

AO/A-13

July 14, 2020

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 for the Quarter and Year ended March 31, 2020 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 March 31, 2020.

Pursuant to Regulation 33 of the SEBI Listing Regulations, 2015, statements showing Audited Financial Results (Standalone and Consolidated) for the quarter and financial year ended 31<sup>st</sup> March, 2020 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 March 31, 2020.

Further, pursuant to the provisions of Regulation 33(3)(d) of the SEBI (LODR) Regulations, 2015, it is hereby declared that M/s. Price Waterhouse Chartered Accountants LLP have issued the Audit Reports with Unmodified Opinion on the Standalone and Consolidated Financial Results for the year ended March 31, 2020.

The Company shall publish an Extract of the Audited Financial Results for the quarter and year ended March 31, 2020, in newspapers, pursuant to Regulation 47 of the Listing Regulations.

The Meeting of the Board of Directors commenced at 2.00 p.m. and concluded at 7:40 p.m.

Thanking you,

Yours faithfully,  
For NATIONAL PEROXIDE LIMITED

Chandukumar Parmar  
Company Secretary

Correspondence to be addressed to :

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

Tel. : +91-22-66620000 • Fax : +91-22-24314709 • E-mail : npl@naperol.com • Website : www.naperol.com

# 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, 2020 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 net profit and other comprehensive income and other financial information of the Company for the year ended March 31, 2020 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.

---

*Price Waterhouse Chartered Accountants LLP, Nesco IT Building III, 8th Floor, Nesco IT Park, Nesco Complex Gate No. 3 Western Express Highway, Goregaon East, Mumbai — 400 063*

*T: +91(22) 61198000, F: +91 (22) 61198799*

Registered office and Head office: Sucheta Bhawan, 11A Vishnu Digambar Marg, New Delhi 110 002

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 Audit of Standalone Financial Results

Page 2 of 4

### **Emphasis of Matter**

4. We draw your attention to the Note 7 to the Standalone financial results, which describes the management's assessment of the impact of the outbreak of Coronavirus (Covid-19) on the business operations of the Company. The management believes that no adjustments are required in the Standalone financial results as it does not impact the current financial year, however, in view of the various preventive measures taken (such as complete lock-down restrictions by the Government of India, travel restrictions etc.) and highly uncertain economic environment, 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 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.

# 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

Page 3 of 4

### 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.
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.

# 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

Page 4 of 4

### Other Matters

11. The Standalone financial results include the results for the quarter ended March 31, 2020, 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.
12. The standalone annual financial results dealt with by this report has 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 standalone financial statements of the Company for the year ended March 31, 2020 on which we issued an unmodified audit opinion vide our report dated July 14, 2020.

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

ASHA

RAMANATHAN

Digitally signed by ASHA  
RAMANATHAN  
Date: 2020.07.14 19:28:55 +05'30'

Asha Ramanathan  
Partner

Membership Number: 202660  
UDIN:20202660AAAABT9133

Place: Mumbai  
Date: July 14, 2020

<p style="text-align: center;"><b>NATIONAL PEROXIDE LIMITED</b>  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</p>						
(₹ in Lakhs)						
Statement of Standalone Financial Results for the Quarter and Year ended March 31, 2020						
Sr. No	Particulars	Quarter ended			Year ended	
		March 31, 2020	December 31, 2019	March 31, 2019	March 31, 2020	March 31, 2019
		(Unaudited) Refer Note 4	(Unaudited)	(Unaudited) Refer Note 4	(Audited)	(Audited)
I	<b>Income</b>					
	(a) Revenue from Operations	4,750.00	3,175.38	6,889.15	19,064.87	40,150.22
	(b) Other Income	278.85	286.16	599.35	1,795.10	1,910.85
II	<b>Total Income</b>	<b>5,028.85</b>	<b>3,461.54</b>	<b>7,488.50</b>	<b>20,859.97</b>	<b>42,061.07</b>
III	<b>Expenses</b>					
	(a) Cost of Raw Material and Packing Material Consumed	1,761.69	-	2,520.59	6,487.74	10,490.63
	(b) Purchase for stock in trade	43.15	47.04	-	90.19	-
	(c) Change in Inventory of Finished Goods	(393.90)	2,221.83	(540.25)	1,644.53	(1,822.38)
	(d) Power, Fuel and Water	829.22	156.71	876.37	2,604.54	3,277.56
	(e) Employee Benefit Expense	556.29	686.22	565.93	2,633.49	2,360.64
	(f) Finance Costs	225.52	5.93	71.36	273.68	73.09
	(g) Depreciation and Amortisation Expense	378.25	243.50	229.21	1,122.83	923.15
	(h) Other Expenses	1,019.76	870.07	1,145.92	3,103.39	3,231.66
	<b>Total Expenses (III)</b>	<b>4,419.98</b>	<b>4,231.30</b>	<b>4,869.13</b>	<b>17,960.39</b>	<b>18,534.35</b>
IV	<b>Profit before Tax (II - III)</b>	<b>608.87</b>	<b>(769.76)</b>	<b>2,619.37</b>	<b>2,899.58</b>	<b>23,526.72</b>
V	<b>Tax Expenses</b>					
	(a) Current tax	145.46	(130.90)	893.73	530.09	8,214.62
	(b) Deferred tax	167.01	(85.11)	(11.07)	632.87	8.77
VI	<b>Profit after Tax for the period (IV - V)</b>	<b>296.40</b>	<b>(553.75)</b>	<b>1,736.71</b>	<b>1,736.62</b>	<b>15,303.33</b>
VII	<b>Other Comprehensive Income</b>					
	(a) Items that will not be reclassified to profit or loss	(7,619.45)	(2,180.77)	65.85	(10,256.95)	73.40
	(b) Income tax relating to items that will not be reclassified to profit or loss	175.27	113.93	(20.02)	(1.16)	16.80
	(c) Items that will be reclassified to profit or loss	26.75	22.44	(408.52)	247.94	(408.52)
	(d) Income tax relating to items that will be reclassified to profit or loss	(9.35)	(7.84)	142.75	(86.64)	142.75
VIII	<b>Total Other Comprehensive Income / (Loss), Net of Income Tax</b>	<b>(7,426.78)</b>	<b>(2,052.24)</b>	<b>(219.94)</b>	<b>(10,096.81)</b>	<b>(175.57)</b>
IX	<b>Total Comprehensive Income / (Loss) for the period</b>	<b>(7,130.38)</b>	<b>(2,605.99)</b>	<b>1,516.77</b>	<b>(8,360.19)</b>	<b>15,127.76</b>
X	<b>Paid up Equity Share Capital (Face value of ₹ 10/- each)</b>	574.70	574.70	574.70	574.70	574.70
XI	<b>Reserves excluding Revaluation Reserves as per previous accounting year (Other Equity)</b>				<b>48,070.71</b>	<b>60,934.48</b>
XII	<b>Earnings per Equity Share (Face value of ₹ 10/- each) (Not annualised)</b>					
	(1) Basic (In ₹.)	5.16	(9.64)	30.22	30.22	266.28
	(2) Diluted (In ₹.)	5.16	(9.64)	30.22	30.22	266.28

Standalone Statement of Assets and Liabilities		
(₹ in Lakhs)		
Particulars	Standalone	
	As at March 31, 2020	As at March 31, 2019
	(Audited)	(Audited)
<b>ASSETS</b>		
<b>Non-Current Assets</b>		
Property, plant and equipment	37,154.03	16,574.69
Capital work-in-progress	-	7,540.39
Intangible Assets	85.02	-
Financial assets		
(i) Investments	17,656.41	18,375.46
(ii) Loans	21.40	40.35
Income tax assets (net)	313.03	320.20
Other non-current assets	382.35	2,156.12
<b>Total non-current assets</b>	<b>55,612.24</b>	<b>45,007.21</b>
<b>Current assets</b>		
Inventories	2,440.22	3,180.63
Financial assets		
(i) Investments	-	783.80
(ii) Trade receivables	3,224.88	3,059.38
(iii) Cash and cash equivalents	219.10	1,076.68
(iv) Bank balances other than (iii) above	73.86	421.13
(v) Loans	11,034.07	23,894.87
(vi) Other financial assets	898.27	88.54
Other current assets	344.28	776.50
Asset held for sale	378.46	-
<b>Total current assets</b>	<b>18,613.14</b>	<b>33,281.53</b>
<b>Total assets</b>	<b>74,225.38</b>	<b>78,288.74</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
Equity share capital	574.70	574.70
Other equity	48,070.71	60,934.48
<b>Total equity</b>	<b>48,645.41</b>	<b>61,509.18</b>
<b>Liabilities</b>		
<b>Non-current liabilities</b>		
Financial liabilities		
(i) Borrowings	-	6,968.81
(ii) Other financial liabilities	3.79	493.35
Deferred tax liabilities (net)	3,928.46	3,219.11
Provisions	280.27	246.11
<b>Total non-current liabilities</b>	<b>4,212.52</b>	<b>10,927.38</b>
<b>Current liabilities</b>		
Financial liabilities		
(i) Borrowings	467.93	1,000.00
(ii) Trade payables		
(a) total outstanding dues of micro enterprises and small enterprises; and	15.98	4.30
(b) total outstanding dues of creditors other than (ii) (a) above	1,850.83	2,393.28
(iii) Other financial liabilities	18,542.99	1,483.77
Contract liabilities	46.91	15.86
Other current liabilities	110.12	121.50
Provisions	167.34	158.19
Income tax liabilities (net)	165.35	675.28
<b>Total current liabilities</b>	<b>21,367.45</b>	<b>5,852.18</b>
<b>Total equity and liabilities</b>	<b>74,225.38</b>	<b>78,288.74</b>

Standalone Statement of Cash Flows		
(₹ in Lakhs)		
Particulars	Standalone	
	For the year ended March 31, 2020	For the year ended March 31, 2019
	(Audited)	(Audited)
<b>Cash flow from operating activities</b>		
<b>Profit before income tax</b>	2,899.58	23,526.72
Adjustments for:		
Depreciation and amortisation expense	1,122.83	923.15
Loss on disposal of property, plant and equipment	0.03	51.29
Gain on cancellation of lease contract	(0.18)	-
Finance costs	273.68	73.09
Interest income	(1,653.62)	(1,628.28)
Dividend income	(51.22)	(96.57)
Fair value gain on investments (including gain on sale of investments) measured at FVTPL	(21.56)	(137.78)
Net exchange differences (gain)/ loss	8.95	(9.03)
Loss allowance	30.15	-
<b>Operating profit before working capital changes</b>	<b>2,608.64</b>	<b>22,702.59</b>
Change in operating assets and liabilities		
(Increase) / decrease in trade receivables	(195.65)	2,265.66
(Increase) / decrease in inventories	740.41	(1,707.93)
Decrease in non-current financial asset	18.95	-
(Increase) / decrease in current financial asset	10.80	(20.53)
(Increase) / decrease in other non-current assets	(0.24)	298.30
Decrease in other financial assets	-	0.02
(Increase) / decrease in other current assets	407.08	(579.74)
(Increase) in assets held for sale	(378.46)	-
Increase / (decrease) in trade payable	(547.63)	380.39
Increase / (decrease) in provision	49.28	(64.87)
(Decrease) in other current financial liabilities	(131.14)	(35.44)
(Decrease) in other liabilities	(11.38)	(576.13)
Increase in contract liabilities	31.05	15.86
<b>Cash generated from operations</b>	<b>2,601.71</b>	<b>22,678.18</b>
Income taxes paid (net)	(1,044.17)	(7,924.01)
<b>Net cash inflow by operating activities</b>	<b>1,557.54</b>	<b>14,754.17</b>
<b>Cash flows from investing activities</b>		
Payments for purchase of investments	(25,309.60)	(31,093.73)
Proceeds from sale of investments	16,571.09	37,484.90
Interest received	1,517.07	1,581.35
Dividends received	51.22	96.57
Payments for property, plant and equipment (including capital work-in-progress and advances)	(9,749.93)	(7,808.49)
Payment for software development cost	(104.96)	-
Proceeds from sale of property, plant and equipment	0.08	-
Intercompany deposits given to a related party	(650.00)	(350.00)
Receipt of intercompany deposits given to related parties	3,500.00	3,000.00
Intercompany deposits given to other companies	(26,500.00)	(20,000.00)
Receipt of intercompany deposits given to other companies	36,500.00	-
Movement in bank balances which are not considered as cash and cash equivalents	347.27	(371.90)
<b>Net cash outflow from investing activities</b>	<b>(3,827.76)</b>	<b>(17,461.30)</b>
<b>Cash flows from financing activities</b>		
Proceeds from / (repayment of) short term borrowings	(532.07)	1,000.00
Principal elements of lease payments	(11.58)	-
Proceeds from long term borrowings	7,785.38	7,029.00
Dividends paid to company shareholders (including DDT)	(4,492.73)	(4,489.63)
Interest paid	(1,336.36)	(73.09)
<b>Net cash inflow from financing activities</b>	<b>1,412.64</b>	<b>3,466.28</b>
<b>Net increase / (decrease) in cash and cash equivalents</b>	<b>(857.58)</b>	<b>759.15</b>
Cash and cash equivalents at the beginning of the year	<b>1,076.68</b>	<b>317.53</b>
<b>Cash and cash equivalents at the end of the year</b>	<b>219.10</b>	<b>1,076.68</b>

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 July 14, 2020.
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 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, 2020 and March 31, 2019 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. Ind AS 116 'leases', mandatory for reporting periods beginning on or after April 1, 2019, replaces the existing standard on leases. Accordingly, the Company has adopted Ind AS 116, 'leases' with effect from April 1, 2019 and has recognised a lease liability measured at present value of the remaining lease payments and corresponding Right-of-Use (ROU) asset at an amount equal to the lease liability, on the transition date. The adoption of Ind AS 116 did not have a material impact on the assets, liabilities and results for the quarter and year ended March 31, 2020.
6. The Taxation Law (Amendments) Ordinance 2019 ('the Ordinance'), in India provides an option to domestic companies to pay income-tax at a lower rate of 22% (plus applicable surcharge and cess) instead of the normal rate (plus applicable surcharge and cess) depending on the conditions specified in this behalf under section 115 BAA of the Income Tax Act, 1961. A domestic company can avail of the lower tax rate only if it opts for not availing of certain exemptions or incentives specified in this behalf in the Ordinance. There is no time limit prescribed under the above to choose the option of lower tax rate under section 115BBA, however, once chosen it is irreversible. The Company has unabsorbed depreciation, MAT credit and benefit of additional income tax depreciation to be availed/adjusted against future taxable profits. Accordingly, the Company has not elected the option permitted under section 115BAA of The Income Tax Act, 1961.
7. The spread of COVID-19 disease has severely impacted economies, businesses and social set ups across the globe and in India. The spread of COVID-19 and the consequent lockdowns, disruptions in transportation and supply chains, travel bans, quarantines, social distancing and other such emergency measures have caused widespread disruptions in the economy and businesses.  
  
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, Intercompany 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 at March 31, 2020 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 any 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 from that estimated as on the date of approval of these standalone financial statements.
8. 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, 2020.
9. Previous year / period figures have been re-grouped / re-classified wherever necessary.

Place : Mumbai  
Date : July 14, 2020

For National Peroxide Limited

**RAJIV ARORA** Digitally signed by RAJIV ARORA  
Date: 2020.07.14 19:10:42 +05'30'

(Rajiv Arora)  
Chief Executive Officer & 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 subsidiary (Holding Company and its subsidiary together referred to as "the Group") (Refer note 1 to the consolidated annual financial results) for the year ended March 31, 2020 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 subsidiary, the aforesaid consolidated financial results:
  - (i) include the annual financial results of Naperol Investments 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 net profit and other comprehensive income and other financial information of the Group for the year ended March 31, 2020 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.

---

*Price Waterhouse Chartered Accountants LLP, Nesco IT Building III, 8th Floor, Nesco IT Park, Nesco Complex Gate No. 3 Western Express Highway, Goregaon East, Mumbai — 400 063*

*T: +91(22) 61198000, F: +91 (22) 61198799*

Registered office and Head office: Sucheta Bhawan, 11A Vishnu Digambar Marg, New Delhi 110 002

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

Page 2 of 5

### **Emphasis of Matter**

4. We draw your attention to the Note 8 to the consolidated financial results, which describes the management's assessment of the impact of the outbreak of Coronavirus (Covid-19) on the business operations of the Company. The management believes that no adjustments are required in the consolidated financial statements as it does not impact the current financial year, however, in view of the various preventive measures taken (such as complete lock-down restrictions by the Government of India, travel restrictions etc.) and highly uncertain economic environment, 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 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 company 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 company 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 or to cease operations, or has no realistic alternative but to do so.
7. The respective Board of Directors of the company included in the Group are responsible for overseeing the financial reporting process of the Group.

# Price Waterhouse Chartered Accountants LLP

## INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of National Peroxide Limited

Report on the Consolidated Financial Results

Page 3 of 5

### 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.
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 15 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 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 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 of the entity within the Group 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 entity 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.

# **Price Waterhouse Chartered Accountants LLP**

## **INDEPENDENT AUDITOR'S REPORT**

To the Board of Directors of National Peroxide Limited

Report on the Consolidated Financial Results

Page 4 of 5

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.

### **Other Matters**

12. We did not audit the financial statements of one subsidiary included in the consolidated financial results, whose financial statements reflect total assets of Rs 31,611.98 lakhs and net assets of Rs 31,590.36 lakhs as at March 31, 2020, total revenues of Rs. 58.14 lakhs, total comprehensive income (comprising of profit and other comprehensive income) of Rs (24,304.49) lakhs and cash flows (net) of Rs 0.72 lakhs for the year ended March 31, 2020, as considered in the consolidated financial results. 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 results, in so far as it relates to the amounts and disclosures included in respect of the subsidiary, 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 matters 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, 2020 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 Consolidated Financial Results


Page 5 of 5

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, 2020 on which we have issued an unmodified audit opinion vide our report dated July 14, 2020.

For Price Waterhouse Chartered Accountants LLP

Firm Registration Number: 012754N/ N500016

ASHA  
RAMANATHAN

 Digitally signed by ASHA  
RAMANATHAN  
Date: 2020.07.14 19:29:44 +05'30'

Asha Ramanathan  
Partner

Membership Number: 202660  
UDIN:20202660AAAABU1724

Place: Mumbai  
Date: July 14, 2020

<b>NATIONAL PEROXIDE LIMITED</b> 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 Consolidated Financial Results for the Quarter and Year ended March 31, 2020						
Sr. No	Particulars	Quarter ended			Year Ended	
		March 31, 2020	December 31, 2019	March 31, 2019	March 31, 2020	March 31, 2019
		(Unaudited) Refer Note 5	(Unaudited)	(Unaudited) Refer Note 5	(Audited)	(Audited)
<b>I</b>	<b>Income</b>					
	(a) Revenue from operations	4,750.01	3,176.54	6,899.36	19,123.01	40,227.96
	(b) Other income	278.85	286.16	599.35	1,795.10	1,910.85
<b>II</b>	<b>Total Income</b>	<b>5,028.86</b>	<b>3,462.70</b>	<b>7,498.71</b>	<b>20,918.11</b>	<b>42,138.81</b>
<b>III</b>	<b>Expenses</b>					
	(a) Cost of raw materials and packing materials consumed	1,761.69	-	2,520.59	6,487.74	10,490.63
	(b) Purchase for stock in trade	43.15	47.04	-	90.19	-
	(c) Changes in inventories of finished goods	(393.90)	2,221.83	(540.25)	1,644.53	(1,822.38)
	(d) Power, fuel and water	829.22	156.71	876.37	2,604.54	3,277.56
	(e) Employee benefit expenses	556.29	686.22	565.93	2,633.49	2,360.64
	(f) Finance costs	225.52	5.93	71.36	273.68	73.09
	(g) Depreciation and amortisation expense	378.25	243.50	229.21	1,122.83	923.15
	(h) Other expenses	1,020.28	870.40	1,146.32	3,105.21	3,234.20
	<b>Total Expenses (III)</b>	<b>4,420.50</b>	<b>4,231.63</b>	<b>4,869.53</b>	<b>17,962.21</b>	<b>18,536.89</b>
<b>IV</b>	<b>Profit before Tax (II - III)</b>	<b>608.36</b>	<b>(768.93)</b>	<b>2,629.18</b>	<b>2,955.90</b>	<b>23,601.92</b>
<b>V</b>	<b>Tax Expenses</b>					
	(a) Current tax	137.57	(130.33)	894.36	546.39	8,215.25
	(b) Deferred tax	167.01	(85.11)	(14.59)	617.95	6.99
<b>VI</b>	<b>Profit after Tax for the period (IV - V)</b>	<b>303.78</b>	<b>(553.49)</b>	<b>1,749.41</b>	<b>1,791.56</b>	<b>15,379.68</b>
<b>VII</b>	<b>Other Comprehensive Income</b>					
	(a) Items that will not be reclassified to profit or loss	(20,880.26)	(6,272.18)	(888.90)	(34,616.63)	5,065.62
	(b) Income tax relating to items that will not be reclassified to profit or loss	184.27	105.39	(24.43)	(0.91)	16.72
	(c) Items that will be reclassified to profit or loss	26.75	22.44	(408.52)	247.94	(408.52)
	(d) Income tax relating to items that will be reclassified to profit or loss	(9.35)	(7.84)	142.75	(86.64)	142.75
<b>VIII</b>	<b>Total Other Comprehensive Income / (Loss), net of Income Tax</b>	<b>(20,678.59)</b>	<b>(6,152.19)</b>	<b>(1,179.10)</b>	<b>(34,456.24)</b>	<b>4,816.57</b>
<b>IX</b>	<b>Total Comprehensive Income / (Loss) for the period</b>	<b>(20,374.81)</b>	<b>(6,705.68)</b>	<b>570.31</b>	<b>(32,664.68)</b>	<b>20,196.25</b>
<b>X</b>	<b>Paid up Equity Share Capital (Face value of ₹ 10/- each)</b>	574.70	574.70	574.70	574.70	574.70
<b>XI</b>	<b>Reserves excluding Revaluation Reserves as per previous accounting year (Other Equity)</b>				<b>79,635.57</b>	<b>1,16,803.83</b>
<b>XII</b>	<b>Profit attributable to:</b>					
	Owners of the Company	303.78	(553.49)	1,749.41	1,791.56	15,379.68
	Non-controlling interest	-	-	-	-	-
	<b>Other comprehensive income attributable to;</b>					
	Owners of the Company	(20,678.59)	(6,152.19)	(1,179.10)	(34,456.24)	4,816.57
	Non-controlling interest	-	-	-	-	-
	<b>Total comprehensive income attributable to</b>					
	Owners of the Company	(20,374.81)	(6,705.68)	570.31	(32,664.68)	20,196.25
	Non-controlling interest	-	-	-	-	-
<b>XIII</b>	<b>Earnings per Equity Share (Face value of ₹ 10/- each) (Not annualised)</b>					
	(1) Basic (In ₹.)	5.29	(9.63)	30.44	31.17	267.61
	(2) Diluted (In ₹.)	5.29	(9.63)	30.44	31.17	267.61

Statement of Consolidated Assets and Liabilities		
	(₹ in Lakhs)	
Particulars	As at March 31, 2020 (Audited)	As at March 31, 2019 (Audited)
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	37,154.03	16,574.69
Capital work-in-progress	-	7,540.39
Intangible Assets	85.02	-
Financial assets		
(i) Investments	49,239.86	74,263.26
(ii) Loans	21.40	40.35
Income tax assets (net)	313.03	320.66
Other non-current assets	382.35	2,156.12
<b>Total non-current assets</b>	<b>87,195.69</b>	<b>1,00,895.47</b>
<b>Current assets</b>		
Inventories	2,440.22	3,180.63
Financial assets		
(i) Investments	-	783.80
(ii) Trade receivables	3,224.88	3,059.38
(iii) Cash and cash equivalents	222.13	1,078.99
(iv) Bank balances other than (iii) above	73.86	421.13
(v) Loans	11,034.07	23,894.87
(vi) Other financial assets	898.27	88.54
Other current assets	344.28	776.50
Asset held for sale	378.46	-
<b>Total current assets</b>	<b>18,616.17</b>	<b>33,283.84</b>
<b>Total assets</b>	<b>1,05,811.86</b>	<b>1,34,179.31</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
Equity share capital	574.70	574.70
Other equity	79,635.57	1,16,803.83
<b>Total equity</b>	<b>80,210.27</b>	<b>1,17,378.53</b>
<b>Liabilities</b>		
<b>Non-current liabilities</b>		
Financial liabilities		
(i) Borrowings	-	6,968.81
(ii) Other financial liabilities	3.79	493.35
Deferred tax liabilities (net)	3,932.89	3,238.71
Provisions	280.27	246.11
<b>Total non-current liabilities</b>	<b>4,216.95</b>	<b>10,946.98</b>
<b>Current liabilities</b>		
Financial liabilities		
(i) Borrowings	467.93	1,000.00
(ii) Trade payables		
(a) total outstanding dues of micro enterprises and small enterprises; and	15.98	4.30
(b) total outstanding dues of creditors other than (ii) (a) above	1,851.53	2,394.28
(iii) Other financial liabilities	18,542.99	1,483.77
Contract liabilities	46.91	15.86
Other current liabilities	110.14	121.50
Provisions	167.34	158.18
Income tax liabilities (net)	181.82	675.91
<b>Total current liabilities</b>	<b>21,384.64</b>	<b>5,853.80</b>
<b>Total equity and liabilities</b>	<b>1,05,811.86</b>	<b>1,34,179.31</b>

Statement of Consolidated Cash Flows		
	(₹ in Lakhs)	
Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
	(Audited)	(Audited)
<b>Profit before income tax</b>	2,955.90	23,601.92
Adjustments for:		
Depreciation and amortisation expense	1,122.83	923.15
Loss on disposal of property, plant and equipment	0.03	51.29
Gain on cancellation of lease contract	(0.18)	-
Finance costs	273.68	73.09
Interest income classified as investing cash flows	(1,653.62)	(1,628.28)
Dividend income classified as investing cash flows	(51.22)	(96.57)
Fair value gain on investments (including gain on sale of investments) measured at FVTPL	(24.28)	(163.05)
Net exchange differences (gain)/ loss	8.95	(9.03)
Loss allowance	30.15	-
<b>Operating profit before working capital changes</b>	<b>2,662.24</b>	<b>22,752.52</b>
Change in operating assets and liabilities		
(Increase) / decrease in trade receivables	(195.65)	2,265.66
(Increase) / decrease in inventories	740.41	(1,707.93)
Decrease in non-current financial asset	18.95	-
(Increase) / decrease in current financial asset	10.80	(20.53)
(Increase) / decrease in other non-current assets	(0.24)	298.30
Decrease in other financial assets	-	0.02
(Increase) / decrease in other current assets	407.08	(579.74)
(Increase) in assets held for sale	(378.46)	-
Increase / (decrease) in trade payable	(547.91)	380.52
Increase / (decrease) in provision	49.29	(64.87)
(Decrease) in other current financial liabilities	(131.14)	(35.44)
(Decrease) in other liabilities	(11.36)	(576.18)
Increase in contract liabilities	31.05	15.86
<b>Cash generated from operations</b>	<b>2,655.06</b>	<b>22,728.19</b>
<b>Income taxes paid (net)</b>	<b>(1,044.17)</b>	<b>(7,924.01)</b>
<b>Net cash inflow by operating activities</b>	<b>1,610.89</b>	<b>14,804.18</b>
<b>Cash flows from investing activities</b>		
Payments for purchase of investments	(26,668.63)	(31,144.85)
Proceeds from sale of investments	17,877.49	37,484.90
Interest received	1,517.07	1,581.35
Dividends received	51.22	96.57
Payments for property, plant and equipment (including capital work-in-progress and advances)	(9,749.93)	(7,808.49)
Payment for software development cost	(104.96)	-
Proceeds from sale of property, plant and equipment	0.08	-
Intercompany deposits given to a related party	(650.00)	(350.00)
Receipt of intercompany deposits given to related parties	3,500.00	3,000.00
Intercompany deposits given to other companies	(26,500.00)	(20,000.00)
Receipt of intercompany deposits given to other companies	36,500.00	-
Movement in bank balances which are not considered as cash and cash equivalents	347.27	(371.90)
<b>Net cash outflow from investing activities</b>	<b>(3,880.39)</b>	<b>(17,512.42)</b>
<b>Cash flows from financing activities</b>		
Proceeds from / (repayment of) short term borrowings	(532.07)	1,000.00
Principal elements of lease payments	(11.58)	-
Proceeds from long term borrowings	7,785.38	7,029.00
Dividends paid to company shareholders (including DDT)	(4,492.73)	(4,489.63)
Interest paid	(1,336.36)	(73.09)
<b>Net cash inflow from financing activities</b>	<b>1,412.64</b>	<b>3,466.28</b>
<b>Net increase / (decrease) in cash and cash equivalents</b>	<b>(856.86)</b>	<b>758.04</b>
Cash and cash equivalents at the beginning of the year	1,078.99	320.95
<b>Cash and cash equivalents at the end of the year</b>	<b>222.13</b>	<b>1,078.99</b>

1. The Statement of Consolidated Financial Results includes results of NPL (the "Parent Company") and its subsidiary (Collectively referred as the "Group").
2. The above results have been reviewed and recommended by the Audit Committee and approved by the Board of Directors at their meetings held on July 14, 2020.
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 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, 2020 and March 31, 2019 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. Ind AS 116 'leases', mandatory for reporting periods beginning on or after April 1, 2019, replaces the existing standard on leases. Accordingly, the Group has adopted Ind AS 116, 'leases' with effect from April 1, 2019 and has recognised a lease liability measured at present value of the remaining lease payments and corresponding Right-of-Use (ROU) asset at an amount equal to the lease liability, on the transition date. The adoption of Ind AS 116 did not have a material impact on the assets, liabilities and results for the quarter and year ended March 31, 2020.
7. The Taxation Law (Amendments) Ordinance 2019 ('the Ordinance'), in India provides an option to domestic companies to pay income-tax at a lower rate of 22% (plus applicable surcharge and cess) instead of the normal rate (plus applicable surcharge and cess) depending on the conditions specified in this behalf under section 115BAA of the Income Tax Act, 1961. A domestic company can avail of the lower tax rate only if it opts for not availing of certain exemptions or incentives specified in this behalf in the Ordinance. There is no time limit prescribed under the above to choose the option of lower tax rate under section 115BBA, however, once chosen it is irreversible. The Parent Company has unabsorbed depreciation, MAT credit and benefit of additional income tax depreciation to be availed/adjusted against future taxable profits. Accordingly, the Parent Company has not elected the option permitted under section 115BAA of The Income Tax Act, 1961 whereas the Subsidiary has elected the option permitted under section 115BAA of the Income Tax Act,
8. The spread of COVID-19 disease has severely impacted economies, businesses and social set ups across the globe and in India. The spread of COVID-19 and the consequent lockdowns, disruptions in transportation and supply chains, travel bans, quarantines, social distancing and other such emergency measures have caused widespread disruptions in the economy and businesses.  
  
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, Intercompany 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 at March 31, 2020 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 any 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 from that estimated as on the date of approval of these consolidated financial statements.
9. 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, 2020.
10. Previous year / period figures have been re-grouped / re-classified wherever necessary.

Place : Mumbai  
Date : July 14, 2020

**For National Peroxide Limited**

**RAJIV ARORA**  
Digitally signed by RAJIV ARORA  
Date: 2020.07.14 19:09:05  
+05'30'

**(Rajiv Arora)**  
Chief Executive Officer & Director  
DIN: 08730235