reserve	6,93,450	6,93,450
Other reserve	78,14,43,438	63,72,34,850
Retained earnings	4,71,57,318	7,37,26,344
Total	**2,83,49,38,616**	**2,71,72,99,054**

Particulars	As at 31st March, 2020	As at 31st March, 2019
	Rs.	Rs.
Capital reserve		
Opening balance	18,53,350	18,53,350
Add: Additions during the year (give details)	-	-
Less: Utilised / transferred during the year (give details)	-	-
Closing balance	18,53,350	18,53,350
Securities premium account		
Opening balance	1,98,58,12,100	1,98,58,12,100
Add : Premium on shares issued during the year	-	-
Less : Utilised during the year for:		
Issuing bonus shares	-	-
Closing balance	1,98,58,12,100	1,98,58,12,100
General reserve		
Opening balance	1,79,78,960	1,79,78,960
Add: Transferred from surplus in Statement of Profit and Loss	-	-
Less: Utilised / transferred during the year for:		
Issuing bonus shares	-	-
Others (give details)	-	-
Closing balance	1,79,78,960	1,79,78,960
Statutory Reserve (Subsidiary Company)		
Opening Balance	6,93,450	6,93,450
Add: For the Year	-	-
Closing Balance	6,93,450	6,93,450
Retained earnings		
Opening balance	7,37,26,344	7,79,54,033
Add: Profit / (Loss) for the year	(2,65,65,668)	(41,90,224)
Add: Adjustment Relating to Fixed Assets*	-	-
TOTAL	4,71,60,676	7,37,63,808
Add/ (Less): Prior Period Expenses	(3,358)	(37,464)
Profit after Tax and Prior Period Adjustments	4,71,57,318	7,37,26,344
Less: Provision for dividend (including Dividend Tax)	-	-
Closing balance	4,71,57,318	7,37,26,344
Toatl	**2,05,34,95,178**	**2,08,00,64,204**

Note-10(c)Other Reserve

Ref. No.	As at 31st March,	As at 31st March, 2019
	Rs.	Rs.
Foreign currency translation reserve		
Opening balance	63,71,87,450	51,99,94,996
Add / (Less): Effect of foreign exchange rate variations during the year	20,26,76,993	16,46,43,796
Add/(Less): Deffered Tax Assets/(Liabilities)	(5,84,10,805)	(4,74,51,342)
Add / (Less): Transferred to Statement of Profit and Loss on disposal of the net investment in non-integral foreign operations	-	-
Closing balance	78,14,53,638	63,71,87,450
FVOCI equity investments reserve		
Opening balance	47,400	46,840.00
Changes in fair value of FVOCI equity instruments	(57,600)	560
Closing balance	(10,200)	47,400
Toatl	**78,14,43,438**	**63,72,34,850**

Notes:

Foreign currency translation reserve

Exchange differences arising on translation of the foreign operations are recognized in other comprehensive income as described in accounting policy and accumulated in a separate reserve within equity. The cumulative amount is reclassified to profit or loss when the net investment is disposed off.

FVOCI Equity Instruments

The Company has elected to recognize changes in the fair value of investments in quoted equity securities in other comprehensive income. These changes are accumulated within the FVOCI equity investments reserves within equity. The Company transfers amount from this reserve to retained earnings when the relevant equity securities are derecognized.

Note No.11 Deferred Tax Liabilities

Particulars	As at 31st March,2020	As at 31st March,2019
	Rs.	Rs.
Deffered tax Liabilities	26,64,36,449	21,85,94,292
Deffered tax Liabilities/assets for current year	-	3,90,815
Changes in Foreign currency Translation reserve	5,84,10,805	4,74,51,342
	-	-
Total	**32,48,47,254**	**26,64,36,449**

Note - 12(a) Current borrowings

Particulars	As at 31st March,2020	As at 31st March,2019
Loan repayable on demand		
From bank		
Secured#		
i Cash credit lilit from bank of india (interest @13%)	1,06,12,996	41,25,655
ii Export packing credit from bank of india(Interest @9.00%)	1,73,99,999	42,31,999
Unsecured	-	-
Total(a)	**2,80,12,995**	**83,57,654**
From Other parties		
Secured @		-
Unsecured	81,82,402	1,94,30,427
Advances from Customer	6,95,287	6,38,007
Total(b)	88,77,689	2,00,68,434
Total(a+b)	**3,68,90,685**	**2,84,26,089**

 # Secured by exclusive charge on the underlying plant & machineries i.e. Hot Air Generator, Hypoyhecation of Stocks, Collateral Security of Equitable Mortgage of Land & Buildings situated at B-12/2, Lote Parshuram Indl. Area, Taluka-Khed, Distt. Ratnagiri and simple deposit of title deeds of office premises situated at Vikhroli, Mumbai.

@ Secured by shares held by the Promoters

Note - 12(b) Trade payable

Particulars	As at 31st March,2020	As at 31st March,2019
Trade payable	17,24,01,379	63,40,94,962
Trade payable to related parties	-	-
Total	**17,24,01,379**	**63,40,94,962**

Note - 12(c) Other financial liabilities

Particulars	As at 31st March,2020	As at 31st March,2019
Current maturities of long-term debt (Refer Note (i) below)	-	-
Current maturities of finance lease obligations	-	-
Interest Payable	-	-
Other payables		
i Statutory remittances (Contributions to PF and ESIC, Withholding Taxes, Excise Duty, VAT, Service Tax, etc.)	2,35,346	2,39,035
ii Others: Salary & Wages	9,48,682	7,80,997
iii Unclaimed Dividend	20,056	20,056
iv Other Liabilities	58,15,119	66,50,169
Total	**70,19,202**	**76,90,257**

Note - 13 Employee benefit obligations

Particulars	As at 31st March,2020	As at 31st March,2019
Provision for bonus	5,07,037	5,61,631
Provision for other employee benefits - Exgratia	-	-
Provision for Gratuty employee benefits	2,65,011	3,84,182
Total	**7,72,048**	**9,45,813**

Note - 14 Other Current liabilities

As at 31st March, 2017	As at 31st March,2020	As at 31st March,2019
Other Current liabilities	0	60,00,000
Total	0	60,00,000

Note 15: Revenue from operations

Particulars	For the year ended 31st March 2020	For the year ended 31st March 2019
	Rs.	Rs.
Sale of products	7,37,77,496	5,48,91,436
Sales of traded goods	70,31,340	99,08,707
Total	**8,08,08,836**	**6,48,00,143**

Note 16(a):Other income

Particulars	For the year ended 31st March 2020	For the year ended 31st March 2019
	Rs.	Rs.
Interest Received	26,541	5,29,648
Dividend-others from Long Term Investments	-	-
Rent Recd	-	10,56,000
Conversion Charges	7,12,393	12,66,195
Duty Drawback	11,47,015	8,25,333
Profit on sales of Fixed Assets	1,92,94,027	
Sales of MEIS License	-	1,15,43,462
Misc & other income	9,54,041	11,788
Total	**2,21,34,017**	**1,52,32,426**

Note 16(b): Other gain

Particulars	For the year ended 31st March 2020	For the year ended 31st March 2019
	Rs.	Rs.
Foreign Exchange Gain		12,13,888
Total	**-**	**12,13,888**

Note 17(a) : Cost of material consumed

Particulars	For the year ended 31st March 2020	For the year ended 31st March 2019
	Rs.	Rs.
Raw Material consumed		
Opg Stock of Raw Material	81,49,416	43,21,693
Add : Raw Material Purchase	6,90,66,828	5,40,92,426
Packing Material	5,64,288	14,05,231
Freight Inward	7,88,842	5,56,398
	7,85,69,374	6,03,75,748
Less : Closing stock	92,44,310	81,49,416
Total	**6,93,25,064**	**5,22,26,331**

Note 17(b) : Changes in inventories

Particulars	For the year ended 31st March 2020	For the year ended 31st March 2019
	Rs.	Rs.
Inventory at the beginning of the year Finished & Work in Progress		
Finished Goods	-	-
Work in Progress	82,15,369	26,92,096
	82,15,369	**26,92,096**
Inventory at the end of the year		
Finished Goods	-	-
Work in Progress	1,18,40,400	82,15,369
	1,18,40,400	**82,15,369**
Changes in Inventories	**-36,25,031**	**-55,23,273**

Note 18: Employees benefit expense

Particulars	For the year ended 31st March 2020	For the year ended 31st March 2019
	Rs.	Rs.
Salary, Wages and Bonus Etc.	1,41,33,618	1,41,53,620
Company's Contribution to Provident Fund, ESIC & Gratuity	9,39,999	14,01,006
Staff welfare Expenses & other Amenities	5,66,939	10,18,612
Leave Encashment	28,730	46,515
Total	**1,56,69,286**	**1,66,19,753**

Note 19: Depreciation and Amortization Expenses

Particulars	For the year ended 31st March 2020	For the year ended 31st March 2019
	Rs.	Rs.
Depreciation of property,Plant & equipment	25,61,993	24,54,236
Depreciation on investment property	-	17,801
Total	**25,61,993**	**24,72,037**

Note 20 : Other Expense

Particulars	For the year ended 31st March 2020	For the year ended 31st March 2019
	Rs.	Rs.
Rates & Taxes	2,42,709	2,50,267
Power & Water	32,79,062	34,02,627
Stores & Spares	10,66,848	5,52,234
Repairs and Maintenance :		
- Repairs to Building	-	4,13,761
- Repairs to Machinery	3,34,841	9,67,245
- Repairs to Others	93,309	6,86,498
Advertisement & Sales Promotion	50,464	53,587
Freight & Forwarding Charges	8,75,874	7,94,978
Travelling Expenses	53,65,467	1,12,283
Auditor's Remuneration	7,06,703	5,63,555
Insurance	2,03,341	1,67,725
Telephone Charges	1,98,259	1,87,441
Conveyance & Car Expenses	7,26,042	7,43,892
Labour Charges	20,91,291	18,89,443
General Expenses	10,79,704	12,19,177
ROC & Listing Exps	9,24,889	10,49,746
Courier Charges	1,69,206	1,52,149
Lab Expenses	2,39,695	1,66,281
Office Expenses	2,17,058	2,45,679
Rent	1,35,000	1,80,000
Loss on Sales of Asstes	-	2,32,319
Professional Charges	30,63,787	27,16,115
Printing & Stationery	99,026	83,145
Balance Written Off	22,28,739	2,87,182
Foreign Exchange Loss (Net)	5,14,848	-
Total	**2,39,06,162**	**1,71,17,328**

Note-21: Financial Cost

Particulars	For the year ended 31st March 2020	For the year ended 31st March 2019
	Rs.	Rs.
Interest expense		
Bank Interest	15,49,512	17,79,424
Other Interest	64,345	8,955
Bank Charges	5,88,862	3,45,310
Total	**22,02,719**	**21,33,689**

CHROMATIC INDIA LIMITED

Notes forming part of the financial statements

Note-1: Company Overview

The Company is currently in the business of manufacturing, trading and export of Synthetic Organic Dyestuff and dyes intermediates. The Company concentrates on the Reactive Dyestuff mainly Vinyl Sulfone type, bi-functional, multi-functional and high exhaustion and the latest dyestuff to make liquid dyestuff. All the products are appreciated all over the world. At present, the Company is manufacturing only Reactive Dyes based on Vinyl Sulphone & Cyanuric Chloride. In future, the Company is planning to manufactures Disperse & Vat Dyes. The Company has also started trading activities in chemicals and building material and also has taken Power Trading license from Govt. of India.

Note-2: Significant Accounting Policies

2.1 Basis of Preparation of Financial Statements

a) The financial statements of the Company have been prepared on an accrual basis and under the historical cost convention except for certain financial instruments which have been measured at fair value. The accounting policies are consistently applied by the Company during the year and are consistent with those used in previous yearexcept for the changes in accounting policies required to be made on adoption of Indian Accounting Standards notified under theCompanies Act, 2013.

b) In accordance with the notification issued by the Ministry of Corporate Affairs, the Company has adopted Indian AccountingStandards (referred to as "Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 with effect from April 1, 2017. Previous period's and year's numbers in the financial statements have been restated to Ind AS.

c) These financial statements have been prepared in accordance with Ind AS 34 Interim Financial Reporting as notified under theCompanies (Indian Accounting Standards) Rules, 2015 read with Section 133 of the Companies Act, 2013.

d) These financial statements are the Company's first Ind AS Standalone financial statements.

2.2 Use of Estimates

The preparation of the condensed financial statements in conformity with Ind AS requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenue, expenses, assets and liabilities and disclosure of contingent liabilities at the end of period /year. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

2.3 Revenue Recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

Sale of Goods
Revenue is recognized when the significant risks and rewards of ownership of the goods have passed to the buyer. Excise Duty, Sales Tax and VAT are deducted from turnover (gross).

Interest
Revenue is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.

Dividends
Revenue is recognized when the shareholders' right to receive payment is established by the balance sheet date. Dividend from subsidiaries is recognized even if same are declared after the balance sheet date but pertains to period on or before the date of balance sheet.

Rentals
Revenue is recognized on accrual & time proportion basis.

2.4 Accounting for Export Incentive:

Export incentive are recognized on exports on accrual basis, and based on the estimated realizable value of such entitlements.

2.5 Property, plant and equipment:

Fixed Assets are stated at cost (net of Cenvat Credit) of acquisition/construction and includes amounts added on revaluation, less accumulated depreciation and impairment loss. Cost includes purchase price, borrowing costs and any direct expenses as well as clearly identifiable indirect expenses incurred to bring the assets to their working condition for its intended use.

Transition to Ind AS

On transition to Ind AS, the group has elected to continue with the carrying value of all of its property, plant and equipment as at 1 April 2016 measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment.

Expenditure during Project Implementation Period:
All expenditure, including advances given during the project implementation period, is accumulated and disclosed as capital work-in progress until the assets are ready for commercial use.

2.6 Investment Property

Property that is held for long term rental yields or for capital appreciation or both, and that is not occupied by the Company, is classified as Investment Property. Investment property is measured initially at its cost, including related transaction costs and borrowing costs, where applicable. Subsequent expenditure is capitalized to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Company and cost of the item can be measured reliably. All other repairs and maintenance cost are expensed when incurred. When part of an investment property is replaced, the carrying amount of the replaced part is derecognized.
Investment property are depreciated using the straight line method over their estimated useful lives.

Transition to Ind AS
On transition to Ind AS, the Company has elected to continue with the carrying value of its Investment properties recognized as at 1stApril 2016 measured as per the previous GAAP and use that carrying value as the deemed cost of investment properties.

2.7 Depreciation and Amortisation

Depreciation on Fixed Assets is provided to the extent of depreciable amount on 'Straight Line Method' as on 31.03.2014 on the remaining useful life of the Assets in the manner and at the rates specified in Schedule II of the Companies Act, 2013 except in the case of buildings where WDV as on 31.03.2014 has been depreciated in the remaining estimated life of the asset (as certified by the management in the absence of complete details of additions), which is different than those prescribed in schedule-II. Assets acquired under finance lease are depreciated over the period of lease. Leasehold land & and premium thereon are depreciated over the period of lease. Also individual capital items of upto a value of Rs.5,000/- have been fully depreciated.

2.8 Impairment of Assets

The carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the asset's net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value at the weighted average cost of capital. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life. Previously recognised impairment loss is increased or reversed depending on changes in circumstances. However the carrying value after reversal is not increased beyond the carrying value that would have prevailed by charging usual depreciation if there was no impairment.

2.9 Leased Assets

Finance leases, which effectively transfer to the Company, all the risks and benefits incidental to ownership of the leased item, are capitalized at the lower of the fair value and present value of the minimum lease payments at the inception of the lease term and disclosed as leased assets. Lease payments are apportioned between the finance charges and reduction of the lease liability based on the implicit rate of return. Finance charges are charged directly against income. Lease management fees, legal charges and other initial direct costs are capitalised. If there is no reasonable certainty that the Company will obtain the ownership by the end of the lease term, capitalized leased assets are depreciated over the shorter of the estimated useful life of the asset or the lease term.

2.10 Foreign Currency Transactions

i) Initial Recognition:
Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

(ii) Conversion:
Foreign currency monetary items are reported using the closing rate. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction; and non-monetary items which are carried at fair value or other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when the values were determined. Equity Investment in foreign companies are recorded at the exchange rates prevailing on the date of making the investments, however, any advances to foreign company are reported using the closing rate.

(iii) Exchange Differences:
Exchange differences arising on a monetary item that, in substance, form part of the company's net investment (except investment in share capital) in a non-integral foreign operation is recognized in other comprehensive income and accumulated in a foreign currency translation reserve in the financial statements until the disposal of the net investment, at which time they are recognised as income or as expenses.
Exchange differences arising on the settlement of monetary items not covered above, or on reporting such monetary items of company at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognized as income or as expenses in the year in which they arise.

iv) Forward Exchange Contracts not intended for trading or speculation purposes:
The premium or discount arising at the inception of forward exchange contracts is amortised as expense or income over the life of the contract. Exchange differences on such contracts are recognised in the statement of profit and loss in the year in which the exchange rates change. Any profit or loss arising on cancellation or renewal of forward exchange contracts is recognised as income or as expense for the year. None of the forward exchange contracts are taken for trading or speculation purpose.

2.11 Investment

Investments that are readily realisable and intended to be held for not more than a year are classified as current investments. All other investments are classified as long-term investments. Current investments are carried at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognise a decline other than temporary in the value of the Investment.

2.12 Inventories

Inventories are valued as follows:

Raw materials, packing material, Work in progress, components, stores and spares:
Lower of cost and net realizable value. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost is determined on First in First out basis (FIFO).

Finished goods:
Lower of cost and net realizable value. Cost includes direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity. Cost of finished goods includes excise duty.
Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the product saleable.

2.13 Taxes on Income:

Tax expense comprises of current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961 enacted in India. Deferred income tax reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years.

Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to the taxes on income levied by same governing taxation laws. Deferred tax assets are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such

deferred tax assets can be realised. In situations where the company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that they can be realised against future taxable profits.

At each balance sheet date the Company re-assesses unrecognised deferred tax assets. It recognisesunrecognised deferred tax assets to the extent that it has become reasonably certain or virtually certain, as the case may be that sufficient future taxable income will be available against which such deferred tax assets can be realised.

The carrying amount of deferred tax assets are reviewed at each balance sheet date. The company writes-down the carrying amount of a deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realised. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available
MAT credit is recognised as an asset only when and to the extent there is convincing evidence that the company will pay normal income tax during the specified period. In the year in which the Minimum Alternative tax (MAT) credit becomes eligible to be recognized as an asset in accordance with the recommendations contained in guidance Note issued by the Institute of Chartered Accountants of India, the said asset is created by way of a credit to the profit and loss account and shown as MAT Credit Entitlement. The Company reviews the same at each balance sheet date and writes down the carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that Company will pay normal Income Tax during the specified period.

2.14 Employee Benefits:

Retirement benefits in the form of Provident Fund and Government administered Employees Insurance and Pension Plans are defined contribution schemes and the contributions are charged to the Profit and Loss Account of the year when the contributions to the respective funds are due. There are no other obligations other than the contribution payable to the respective funds.

Gratuity liability is a defined benefit obligations and are provided for on the basis of an actuarial valuation. The Company makes annual contributions to the Employee's Group Gratuity-cum-Life Assurance Scheme of the Life Insurance Corporation of India, a funded

defined benefit plan for qualifying employees. The Scheme provides for lump-sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount equivalent to 15 days salary payable for each completed year of service or part thereof in excess of six months. Vesting occurs upon completion of five years of service.

The Company has a scheme for compensated absences for employees, the liability of which is recognized on actual basis instead of accrual basis and charged to Profit and Loss Account in the year of payment.

Expenditure on Voluntary Retirement Scheme are amortised over the period of two years.

2.15 Borrowing Cost:

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 respective asset. All other borrowing costs are expensed in the period they occur.

2.16 Earnings Per Share:

Basic earnings per share is calculated by dividing the net profit for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

2.17 Provision:

A provision is recognized when an enterprise has a present obligation as a result of past event; it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

2.18 Cash and Cash equivalents:

Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.

2.19 Segment:

In accordance with Notified Indian Accounting Standard (Ind AS-108) "Operating Segments", the Company's business constitutes only one reportable business segment being manufacturing & trading of S. O. Dyes & Chemicals and hence no separate disclosure to attributable Revenues, Profits, Assets, Liabilities, and Capital Employed are given. Geographical segments details i.e. the Domestic and the Overseas are provided in the notes to the accounts.

2.20 Contingent Liabilities:

Contingent Liabilities, if any, are disclosed in the Notes to Accounts. Provision is made in the accounts in respect of those contingencies which are likely to materialize into liabilities after the year end till the approval of the accounts by the Board of Directors and which have material effect on the position stated in the Balance Sheet.

2.21 First-time adoption of Ind-AS:

These financial statements, for the year ended March 31, 2018 are the first financial statements the Company has prepared inaccordance with Ind-AS. For periods up to and including the year ended March 31, 2017 the Company prepared its financial statementsin accordance with statutory reporting requirements in India immediately before adopting Ind AS ('previous GAAP').

Accordingly, the Company has prepared condensed financial statements which comply with Ind-AS applicable for year ended March 31, 2018, together with the previous year ended March 31, 2017. In preparing these financial statements, the Company's openingbalance sheet was prepared as at April 1, 2016, the Company's date of transition to Ind-AS. There were no adjustments made by theCompany in restating its Indian GAAP financial statements including the balance sheet as at April 1, 2016 and the financial statementsas at and for the year ended March 31, 2017.

Exemptions applied:

Ind AS 101 allows first-time adopters certain optional exemptions from the retrospective application of certain requirements under IndAS. The Company has applied the following optional exemptions:

a) Deemed cost :The Company has elected to measure the carrying value for all of its Property, Plant & Equipment and Investment Properties as per theprevious GAAP and used that as its deemed cost as at the date of transition to Ind AS i.e. April 1, 2016.
b) Ind AS 101 allows a Company to measure investments in subsidiaries and associates at the deemed cost. The Company hasconsidered the carrying amount as per previous GAAP at the previous reporting date as the deemed cost.
c) Ind AS 101 allows a Company to designate investments in equity instruments at FVOCI on the basis of the facts and circumstances at the date of transition to IndAS. The Company has elected to apply this exemption for its investment in equity instruments.

CHROMATIC INDIA LTD.

Notes forming part of the financial statements

OTHER NOTES TO ACCOUNTS

22	**Contingent liabilities not provided for:**	**As at 31-03-20 (Rs. In Lacs)**	**As at 31-03-19 (Rs. In Lacs)**
	Income Tax Demand for which company has gone into appeal	**2267.00**	**2461.68**
	Bank Guarantees (secured by fixed deposit receipts)	**6.94**	**7.99**

23 There are no Micro, Small and Medium Enterprises, as defined in the Micro, Small and Medium Enterprises Development Act, 2006 to whom the company owes dues on account of principal amount together with interest and accordingly no additional disclosures have been made.

The above information regarding Micro, Small and Medium Enterprises has been determined to the extent such parties have been identified on the basis of information available with the company. This has been relied upon by the auditors.

24 In the opinion of the Board, current assets, loans and advances shall have a value on realisation in the ordinary course of business at least equal to the amount at which they are stated in the balance sheet and provision for all known liabilities have been made and contingent liabilities disclosed properly.Sundry Debtors & Loan and Advances (othr than Advances to subsidiaries) includes amount of Rs.4.06 Crore & Rs.1.06 Crore respetively for a period of more than 3 years.

25 The Company has written off Debit Balances of Rs. 46.572 crore and writeback of Credit Balances of Rs. 46.566 Crores.

26 On transition to Ind AS, Company has classified one of its Building which has been given on rent, as Investment Property as per Ind AS 40 (Investment Property) and elected to continue with the carrying value recognised as at 1 April 2016 measured as per previous GAAP. Further, as prescribed in IAS 40, Company has not measured the Investment property at Fair value as on 31.03.2020.

27 During the year 2018-19 commissioner of income tax (Appeal), has passed the order for the A.Y. 2015-16 against the company for the income tax demand Rs.22,61,99,645/- said demand has not yet provided in the books as on 31st March 2020

28 Capital work in progress includes an amount of **Rs. 105.72** Crores, paid during previous accounting years for setting up of power plant. The procurement has not been done for pending clearances from the Govt. These advances are subject to confirmation and reconciliation and outstanding for more than 3

29 No events or transactions have occurred since the date of Balance Sheet or are pending that would have a material effect on the financial statements at the date or for the period then ended, other than those reflected or fully disclosed in the Notes on Accounts.

30	**Net amount of exchange differences**	**As at 31-03-20 (Rupees)**	**As at 31-03-19 (Rupees)**
	The net amount of exchange differences debited / (credited) 'to profit & loss account	5,14,848	(12,13,888)

31 Provision for Gratuity payable to employees has been covered by the Group Gratuity Policy taken by the company with LIC of India and premium of the policy has been duly accounted for as advised by LIC of India . However, no provision has been made for leave encashment as required by Ind AS-19 (Employee Benefits) notified by Companies (Indian Accounting Standard) Rules 2015 and the same shall be accounted for as and when paid.

A. Defined Contribution Plans – Employers contribution to Provident Fund :

During the year the company has recognized the following amounts in the statement of Profit & Loss

Employers Contribution to Provident fund	2019-20	2018-19
	8,50,835.00	8,69,369.00

B. State Plans – Employers contribution to Employee State Insurance:

During the year the company has recognized the following amounts in the Statement of Profit & Loss

Employers Contributions to Employee State Insurance	2019-20	2018-19
	5,854.00	6,323.00

Present value of gratuity obligation based on actuarial valuation using the projected unit credit Method which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to built up the final obligation:

I.	Change in present value of obligations:	Gratuity 2019-20	Gratuity 2018-19
	Present value of obligation at the beginning	50,27,218.00	49,46,248.00
	Current service costs	1,93,582.00	2,05,850.00
	Benefits paid	-	-
	Acturial (Gain)/Loss on obligation	(3,87,530.00)	(1,24,880.00)
	Present value of obligation at the end	**48,33,270.00**	**50,27,218.00**

II.	Amount to be recognized in the Balance Sheet:	2019-20	2018-19
	Present value of obligation at the end of the current year	48,33,270.00	50,27,218.00
	Fair value of plan assets at the end of the I.V.P	-	-
	Funded status	45,68,259.00	48,63,669.00
	Unrecongized Actuarial (Gain)/Loss at the end	-	-
	Net (Assets)/Liability Recognized in the Balance Sheet	**2,65,011.00**	**1,63,549.00**

III.	Expenses recognized in the Statement of Profit & Loss:	2019-20	2018-19
	Current service cost	1,93,582.00	2,01,763.00
	Net Actuarial (Gain)/Loss recognized in the I.V.P	2,65,011.00	-
	Expenses recognized in the Statement of Profit & Loss	-	12,676.00

IV.	Actuarial Assumptions:	LIC 2006-08 (Ultimate) 2019-20	LIC 2006-08 (Ultimate) 2018-19
	Discounting Rate	7.25%	7.50%
	Salary Rise	5.00%	5.00%
	Withdrawl Rate	1% - 3%	1% - 3%
	Average Past Service	22.76	22.15

32 Segment reporting

The Company operates in one business segment, namely manufacturing & trading of S.O.Dyes & Chemicals and geographic segments i.e. the Domestic and the Overseas. They are summarised as follows. :

Particulars	Domestic	Overseas	Total
Sales	70,31,340	7,37,77,496	8,08,08,836
	(99,08,707)	(5,48,91,436)	(6,48,00,143)
Total Sales	70,31,340	7,37,77,496	8,08,08,836
	(99,08,707)	(5,48,91,436)	(6,48,00,143)

Figures in bracket represent previous year figures.

The following table shows the distribution of sales in India and outside India

Name of the country	2019-20 (Rupees)	2018-19 (Rupees)
India	70,31,340	99,08,707
Switzerland	5,85,14,003	4,62,11,751
Austria		-
Bangladesh	11,78,850	46,85,930
Italy		14,89,755
Singapore	1,40,84,643	-
Basel		11,97,200
Brazil		13,06,800
Total	**8,08,08,836**	**6,48,00,143**

Disclosure of Segment-wise Liabilities and Profitability has not been possible, as the company has only one manufacturing plant and a unified marketing and administrative set-up.

Segment assets	As at 31-03-20 (Rupees)	As at 31-03-19 (Rupees)
Export Debtors	12,65,09,914	11,60,87,700
Total	**12,65,09,914**	**11,60,87,700**

33 Related Party Disclosures

As per the Accounting Standard 18, disclosures of transactions with the related parties as defined in the Accounting Standard are given below:

(i) List of related parties and relationships:

	Name of the Related Party	Nature of Relationship
(a)	Cheetah Multitrade Pvt. Ltd.	Holding Company
(b)	Chromatic International FZE	100% Subsidiary
(c)	Mr.V.K.Kaushik	Key Managerial Personnel
(d)	Mr Siraj Ahemad Shaikh	Independent Director
(e)	Ms. Diana Mahesh Joshi	Independent Director
(f)	Mr.Mayank Kotadia	Independent Director
(h)	Ms Roshani Shah	Company Secretary

(ii)	Entities in which any director or his relative is a partner , director or member	
(b)	Chromatic Sponge Iron Limited	Company
(c)	Chromatic Ferro Alloys Ltd.	Company
(d)	Arihant Multi commercial Ltd	Company

(iii)	Remuneration to Whole Time Directors: (Includes benefits which are debited to respective expenses)	As at 31-03-20 (Rupees)	As at 31-03-19 (Rupees)
a	Remuneration	18,24,000	10,56,000
b	Provident Fund Contribution	1,26,720	1,26,720
c	Other Perquisites (LTA & Medical Allowance)	-	50,000
d	Conveyance	36,000	36,000
	Total	**19,86,720**	**12,32,720**

34 Calculation of Earning Per Shares

(i)	Basic EPS	As at 31-03-20 (Rupees)	As at 31-03-19 (Rupees)
	Net Profit / (Loss) after tax available for equity shareholders (Rupees) used as numerator	(2,65,65,668)	(41,90,224)
	Weighted average no. of Equity Shares used as denominator	7,10,46,100	7,10,46,100
	Basic Earning Per Share (In Rupees)	**(0.374)**	**(0.059)**

(ii)	Diluted EPS	As at 31-03-20 (Rupees)	As at 31-03-19 (Rupees)
	Net Profit / (Loss) after tax available for equity shareholders (Rupees) used as numerator	(2,65,65,668)	(41,90,224)
	Weighted average no. of Equity Shares used as denominator	7,10,46,100	7,10,46,100
	Diluted Earning Per Share (In Rupees)	**(0.37)**	**(0.06)**

35 Deferred Tax

Particulars	Opening Balance as at 01.04.2019	During the year 2019-20	Closing Balance as at 31.03.2020
Deferred Tax Assets			
Ex-Gratia	-	-	-
Bonus	(18,121)	(16,869)	(34,990)
Unpaid Interest	-	-	-
	-		
	(18,121)	**(16,869)**	**(34,990)**
Deferred Tax Liability			
Depreciation	-	-	-
Change in Foreign currency translation reserve	26,15,30,358	5,84,10,805	31,99,41,163
Net Deferred Tax Liability	**26,15,48,479**	**5,84,27,673**	**31,99,76,153**

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Earnings in foreign currency	As at 31-03-20 (Rupees)	As at 31-03-19 (Rupees)
F.O.B. Value of Exports (on accrual basis)	7,37,77,496	5,48,91,436

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Value of import on CIF basis	As at 31-03-20 (Rupees)	As at 31-03-19 (Rupees)
Raw Materials & Packing Material Purchased	-	6,61,396
Stores and Spares Purchased		-

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Expenditure in foreign currency	As at 31-03-20 (Rupees)	As at 31-03-19 (Rupees)
Travelling Expenses	53,11,555	44,057

39 Particulars of unhedged foreign currency exposure as at balance sheet date

Particulars	Currency	As at 31-03-20		As at 31-03-19	
		USD	Rupees	USD/EURO	Rupees
Debtors (net of advances)	USD	16,78,296.51	12,65,09,916	16,78,296.51	11,60,87,700
	EURO	-	-	-	-

40 Pursuant to Indian Accounting Standard (AS)-36 on "Impairment of Asset" issued by The Institute of Chartered Accountants of India, the company assessed its fixed assets for impairment as at 31st March 2020, and concluded that there have been no significant impaired fixed assets that need to be recognized in the books of accounts.

41 Additional quantitative information

A

Details of licensed and installed capacity and actual production	As at 31-03-20 in KG	As at 31-03-19 in KG
Licensed capacity	12,00,000	12,00,000
Installed capacity	12,00,000	12,00,000
Actual production	1,78,987	1,40,096

B Details of finished goods / WIP as on 31-03-20 **All Quantities are in KG**

Particulars	Opening Stock		Production	Turnover		Closing Stock	
	Quantity	Value (Rs.)	Quantity	Quantity	Value (Rs.)	Quantity	Value (Rs.)
S.O. Dyestuffs (Reactive dyes)	22,452	26,92,096	1,78,987	1,81,063	7,97,81,663	20,376	1,17,22,491
Total	**22,452**	**26,92,096**	**1,78,987**	**1,81,063**	**7,97,81,663**	**20,376**	**1,17,22,491**
Previous Year	(9,641)	(26,92,096)	(1,40,096)	(1,27,285)	(6,48,00,143)	(22,452)	(82,15,389)

Figures in bracket represent previous year figures.

C Raw material consumed/ sales

Particulars	For the year ended 31-03-20		For the year ended 31-03-19	
	Quantity	Value (Rs.)	Quantity	Value (Rs.)
H. Acid	3569	14,02,277	5391	22,56,323
J. Acid	11255	94,68,830	6054	47,09,731
Vinyl Sulphone	25784	63,26,226	3589	11,88,768
F.Oil	14351	6,26,984	26550	12,57,613
Coal	244680	19,37,642	160050	12,58,858
Other raw materials		4,95,63,105		4,15,56,039
		6,93,25,064		**5,22,27,332**

D Raw material/Packing material & stores & spares imported/ indigenous:

Particulars		For the year ended 31.03.2019		For the year ended 31.03.2018	
		Value (Rs.)	%	Value (Rs.)	%
A)	**Raw Material & Packing Material**				
	Imported	-	0.00	6,61,396	1.19
	Indigenous	6,96,31,116	100.00	5,48,36,260	98.81
		6,96,31,116	**100.00**	**5,54,97,656**	**100.00**
B)	**Stores & Spares**				
	Imported	-	0.00	-	0.00
	Indigenous	10,66,848	100.00	5,52,234	100.00
		10,66,848	**100.00**	**5,52,234**	**100.00**

42 The company is operating in single line of product i.e. manufacturing of Dyes & Chemicals on the specific orders received from its customers. In view of this, the management is of the opinion that the company is not exposed to any significant risk related to Credit, Market , liquidity etc. Accordingly, Company has not made any risk analysis as prescribed in Ind AS 107 (Financial Instruments - Disclosures)

43 Previous year figures have been regrouped, rearranged, reclassified and reworked wherever necessary. Amounts and other disclosures for the preceding year are included as an integral part of the current year financial statements and are to be read in relation to the amounts and other disclosures relating to the current year.

AUDITORS' REPORT
As per our report of even date attached
For M/s Dargar & Co.
Chartered Accountants
Firm Registration No. : 007289W

Vijay Dargar
Partner
Membership No. 76191
Date : 31st July,2020

For and on behalf of Board of Directors
Chromatic India Ltd

Mr.V.K.Kaushik
Wholetime Director
Din No : 02586479

Mr.Mayank Kotadia
Director
Din No : 06583820

Mr.Nitin Kumar Kothari
CFO
Place: Mumbai
Date : 31st July,2020