



National Peroxide Limited

CIN : L24299MH1954PLC009254



RESPONSIBLE CARE®
OUR COMMITMENT TO SUSTAINABILITY

REGISTERED OFFICE : NEVILLE HOUSE, J. N. HEREDIA MARG, BALLARD ESTATE, MUMBAI - 400 001.

AO/A-13

29th June, 2021

BSE Ltd.
Phiroze Jeejeebhoy Towers
Dalal Street
MUMBAI – 400 001.

Kind Attn: Dept. of Corporate Services
(Scrip Code – 500298)

Dear Sirs,

Sub : Outcome of Board Meeting

Ref: Submission of Audited Financial Results (Standalone and Consolidated) for the Quarter and Year ended 31st March, 2021 as per Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”)

This is to inform you that the Board of Directors of the Company, at its meeting held today, considered the following items of business:

1. Audited Financial Results:

The Board has approved the Audited Financial Results (Standalone and Consolidated) of the Company for the quarter and financial year ended 31st March, 2021.

Pursuant to Regulation 33 of the Listing Regulations, statement showing Audited Financial Results (Standalone and Consolidated) for the quarter and financial year ended 31st March, 2021 along with Auditors Report thereon is enclosed herewith for your information and record.

2. Dividend:

The Board has recommended a Dividend of Rs. 12.50/- (125%) per equity share of face value of Rs. 10/- each for the financial year ended 31st March, 2021.

Further, pursuant to the provisions of Regulation 33(3)(d) of the Listing Regulations, it is hereby declared that M/s. Price Waterhouse Chartered Accountants LLP, Statutory Auditors have issued the Audit Reports with Unmodified Opinion on the Standalone and Consolidated Financial Results for the year ended March 31, 2021.

The Company shall publish an Extract of the Audited Financial Results for the quarter and year ended 31st March, 2021, in newspapers, pursuant to Regulation 47 of the Listing Regulations, 2015.

The Meeting of the Board of Directors commenced at 11.00 a.m. and concluded at 13:40 p.m.

Thanking you,

Yours faithfully,
For NATIONAL PEROXIDE LIMITED

Chandukumar Parmar
Company Secretary

Encl: as above

Correspondence to be addressed to :

Head Office : C-1, Wadia International Centre, Pandurang Budhkar Marg, Worli, Mumbai - 400 025.

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Price Waterhouse Chartered Accountants LLP

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of National Peroxide Limited

Report on the Audit of Standalone Financial Results

Opinion

1. We have audited the standalone annual financial results of National Peroxide Limited (hereinafter referred to as the 'Company') for the year ended March 31, 2021 and the standalone statement of assets and liabilities and the standalone statement of cash flows as at and for the year ended on that date, attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, ('Listing Regulations').
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial results:
 - (i) are presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and
 - (ii) give a true and fair view in conformity with the recognition and measurement principles laid down in the applicable accounting standards prescribed under Section 133 of the Companies Act, 2013 (the "Act") and other accounting principles generally accepted in India, of the net profit and other comprehensive income and other financial information of the Company for the year ended March 31, 2021 and the standalone statement of assets and liabilities and the standalone statement of cash flows as at and for the year ended on that date.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Standalone Financial Results' section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the 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 obtained by us is sufficient and appropriate to provide a basis for our opinion.

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Price Waterhouse (a Partnership Firm) converted into Price Waterhouse Chartered Accountants LLP (a Limited Liability Partnership with LLP identity no: LLPIN AAC-5001) with effect from July 25, 2014. Post its conversion to Price Waterhouse Chartered Accountants LLP, its ICAI registration number is 012754N/N500016 (ICAI registration number before conversion was 012754N)

Price Waterhouse Chartered Accountants LLP

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of National Peroxide Limited

Report on the Standalone Financial Results

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Emphasis of Matter

4. We draw attention to Note 8 to the standalone financial results, which describes the current environment, where several restrictions have been imposed by various state governments and local bodies to control the second wave of the Coronavirus (Covid-19) pandemic. Management has carried out a detailed assessment of the financial impact on the business operations of the Company and has concluded that there are no material adjustments required in the financial results. However, a definitive assessment of the impact on the subsequent periods is highly dependent upon circumstances as they evolve. Our opinion is not modified in respect of this matter.

Board of Directors' Responsibilities for the Standalone Financial Results

5. These Standalone financial results have been prepared on the basis of the standalone annual financial statements. The Company's Board of Directors are responsible for the preparation and presentation of these standalone financial results that give a true and fair view of the net profit and other comprehensive income and other financial information of the Company and the standalone statement of assets and liabilities and the standalone statement of cash flows in accordance with the recognition and measurement principles laid down in the Indian Accounting Standards prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. The Board of Directors of the Company are responsible for 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 the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the standalone financial results by the Directors of the Company, as aforesaid.
6. In preparing the standalone financial results, the Board of Directors of the Company are responsible for assessing the ability of the Company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.
7. The Board of Directors of the Company are responsible for overseeing the financial reporting process of the Company.

Auditor's Responsibilities for the Audit of the Standalone Financial Results

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

Price Waterhouse Chartered Accountants LLP

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of National Peroxide Limited

Report on the Standalone Financial Results

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9. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
 - Identify and assess the risks of material misstatement of the standalone financial results, 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 with reference to financial statements in place and the operating effectiveness of such controls. (Refer paragraph 12 below)
 - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
 - Conclude on the appropriateness of the Board of Directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Company to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
 - Evaluate the overall presentation, structure and content of the standalone financial results, including the disclosures, and whether the standalone financial results represent the underlying transactions and events in a manner that achieves fair presentation.
10. We communicate with those charged with governance of the Company regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Other Matters

11. The Standalone financial results include the results for the quarter ended March 31, 2021 being the balancing figures between the audited figures in respect of the full financial year and the published unaudited year to date figures up to the third quarter of the current financial year, which are neither subject to limited review nor audited by us.

Price Waterhouse Chartered Accountants LLP

INDEPENDENT AUDITOR'S REPORT
To the Board of Directors of National Peroxide Limited
Report on the Standalone Financial Results
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12. The standalone annual financial results dealt with by this report have been prepared for the express purpose of filing with the stock exchange on which the Company's shares are listed. These results are based on and should be read with the audited standalone financial statements of the Company for the year ended March 31, 2021 on which we issued an unmodified audit opinion vide our report dated June 29, 2021.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016

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Date: 2021.06.29
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Asha Ramanathan
Partner

Membership Number: 202660
UDIN : 21202660AAAABA6665

Place: Mumbai
Date: June 29, 2021

NATIONAL PEROXIDE LIMITED

Registered Office : Neville House, J.N.Heredia Marg, Ballard Estate, Mumbai - 400 001

CIN : L24299MH1954PLC009254

Tel No: (022) 66620000 • Website: www.naperol.com • E-mail: secretarial@naperol.com

(₹ in Lakhs)

Statement of Standalone Financial Results for the Quarter and Year ended March 31, 2021

Sr. No	Particulars	Quarter ended			Year ended	
		March 31, 2021	December 31, 2020	March 31, 2020	March 31, 2021	March 31, 2020
		(Unaudited) Refer note 4	(Unaudited)	(Unaudited) Refer note 4	(Audited)	(Audited)
I	Income					
	(a) Revenue from Operations	6,414.27	6,651.04	4,750.00	21,447.35	19,064.87
	(b) Other Income	354.63	325.00	278.85	1,277.96	1,795.10
II	Total Income	6,768.90	6,976.04	5,028.85	22,725.31	20,859.97
III	Expenses					
	(a) Cost of Raw Material and Packing Material Consumed	2,588.52	2,502.41	1,761.69	7,578.36	6,487.74
	(b) Purchase for stock in trade	-	-	43.15	-	90.19
	(c) Change in Inventory of Finished Goods	216.42	(226.61)	(393.90)	171.28	1,644.53
	(d) Power, Fuel and Water	1,045.50	980.60	829.22	3,395.49	2,604.54
	(e) Employee Benefit Expense	646.78	738.53	556.29	2,558.45	2,633.49
	(f) Finance Costs	291.11	323.33	225.52	1,265.62	273.68
	(g) Depreciation and Amortisation Expense	423.91	438.42	378.25	1,749.96	1,122.83
	(h) Other Expenses	1,346.71	739.64	1,019.76	3,277.30	3,103.39
	Total Expenses (III)	6,558.95	5,496.32	4,419.98	19,996.46	17,960.39
IV	Profit before Exceptional Items and Tax (II - III)	209.95	1,479.72	608.87	2,728.85	2,899.58
V	Exceptional items (Refer Note 5, 6 and 7)	1,291.67	257.63	-	1,549.30	-
VI	Profit / (Loss) before Tax (IV - V)	(1,081.72)	1,222.09	608.87	1,179.55	2,899.58
VII	Tax Expenses					
	(a) Current tax	(107.04)	109.73	145.46	121.97	530.09
	(b) Deferred tax	(138.11)	212.05	167.01	(1,023.50)	632.87
VIII	Profit / (Loss) after Tax for the period (VI - VII)	(836.57)	900.31	296.40	2,081.08	1,736.62
IX	Other Comprehensive Income					
	(a) Items that will not be reclassified to profit or loss	(4,402.48)	131.00	(7,619.45)	9,173.91	(10,256.95)
	(b) Income tax relating to items that will not be reclassified to profit or loss	214.42	5.26	175.27	(269.66)	(1.16)
	(c) Items that will be reclassified to profit or loss	(158.43)	82.45	26.75	(73.50)	247.94
	(d) Income tax relating to items that will be reclassified to profit or loss	39.88	(20.76)	(9.35)	2.80	(86.64)
	Total Other Comprehensive Income / (Loss), Net of Income Tax	(4,306.61)	197.95	(7,426.78)	8,833.55	(10,096.81)
X	Total Comprehensive Income / (Loss) for the period (VIII + IX)	(5,143.18)	1,098.26	(7,130.38)	10,914.63	(8,360.19)
XI	Paid up Equity Share Capital (Face value of ₹ 10/- each)	574.70	574.70	574.70	574.70	574.70
XII	Reserves excluding Revaluation Reserves as per previous accounting year (Other Equity)				58,266.96	48,070.71
XIII	Earnings per Equity Share (Face value of ₹ 10/- each) (Not annualised)					
	(1) Basic (In ₹.)	(14.56)	15.67	5.16	36.21	30.22
	(2) Diluted (In ₹.)	(14.56)	15.67	5.16	36.21	30.22

Standalone Statement of Assets and Liabilities as at March 31, 2021		
Particulars	Standalone	
	As at March 31, 2021	As at March 31, 2020
	(Audited)	(Audited)
ASSETS		
Non-Current Assets		
Property, plant and equipment	34,148.13	37,154.03
Capital work-in-progress	252.73	-
Intangible Assets	65.08	85.02
Financial assets		
(i) Investments	26,774.25	17,656.41
(ii) Loans	43.16	21.40
Income tax assets (net)	606.43	313.03
Other non-current assets	130.36	382.35
Total non-current assets	62,020.14	55,612.24
Current assets		
Inventories	1,695.11	2,440.22
Financial assets		
(i) Trade receivables	2,384.34	3,224.88
(ii) Cash and cash equivalents	665.82	219.10
(iii) Bank balances other than (ii) above	69.10	73.86
(iv) Loans	11,026.85	11,034.07
(v) Other financial assets	-	898.27
Other current assets	391.56	344.28
Asset held for sale	201.51	378.46
Total current assets	16,434.29	18,613.14
Total assets	78,454.43	74,225.38
EQUITY AND LIABILITIES		
Equity		
Equity share capital	574.70	574.70
Other equity	58,266.96	48,070.71
Total equity	58,841.66	48,645.41
Liabilities		
Non-current liabilities		
Financial liabilities		
(i) Borrowings	-	-
(ii) Other financial liabilities	137.47	3.79
Deferred tax liabilities (net)	3,163.49	3,928.46
Provisions	344.88	280.27
Total non-current liabilities	3,645.84	4,212.52
Current liabilities		
Financial liabilities		
(i) Borrowings	933.33	467.93
(ii) Trade payables		
(a) total outstanding dues of micro enterprises and small enterprises; and	304.37	15.98
(b) total outstanding dues of creditors other than (ii) (a) above	1,697.54	1,850.83
(iii) Other financial liabilities	12,515.26	18,542.99
Contract liabilities	106.08	46.91
Other current liabilities	295.98	110.12
Provisions	114.37	167.34
Income tax liabilities (net)	-	165.35
Total current liabilities	15,966.93	21,367.45
Total equity and liabilities	78,454.43	74,225.38

Standalone Statement of Cash Flows for the year ended March 31, 2021		
(₹ in Lakhs)		
Particulars	Standalone	
	For the year ended March 31, 2021	For the year ended March 31, 2020
	(Audited)	(Audited)
Cash flow from operating activities		
Profit before income tax	1,179.55	2,899.58
Adjustments for:		
Depreciation and amortization expense	1,749.96	1,122.83
Finance costs	1,265.62	273.68
Interest income	(1,115.95)	(1,653.62)
Dividend income	(30.78)	(51.22)
Loss on disposal of property, plant and equipment	654.77	0.03
Provision for impairment of property, plant and equipment	136.72	-
Loss on account of reassessment of fair value of assets (CWIP) held for sale	173.86	-
Loss on account of breakdown of machinery	367.22	-
Fair value gain on investments (including gain on sale of investments) measured at FVTPL	(35.00)	(21.56)
Loss allowances	-	30.15
Gain on cancellation of lease contract	-	(0.18)
Net exchange differences loss	0.03	8.95
Operating profit before working capital changes	4,346.00	2,608.64
Change in operating assets and liabilities		
Decrease in inventories	745.11	740.41
(Increase) / decrease in trade receivables	840.97	(195.65)
(Increase) / decrease in non-current financial asset	(21.76)	18.95
Decrease in current financial asset	7.22	10.80
(Increase) / decrease in other non-current assets	273.31	(0.24)
Decrease in other current assets	(47.28)	407.08
(Increase) / decrease in assets held for sale	3.09	(378.46)
Increase / (decrease) in trade payable	135.10	(547.63)
Increase in provision	68.71	49.28
Increase / (decrease) in other current financial liabilities	67.05	(131.14)
Increase / (decrease) in other liabilities	185.86	(11.38)
Increase in contract liabilities	59.17	31.05
Cash generated from operations	6,662.55	2,601.71
Income taxes paid (net)	(589.05)	(1,044.17)
Net cash inflow by operating activities	6,073.50	1,557.54
Cash flows from investing activities		
Payment for property, plant and equipment (including capital work-in-progress and advances)	(2,339.72)	(9,749.93)
Payment for software development cost	-	(104.96)
Proceeds from sale of property, plant and equipment	223.04	0.08
Payment for purchase of investment	(12,066.00)	(25,309.60)
Proceeds from sale of investment	12,100.00	16,571.09
Intercompany deposits given to a related party	(500.00)	(650.00)
Receipts of Intercompany deposits given to a related party	500.00	3,500.00
Intercompany deposits given to other companies	(5,000.00)	(26,500.00)
Receipts of Intercompany deposits given to other companies	5,000.00	36,500.00
Interest received	1,338.68	1,517.07
Dividend received	30.78	51.22
Movement in bank balances which are not considered as cash and cash equivalents	4.76	347.27
Net cash outflow from investing activities	(708.46)	(3,827.76)
Cash flows from financing activities		
Proceeds from long term borrowings	-	7,785.38
Repayment of long term borrowings	(3,395.26)	-
Proceeds from / (repayment of) short term borrowings	465.40	(532.07)
Dividends paid to company shareholders (including DDT)	(723.14)	(4,492.73)
Principal elements of lease payments	(8.98)	(11.58)
Interest paid	(1,256.34)	(1,336.36)
Net cash inflow/(outflow) from financing activities	(4,918.32)	1,412.64
Net increase / (decrease) in cash and cash equivalents	446.72	(857.58)
Opening cash and cash equivalents	219.10	1,076.68
Closing cash and cash equivalents	665.82	219.10

1. The above results have been reviewed and recommended by the Audit Committee and approved by the Board of Directors at their meetings held on June 28, 2021 and June 29, 2021 respectively.
2. This statement has been prepared in accordance with the Companies (Indian Accounting Standards) Rules 2015 (Ind AS) prescribed under Section 133 of the Companies Act, 2013 read with relevant rules, issued thereunder and other recognised accounting practices and policies to the extent applicable.
3. The Company's business segment consists of a single segment of "Manufacturing of Hydrogen Peroxide" as per Indian Accounting Standard (Ind AS-108) Operating Segment requirement.
4. The figures for the quarters ended March 31, 2021 and March 31, 2020 are the balancing figures between audited figures in respect of the full financial year and the published unaudited year to date figures upto third quarter of the respective financial years.
5. The Company commissioned its 150KTPA plant in February 2020. In the current year, as the plant got fully operational and stabilized, management undertook a review of all its older assets which may have become redundant and no longer usable in the production process and had to be decommissioned. As a result of this, assets with written down value amounting to Rs. 876.97 lakhs were dismantled and disposed off at a loss of Rs. 653.93 lakhs; assets with written down value amounting to Rs. 218.32 lakhs were further written down to an estimated 5% of its gross block value resulting in a loss of Rs. 136.72 lakhs. The aggregate loss of Rs. 790.65 lakhs on account of decommissioning has been disclosed as an exceptional item in the Statement of Standalone Financial results for the quarter and year ended March 31, 2021.
6. There were items (Pipes, Pipe fittings, Valves, Cables and other spares) in Capital Work in Progress (CWIP) which were no longer required and classified as 'Asset held for sale' in previous year. The Company took necessary steps to sell the assets despite lower demand due to COVID scenario. Accordingly, the Company continues to classify the assets as held for sale. The Company has made enquires and has received quotations from various parties, basis which, the fair value has been reassessed and a write down of Rs. 173.86 lakhs has been accounted, which has been disclosed as an exceptional item in the Statement of Standalone Financial results for the quarter and year ended March 31, 2021.
7. The Company's plant located at Kalyan, Maharashtra, was temporarily shut down from March 27, 2021 due to machinery breakdown and have resumed operations from May 30, 2021 in a phased manner. The Company incurred losses of various chemicals (i.e. catalyst and working solution), fixed assets (primary, secondary and tertiary filters) and inventory (hydrogen peroxide gas) of an aggregate amount of Rs. 584.79 lakhs which has been disclosed as an exceptional item in the Statement of Standalone Financial results for the quarter and year ended March 31, 2021. The Company has initiated the procedures with respect to insurance claim in this regard.
8. The spread of COVID-19 disease has severely impacted economies, businesses and social set ups across the globe and in India. The number of new cases which had reached its lowest level in the first week of February 2021 had gone up dramatically in March 2021. Several restrictions have been imposed by various state governments and local bodies to control this strong second wave of the pandemic, but these are not as severe as the lockdown during the first wave.
Management has carried out a detailed assessment of its liquidity position for the next one year and of the recoverability and carrying values of Property, Plant and Equipment, Trade receivables, Inventory, Intercorporate deposits and Investments as at the balance sheet date, and has concluded that there are no material adjustments required in the standalone financial statements.

Based on the Company's liquidity position as at March 31, 2021 and review of cash flow projections (after applying sensitivity analysis) over the next twelve months, the management believes the Company will have sufficient liquidity to operate its businesses in the ordinary course. However, the impact assessment of COVID-19 is a continuing process given the uncertainties associated with its nature and duration. The Company will continue to monitor material changes to future economic conditions.

The eventual outcome of the impact of the COVID-19 pandemic on the Company's business may be different than estimated as on the date of approval of these standalone financial results.

9. The Government of India has inserted a new section 115 BAA in the Income Tax Act, 1961, which provides an option to pay income tax at a reduced rate of 25.17% (including cess and surcharge) with certain conditions. The option needs to be exercised within the prescribed time for filing the return of income (ROI) under section 139(1) of the Act for the assessment year 2020-2021 or subsequent assessment years.

The Company has exercised the option for and from assessment year 2020-2021, as permitted under section 115BAA of the Income Tax Act, 1961, which has resulted in an adjustment to the carrying amount of provision for tax and deferred tax liability. This is a change in accounting estimates in accordance with Ind AS 8 as there are many new developments like COVID-19 pandemic, revised business projections, etc, and accordingly, the impact has been considered during the year resulting in a write back of provision for income taxes of Rs 75.99 lakhs and reversal of deferred tax liability of Rs 1,214.35 lakhs pertaining to the year ended March 31, 2020.

10. The Board of Directors of the Company at their meeting held on March 09, 2021, have, inter alia, approved the Composite Scheme of Arrangement ('the Scheme') under section 230 to 232 and other applicable provisions of the Companies Act, 2013 and the rules and regulations made there under.

The Scheme, inter alia, provides for demerger, transfer and vesting of the Demerged Undertaking (as defined under the scheme) from the Company into NPL Chemicals Limited, a wholly owned subsidiary of the Company, on a going concern basis (w.e.f. October 01, 2020), and in consideration thereof, the NPL Chemicals Limited shall issue its equity shares to the equity shareholders of the Company in the same proportion of their existing holding in the Company and the existing share capital of the NPL Chemicals Limited held by the Company will be reduced.

Further, Naperol Investments Limited (a wholly owned subsidiary of NPL) will be merged into National Peroxide Limited.

Furthermore, subject to necessary approvals, the equity shares allotted by the NPL Chemicals Limited, pursuant to the Scheme, to shareholders of the Company shall be listed on BSE Limited. On March 27, 2021 the Company filed the Board approved Scheme with BSE Limited. The Scheme as aforesaid is subject to necessary approvals by the stock exchange, Securities and Exchange Board of India, shareholders, creditors, Jurisdictional Bench of National Company Law Tribunal ("NCLT") and such other statutory and regulatory approvals as may be required.

11. The Board of Directors has recommended a dividend of 125% (Rs.12.50 per equity share of Rs. 10 each) for the financial year ended March 31, 2021.

12. Previous year / period figures have been re-grouped / re-classified wherever necessary.

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The Statutory auditor has digitally signed the statement for identification purposes only and this statement should be read in conjunction with review report dated June 29, 2021

Place : Mumbai
Date: June 29, 2021

For National Peroxide Limited

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ARORA

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ARORA
Date: 2021.06.29
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(Rajiv Arora)
Chief Executive Officer and Director
DIN: 08730235

Price Waterhouse Chartered Accountants LLP

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of National Peroxide Limited

Report on the Audit of Consolidated Financial Results

Opinion

1. We have audited the consolidated annual financial results of National Peroxide Limited (hereinafter referred to as the 'Holding Company') and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group") (Refer note 1 to the consolidated annual financial results) for the year ended March 31, 2021 and the consolidated statement of assets and liabilities and the consolidated statement of cash flows as at and for the year ended on that date, attached herewith, being submitted by the Holding Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ('Listing Regulations').
2. In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate audited financial statements of the subsidiaries, the aforesaid consolidated financial results:
 - (i) include the annual financial results of Naperol Investments Limited and NPL Chemicals Limited.
 - (ii) are presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and
 - (iii) give a true and fair view in conformity with the recognition and measurement principles laid down in the applicable accounting standards prescribed under Section 133 of the Companies Act, 2013 (the "Act") and other accounting principles generally accepted in India, of the net profit and other comprehensive income and other financial information of the Group for the year ended March 31, 2021 and the consolidated statement of assets and liabilities and the consolidated statement of cash flows as at and for the year ended on that date.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Consolidated Financial Results' section of our report. We are independent of the Group, in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India 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 obtained by us and other auditors in terms of their reports referred to in "Other Matter" paragraph below, is sufficient and appropriate to provide a basis for our opinion.

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Price Waterhouse (a Partnership Firm) converted into Price Waterhouse Chartered Accountants LLP (a Limited Liability Partnership with LLP identity no: LLPIN AAC-5001) with effect from July 25, 2014. Post its conversion to Price Waterhouse Chartered Accountants LLP, its ICAI registration number is 012754N/N500016 (ICAI registration number before conversion was 012754N)

Price Waterhouse Chartered Accountants LLP

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of National Peroxide Limited
Report on the Consolidated Financial Results

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Emphasis of Matter

4. We draw attention to Note 9 to the consolidated financial results, which describes the current environment, where several restrictions have been imposed by various state governments and local bodies to control the second wave of the Coronavirus (Covid-19) pandemic. Management has carried out a detailed assessment of the financial impact on the business operations of the Company and has concluded that there are no material adjustments required in the consolidated financial results. However, a definitive assessment of the impact on the subsequent periods is highly dependent upon circumstances as they evolve. Our opinion is not modified in respect of this matter.

Board of Directors' Responsibilities for the Consolidated Financial Results

5. These Consolidated financial results have been prepared on the basis of the consolidated annual financial statements. The Holding Company's Board of Directors are responsible for the preparation and presentation of these consolidated financial results that give a true and fair view of the net profit and other comprehensive income and other financial information of the Group and the consolidated statement of assets and liabilities and the consolidated statement of cash flows in accordance with the recognition and measurement principles laid down in the Indian Accounting Standards prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group 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 the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial results by the Directors of the Holding Company, as aforesaid.
6. In preparing the consolidated financial results, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate the Group and or to cease operations, or has no realistic alternative but to do so.
7. The respective Board of Directors of the companies included in the Group are responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibilities for the Audit of the Consolidated Financial Results

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

Price Waterhouse Chartered Accountants LLP

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of National Peroxide Limited
Report on the Consolidated Financial Results

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9. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
 - Identify and assess the risks of material misstatement of the consolidated financial results, 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 with reference to financial statements in place and the operating effectiveness of such controls. (Refer paragraph 19 below)
 - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
 - Conclude on the appropriateness of the Board of Directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and 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 results 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 and to cease to continue as a going concern.
 - Evaluate the overall presentation, structure and content of the consolidated financial results, including the disclosures, and whether the consolidated financial results represent the underlying transactions and events in a manner that achieves fair presentation.
 - Obtain sufficient appropriate audit evidence regarding the financial results/financial information of the entities within the Group and to express an opinion on the consolidated Financial Results. We are responsible for the direction, supervision and performance of the audit of financial information of such entities included in the consolidated financial results of which we are the independent auditors. For the other entities included in the consolidated financial results, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.
10. We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial results of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.
11. We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33(8) of the Listing Regulations, as amended, to the extent applicable.

Price Waterhouse Chartered Accountants LLP

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of National Peroxide Limited
Report on the Consolidated Financial Results

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Other Matter

12. We did not audit the financial statements of two subsidiaries included in the consolidated financial results, whose financial statements reflect total assets of Rs.47,889.62 lakhs and net assets of Rs. 47,861.46 lakhs as at March 31, 2021, total revenue of Rs. 53.46 lakhs, total comprehensive income (comprising of profit and other comprehensive income) of Rs. 16,270.10 lakhs and net cash flows amounting to Rs. 11.21 lakhs 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 insofar as it relates to the amounts and disclosures included in respect of the subsidiaries and our report in terms of subsection (3) of Section 143 of the Act including report on other information insofar as it relates to the aforesaid subsidiaries, is based solely on the reports of the other auditors, and the procedures performed by us as stated in paragraph 11 above.
13. Our opinion on the consolidated Financial Results is not modified in respect of the above matter with respect to our reliance on the work done and the reports of the other auditors.
14. The Financial Results include the results for the quarter ended March 31, 2021, being the balancing figures between the audited figures in respect of the full financial year and the published unaudited year to date figures up to the third quarter of the current financial year, which are neither subject to limited review nor audited by us.
15. The consolidated annual financial results dealt with by this report have been prepared for the express purpose of filing with stock exchange on which the Company's shares are listed. These results are based on and should be read with the audited consolidated financial statements of the group for the year ended March 31, 2021 on which we have issued an unmodified audit opinion vide our report dated June 29, 2021.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016

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Asha Ramanathan

Partner

Membership Number: 202660

UDIN : 21202660AAAABB2926

Place: Mumbai

Date: June 29, 2021

NATIONAL PEROXIDE LIMITED

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CIN : L24299MH1954PLC009254

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(₹ in Lakhs)

Statement of Consolidated Financial Results for the Quarter and Year ended March 31, 2021

Sr. No	Particulars	Quarter ended			Year ended	Year ended
		March 31, 2021	December 31, 2020	March 31, 2020	March 31, 2021	March 31, 2020
		(Unaudited) Refer note 5	(Unaudited)	(Unaudited) Refer note 5	(Audited)	(Audited)
I	Income					
	(a) Revenue from Operations	6,415.18	6,651.27	4,750.01	21,500.81	19,123.01
	(b) Other Income	354.63	325.00	278.85	1,277.96	1,795.10
II	Total Income	6,769.81	6,976.27	5,028.86	22,778.77	20,918.11
III	Expenses					
	(a) Cost of Raw Material and Packing Material Consumed	2,588.52	2,502.41	1,761.69	7,578.36	6,487.74
	(b) Purchase for stock in trade	-	-	43.15	-	90.19
	(c) Change in Inventory of Finished Goods	216.42	(226.61)	(393.90)	171.28	1,644.53
	(d) Power, Fuel and Water	1,045.50	980.60	829.22	3,395.49	2,604.54
	(e) Employee Benefit Expense	646.78	738.53	556.29	2,558.45	2,633.49
	(f) Finance Costs	291.11	323.33	225.52	1,265.62	273.68
	(g) Depreciation and Amortisation Expense	423.91	438.42	378.25	1,749.96	1,122.83
	(h) Other Expenses	1,347.88	739.91	1,020.28	3,281.15	3,105.21
	Total Expenses (III)	6,560.12	5,496.59	4,420.50	20,000.31	17,962.21
IV	Profit before Exceptional Items and Tax (II - III)	209.69	1,479.68	608.36	2,778.46	2,955.90
V	Exceptional items (Refer Note 6, 7 and 8)	1,291.67	257.63	-	1,549.30	-
VI	Profit / (Loss) before Tax (IV - V)	(1,081.98)	1,222.05	608.36	1,229.16	2,955.90
VII	Tax Expenses					
	(a) Current tax	(106.65)	109.69	137.57	134.94	546.39
	(b) Deferred tax	(138.09)	212.07	167.01	(1,023.43)	617.95
VIII	Profit / (Loss) after Tax for the period (VI - VII)	(837.24)	900.29	303.78	2,117.65	1,791.56
IX	Other Comprehensive Income					
	(a) Items that will not be reclassified to profit or loss	(12,506.07)	(45.33)	(20,880.26)	25,419.32	(34,616.63)
	(b) Income tax relating to items that will not be reclassified to profit or loss	232.01	4.64	184.27	(281.54)	(0.91)
	(c) Items that will be reclassified to profit or loss	(158.43)	82.45	26.75	(73.50)	247.94
	(d) Income tax relating to items that will be reclassified to profit or loss	39.88	(20.76)	(9.35)	2.80	(86.64)
X	Total Other Comprehensive Income / (Loss), Net of Income Tax	(12,392.61)	21.00	(20,678.59)	25,067.08	(34,456.24)
XI	Total Comprehensive Income / (Loss) for the period	(13,229.85)	921.29	(20,374.81)	27,184.73	(32,664.68)
XII	Paid up Equity Share Capital (Face value of ₹ 10/- each)	574.70	574.70	574.70	574.70	574.70
XIII	Reserves excluding Revaluation Reserves as per previous accounting year (Other Equity)				1,06,101.92	79,635.57
XIV	Profit attributable to:					
	Owners of the Group	(837.24)	900.29	303.78	2,117.65	1,791.56
	Non-controlling interest	-	-	-	-	-
	Other comprehensive income attributable to:					
	Owners of the Group	(12,392.61)	21.00	(20,678.59)	25,067.08	(34,456.24)
	Non-controlling interest	-	-	-	-	-
	Total comprehensive income attributable to:					
	Owners of the Group	(13,229.85)	921.29	(20,374.81)	27,184.73	(32,664.68)
	Non-controlling interest	-	-	-	-	-
XV	Earnings per Equity Share (Face value of ₹ 10/- each) (Not annualised)					
	(1) Basic (In ₹.)	(14.57)	15.67	5.29	36.85	31.17
	(2) Diluted (In ₹.)	(14.57)	15.67	5.29	36.85	31.17

Statement of Consolidated Assets and Liabilities as at March 31, 2021		
Particulars	Consolidated	
	As at March 31, 2021	As at March 31, 2020
	(Audited)	(Audited)
ASSETS		
Non-Current Assets		
Property, plant and equipment	34,148.13	37,154.03
Capital work-in-progress	252.73	-
Other intangible assets	65.08	85.02
Financial assets		
(i) Investments	74,601.72	49,239.86
(ii) Loans	43.16	21.40
Income tax assets (net)	606.43	313.03
Other non current assets	130.36	382.35
Total non-current assets	1,09,847.61	87,195.69
Current assets		
Inventories	1,695.11	2,440.22
Financial assets		
(i) Investments	21.41	-
(ii) Trade receivables	2,384.34	3,224.88
(iii) Cash and cash equivalents	680.06	222.13
(iv) Bank balances other than (iii) above	69.10	73.86
(v) Loans	11,026.85	11,034.07
(vi) Other financial assets	-	898.27
Other current assets	382.58	344.28
Asset held for sale	201.51	378.46
Total current assets	16,460.96	18,616.17
Total assets	1,26,308.57	1,05,811.86
EQUITY AND LIABILITIES		
Equity		
Equity share capital	574.70	574.70
Other equity	1,06,101.92	79,635.57
Total equity	1,06,676.62	80,210.27
Liabilities		
Non-current liabilities		
Financial liabilities		
(i) Borrowings	-	-
(ii) Other financial liabilities	137.47	3.79
Provisions	344.88	280.27
Deferred tax liabilities (net)	3,179.87	3,932.89
Total non-current liabilities	3,662.22	4,216.95
Current liabilities		
Financial liabilities		
(i) Borrowings	933.33	467.93
(ii) Trade payables		
(a) total outstanding dues of micro enterprises and small enterprises; and	304.37	15.98
(b) total outstanding dues of creditors other than (ii) (a) above	1,699.52	1,851.53
(iii) Other financial liabilities	12,515.26	18,542.99
Contract liabilities	106.08	46.91
Other current liabilities	296.53	110.14
Provisions	114.37	167.34
Income tax liabilities (net)	0.27	181.82
Total current liabilities	15,969.73	21,384.64
Total equity and liabilities	1,26,308.57	1,05,811.86

Consolidated Statement of Cash Flows for the year ended March 31, 2021		
Particulars	(₹ in Lakhs)	
	Consolidated	
	For the year ended March 31, 2021	For the year ended March 31, 2020
	(Audited)	(Audited)
Cash flow from operating activities		
Profit before income tax	1,229.16	2,955.90
Adjustments for:		
Depreciation and amortization expense	1,749.96	1,122.83
Finance costs	1,265.62	273.68
Interest income	(1,115.95)	(1,653.62)
Dividend income	(30.78)	(51.22)
Provision for impairment of property, plant and equipment	136.72	-
Loss on account of reassessment of fair value of assets (CWIP) held for sale	173.86	-
Fair value gain on investments (including gain on sale of investments) measured at FVTPL	(36.21)	(24.28)
Loss on account of breakdown of machinery	367.22	-
Loss on disposal of property, plant and equipment	654.77	0.03
Provision for bad and doubtful debts	-	30.15
Gain on cancellation of lease contract	-	(0.18)
Exchange gain or loss	0.03	8.95
Operating profit before working capital changes	4,394.40	2,662.24
Change in operating assets and liabilities		
Decrease in inventories	745.11	740.41
(Increase) / decrease in trade receivables	840.97	(195.65)
(Increase) / decrease in non-current financial asset	(21.76)	18.95
Decrease in current financial asset	7.22	10.80
(Increase) / decrease in other non-current assets	273.31	(0.24)
Decrease in other current assets	(38.30)	407.08
(Increase) / decrease in assets held for sale	3.09	(378.46)
Increase / (decrease) in trade payable	136.38	(547.91)
Increase in provision	68.71	49.29
Increase / (decrease) in other current financial liabilities	67.05	(131.14)
Increase / (decrease) in other liabilities	186.39	(11.36)
Increase in contract liabilities	59.17	31.05
Cash generated from operations	6,721.74	2,655.06
Income taxes paid (net)	(618.22)	(1,044.17)
Net cash inflow by operating activities	6,103.52	1,610.89
Cash flows from investing activities		
Payment for property, plant and equipment (including capital work-in-progress and advances)	(2,339.72)	(9,749.93)
Payment for software development cost	-	(104.96)
Proceeds from sale of property, plant and equipment	223.04	0.08
Payments for purchase of investments	(12,129.00)	(26,668.63)
Proceeds from sale of investments	12,144.19	17,877.49
Intercorporate deposits given to a related party	(500.00)	(650.00)
Receipts of Intercorporate deposits given to a related party	500.00	3,500.00
Intercorporate deposits given to other companies	(5,000.00)	(26,500.00)
Receipts of Intercorporate deposits given to other companies	5,000.00	36,500.00
Interest received	1,338.68	1,517.07
Dividend received	30.78	51.22
Movement in bank balances which are not considered as cash and cash equivalents	4.76	347.27
Net cash outflow from investing activities	(727.27)	(3,880.39)
Cash flows from financing activities		
Proceeds from long term borrowings	-	7,785.38
Repayment of long term borrowings	(3,395.26)	-
Proceeds from / (repayment of) short term borrowings	465.40	(532.07)
Dividends paid to company shareholders (including DDT)	(723.14)	(4,492.73)
Principal elements of lease payments	(8.98)	(11.58)
Interest paid	(1,256.34)	(1,336.36)
Net cash inflow / (outflow) from financing activities	(4,918.32)	1,412.64
Net increase / (decrease) in cash and cash equivalents	457.93	(856.86)
Opening cash and cash equivalents	222.13	1,078.99
Closing cash and cash equivalents	680.06	222.13

1. The Statement of Consolidated Financial Results includes results of NPL (the "Parent Group") and its subsidiaries (Collectively referred as the "Group"). NPL Chemicals Limited, a wholly owned subsidiary of the Group was incorporated on July 29, 2020.
2. The above results of National Peroxide Limited & its subsidiaries (together referred to as 'Group') were reviewed by the Audit Committee and approved by the Board of Directors at their meetings held on June 28, 2021 and June 29, 2021 respectively.
3. This statement has been prepared in accordance with the Companies (Indian Accounting Standards) Rules 2015 (Ind AS) prescribed under Section 133 of the Companies Act, 2013 read with relevant rules, issued thereunder and other recognised accounting practices and policies to the extent applicable.
4. The Group's business segment consists of a single segment of "Manufacturing of Hydrogen Peroxide" as per Indian Accounting Standard (Ind AS-108) Operating Segment requirement.
5. The figures for the quarters ended March 31, 2021 and March 31, 2020 are the balancing figures between audited figures in respect of the full financial year and the published unaudited year to date figures upto third quarter of the respective financial years.
6. The Group commissioned its 150KTPA plant in February 2020. In the current year, as the plant got fully operational and stabilized, management undertook a review of all its older assets which may have become redundant and no longer usable in the production process and had to be decommissioned. As a result of this, assets with written down value amounting to Rs. 876.97 lakhs were dismantled and disposed off at a loss of Rs. 653.93 lakhs; assets with written down value amounting to Rs. 218.32 lakhs were further written down to an estimated 5% of its gross block value resulting in a loss of Rs. 136.72 lakhs. The aggregate loss of Rs. 790.65 lakhs on account of decommissioning has been disclosed as an exceptional item in the Statement of Consolidated Financial results for the quarter and year ended March 31, 2021.
7. There were items (Pipes, Pipe fittings, Valves, Cables and other spares) in Capital Work in Progress (CWIP) which were no longer required and classified as 'Asset held for sale' in previous year. The Group took necessary steps to sell the assets despite lower demand due to COVID scenario. Accordingly, the Group continues to classify the assets as held for sale. The Group has made enquires and has received quotations from various parties, basis which, the fair value has been reassessed and a write down of Rs. 173.86 lakhs has been accounted, which has been disclosed as an exceptional item in the Statement of Consolidated Financial results for the quarter and year ended March 31, 2021.
8. The Group's plant located at Kalyan, Maharashtra, was temporarily shut down from March 27, 2021 due to machinery breakdown and have resumed operations from May 30, 2021 in a phased manner. The Group incurred losses of various chemicals (i.e. catalyst and working solution), fixed assets (primary, secondary and tertiary filters) and inventory (hydrogen peroxide gas) of an aggregate amount of Rs. 584.79 lakhs which has been disclosed as an exceptional item in the Statement of Consolidated Financial results for the quarter and year ended March 31, 2021. The Group has initiated the procedures with respect to insurance claim in this regard.
9. The spread of COVID-19 disease has severely impacted economies, businesses and social set ups across the globe and in India. The number of new cases which had reached its lowest level in the first week of February 2021 had gone up dramatically in March 2021. Several restrictions have been imposed by various state governments and local bodies to control this strong second wave of the pandemic, but these are not as severe as the lockdown during the first wave.

Management has carried out a detailed assessment of Its liquidity position for the next one year and of the recoverability and carrying values of Property, Plant and Equipment, Trade receivables, Inventory, Intercorporate deposits and Investments as at the balance sheet date, and has concluded that there are no material adjustments required in the Consolidated financial statements.

Based on the Group's liquidity position as at March 31, 2021 and review of cash flow projections (after applying sensitivity analysis) over the next twelve months, the management believes the Group will have sufficient liquidity to operate its businesses in the ordinary course. However, the impact assessment of COVID-19 is a continuing process given the uncertainties associated with its nature and duration. The Group will continue to monitor material changes to future economic conditions.

The eventual outcome of the impact of the COVID-19 pandemic on the Group's business may be different than estimated as on the date of approval of these Consolidated financial results.

10. The Government of India has inserted a new section 115 BAA in the Income Tax Act, 1961, which provides an option to pay income tax at a reduced rate of 25.17% (including cess and surcharge) with certain conditions. The option needs to be exercised within the prescribed time for filing the return of income (ROI) under section 139(1) of the Act for the assessment year 2020-2021 or subsequent assessment years.

The Group has exercised the option for and from assessment year 2020-2021, as permitted under section 115BAA of the Income Tax Act, 1961, which has resulted in an adjustment to the carrying amount of provision for tax and deferred tax liability. This is a change in accounting estimates in accordance with Ind AS 8 as there are many new developments like COVID-19 pandemic, revised business projections, etc, and accordingly, the impact has been considered during the year resulting in a write back of provision for income taxes of Rs 75.99 lakhs and reversal of deferred tax liability of Rs 1,214.35 lakhs pertaining to the year ended March 31, 2020.

11. The Board of Directors of the Holding Company at their meeting held on March 09, 2021, have, inter alia, approved the Composite Scheme of Arrangement ('the Scheme') under section 230 to 232 and other applicable provisions of the Companies Act, 2013 and the rules and regulations made there under.

The Scheme, inter alia, provides for demerger, transfer and vesting of the Demerged Undertaking (as defined under the scheme) from the Holding Company into NPL Chemicals Limited, a wholly owned subsidiary of the Company, on a going concern basis (w.e.f. October 01, 2020), and in consideration thereof, the NPL Chemicals Limited shall issue its equity shares to the equity shareholders of the Holding Company in the same proportion of their existing holding in the Company and the existing share capital of the NPL Chemicals Limited held by the Holding Company will be reduced.

Further, Naperol Investments Limited (a wholly owned subsidiary of NPL) will be merged into National Peroxide Limited.

Furthermore, subject to necessary approvals, the equity shares allotted by the NPL Chemicals Limited, pursuant to the Scheme, to shareholders of the Holding Company shall be listed on BSE Limited. On March 27, 2021 the Holding Company filed the Board approved Scheme with BSE Limited. The Scheme as aforesaid is subject to necessary approvals by the stock exchange, Securities and Exchange Board of India, shareholders, creditors, Jurisdictional Bench of National Company Law Tribunal ("NCLT") and such other statutory and regulatory approvals as may be required.

12. The Board of Directors has recommended a dividend of 125% (Rs. 12.5 per equity share of Rs. 10 each) for the financial year ended March 31, 2021.
13. Previous year / period figures have been re-grouped / re-classified wherever necessary.

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The Statutory auditor has digitally signed the statement for identification purposes only and this statement should be read in conjunction with review report dated June 29, 2021

For National Peroxide Limited

RAJIV
ARORA

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Date: 2021.06.29
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(Rajiv Arora)
Chief Executive Officer and Director
DIN: 08730235

Place : Mumbai
Date: June 29, 2021