

Date: 8<sup>th</sup> July, 2022

To,  
The Manager,  
Department of Corporate Services,  
BSE Limited,  
1<sup>st</sup> Floor, Phiroze Jeejeebhoy Towers,  
Dalal Street, Mumbai - 400 001

Dear Sir/Madam,

**Sub: Submission of 49<sup>th</sup> Annual Report of the Company for the financial year ended 31<sup>st</sup> March, 2022**

Pursuant to Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we enclose herewith a copy of the 49<sup>th</sup> Annual Report of the Company for the financial year ended 31<sup>st</sup> March, 2022.

We request you to kindly take the same on record.

Thanking you,

Yours faithfully,  
**For Paushak Limited**

  
**Manisha Saraf**  
Company Secretary



Encl.: A/a.

**Paushak Limited**

CIN : L51909GJ1972PLC044638, PAN : AAACD5006G  
Panelav, Taluka Halol, Dist. Panchmahal, Gujarat, (INDIA) - 389 350.  
Phone: +91-2676-664403 / 664412

Regd. Office : Alembic Road, Vadodara, Gujarat, (INDIA) - 390 003.  
Phone: +91-265-2280550 / 2280880 / 3007300  
www.paushak.com • paushak@alembic.co.in



# PAUSHAK

Your Strategic Source For Phosgene Derivatives



## 49<sup>TH</sup> ANNUAL REPORT 2021-22



Responsible Care®  
OUR COMMITMENT TO SUSTAINABILITY

## PAUSHAK LIMITED

### Board of Directors

Mr. Chirayu Amin - Chairman  
Mr. Amit Goradia  
Mr. Vijay Gandhi  
Mr. Atul Patel  
Dr. Shamita Amin  
Mr. Udit Amin  
Mr. Abhijit Joshi - Whole-time Director & CEO

### Chief Financial Officer

Ms. Kirti Shah

### Company Secretary

Ms. Manisha Saraf

### Statutory Auditors

Maloo Bhatt & Co.  
Chartered Accountants  
204-207, Parshwa Complex,  
Near Cash n Carry,  
Subhanpura Road, Ellorapark,  
Vadodara – 390 023.

### Manufacturing Facility

Panelav, Tal. Halol,  
Dist. Panchamahar - 389 350. Gujarat.

### Registrar and Transfer Agents

Link Intime India Private Limited  
B – 102 & 103, Shangrila Complex,  
1st Floor, Opp. HDFC Bank,  
Near. Radhakrishna Char Rasta,  
Akota, Vadodara – 390 020.  
Tel: +91 265 2356573, 6136000  
Fax: +91 265 2356791  
e-mail: vadodara@linkintime.co.in  
Website: www.linkintime.co.in

### Registered Office

Alembic Road, Vadodara - 390 003.  
Tel : +91 265 2280550  
e-mail ID : investors@paushak.com  
Website : www.paushak.com  
CIN : L51909GJ1972PLC044638

### Stock Exchange

BSE Limited  
Phiroze Jeejeebhoy Towers,  
Dalal Street,  
Mumbai - 400 001.  
Code : 532742 / PAUSHAK LTD

## NOTICE

NOTICE is hereby given that the **Forty Ninth Annual General Meeting ("AGM")** of the Members of **Paushak Limited** will be held on Tuesday, the 9<sup>th</sup> August, 2022 at 4:00 p.m. IST through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM") to transact the following business:

### ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended 31<sup>st</sup> March, 2022 and the Reports of the Board of Directors and Auditors thereon.
2. To declare dividend on equity shares for the financial year 2021-22.
3. To appoint a Director in place of Mr. Udit Amin (DIN: 00244235), who retires by rotation and being eligible, offers himself for re-appointment.

### SPECIAL BUSINESS:

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

**Payment of commission to Mr. Udit Amin (DIN: 00244235), Non-Executive Director of the Company for the financial year 2021-22:**

**"RESOLVED THAT** pursuant to Regulation 17(6)(ca) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), the applicable provisions, if any, of the Companies Act, 2013 and rules framed thereunder ("the Act") (including any statutory modification(s) / amendment(s) / re-enactment(s) thereto), recommendation of the Nomination and Remuneration Committee and the Board of Directors and subject to the maximum remuneration approved by the members at the 45<sup>th</sup> Annual General Meeting held on 6<sup>th</sup> August, 2018, approval of the members of the Company be and is hereby accorded for payment of commission of ₹ 145 Lacs amounting to 2.86% of the net profits of the Company, computed in accordance with the mechanism provided under Section 198 of the Act to Mr. Udit Amin (DIN: 00244235) for the financial year ending on 31<sup>st</sup> March, 2022, in addition to the sitting fees and reimbursement of expenses being paid by the Company for participating in the Board/Committee Meetings of the Company.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to do all acts, deeds and things, necessary and expedient to give effect to this resolution."

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

**Payment of commission to Mr. Udit Amin (DIN: 00244235), Non-Executive Director of the Company for a period of five years commencing from the financial year 2022-23:**

**"RESOLVED THAT** pursuant to the provisions of Section 197, 198 and all other applicable provisions, if any, of the Companies Act, 2013 and rules framed thereunder ("the Act"), Regulation 17 and the applicable provisions, if any, of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations 2015 ("SEBI Listing Regulations") (including any statutory modification(s) / amendment(s) / re-enactment(s) thereto) and Articles of Association of the Company and based on the recommendation of Nomination and Remuneration Committee and the Board of Directors, approval of the members of the Company be and is hereby accorded for the payment of commission to Mr. Udit Amin (DIN: 00244235), Non-Executive Director of the Company of upto 3% (three percent) of the net profits of the Company, computed in accordance with the mechanism provided under Section 198 of the Act for a period of 5 years commencing from financial year 2022-23 upto and including the financial year 2026-27, in addition to sitting fees and reimbursement of expenses being paid by the Company for participating in the Board/Committee Meetings of the Company.

**RESOLVED FURTHER THAT** the total remuneration payable to the Executive and Non-Executive Directors cumulatively shall not exceed the overall ceiling of 11% of the net profits of the Company stipulated under Section 197 and 198 of the Act.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to do all acts, deeds and things, necessary and expedient to give effect to this resolution."

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

**Ratification of Remuneration to the Cost Auditor for the Financial Year 2022-23:**

“**RESOLVED THAT** pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 and rules framed thereunder (“the Act”) (including any statutory modification(s) / amendment(s) / re-enactment(s) thereof) the remuneration payable to M/s. Santosh Jejurkar & Associates, Cost Accountants having Firm Registration No.102697 appointed by the Board of Directors of the Company to conduct the audit of the cost records of the Company for the financial year 2022-23, amounting to ₹ 0.36 Lacs plus applicable taxes, travelling and other out-of-pocket expenses incurred by them in connection with the aforesaid audit, be and is hereby ratified and confirmed.”

**NOTES:**

1. The Ministry of Corporate Affairs (“MCA”) has vide its General Circular No. 20/2020 dated 5<sup>th</sup> May, 2020 read with General Circular No. 14/2020 dated 8<sup>th</sup> April, 2020, General Circular No. 17/2020 dated 13<sup>th</sup> April, 2020, General Circular No. 02/2021 dated 13<sup>th</sup> January, 2021, 19/2021 dated 8<sup>th</sup> December, 2021, General Circular No. 21/2021 dated 14<sup>th</sup> December, 2021 and General Circular No. 3/2022 dated 5<sup>th</sup> May, 2022 (collectively referred to as “MCA Circulars”) permitted the holding of the Annual General Meeting (“AGM”) through VC / OAVM, without the physical presence of the members at a common venue. In compliance with the MCA Circulars, the AGM of the Company will be held through VC / OAVM. The registered office of the Company shall be deemed to be the venue for the AGM.
2. Since this AGM is being held through VC / OAVM, pursuant to MCA Circulars, physical attendance of the Members has been dispensed with. **Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM. Hence the Proxy Form, Attendance Slip and Route Map are not annexed to this Notice.**
3. In compliance with the aforesaid MCA Circulars and Securities and Exchange Board of India (“SEBI”) Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated 12<sup>th</sup> May, 2020 read with SEBI Circular No. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated 15<sup>th</sup> January, 2021 and SEBI/HO/DDHS/P/CIR/2022/0063 dated 13<sup>th</sup> May, 2022, Notice of the AGM along with the Annual Report is being sent only through electronic mode to those Members whose e-mail are registered with the Company / Depositories. Members may note that the Notice and Annual Report will also be available on the Company’s website [www.paushak.com](http://www.paushak.com), website of stock exchange i.e. BSE Limited at [www.bseindia.com](http://www.bseindia.com) and on the website of National Securities Depository Limited (“NSDL”) at [www.evoting.nsdl.com](http://www.evoting.nsdl.com)
4. Members attending the AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
5. An explanatory statement, pursuant to section 102(1) of the Companies Act, 2013 (“the Act”) relating to special business set out under Item no. 4 to 6 of the accompanying Notice are annexed hereto.
6. The details of the Directors seeking re-appointment at the AGM pursuant to the provisions of Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”), para 1.2.5 of the Secretarial Standards on General Meetings (SS-2) and other applicable provisions are provided in Annexure – A to this Notice.
7. All documents referred to in the Notice will also be available electronically for inspection without any fee by the Members from the date of circulation of this Notice up to the date of AGM. Members seeking to inspect such documents can send a request from their registered e-mail ID mentioning their name, DP ID and Client ID / Folio No., PAN, Mobile No. to the Company at [investors@paushak.com](mailto:investors@paushak.com)
8. The Company has fixed Tuesday, 2<sup>nd</sup> August, 2022 as the “record date” for determining the entitlement of Members to final dividend for the financial year ended 31<sup>st</sup> March, 2022, if approved at the AGM.
9. The dividend when sanctioned will be made payable on or before 12<sup>th</sup> August, 2022, electronically through various online transfer modes to those members who have updated their bank account details. For members who have not updated their bank account details, dividend warrants / demand drafts / cheques will be despatched to the registered addresses. To avoid delay in receiving the dividend, members are requested to update their bank details by following the process mentioned at point no. 10 below.
10. Process for registration/update, pertaining to the name, postal address, e-mail address, telephone/mobile numbers, Permanent Account Number (PAN), nominations, power of attorney, bank details such as name of the bank and branch details, bank account number, MICR code, IFSC code, etc:

- i. In case shares are held in physical mode, members are requested to submit their service requests in the form(s) prescribed under SEBI Circular No. SEBI/HO/MIRSD/MIRSD\_RTAMB/P/CIR/2021/655 dated 3<sup>rd</sup> November, 2021. The form(s) are available on the website of the Company at <https://www.paushak.com/investor-relation.aspx> and on the website of LIPL at <https://linkintime.co.in/home-KYC.html>
  - ii. In case shares are held in electronic mode, members are requested to update the details with their respective Depository Participants.
11. In accordance with the prevailing provisions of the Income Tax Act, 1961, the Company is required to deduct tax at source (TDS) at the prescribed rates on the dividend paid to its shareholders. The TDS rate would vary depending on the residential status of the shareholder and the documents submitted by them and accepted by the Company. Therefore, the members are requested to update their PAN to avoid deduction of tax at higher rate by complying with the process mentioned hereunder.

Members are requested to visit the website of Company's Registrar & Share Transfer Agent, Link Intime India Pvt. Ltd. ("LIPL") and upload applicable documents such as Form 15G/15H, documents u/s. 196, 197A, FPI Registration Certificate, Tax Residency Certificate, Lower Tax Certificate at <https://web.linkintime.co.in/formsreg/submission-of-form-15g-15h.html> in order to enable the Company to determine the appropriate TDS withholding tax rate applicable.

12. As per the provisions of Section 125 of the Act read with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 as amended ("IEPF Rules, 2016"), the amount of dividend remaining unpaid or unclaimed for a period of seven years from the date of transfer to Unpaid Dividend Account, shall be transferred to the Investor Education and Protection Fund ("IEPF"), a fund constituted by the Government of India under Section 125 of the Act.

Further, in accordance with the provisions of Section 124(6) of the Act and IEPF Rules, 2016, shares on which dividend has not been paid or claimed for seven consecutive years or more, are liable to be transferred to IEPF Suspense Account.

Members who have not claimed dividend for previous year(s) are requested to claim the same by approaching the Company or LIPL.

The due dates for transfer of unclaimed / unpaid dividend to IEPF are as under:

<b>Date of Declaration of Dividend</b>	<b>Dividend for Financial Year</b>	<b>Proposed Month and Year of Transfer to IEPF</b>
13 <sup>th</sup> August, 2015	2014-15	September, 2022
11 <sup>th</sup> August, 2016	2015-16	September, 2023
2 <sup>nd</sup> August, 2017	2016-17	September, 2024
6 <sup>th</sup> August, 2018	2017-18	September, 2025
7 <sup>th</sup> August, 2019	2018-19	September, 2026
4 <sup>th</sup> August, 2020	2019-20	September, 2027
3 <sup>rd</sup> August, 2021	2020-21	September, 2028

13. All the work related to share registry in terms of both physical and electronic are being conducted by LIPL, B-102 & 103, Shangrila Complex, First Floor, Opp. HDFC Bank, Near Radhakrishna Char Rasta, Akota, Vadodara – 390 020 Tel: +91 265 6136000 | 2356573, e-mail ID: [vadodara@linkintime.co.in](mailto:vadodara@linkintime.co.in). The Shareholders are requested to send their communication to the aforesaid address.
14. Additionally, the Company has designated an exclusive e-mail ID: [investors@paushak.com](mailto:investors@paushak.com) for redressal of Shareholders'/ Investors' complaints/ grievances. In case you have any queries, complaints or grievances, then please write to us at the above mentioned e-mail ID.
15. Members may please note that SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD\_RTAMB/P/CIR/2022/8 dated 25<sup>th</sup> January, 2022 has mandated the listed companies to issue securities in dematerialized form only while processing various service requests, as prescribed therein.

Accordingly, Members are requested to make service requests by submitting the applications in the formats prescribed vide the referred circular. The formats are available on the Company's website at <https://www.paushak.com/investor-relation.aspx> and

on the website of LIPL at <https://linkintime.co.in/home-KYC.html>. It may be noted that any service request can be processed only after the folio is KYC Compliant.

**16. Voting through Electronic Means and Declaration of Results:**

Pursuant to the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 and Regulation 44 of the SEBI Listing Regulations and in terms of SEBI Circular No. SEBI/HO/CFD/CMD/ CIR/P/2020/242 dated 9<sup>th</sup> December, 2020 in relation to e-Voting facility provided by Listed Companies, the Company is pleased to provide its members the facility of casting votes electronically ("remote e-Voting"), through the e-Voting services provided by NSDL on all the resolutions set forth in this Notice.

Mr. Chirayu Amin, Chairman of the Company and in his absence Mr. Udit Amin, Director or Mr. Abhijit Joshi, Whole-time Director & CEO of the Company, will declare the voting results based on the Scrutinizer's report. The e-Voting results along with Scrutinizer's report will be displayed on the:

- (i) Notice Board of the Company at its Registered Office;
- (ii) Company's website [www.paushak.com](http://www.paushak.com);
- (iii) NSDL's website [www.evoting.nsdl.com](http://www.evoting.nsdl.com); and
- (iv) Stock exchange's website [www.bseindia.com](http://www.bseindia.com)

**The instructions for casting your vote electronically are as under:**

- i. The remote e-Voting period begins on 6<sup>th</sup> August, 2022 (9:00 a.m. IST) and ends on 8<sup>th</sup> August, 2022 (5:00 p.m. IST). During this period, members of the Company, holding shares either in physical form or in dematerialised form, as at the cut-off date of 2<sup>nd</sup> August, 2022 may cast their vote electronically. The remote e-Voting module shall be disabled by NSDL for voting thereafter. Members have the option to cast their vote on any of the resolutions using the remote e-Voting facility either during the aforesaid voting period or during the AGM.

Any person holding shares in physical form and non-individual shareholders, who acquires shares of the Company and becomes a member of the Company after sending of the Notice and holding shares as of the cut-off date, may obtain the login ID and password by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in). However, if he / she is already registered with NSDL for remote e-Voting then he /she can use his / her existing User ID and password for casting the vote.

In case of Individual shareholders holding securities in demat mode and who acquires shares of the Company and becomes a member of the Company after sending of the Notice and holding shares as of the cut-off date may follow steps mentioned below under "**Login method for remote e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.**"

- ii. The members who have cast their vote by remote e-Voting prior to the AGM may also attend / participate in the AGM through VC / OAVM but shall not be entitled to cast their vote again.
- iii. Those members, who will be present in the AGM through VC / OAVM and have not casted their vote through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting facility during the AGM.
- iv. M/s. Samdani Shah & Kabra, Practising Company Secretaries, Vadodara has been appointed as the Scrutinizer to scrutinize the e-Voting process in a fair and transparent manner.
- v. The details of the process and manner for remote e-Voting and e-Voting during the AGM are as under:


**Step 1: Access to NSDL e-Voting system**

**A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode:**

Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 9<sup>th</sup> December, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote

through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and e-mail ID in their demat account(s) in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<ol style="list-style-type: none"> <li>Existing <b>IDeAS</b> user can visit the e-Services website of NSDL viz. <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a Personal Computer or on a mobile. On the e-Services home page click on the “<b>Beneficial Owner</b>” icon under “<b>Login</b>” which is available under ‘<b>IDeAS</b>’ section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on “<b>Access to e-Voting</b>” under e-Voting services and you will be able to see e-Voting page. Click on company name or <b>e-Voting service provider i.e. NSDL</b> and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>If you are not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select “<b>Register Online for IDeAS Portal</b>” or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li>Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com">https://www.evoting.nsdl.com</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member/Creditors’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or <b>e-Voting service provider i.e. NSDL</b> and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>Shareholders/Members can also download NSDL Mobile App “<b>NSDL Speede</b>” facility by scanning the QR code mentioned below for seamless voting experience.   </li> </ol>
Individual Shareholders holding securities in demat mode with CDSL	<ol style="list-style-type: none"> <li>Existing users who have opted for Easi / Easiest, they can login through their user ID and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on New System Myeasi.</li> <li>After successful login of Easi/Easiest the user will be also able to see the e-Voting Menu. The Menu will have links of <b>e-Voting service provider i.e. NSDL</b>. Click on <b>NSDL</b> to cast your vote.</li> <li>If the user is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></li> <li>Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN from a link in <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; e-mail as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. <b>NSDL</b> where the e-Voting is in progress.</li> </ol>
Individual Shareholders (holding securities in demat mode) login through their depository participants	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</p>



**Important note:** Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

**Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.**

<b>Login type</b>	<b>Helpdesk details</b>
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 1800-1020-990 and 1800-224-430
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at 022-23058738 or 022-23058542-43

**B) Login method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode:**

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

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a personal computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under "Shareholder / Member / Creditor's section.
3. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen.
4. Alternatively, if you are registered for NSDL e-services i.e. IDeAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDeAS login. Once you log-in to NSDL e-services after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.
5. Your User ID details are given below :

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

6. Password details for shareholders other than Individual shareholders are given below:
  - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
  - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
  - c) How to retrieve your 'initial password'?
    - (i) If your e-mail ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your e-mail ID. Trace the e-mail sent to you from NSDL in your mailbox. Open the e-mail and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.

- (ii) If your e-mail ID is not registered, please follow steps mentioned below in this Notice.
7. If you are unable to retrieve or have not received the “Initial password” or have forgotten your password:
    - a) Click on **“Forgot User Details/Password?”** (If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
    - b) Click on **“Physical User Reset Password?”** (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
    - c) If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) mentioning your demat account number/folio number, your PAN, your name, your registered address and such other documents required by NSDL.
    - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
  8. After entering your password, tick on Agree to “Terms and Conditions” by selecting on the check box.
  9. Now, you will have to click on “Login” button.
  10. After you click on the “Login” button, Home page of e-Voting will open.

## **Step 2: Cast your vote electronically and join virtual meeting on NSDL e-Voting system**

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

1. After successful login at Step 1, you will be able to see all the companies “EVEN” in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select **“EVEN 120086”** of the Company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the AGM. For joining virtual meeting, you need to click on “VC/OAVM” link placed under “Join General Meeting”.
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on “Submit” and also “Confirm” when prompted.
5. Upon confirmation, the message “Vote cast successfully” will be displayed and you will receive a confirmation by way of a SMS on your registered mobile number from depository.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

### **General Guidelines for shareholders**

- (i) Institutional / Corporate shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution / Authority letter etc. with attested specimen signature of the duly authorised signatory(ies) who are authorised to vote, through their registered e-mail ID to the Scrutinizer at [cssamdani@gmail.com](mailto:cssamdani@gmail.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in). Institutional shareholders (i.e. other than individuals, HUF, NRI, etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter, etc. by clicking on **“Upload Board Resolution / Authority Letter”** displayed under **“e-Voting”** tab in their login.
- ii) It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-Voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the “Forgot User Details/Password?” or “Physical User Reset Password?” option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) to reset the password.
- iii) In case of any queries/grievances connected with e-Voting, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-Voting user manual for Shareholders available at the download section of NSDL at [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no.: 1800-1020-990 and 1800-224-430 or send a request to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)

**17. Instructions for members for attending the AGM through VC / OAVM:**

- i) Members will be able to attend the AGM through VC / OAVM or view the live webcast of the AGM provided by NSDL at <https://www.evoting.nsdl.com> following the steps mentioned above for access to NSDL e-Voting system. After successful login, you can see link of VC / OAVM placed under Join General Meeting menu against company name. You are requested to click on VC / OAVM link placed under Join General Meeting menu.

Members who do not have the User ID and password for e-Voting or have forgotten the User ID and password may retrieve the same by following the remote e-Voting instructions mentioned in this Notice.

- ii) Facility of joining the AGM through VC / OAVM shall open 15 minutes before the time scheduled for the AGM and will be available for members on first come first served basis. Members who would like to express their views or ask questions during the AGM may register themselves as a speaker by sending their request from their registered e-mail ID mentioning their name, DP ID and Client ID / Folio No., PAN, Mobile No. to the Company at [investors@paushak.com](mailto:investors@paushak.com) from 3<sup>rd</sup> August, 2022 to 6<sup>th</sup> August, 2022. Those Members who have registered themselves as a speaker will only be allowed to express their views / ask questions during the AGM. Further, Members who would like to have their questions / queries responded to during the AGM, are requested to send such questions / queries in advance within the aforesaid date, by following similar process as mentioned above. The Company reserves the right to restrict the number of questions and number of speakers, as appropriate for smooth conduct of the AGM.
- iii) Members who need assistance before or during the AGM, can contact Ms. Pallavi Mhatre, Senior Manager, NSDL on [evoting@nsdl.com](mailto:evoting@nsdl.com) / 1800-1020- 990 and 1800-224-430.

**18. Recommendation to the members:**

It is recommended to join the AGM through laptop for better experience. Members who join the meeting as registered speakers will be required to allow camera and are requested to use internet with a good speed to avoid any disturbance during the meeting. Members connecting from mobile devices or tablets or through laptop connecting via mobile hotspot may experience audio / video loss due to fluctuation in their data network. It is therefore recommended to use stable wi-fi or wired connection to mitigate any kind of aforesaid glitches.

By Order of the Board,

Sd/-  
**Manisha Saraf**  
Company Secretary

Date: 6<sup>th</sup> May, 2022

Place: Vadodara

**Explanatory Statement as required under Section 102 of the Companies Act, 2013****Item No. 4 & 5**

The Company had obtained approval from its members by way of a Special Resolution passed at the 45<sup>th</sup> Annual General Meeting held on 6<sup>th</sup> August, 2018 for enabling the Board of Directors to pay commission of upto 3% of the net profits of the Company, computed in accordance with the mechanism provided under Section 198 of the Companies, Act 2013 ("the Act") to Mr. Udit Amin, (DIN: 00244235), Non-Executive Director for a period of 5 years w.e.f. the financial year ending 31<sup>st</sup> March, 2018 and upto the financial year ending 31<sup>st</sup> March, 2022.

Mr. Udit Amin's strategic direction with his expertise and experience across a wide spectrum of functional areas have been shaping and steering the long term strategy and making valuable contributions to the growth of the Company. Under his leadership, Paushak has completed first phase of expansion and is now gearing itself for undertaking next phase of expansion. In order to remunerate Mr. Udit Amin for the responsibilities entrusted upon him, upon recommendation of the Nomination and Remuneration Committee, it was proposed by the Board of Directors to obtain approval from the members for payment of commission for a further period of five years commencing from financial year 2022-23 upto financial year 2026-27 in the manner given hereunder.

Pursuant to Regulation 17(6)(ca) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is also required to obtain approval of shareholders by way of a special resolution, for approving the payment of Commission to Mr. Udit Amin for the financial year 2021-22 as the annual remuneration payable to a single non-executive director exceeds fifty per cent of the total annual remuneration payable to all non-executive directors.

Further, the Board of Directors at its meeting held on 6<sup>th</sup> May, 2022, on the recommendation of Nomination and Remuneration Committee, has approved the payment of commission of upto 3% of the net profits of the Company, computed in accordance with the mechanism provided under Section 198 of the Act to Mr. Udit Amin, for a period of 5 years commencing from financial year 2022-23 upto and including the financial year 2026-27.

Section 197 of the Companies Act, 2013 provides that a Non-Executive Director may be paid remuneration in excess of the limits of 1% of the net profits, if the Company by special resolution, authorizes such remuneration.

The overall total remuneration payable to the Executive and Non-Executive Directors cumulatively shall not exceed the overall ceiling of 11% of the net profits of the Company stipulated under Section 197 and 198 of the Act.

The Board of Directors recommends the resolutions as set forth at Item No. 4 & 5 of this Notice for your approval.

None of the Directors, Key Managerial Personnel and relatives thereof other than Mr. Chirayu Amin, Mr. Udit Amin and their relatives, have any concern or interest, financial or otherwise, in the resolution at Item No. 4 & 5 of this Notice.

**Item No. 6**

In accordance with the provisions of Companies (Cost Records and Audit) Rules, 2014, the Company is required to get its Cost Records audited from qualified Cost Accountants. The Board of Directors at its meeting held on 6<sup>th</sup> May, 2022, on the recommendation of the Audit Committee, approved the appointment and remuneration of M/s. Santosh Jejurkar & Associates, Cost Accountants, to conduct the audit of the Cost Records of the Company for the financial year 2022-23.

In terms of the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to Cost Auditor is required to be ratified by the Members of the Company.

Accordingly, the Members are requested to ratify the remuneration payable to the Cost Auditor for the financial year 2022-23 as set out in the resolution for aforesaid services to be rendered by them.

The Board of Directors recommends the resolution as set forth at Item No. 6 of this Notice for your approval.

None of the Directors, Key Managerial Personnel and relatives thereof has any concern, interest, financial or otherwise, in the resolution at Item No. 6 of this Notice.

By Order of the Board,

Sd/-

**Manisha Saraf**  
Company Secretary

**Registered Office:**

Alembic Road, Vadodara – 390 003  
CIN: L51909GJ1972PLC044638  
Tel: +91 265 2280550  
Website: www.paushak.com  
e-mail ID: investors@paushak.com

Date: 6<sup>th</sup> May, 2022

Place: Vadodara

Details of the Director seeking re-appointment at the AGM, pursuant to the provisions of Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, para 1.2.5 of SS-2 and other applicable provisions are as under:

<b>Name of the Director</b>	<b>Mr. Udit Amin</b>
Age	42 years
Qualification	Graduate in Economics
Experience	19 years
Terms and Conditions of re-appointment along with details of remuneration sought to be paid	Not Applicable
Nature of expertise in specific functional areas	Management & Leadership
Date of first appointment on to the Board	18 <sup>th</sup> August, 2006
Directorship in other companies as on 31 <sup>st</sup> March, 2022	1. Alembic Limited 2. Shreno Limited
Chairmanship / Membership of Committees of other Board	<b>Alembic Limited</b> Member of Stakeholders Relationship Committee
Name of the Listed entities from which he resigned in the past three years	Nil

For other details such as number of meetings of the board attended during the year, remuneration drawn, no. of shares held in the Company as on 31<sup>st</sup> March, 2022 and relationship with other directors and key managerial personnel in respect of above Directors, please refer Corporate Governance Report which is part of this Annual Report.

## BOARD'S REPORT

Dear Members,

Your Directors have pleasure in presenting their 49<sup>th</sup> Annual Report together with the Audited Statement of Accounts for the year ended on 31<sup>st</sup> March, 2022.

**1. Operations and State of Affairs of the Company:**

(₹ in Lacs)

Particulars	Year ended on 31 <sup>st</sup> March, 2022	Year ended on 31 <sup>st</sup> March, 2021
Revenue from Operations	15,009.76	14,099.97
Other Income	514.12	613.47
Profit for the year before Interest, Depreciation & Amortization and Tax	5,936.42	5,659.74
Less:		
Interest (net)	6.15	4.91
Depreciation & Amortization expense	902.50	495.95
<b>Profit before Tax</b>	<b>5,027.77</b>	<b>5,158.88</b>
Less:		
Tax Expenses	1266.58	1,429.05
<b>Profit after Tax</b>	<b>3,761.19</b>	<b>3,729.82</b>
Other Comprehensive Income	(186.53)	897.40
<b>Total Comprehensive Income</b>	<b>3,574.65</b>	<b>4,627.22</b>

The Company has prepared the Standalone Financial Statements in accordance with the Companies (Indian Accounting Standards) Rules, 2015 prescribed under Section 133 of the Companies Act, 2013 ("the Act").

**2. Transfer to Reserve:**

The Company has transferred an amount of ₹ 1,000 Lacs from the net profits of the Company to General Reserve for the financial year ended 31<sup>st</sup> March, 2022.

**3. Dividend:**

The Board of Directors at their meeting held on 6<sup>th</sup> May, 2022 has recommended Dividend of ₹ 12/- (120%) per equity share having face value of ₹ 10/- each for the financial year 31<sup>st</sup> March, 2022 as against ₹ 6/- (60%) per equity share having face value of ₹ 10/- each for the financial year ended 31<sup>st</sup> March, 2021.

**4. Management Discussion and Analysis Report:**

The Management Discussion and Analysis Report as required under Regulation 34 read with Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), forms part of this Annual Report and is annexed herewith as Annexure A. Certain Statements in the said report may be forward-looking. Many factors may affect the actual results, which could be different from what the Directors envisage in terms of the future performance and outlook.

**5. Directors:**

In accordance with the provisions of the Section 152 and other applicable provisions, if any, of the Act and the Articles of Association of the Company, Mr. Udit Amin (DIN: 00244235), Director of the Company, will retire by rotation at the ensuing Annual General Meeting and being eligible offers himself for re-appointment.

**6. Key Managerial Personnel:**

Mr. Abhijit Joshi, Whole-time Director & Chief Executive Officer, Ms. Kirti Shah, Chief Financial Officer and Ms. Manisha Saraf, Company Secretary are Key Managerial Personnel of the Company.

**7. Meetings of the Board:**

Four (4) Board Meetings were held during the financial year ended 31<sup>st</sup> March, 2022. The details of the Board Meetings with regard to their dates and attendance of each of the Directors thereat have been provided in the Corporate Governance Report.

### **8. Independent Directors:**

The Company has received declarations / confirmations from all the Independent Directors of the Company as required under Section 149(7) of the Act read with Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014 and Regulation 25(8) of the SEBI Listing Regulations.

### **9. Performance Evaluation:**

Pursuant to the provisions of the Act, SEBI Listing Regulations and Nomination and Remuneration Policy of the Company, the Nomination and Remuneration Committee ("NRC") and the Board has carried out the annual performance evaluation of the Board, its Committees and Individual Directors by way of Individual and collective feedback from Directors. The Independent Directors have also carried out annual performance evaluation of the chairperson, the non-independent directors and the Board as a whole. Structured questionnaires covering the evaluation criteria laid down by the NRC, prepared after taking into consideration inputs received from Directors, were used for carrying out the evaluation process.

The Directors expressed their satisfaction with the evaluation process.

### **10. Audit Committee:**

The Audit Committee consists of Independent Directors with Mr. Amit Goradia as Chairman, Mr. Atul Patel and Mr. Vijay Gandhi as members. The Committee inter alia reviews the Internal Control System, Scope of Internal Audit, Reports of Internal Auditors, Key Audit Matters presented by the Statutory Auditors and Compliance of various regulations. The Committee also reviews the financial statements before they are placed before the Board.

### **11. Vigil Mechanism:**

In compliance with requirements of Section 177(9) & (10) of the Act and Regulations 22 of SEBI Listing Regulations and the applicable provisions, if any, a Vigil Mechanism or Whistle Blower Policy for directors, employees and other stakeholders to report genuine concerns has been established. The same is uploaded on the website of the Company and the web-link as required under SEBI Listing Regulations is as under:

<https://www.paushak.com/pdf/Whistle-Blower-Policy.pdf>

### **12. Internal Control Systems:**

The Company's internal control procedure which includes internal financial controls, ensure compliance with various policies, practices and statutes and in keeping in view with the organization's pace of growth and increasing complexity of operations. The internal auditor's team carries out extensive audits throughout the year across all functional areas and submits its reports to the Audit Committee.

### **13. Corporate Social Responsibility:**

Alembic Group has been proactively carrying out CSR activities since more than fifty years. Alembic Group has established, nurtured and promoted various Non-Profit Organisations focusing on three major areas – Education, Healthcare and Rural Development.

In compliance with requirements of Section 135 of the Act, the Company has laid down a CSR Policy. The composition of the Committee, contents of CSR Policy and report on CSR activities carried out during the financial year ended 31<sup>st</sup> March, 2022 in the format prescribed under Rule 9 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 is annexed herewith as Annexure B.

### **14. Policy on Nomination and Remuneration:**

In compliance with the requirements of Section 178 of the Act and Regulation 19 of the SEBI Listing Regulations, the Company has laid down a Nomination and Remuneration Policy which has been uploaded on the Company's website.

The web-link as required under the Act is as under:

<http://www.paushak.com/pdf/NR-Policy.pdf>

The salient features of the Nomination and Remuneration Policy are as under:

- 1) Setting out the objectives of the Policy.
- 2) Definitions for the purposes of the Policy.
- 3) Policy for appointment and removal of Director, KMP and Senior Management
- 4) Policy relating to the Remuneration for the Managerial Personnel, KMP, Senior Management Personnel & other employees.

5) Remuneration to Non- Executive / Independent Director.

**15. Dividend Distribution Policy:**

In compliance with the requirements of Regulation 43A of the SEBI Listing Regulations, the Company has laid down a Dividend Distribution Policy, which has been uploaded on the Company's website. The web-link as required under SEBI Listing Regulations is as under:

<https://www.paushak.com/pdf/Dividend%20Distribution%20Policy.pdf>

**16. Related Party Transactions:**

Related party transactions that were entered into during the financial year were on arm's length basis and were in ordinary course of business. There are no materially significant related party transactions made by the Company which may have potential conflict with the interest of the Company.

There are no material related party transactions which are not in ordinary course of business or which are not on arm's length basis and hence there is no information to be provided as required under Section 134(3)(h) of the Act read with Rule 8(2) of the Companies (Accounts) Rules, 2014.

The Board has approved a policy for related party transactions which has been uploaded on the Company's website. The web-link as required under SEBI Listing Regulations is as under:

<https://www.paushak.com/pdf/Policy%20on%20dealing%20with%20Related%20Party%20Transaction.pdf>

**17. Corporate Governance Report:**

The Report on Corporate Governance as required under Regulation 34 read with Schedule V of the SEBI Listing Regulations, forms part of this Annual Report.

The requisite certificate from M/s. Samdani Shah & Kabra, Practising Company Secretaries confirming compliance with the conditions of Corporate Governance as stipulated under the aforesaid Schedule V is enclosed to the Report on Corporate Governance.

**18. Loans, Guarantees or Investments:**

During the year under review, the Company has neither granted any Loans nor given any Guarantees falling within the purview of Section 186 of the Act read with the Companies (Meetings of Board and its Powers) Rules, 2014. The details of Investments made under the said Section are provided in Notes to Financial Statements at Note No. 3 & 7 of Notes to Financial Statements of the Company.

**19. Listing of Shares:**

The equity shares of the Company are listed on BSE Limited ("BSE") with security ID / symbol of PAUSHAKLTD. The Company confirms that the annual listing fees to BSE for the financial year 2022-23 has been paid.

**20. Auditors:**

**(a) Statutory Auditors:**

In compliance with the provisions of the Companies (Audit and Auditors) Rules, 2014, M/s. Maloo Bhatt & Co., Chartered Accountants having Firm Registration No. 129572W has been appointed as Statutory Auditors of the Company by the members at their 47<sup>th</sup> Annual General Meeting ("AGM") held on 4<sup>th</sup> August, 2020 to hold office for their second term of 5 (five) years i.e. till the conclusion of AGM for the financial year 2024-25.

The Auditor's Report for financial year 2021-22 does not contain any qualification, reservation or adverse remark. The Auditor's Report is enclosed with the financial statements in this Annual Report.

**(b) Secretarial Auditors:**

The Board of Directors of the Company appointed M/s. Samdani Shah & Kabra, Practising Company Secretaries, to conduct Secretarial Audit of the Company for the financial year 2022-23.

The Secretarial Audit Report of M/s. Samdani Shah & Kabra, Practising Company Secretaries for the financial year 2021-22 is annexed herewith as Annexure C. The Secretarial Auditor's Report does not contain any qualification, reservation or adverse remark.

During the year under review, the Company has complied with all the applicable provisions of the Secretarial Standards.

**(c) Cost Auditors:**

M/s. Santosh Jejurkar & Associates, Cost Accountant, has been appointed as Cost Auditor of the Company for conducting audit of the cost records maintained by the Company relating to organic and inorganic chemicals for the financial year 2022-23.



The Company has made and maintained the cost records as specified by the Central Government under Section 148(1) of the Act.

**(d) Internal Auditors:**

The Board of Directors has appointed M/s. Sharp & Tannan Associates, Chartered Accountants as Internal Auditors of the Company for the financial year 2022-23.

**21. Risk Management:**

The Company has constituted a Risk Management Committee and formulated a Risk Management Policy which functions as a guiding tool in fulfilling the management's responsibility towards risk management. Major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis. These are discussed at the meetings of the Risk Management Committee, Audit Committee and the Board of Directors of the Company.

**22. Particulars of employees and related disclosures:**

Disclosures pertaining to remuneration and other details as required under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is annexed herewith as Annexure D.

A statement showing the names and other particulars of the employees falling within the preview of Rules 5(2) and 5(3) of the aforesaid rules are provided in the Annual Report. The Annual Report is being sent to the Members of the Company excluding the aforesaid information. The said information is available for inspection at the Registered Office of the Company during working hours and the same will be furnished on request in writing to the Members.

**23. Business Responsibility Report:**

The Business Responsibility Report as required under Regulation 34 of the SEBI Listing Regulations, forms part of this Annual Report.

**24. Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo:**

The information required under Section 134(3)(m) of the Act read with Rule 8(3) of the Companies (Accounts) Rules, 2014, is annexed herewith as Annexure E.

**25. Annual Return:**

A copy of the Annual Return as required under Section 92(3) and Section 134(3)(a) of the Act has been placed on the Company's website. The web-link as required under the Act is as under:

<https://www.paushak.com/notice.aspx>

**26. Material Changes:**

There have been no material changes and commitments affecting the financial position of the Company since the close of financial year ended 31<sup>st</sup> March, 2022. Further, it is hereby confirmed that there has been no change in the nature of business of the Company.

**27. Other Disclosures:**

- a) The Auditors of the Company have not reported any instances of fraud committed against the Company by its officers or employees as specified under Section 143(12) of the Act.
- b) The Company does not have any scheme of provision of money for the purchase of its own shares by employees or by trustees for the benefit of employees.
- c) The Company has in place a Policy on prevention of Sexual Harassment in line with the requirements of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013 and has constituted the Internal Complaints Committee to redress complaints received regarding sexual harassment. During the year, no complaint was received by the Company.
- d) The Company has not invited/accepted any deposits from public.
- e) There are no significant and material orders passed by the Regulators or Courts or Tribunal impacting the going concern status of the Company and its operations in future.
- f) No application was made nor any proceeding is pending under the Insolvency and Bankruptcy Code, 2016.
- g) No settlements have been done with banks or financial institutions.

**28. Directors' Responsibility Statement:**

Pursuant to Section 134(5) of the Act, the Board of Directors, to the best of its knowledge and ability, confirm that:

- a) in preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- b) they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;
- c) they have taken proper and sufficient care for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) they have prepared the annual accounts on a going concern basis;
- e) they have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- f) they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

On behalf of the Board of Directors,

Sd/-  
**Chirayu Amin**  
Chairman  
DIN: 00242549

Registered Office: Alembic Road, Vadodara – 390 003  
CIN: L51909GJ1972PLC044638  
Tel: +91 265 2280550  
Website: [www.paushak.com](http://www.paushak.com)  
e-mail ID: [investors@paushak.com](mailto:investors@paushak.com)

Date: 6<sup>th</sup> May, 2022  
Place: Vadodara

## MANAGEMENT DISCUSSION AND ANALYSIS

The Company's management provides its own perspective on the operating and financial performance of the Company during financial year 2021-22 and an outlook of the business performance in the coming years as follows:

### (A) Industry Structure and Development & Business, Opportunities, Threats & Risks

Global pandemic of COVID has been impacting, business and life across the globe since 2020, in particular the 2<sup>nd</sup> wave of COVID in 2021 was very hard hitting to India. Our business also got severely impacted during the same, where we had to shut down our operations in April & May, 2021 due to supply constraints of oxygen. This also impacted our projects for expanding capacities where construction and commissioning got delayed. Despite these challenges, we are pleased to share that we have completed our first round of capex programme & tripled our Phosgene Capacity while commissioning a new Phosgene plant of 14400 MT/Year. Along with this, we have also commissioned a new Phosgene Derivatives/ multi-purpose plant with supporting utilities, etc. This entire new set up is highly automated and matches global standards of plant design, safety and operational efficiency while reducing manpower requirements substantially. The new plants are fully functional now contributing to sales from fourth quarter of financial year 2021-22 onwards. It is also a matter of pride for us, we have become first large scale commercial supplier of such products in India and will fulfil major domestic demand while reducing imports and saving foreign exchange.

Revenues from operations had a modest year-on-year growth of 5.5% due to aforesaid reasons. The adverse impact of global supply situations including higher crude prices, has been minimised with our operating efficiency & minimal dependence on imports/ China. We continued to be "partner of choice" for our customers while fulfilling their expectations and maintained our domestic market leadership in majority of our product portfolio.

### (B) Outlook:

With the commissioning of the upstream and downstream capacities, we are focusing to expand domestically and globally while further expanding our operations. We are committed to invest more to create downstream capacities while developing newer technologies and product portfolios & improving our R&D capabilities. We have hired more technical resources with focus to grow capabilities. The new plants, just commissioned, will also catalyse our growth while demonstrating our technical capabilities, commitment and our vision to become a global technology leader in Phosgene and derivatives while creating niche for us & will help us to continue to be "Partner of Choice" for our customers.

### (C) Financial Performance:

The gross revenue of the Company is ₹ 15,523.88 Lacs for the year under review as compared to ₹ 14,713.44 Lacs for the previous year. The Company registered a net profit of ₹ 3,761.19 Lacs for the year under review as compared to net profit of ₹ 3,729.82 Lacs for the previous year.

### (D) Key Financial Ratios:

Key financial ratios are provided in the Notes to Financial Statements at note no. 31 (X).

### (E) Internal Control Systems and Adequacy:

The Company believes that Internal Control is a necessary concomitant of the principle of Governance. It remains committed to ensure an effective Internal Control environment that provides assurance to the Board of Directors, Audit Committee and the management while ensuring reliability of financial and operational reporting and legal and regulatory compliance.

Interrelated control systems, covering all financial and operating functions, assure fulfilment of these objectives. The Company uses Enterprise Resource Planning (ERP) supported by in-built controls that ensures reliable and timely financial reporting.

### (F) Human Resource - Developing Human Capital:

Paushak has continued investing in employees as well hiring new talents to accelerate the growth. With automation, we have significantly reduced overall manpower requirement in new plants compare to our old plants. We believe that investment in competent technical manpower will help us to achieve our goal of becoming a technology driven company and take higher expense in employee cost as an investment for future.

On behalf of the Board of Directors,

Sd/-

**Chirayu Amin**

Chairman

DIN: 00242549

Place: Vadodara

Date: 6<sup>th</sup> May, 2022

**Annual Report on CSR Activities for the financial year ended 2021-22**

**1. Brief outline on CSR Policy of the Company:**

The Company's CSR Policy is in adherence to the provisions of Section 135 of the Companies Act, 2013 read with rules framed thereunder and provides for carrying out CSR activities in the area of Education, Healthcare including preventive healthcare, Rural Development, Sanitation, etc. through various 'Non-Profit Organizations', viz. Alembic CSR Foundation, Bhailal Amin General Hospital, Rural Development Society, Uday Education Society and others.

The CSR spend may be carried out by way of donation to the corpus of the above 'Non-Profit Organizations' or contribution towards some specific project being undertaken by any of the organizations or to Central / State Government Relief Funds or directly by the Company.

**2. Composition of CSR Committee:**

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Mr. Amit Goradia	Chairman	4	4
2.	Mr. Atul Patel	Member	4	2
3.	Mr. Udit Amin	Member	4	4

**3. Provide the web-link where Composition of CSR Committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the Company:**

<https://www.paushak.com/pdf/Corporate%20Social%20Responsibility%20Policy.pdf>

**4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable (attach the report):**

Not Applicable

**5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any:**

Not Applicable

**6. Average net profit of the Company as per section 135(5): ₹ 4,098.49 Lacs**

**7. (a) Two percent of average net profit of the Company as per section 135(5): ₹ 81.97 Lacs**

**(b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: Nil**

**(c) Amount required to be set off for the financial year, if any: Nil**

**(d) Total CSR obligation for the financial year (7a+7b- 7c): ₹ 81.97 Lacs**

**8. (a) CSR amount spent or unspent for the financial year:**

Total Amount Spent for the Financial Year (₹ in Lacs)	Amount Unspent (Rs. in Lacs)				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
81.97 Lacs	Nil	-	-	Nil	-

**(b) Details of CSR amount spent against ongoing projects for the financial year: Not Applicable**

(c) **Details of CSR amount spent against other than ongoing projects for the financial year:**

(₹ in Lacs)

(1) Sl. No.	(2) Name of the Project	(3) Item from the list of activities in schedule VII to the Act	(4) Local area (Yes/No)	(5) Location of the project		(6) Amount spent for the project	(7) Mode of implementation-Direct (Yes/No)	(8) Mode of implementation – Through implementing agency	
				State	District			Name	CSR Registration No.
1.	School Education Development for Students (Panelav, Gujarat)	Education	Yes	Gujarat	Vadodara	41.97	No	Alembic CSR Foundation	CSR00002984
2.	Rural Development Projects (Panelav, Gujarat)	Community Infrastructure & Safety, Livelihood & Employee Engagement	Yes	Gujarat	Vadodara	40.00	No	Alembic CSR Foundation	CSR00002984
<b>Total</b>						<b>81.97</b>			

(d) **Amount spent in Administrative Overheads:** Nil

(e) **Amount spent on Impact Assessment, if applicable:** Not Applicable

(f) **Total amount spent for the Financial Year (8b+8c+8d+8e):** ₹ 81.97 Lacs

(g) **Excess amount for set off, if any:** Nil

Sl. No.	Particular	Amount (₹ in Lacs)
(i)	Two percent of average net profit of the company as per section 135(5)	81.97
(ii)	Total amount spent for the Financial Year	81.97
(iii)	Excess amount spent for the financial year [(ii)-(i)]	-
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	-
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	-

10. (a) **Details of Unspent CSR amount for the preceding three financial years:** Not Applicable

(b) **Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):** Not Applicable

11. **In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details):** Not Applicable

12. **Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5):** Not Applicable

On behalf of the Board of Directors,

On behalf of the CSR Committee,

Sd/-

Sd/-

**Chirayu Amin**  
Chairman  
DIN: 00242549

**Amit Goradia**  
Chairman- CSR Committee  
DIN:00074478

Date: 6<sup>th</sup> May, 2022

Place: Vadodara

**Secretarial Audit Report**

For the Financial Year ended March 31, 2022

*[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Regulation 24A of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015]*

The Members,  
**Paushak Limited**  
Alembic Road,  
Vadodara - 390 003,  
Gujarat, India.

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

Based on our verification of the Company's Books, Papers, Minute Books, Forms and Returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, we hereby report that, in our opinion, the Company has, during the audit period covering the Financial Year ended on March 31, 2022 ("review period"), complied with the statutory provisions listed hereunder and also that the Company has proper Board-Processes and Compliance-Mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the Books, Papers, Minute Books, Forms and Returns filed and other records maintained by the Company for the review period, according to the provisions of:

- i. The Companies Act, 2013 ("Act") and the rules made thereunder;
- ii. The Securities Contracts (Regulation) Act, 1956 and the rules made thereunder;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- iv. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India ("SEBI") Act, 1992:
  - (a) SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) SEBI (Prohibition of Insider Trading) Regulations, 2015;
  - (c) SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018; However, there were no actions / events pursuant to these regulations, hence not applicable.
  - (d) SEBI (Share Based Employee Benefits) Regulations, 2014; However, there were no actions / events pursuant to these regulations, hence not applicable.
  - (e) SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; However, there were no actions / events pursuant to these regulations, hence not applicable.
  - (f) SEBI (Issue and Listing of Debt Securities) Regulations, 2008; However, there were no actions / events pursuant to these regulations, hence not applicable.
  - (g) SEBI (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Act and dealing with client;
  - (h) SEBI (Delisting of Equity Shares) Regulations, 2009 / 2021; However, there were no actions / events pursuant to these regulations, hence not applicable.
  - (i) SEBI (Buy-back of Securities) Regulations, 2018; However, there were no actions / events pursuant to these regulations, hence not applicable.
  - (j) SEBI (Depositories and Participants) Regulations, 2018;

- (k) SEBI (Issue and Listing of Non-Convertible Redeemable Preference Shares) Regulations, 2013; However, there were no actions / events pursuant to these regulations, hence not applicable.
  - (l) SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021; However, there were no actions / events pursuant to these regulations, hence not applicable.
  - (m) SEBI (Debenture Trustees) Regulations, 1993; However, there were no actions / events pursuant to these regulations, hence not applicable.
- vi. Other sector specific laws as follows:
- (a) The Chemical Weapon Convention Act, 2000;
  - (b) The Disaster Management Act, 2005;
  - (c) The Static Mobile Pressure Vessels (Unfired) Rules, 2016;
  - (d) The Chemical Accident (Emergency) Planning Preparedness & Response Rules, 1998;
  - (e) The Environment (Protection) Act, 1986.

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India; and
- (ii) Listing Agreements entered into by the Company with BSE Limited read with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the review period, the Company has complied with the provisions of the applicable Acts, Rules, Regulations, Guidelines, Standards, etc. as mentioned above.

**We further report that;**

- A. The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. There were no changes in the composition of the Board of Directors during the review period;
- B. Adequate notice is given to all the Directors to schedule the Board Meetings, Agenda and detailed Notes on Agenda were generally sent at least seven days in advance and a system exists for seeking and obtaining further information and clarification on the Agenda items before the meeting and for meaningful participation at the meeting;
- C. As per the minutes of the meetings duly recorded and signed by the Chairman, the decisions of the Board were unanimous and no dissenting views have been recorded;
- D. There are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with all the applicable Laws, Rules, Regulations and Guidelines;
- E. During the review period, there were no specific instances / actions in the Company in pursuance of the above referred Laws, Rules, Regulations, Guidelines, Standards etc. having major bearing on the Company's affairs.

Sd/-

**S. Samdani**  
Partner

**Samdani Shah & Kabra**  
Company Secretaries  
FCS No. 3677; CP No. 2863

**ICSI Peer Review # 1079/2021**  
**UDIN: F003677D000274563**

**Place: Vadadara**  
**Date: 6<sup>th</sup> May, 2022**

*This Report is to be read with our letter of even date which is annexed as Appendix A and forms an integral part of this report.*

## Appendix A

The Members,  
**Paushak Limited**  
Alembic Road,  
Vadodara - 390 003,  
Gujarat, India.

Our Secretarial Audit Report of even date is to be read along with this letter, that:

- i. Maintenance of secretarial records and compliance of the provisions of Corporate and other applicable Laws, Rules, Regulations, Standards is the responsibility of the management of the Company. Our examination was limited to the verification and audit of procedures and records on test basis. Our responsibility is to express an opinion on these secretarial records and compliances based on such verification and audit.
- ii. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records and we believe that the processes and practices we followed provide a reasonable basis for our opinion.
- iii. Wherever required, we have obtained the management representation about the Compliance of Laws, Rules and Regulations, happening of events, etc.
- iv. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

**S. Samdani**

Partner

**Samdani Shah & Kabra**

Company Secretaries

FCS No. 3677; CP No. 2863

**ICSI Peer Review # 1079/2021**

**UDIN: F003677D000274563**

**Place: Vadodara**

**Date: 6<sup>th</sup> May, 2022**



As per the provisions of Section 197 of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company is required to disclose following information in the Board's Report.

Ratio of the remuneration of each director to the median remuneration of the employees of the Company and percentage increase in remuneration of each Director, Chief Executive Officer (CEO), Chief Financial Officer (CFO), Company Secretary, in the financial year.

<b>Name</b>	<b>Ratio to median remuneration Employees</b>	<b>% increase in remuneration in the financial year</b>
Mr. Abhijit Joshi, Whole-time Director & CEO	1:0.06097	8.43%
Mr. Udit Amin, Non-Executive Director	1:0.02758	-
Ms. Kirti Shah, CFO	-	9.18%
Ms. Manisha Saraf, Company Secretary	-	11.84%
None of the other Directors receive any remuneration other than sitting fees		
Percentage increase in the median remuneration of employees in the financial year		(2.75%)
Number of permanent employees on the rolls of company		311
Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration		10.78% (Non-Managerial Personnel) 8.43% (Managerial Personnel)

We affirm that the remuneration paid to the Managerial and Non-Managerial Personnel is as per the Nomination and Remuneration Policy of the Company.

On behalf of the Board of Directors,

Date: 6<sup>th</sup> May, 2022  
Place: Vadodara

Sd/-  
**Chirayu Amin**  
Chairman  
DIN: 00242549

**Information required under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 pertaining to Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo**

**(A) Conservation of Energy:**

**(i) Steps taken or impact on conservation of energy:**

- Manufacturing processes optimized to bring down Brine water operating temperature resulting into lower TR generation and considerable energy savings.
- Increased steam condensate recovery which resulted into reduction of coal consumption.
- HVAC requirement of control room and panel rooms optimized to reduce TR requirement resulting into considerable energy savings.
- Motion sensors installed in certain buildings to optimize lighting power resulting into considerable energy savings.

**(ii) Steps taken for utilizing alternate sources of energy:**

- The Company has since long installed a wind-mill and it is operating well.
- The Company is also exploring use of solar energy for certain site operations.

**(iii) Capital Investment on energy conservation equipments:**

- Improvement in specific energy consumption by converting critical manual operations to be automated, based on close loop control system with Distributed Control System (DCS) having multiple layers of safety, resulting in improvement in yield and operational consistency.
- The newly commissioned plants for certain upstream requirements are designed to consume significantly lower energy as compared to the old plants.
- Compressed air generation switched over to energy efficient Screw Compressor from Reciprocating Compressor resulting into energy saving of 5-6%.

**(B) Technology Absorption:**

**(i) Efforts made towards technology absorption:**

- All Phosgene reactors upgraded to new design with DCS controls having multiple layers of safety protection through different interlocks and logic control, resulting into consistent quality and reduced consumption of inputs.
- Auto synchronization system of Diesel Engine Generators, in case of Power failure created. Auto changeover facility for GEB power restoration is under process.
- New technology developed and successfully commissioned in select manufacturing plants with full DCS control.
- Dedicated emergency scrubber with UPS power backup for all essential operations have been provided.
- Dedicated drum filling station along with automated filling machine connected with scrubbing system to minimize manual intervention and exposure.
- Online stack monitoring system installed in stacks with DCS for continuous monitoring.
- HAZOP & PSSR initiated before commission and start-up of new facility by external expert agency.
- Improved technology w.r.t. waste reduction by 3R concept – Reduce, Resue and Recycle.

(ii) **Benefits derived like product improvement, cost reduction, product development or import substitution:**

- Enhanced Scrubber system strengthen from 3 stages to 4 stages to reduce caustic consumption and HTDS effluent generation.
- The initiative to become Water positive was initiated at site where 40% of water requirement is being met by recycling.
- Focused preventive maintenance led to improvement in Mean Time between Failure (MTBF).
- Operations in new facilities have achieved stability and consistency in quality by automated operations.

(iii) **Information regarding technology imported, during the last 3 years:** Nil

(iv) **Expenditure incurred on Research and Development:**

During the year under review, the Company has incurred expenses of ₹ 224.10 Lacs as compared to ₹ 200.35 Lacs for the previous year on Research and Development.

**(C) Foreign Exchange Earnings and Outgo:**

Foreign exchange earned in terms of actual inflows during the financial year 2021-22 was ₹ 3,146.54 Lacs.

Foreign exchange outgo in terms of actual outflows during the financial year 2021-22 was ₹ 369.24 Lacs.

On behalf of the Board of Directors,

Date: 6<sup>th</sup> May, 2022  
Place: Vadodara

Sd/-  
**Chirayu Amin**  
Chairman  
DIN: 00242549

## Report on Corporate Governance

### 1. Company's Philosophy:

The Company strongly believes in adopting the best practices in the areas of Corporate Governance. The Company's policy and practices are aimed at efficient conduct of business and effectively meeting its obligation to the shareholders. The Company will continue to focus on its resources, strengths and strategies for enhancement of the long term shareholders' value while at the same time protecting the interest of other stakeholders.

### 2. Board of Directors:

#### • Composition of the Board:

The Board of Directors consists of 1 Professional Executive Director, 2 Promoter Non-Executive Director and 4 Independent Non-Executive Directors. The Chairman of the Board is Promoter Non-Executive Director. As on 31<sup>st</sup> March, 2022 and on the date of this report, the Board meets the requirement of having at least one Woman director and not less than 50% of the Board strength comprising of Non-Executive Directors as 4 out of 7 Directors are Independent Non-Executive Directors including 1 Woman Director.

#### • Number of Board Meetings held and the dates of the Board Meetings:

Four (4) Board Meetings were held during the year ended on 31<sup>st</sup> March, 2022 on 10<sup>th</sup> May 2021, 3<sup>rd</sup> August 2021, 28<sup>th</sup> October 2021 and 2<sup>nd</sup> February 2022. The time gap between any two meetings was not exceeding one hundred and twenty days.

#### • Details of composition and category of Directors, attendance at the Board Meetings, Annual General Meeting and shareholding of each Director:

Name of the Director	Category	No. of Board Meetings held & attended during the Financial Year	Attendance at last AGM	No. of Equity shares held in the Company <sup>#</sup>
Mr. Chirayu Amin Chairman	Promoter Non-Executive	4 out of 4	Yes	89,686 <sup>^</sup> &
Mr. Udit Amin	Promoter Non-Executive	4 out of 4	Yes	25,846 <sup>&amp;</sup>
Mr. Amit Goradia	NED (I) <sup>*</sup>	4 out of 4	Yes	Nil
Mr. Vijay Gandhi	NED (I) <sup>*</sup>	4 out of 4	Yes	Nil
Mr. Atul Patel	NED (I) <sup>*</sup>	2 out of 4	Yes	Nil
Dr. Shamita Amin	NED (I) <sup>*</sup>	4 out of 4	Yes	16 <sup>§</sup>
Mr. Abhijit Joshi Whole-time Director & CEO	Professional Executive	4 out of 4	Yes	Nil

<sup>#</sup>The Company has not issued any convertible instruments.

<sup>^</sup>Includes 15,423 Equity Shares held in the name of Mr. Chirayu Amin in representative capacity of Karta of Chirayu Ramanbhai Amin HUF.

<sup>&</sup> Shares held as First holder

<sup>§</sup> Shares held as Second holder

<sup>\*</sup>NED (I) means Non-Executive Director (Independent).

- **Number of other board of directors or committees in which a Director is a Director / Member / Chairperson<sup>1</sup>:**

Name of the Director	No. of Directorships	No. of Committee Memberships		No. of Committee Chairmanships	
		All committees	Only Audit & Stakeholders Relationship Committee	All committees	Only Audit & Stakeholders Relationship Committee
Mr. Chirayu Amin	4	7	1	4	1
Mr. Udit Amin	2	1	1	-	-
Mr. Atul Patel	7	3	1	-	-
Mr. Amit Goradia	5	-	-	-	-
Dr. Shamita Amin	2	-	-	-	-
Mr. Vijay Gandhi	-	-	-	-	-
Mr. Abhijit Joshi	1	1	-	-	-

<sup>1</sup> Public limited companies.

- **Names of the other listed entities where the person is a director and the category of directorship.**

Name of the Director	Name of the listed entities	Category of directorship
Mr. Chirayu Amin	Alembic Pharmaceuticals Limited	Executive Chairman and CEO
	Alembic Limited	Non-Executive Chairman
Mr. Udit Amin	Alembic Limited	Non-Executive Director
Mr. Amit Goradia	-	-
Mr. Atul Patel	20 Microns Limited	Non-Executive Independent Director
Dr. Shamita Amin	-	-
Mr. Vijay Gandhi	-	-
Mr. Abhijit Joshi	Alembic Limited	Non-Executive Director

Pursuant to the provisions of Section 165(1) of the Companies Act, 2013 (the "Act") and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulation"), none of the Directors holds directorships in more than 20 companies (Public or Private), 10 public companies and membership of board committees (Audit & Stakeholders Relationship Committees) in excess of 10 and Chairmanship of Board Committee (Audit & Stakeholders Relationship Committees) in excess of 5. None of the directors serve as Independent director in more than 7 listed companies. None of the director who serve as Whole-Time Director in any listed company, serve as Independent Director in more than 3 listed companies.

- **Disclosure of relationships between Directors inter-se:**

Mr. Chirayu Amin, Chairman is the father of Mr. Udit Amin, Non-Executive Director of the Company. None of the other Directors are related to each other.

- **Familiarisation programmes for Independent Directors:**

The Company has conducted familiarisation programmes for Independent Directors during the year. The details for the same have been disclosed on the website of the Company at the following web-link:

<http://www.paushak.com/familiarisation-program.aspx>

- **Confirmation on the independence of the Independent Directors:**

The Board of Directors hereby confirms that in their opinion, the Independent Directors fulfil the conditions specified in the SEBI Listing Regulations and are Independent of the Management.

- **Matrix setting out the skills/expertise/competence of the board of directors:**

The board skill matrix provides a guide as to the core skills, expertise, competencies and other criteria (collectively referred to as 'skill sets') considered appropriate by the board of the Company in the context of its business and sector(s) for it to function effectively and those actually available with the Board. The skill sets will keep on changing as the organization evolves and hence the board may review the matrix from time to time to ensure that the composition of the skill sets remains aligned to the Company's strategic direction.

The skill sets identified by the Board along with availability assessment collectively for the board and individually for each Director is as under:

Core skills/ Experience/ Competence	Actual Availability with current board	Mr. Chirayu Amin	Mr. Udit Amin	Mr. Atul Patel	Mr. Amit Goradia	Dr. Shamita Amin	Mr. Vijay Gandhi	Mr. Abhijit Joshi
<b>Industry Skills</b>								
(a) Speciality chemicals, Inorganic Chemical, Pharmaceuticals or General Industry Knowhow	Available	√	√	√	√	√	√	√
(b) Creating value through Intellectual Property Rights	Available	√	√	√	√	-	-	√
(c) Domestic Operations	Available	√	√	√	√	√	√	√
(d) Previous Board Experience	Available	√	√	√	√	√	-	√
<b>Technical Skills/Experience</b>								
(a) Strategic planning	Available	√	√	√	√	-	-	√
(b) Risk and compliance oversight	Available	√	√	√	√	√	√	√
(c) Marketing	Available	√	√	√	√	-	√	√
(d) Policy Development	Available	√	√	√	√	√	√	-
(e) Accounting, Tax, Audit and Finance and Legal	Available	-	√	√	√	-	√	-
(f) Sales/ Customer Engagement	Available	-	√	√	√	√	√	√
(g) Public Relations and Liasoning	Available	√	√	√	√	-	√	√
<b>Behavioural Competencies</b>								
(a) Integrity & ethical standards	Integrity & ethical standards	√	√	√	√	√	√	√
(b) Mentoring abilities	Mentoring abilities	√	√	√	√	√	√	√
(c) Interpersonal Relations	Interpersonal Relations	√	√	√	√	√	√	√

### 3. Audit Committee:

- Composition, Name of Chairman and Members & Terms of Reference:**

The Audit Committee comprises of 3 Independent Non-Executive Directors with Mr. Amit Goradia as Chairman, Mr. Atul Patel and Mr. Vijay Gandhi as members. The terms of reference of the Committee cover the matters specified for Audit Committee under the SEBI Listing Regulations and the Act.

The Statutory Auditors, Internal Auditors and other relevant Senior Management Persons are invited to attend the Meetings of the Audit Committee. The Company Secretary of the Company acts as Secretary to the Committee. Mr. Amit Goradia, Chairman of Audit Committee was present at the last Annual General Meeting held on 3<sup>rd</sup> August, 2021.

- Meetings and attendance during the year:**

There were Four (4) meetings of the Audit Committee held during the year financial ended 31<sup>st</sup> March, 2022 on 10<sup>th</sup> May, 2021, 3<sup>rd</sup> August, 2021, 28<sup>th</sup> October 2021 and 2<sup>nd</sup> February, 2022.

The attendance of each member of the Audit Committee is given below:

<b>Name of Director</b>	<b>No. of meetings held</b>	<b>No. of meeting attended</b>
Mr. Amit Goradia	4	4
Mr. Vijay Gandhi	4	4
Mr. Atul Patel	4	2

**4. Nomination and Remuneration Committee:**

• **Composition, Name of Chairman and Members & Terms of Reference:**

The Nomination and Remuneration Committee comprises of 4 Directors with Mr. Atul Patel as Chairman, Mr. Amit Goradia, Mr. Vijay Gandhi and Mr. Chirayu Amin as members. The terms of reference of the Committee cover the matters specified for Nomination and Remuneration Committee under the SEBI Listing Regulations and the Act. Mr. Atul Patel, Chairman of Nomination and Remuneration Committee was present at the last Annual General Meeting held on 3<sup>rd</sup> August, 2021.

• **Meetings and attendance during the year:**

There was One (1) meeting of the Nomination and Remuneration Committee held during the year ended 31<sup>st</sup> March, 2022 on 10<sup>th</sup> May, 2021.

The attendance of each member of the Nomination and Remuneration Committee is given below:

<b>Name of the Director</b>	<b>No. of meetings held</b>	<b>No. of meetings attended</b>
Mr. Atul Patel	1	-
Mr. Chirayu Amin	1	1
Mr. Amit Goradia	1	1
Mr. Vijay Gandhi	1	1

• **Performance Evaluation Criteria for Independent Directors:**

The Nominations & Remuneration Committee has laid down the criteria for evaluations of the performance of Independent Directors which includes parameters like knowledge and skills, professional conduct, duties, role and functions, independence, etc.

**5. Stakeholders Relationship Committee:**

The Stakeholders' Relationship Committee comprises of 3 Directors with Mr. Vijay Gandhi as Chairman, Dr. Shamita Amin and Mr. Abhijit Joshi as members. The terms of reference of the Committee cover the matters specified for Stakeholders' Relationship Committee under the SEBI Listing Regulations and the Act. Mr. Vijay Gandhi was present at the last Annual General Meeting held on 3<sup>rd</sup> August, 2021.

Ms. Manisha Saraf, Company Secretary is the Compliance Officer of the Company.

Details of No. of Shareholders' complaints received during the financial year: 10 (Ten)

No. of complaints not solved to the satisfaction of shareholders: Nil

No. of pending complaints: Nil

• **Meetings and the attendance during the year:**

Four (4) meetings of the Stakeholders Relationship Committee were held during the year on 10<sup>th</sup> May, 2021, 3<sup>rd</sup> August, 2021, 28<sup>th</sup> October, 2021 and 2<sup>nd</sup> February, 2022.

The attendance of each member of the Committee is given below:

<b>Name of Director</b>	<b>No. of meetings held</b>	<b>No. of meetings attended</b>
Mr. Vijay Gandhi	4	4
Dr. Shamita Amin	4	4
Mr. Abhijit Joshi	4	4

**6. Risk Management Committee**

• **Composition, Name of Chairman and Members & Terms of Reference**

The Risk Management Committee comprises of 2 Directors and 1 senior management personnel with Mr. Amit Goradia as Chairman, Mr. Abhijit Joshi and Mr. Ambrish Dixit as members. The terms of reference of the Committee cover the matters specified for Risk Management Committee under the SEBI Listing Regulations.

• **Meetings and attendance during the financial year**

Three (3) meetings of the Risk Management Committee were held during the financial year ended 31<sup>st</sup> March, 2022 on 3<sup>rd</sup> August, 2021, 28<sup>th</sup> October, 2021 and 2<sup>nd</sup> February, 2022.

The attendance of each member of the Risk Management Committee is given below:

Name of the Director/senior management personnel	No. of meetings held	No. of meetings attended
Mr. Amit Goradia	3	3
Mr. Abhijit Joshi	3	3
Mr. Ambrish Dixit	3	3

**7. Details of Remuneration paid to Directors:**

• **Executive Directors:**

The details of all elements of remuneration package i.e. salary, benefits, bonus, pension, etc. paid to the Executive Director for the financial year 2021-22 are given below:

(₹ in Lacs)

Name & Designation of the Executive Directors	Tenure	Fixed Salary & Perquisites	Variable Performance Incentive	Total
Mr. Abhijit Joshi Whole- time Director & CEO	3 years w.e.f. 1 <sup>st</sup> May, 2021	67.48	7.50	<b>74.98</b>

Notes:

- The criteria for Variable Performance Incentive includes Company Performance Periodical Reviews, Skills and Competence.
- The Executive Director and the Company are entitled to terminate the service contracts by giving not less than 3 months' notice in writing to the other party. There is no provision for payment of severance fees. The Company does not have any Stock Options Scheme.

**Non-Executive Directors:**

All Non-Executive Directors are paid ₹ 25,000/- as sitting fees for attending Board Meetings, ₹ 15,000/- for Audit Committee Meetings and ₹ 10,000/- for other Committee Meetings.

The details of payment made to Non-Executive Directors during the Financial Year 2021-22 are as under:

(₹ in Lacs)

Name of Directors	Sitting fees for Board Meetings	Sitting fees for Committee Meetings	Total Fees Paid
Mr. Chirayu Amin	1.00	0.10	1.10
Mr. Udit Amin	1.00	0.40	1.40
Mr. Amit Goradia	1.00	1.20	2.20
Mr. Atul Patel	0.50	0.50	1.00
Dr. Shamita Amin	1.00	0.50	1.50
Mr. Vijay Gandhi	1.00	1.20	2.20

Mr. Udit Amin, Non-Executive Director, will be paid commission of ₹145 Lacs for the financial year 2021-22 which is within the limit approved by the members of the Company at the 45<sup>th</sup> Annual General Meeting of the Company held on 6<sup>th</sup> August, 2018. Further, the same is subject to approval of the members at the Annual General Meeting for the financial year 2021-22.



The remuneration to the Non-Executive Director is based on the Nomination and Remuneration Policy of the Company.

None of the Non-Executive Directors has any pecuniary relationship or transactions with the Company and its associates except:

- a. Mr. Atul Patel, where other Companies under the same management have paid a total of ₹ 36.29 Lacs to an entity, Enviro Infrastructure Company Limited in which Mr. Atul Patel is a Director.
- b. Mr. Vijay Gandhi, where other Companies under same management have paid a total of ₹ 2.96 Lacs to M/s. V. H. Gandhi & Co., Chartered Accountant as fees for professional services provided by the firm to those companies. Mr. Vijay Gandhi is proprietor of the said firm.

The Board does not consider the Company's/ firm's association with group companies to be of material nature so as to affect the independence of judgement of Mr. Atul Patel and Mr. Vijay Gandhi as Independent Directors of the Company.

**8. General Body Meetings:**

The details of the location and time where the last three Annual General Meetings (AGMs) were held as under:

Financial Year	Location	Date	Time	No. of Special Resolutions passed
2020-21	N.A. <sup>1</sup>	3 <sup>rd</sup> August, 2021	4.00 p.m.	3
2019-20	N.A. <sup>1</sup>	4 <sup>th</sup> August, 2020	12.30 p.m.	1
2018-19	"Sanskriti", Alembic Corporate Conference Center, Opp. Pragati Sahakari Bank Limited, Alembic Colony, Vadodara - 390 003	7 <sup>th</sup> August, 2019	12.30 p.m.	1

<sup>1</sup> AGM held through Video Conferencing / Other Audio Visual Means.

\* Whether any special resolution passed last year through postal ballot: No

\* Whether any special resolution is proposed to be conducted through postal ballot: No

**9. Means of Communication:**

• Quarterly Results	:	The results will be published in the newspapers having wide coverage.
• Newspapers wherein results are normally published	:	Indian Express (English), Financial Express (Gujarati) or any other leading newspaper
• Web-site where the results, official news releases, and presentations made to institutional investors or to analysts are displayed	:	www.paushak.com

**10. General Shareholder Information:**

a)	Annual General Meeting, Date, Time and Venue	Tuesday, 9 <sup>th</sup> August, 2022 at 4:00 p.m. IST The meeting will be held through VC / OAVM.
b)	Financial Year	2021-22
c)	Dividend Payment Date	On or before 12 <sup>th</sup> August, 2022
d)	Listing on Stock Exchange	BSE Limited (BSE) Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001 The Company confirms that the annual listing fees to the stock exchange for the F.Y. 2022-23 has been paid.
e)	Stock Code	The equity shares of the Company are listed on BSE Limited with Scrip Code: 532742 / PAUSHAKLTD ISIN: INE111F01016
f)	Market price data – high, low during each month in last financial year	Please see Annexure 'I'

g)	Share Performance of the Company in comparison to BSE Sensex	Please see Annexure 'II'
h)	In case the securities are suspended from trading, the directors report shall explain the reason thereof	Not applicable
i)	Registrar and Share Transfer Agents	Link Intime India Pvt. Ltd. B-102 & 103, Shangrila Complex, First Floor, Opp. HDFC Bank, Near Radhakrishna Char Rasta, Akota, Vadodara-390020 Tel: +91 265 2356573   6136000 e-mail ID: vadodara@linkintime.co.in
j)	Share Transfer System	SEBI has mandated that w.e.f. 1 <sup>st</sup> April, 2019, shares shall be transferred only in demat form. The request for share transfer in physical form received upto 31 <sup>st</sup> March, 2019 were processed and transferred by Registrar and Share Transfer Agents in accordance with SEBI circulars in this regard and the share certificates were returned within the stipulated period, if the documents were accurate in all respects. No fresh requests for transfer of shares in physical form can be lodged by the shareholders.  Stakeholders' Relationship Committee has delegated powers to Registrar and Share Transfer Agents to effect requests for transmission, name deletion, duplicate share certificates, etc.
k)	Distribution of Shareholding / Shareholding Pattern as on 31 <sup>st</sup> March, 2022	Please see Annexure 'III'
l)	Dematerialization of Shares and Liquidity	As on 31 <sup>st</sup> March, 2022, 29,00,498 shares (94.11%) are held in dematerialised form by the shareholders.
m)	Outstanding GDRs/ADRs/Warrants or any Convertible Instruments, conversion date and likely impact on equity	Not applicable
n)	Commodity price risk or foreign exchange risk and hedging activities	The Company faces commodity risk in certain key raw materials as well as finished products. The Company is net foreign exchange earner and like most companies having both imports and exports, faces foreign currency fluctuation risk.  The disclosure pertaining to exposure and commodity risks is not applicable to the Company.
o)	Plant Location	Panelav, Tal. Halol, Dist. Panchmahal – 389 350, Gujarat.
p)	Address for Correspondence / Investor Correspondence	1. Company Secretary & Compliance Officer Paushak Limited, Alembic Road, Vadodara – 390 003 Tel.: +91-265-2280550 e-mail ID: investors@paushak.com  2. Link Intime India Pvt. Ltd. B-102 &103, Shangrila Complex, 1 <sup>st</sup> Floor, Opp. HDFC Bank, Radha Krishna Char Rasta, Akota – Vadodara-390020 Tel.:+91 265 2356573   6136000 e-mail ID: vadodara@linkintime.co.in
q)	List of all credit ratings obtained by the entity	The credit rating details are given hereunder:

Instrument	Amount ₹ Cr.	Rating Agency	Rating & Outlook
Bank Loan Facility	20	CRISIL Limited	CRISIL A-/Stable (Re-affirmed)
Working Capital Facility	20	CRISIL Limited	CRISIL A-/Stable (Re-affirmed)

**11. Other Disclosures:**

**(i) Related Party Transactions:**

The details pertaining to the policy on related party transactions are provided at point no. 16 of the Board's Report.

**(ii) Compliance:**

There was no non-compliance by the Company, penalties, strictures imposed on the Company by Stock Exchange or SEBI or any statutory authority on any matter related to capital markets, during the last three years.

**(iii) Whistle Blower Policy:**

The details pertaining to vigil mechanism and whistle blower policy established by the Company are provided at point no. 11 of the Board's Report.

The Company has provided opportunities to encourage employees to become whistle blowers. It has also ensured a mechanism within the same framework to protect them from any kind of harm. It is hereby affirmed that no personnel has been denied access to the Audit Committee.

**(iv) Details of Compliance with Mandatory requirements and adoption of Non-mandatory requirements:**

• **Mandatory requirements:**

The Company complies with all the mandatory requirements of SEBI Listing Regulations with regard to Corporate Governance.

• **Non-Mandatory requirements:**

- (a) Office for non-executive Chairman at company's expense: Not Complied.
- (b) Half-yearly declaration of financial performance to each household of shareholders: Not complied
- (c) Modified opinion(s) in Audit Report: Not Applicable as there is no modified opinion in Audit Report
- (d) Reporting of Internal Auditors directly to Audit Committee: Complied
- (e) Separate posts of Chairperson and the Managing Director or the Chief Executive Officer: Complied

**(v) Disclosure of commodity price risks and commodity hedging activities:**

The details are provided at point no. 10(n) of this report.

**(vi) Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A).**

Not Applicable

**(vii) Certificate from a Practising Company Secretaries:**

The Company has received a certificate from M/s. Samdani Shah & Kabra, Practising Company Secretaries confirming that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, Reserve Bank of India or any such statutory authority.

**(viii) Instances of not accepting any recommendation of the Committee by the Board:**

There was no such instance where Board had not accepted any recommendation of any committee of the Board whether mandatorily required or not, in the relevant financial year.

**(ix) Fees to the Statutory Auditors of the Company:**

The total fees for all services paid to the Statutory Auditors of the Company is mentioned at Note 31(J) of the Accounts. The Company has not availed any services from the network firm/network entity of which the Statutory Auditors is a part.

**(x) Disclosure of the compliance with corporate governance requirements specified in regulation 17 to 27 and Clauses (b) to (i) of sub-regulation (2) of regulation 46 of the SEBI Listing Regulations:**

The Company has complied with the requirements specified in Regulation 17 to 27 and Regulation 46(2)(b) to (i) of SEBI Listing Regulations.

Regulation No. 24 for Corporate Governance requirements with respect to subsidiary of the Company, is not applicable to the Company.

**(xi) Independent Directors' Meeting:**

The Independent Directors met on 6<sup>th</sup> May, 2022 to carry out the evaluation for the financial year 2021-22 and inter alia, discussed the following:

- \* Evaluation of the performance of Non-Independent Directors and the Board of Directors as a whole;
- \* Evaluation of the performance of the Chairman, taking into account the views of the Executive and Non-Executive Directors;
- \* Evaluation of quality, content and timelines of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonable perform its duties.

During the financial year 2021-22, the Independent Directors meeting was held on 10<sup>th</sup> May, 2021.

All Independent Directors were present at the aforesaid Meetings.

**(xii) Disclosure under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:**

The details are provided at point no. 27(c) of the Board's Report.

**(xiii) Disclosure by the Company and its subsidiaries of 'Loans and Advances' in the nature of loans to firms/companies in which directors are interested by name and amount:**

No loans and advances in the nature of loans to firms/companies in which directors are interested are given by the Company.

**(xiv) Details of Unclaimed Suspense Account:**

Disclosure pertaining to Unclaimed Suspense Account as required under Schedule V of the SEBI Listing Regulations, is annexed herewith as Annexure IV. The voting rights on the equity shares which are transferred to Unclaimed Suspense Account shall remain frozen till the rightful owner of such equity shares claims the shares.

**Annexure – 'I'**

**Market price data of the Company's shares traded on BSE Limited (BSE) during the financial year 2021-22:**

(Amount in ₹)

Month – Year	BSE	
	High Price	Low Price
April – 2021	8,680.00	7,130.00
May – 2021	7,700.00	6,410.20
June – 2021	7,840.00	6,700.00
July – 2021	10,320.00	7,300.00
August – 2021	9,599.00	7,800.00
September – 2021	9,000.00	7,999.00
October – 2021	11,400.00	8,550.00
November – 2021	12,278.00	9,200.00
December – 2021	10,588.00	8,199.90
January – 2022	10,889.75	9,520.05
February – 2022	10,700.00	8,250.00
March – 2022	10,890.00	8,655.00

On 31<sup>st</sup> March, 2022, the closing price of the shares of the Company on BSE was ₹10,394.75.

Annexure –II'

Share Performance of the Company in comparison to BSE Sensex:



Annexure – 'III'

The distribution of shareholding as on 31<sup>st</sup> March, 2022 is as under:

Number of Shares	Number of Shareholders	% of total Shareholders	Number of Shares	% of total Shares
1-500	12,436	98.10	4,21,279	13.67
501-1000	133	1.05	97,888	3.18
1001-2000	55	0.43	80,392	2.61
2001-3000	8	0.06	20,049	0.65
3001-4000	11	0.09	37,429	1.21
4001-5000	3	0.02	13,642	0.44
5001-10000	10	0.08	68,837	2.23
10001 and above	21	0.17	23,42,598	76.01
<b>Total</b>	<b>12,677</b>	<b>100.00</b>	<b>30,82,114</b>	<b>100.00</b>

Shareholding pattern as on 31<sup>st</sup> March, 2022

Sr. No.	Category	No. of Shares Held	% of (A+B+C)
<b>(A)</b>	<b>Shareholding of Promoter &amp; Promoter Group</b>		
(1)	Indian	20,38,140	66.13
(2)	Foreign	25,846	0.84
	<b>Total Shareholding of Promoter and Promoter Group</b>	<b>20,63,986</b>	<b>66.97</b>
<b>(B)</b>	<b>Public Shareholding</b>		
(1)	Institutions	83	0.00
(2)	Non-institutions	10,18,045	33.03
	<b>Total Public Shareholding</b>	<b>10,18,148</b>	<b>33.03</b>
<b>(C)</b>	<b>Shares held by Custodians and against which Depository Receipts have been issued</b>		
(1)	Promoter and Promoter Group	-	-
(2)	Public	-	-
	<b>Total (A) + (B) + (C)</b>	<b>30,82,114</b>	<b>100.00</b>

**Annexure IV**

Details of Unclaimed Suspense Account as per the provisions of Schedule V of the SEBI Listing Regulations:

<b>Particulars</b>	<b>No. of shareholders</b>	<b>No. of shares</b>
Aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year	89	3,974
Number of shareholders who approached the Company for transfer of shares from suspense account during the year	2	116
Number of shareholders to whom shares were transferred from suspense account during the year	-	-
Number of shareholders whose shares were transferred to the Investor Education and Protection Fund	9	395
Aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year	78	3,463

On behalf of the Board of Directors,

Sd/-  
**Chirayu Amin**  
Chairman  
DIN: 00242549

Date: 6<sup>th</sup> May, 2022  
Place: Vadodara

**CODE OF CONDUCT**

The Board has adopted code of conduct for all Board Members and Senior Management Personnel of the Company and the said code of conduct is placed on the web site of the Company at [www.paushak.com](http://www.paushak.com). A declaration signed by the Chief Executive Officer on behalf of the Board of Directors is given below:

"We hereby confirm that:

As provided under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, all Board Members and Senior Management Personnel have affirmed compliance with the code of conduct of the Company for the year ended 31<sup>st</sup> March, 2022 and the copy of the code of conduct is placed on the website of the Company at [www.paushak.com](http://www.paushak.com)

On behalf of the Board of Directors,

Sd/-  
**Abhijit Joshi**  
Whole time Director & CEO  
DIN: 06568584

Date: 6<sup>th</sup> May, 2022  
Place: Vadodara

**Corporate Governance Compliance Certificate**

*[For the Financial Year ended March 31, 2022 pursuant to Schedule V -  
Part E of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]*

The Members

**Paushak Limited**

We have examined the compliance of the conditions of Corporate Governance by Paushak Limited ('Company') for the Financial Year ended March 31, 2022 ("review period"), as per the relevant provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Obligations").

The Compliance of conditions of Corporate Governance is the responsibility of the Company's Management. Our examination was limited to the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of an opinion on the Financial Statements of the Company.

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

We state that in respect of investor grievances received during the review period, no such grievance is pending against the Company, as per the records maintained by the Company and presented to the Stakeholders Relationship Committee.

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

**S. Samdani**

Partner

**Samdani Shah & Kabra**

Company Secretaries

FCS No. 3677; CP No. 2863

ICSI Peer Review #1079/ 2021

ICSI UDIN: F003677D000274673

Place: Vadodara

Date: May 6, 2022

## BUSINESS RESPONSIBILITY REPORT

### Section A: General Information about the Company

1. Corporate Identity Number (CIN) of the Company: L51909GJ1972PLC044638
2. Name of the Company: Paushak Limited
3. Registered Address: Alembic Road, Vadodara – 390 003
4. Web: www.paushak.com
5. e-mail: investors@paushak.com
6. Financial Year reported: 1<sup>st</sup> April, 2021 to 31<sup>st</sup> March, 2022
7. Sector(s) that the Company is engaged in (industrial activity code-wise):

Industrial Group	Description
201*	Speciality Chemicals and Intermediates

\* As per National Industrial Classification (NIC) 2008.

8. List three key products/services that the Company manufactures/provides (as in balance sheet):
  - a. Chloroformates
  - b. Isocyanates
  - c. Carbamoyl Chlorides
9. Total number of locations where business activity is undertaken by the Company:
  - (a) Number of International Locations: Nil.
  - (b) Number of National Locations: The Company has manufacturing facilities situated at Panelav, District Panchmahal, Gujarat.
10. Markets served by the Company – In addition to serving the Indian market, the Company exports to around 10 countries worldwide.

### Section B: Financial Details of the Company

1. Paid up Capital (INR): ₹ 308.21 Lacs
2. Total Turnover (INR): ₹15,523.88 Lacs
3. Total profit after taxes (TCI) (INR): ₹ 3,574.65 Lacs
4. Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (TCI) (%): The total CSR spend for the year was ₹ 81.97 Lacs which is 2% of the average net profit of the Company made during the immediately three preceding financial years.
5. List of activities in which expenditure in 4 above has been incurred:
  - (a) Education
  - (b) Rural development projects

### Section C: Other Details

1. Does the Company have any Subsidiary Company/Companies?  
No.
2. Do the Subsidiary Company/Companies participate in the BR initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s):  
Not applicable



3. Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with participate on the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30%-60%, More than 60%]:

No.

**Section D: BR Information**

1. Details of Director/Directors responsible for BR

(a) Details of the Director/Director responsible for implementation of the BR policy/policies

1. DIN Number: 06568584
2. Name: Mr. Abhijit Joshi
3. Designation: Whole-Time Director & CEO

(b) Details of the BR head

No.	Particulars	Details
1.	DIN Number	06568584
2.	Name	Mr. Abhijit Joshi
3.	Designation	Whole-Time Director & CEO
4.	Telephone number	+91 265-2280550
5.	e-mail ID	investors@paushak.com

2. Principle-wise (as per NVGs<sup>^</sup>) BR policy/policies

(a) Details of compliance (Reply in Y/N)

No.	Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
1.	Do you have a policy/policies for....	Y	Y	Y	Y	Y	Y	Y	Y	Y
2.	Has the policy being formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
3.	Does the policy conform to any national /international standards? If yes, specify? (50 words)	Y	Y	Y	Y	Y	Y	Y	Y	Y
		The policies are based on the National Voluntary Guidelines on social, environment and economic responsibilities of business issued by the Ministry of Corporate Affairs, Government of India.								
4.	Has the policy being approved by the Board? Is yes, has it been signed by MD/ owner/CEO/appropriate Board Director?	Y	Y	Y	Y	Y	Y	Y	Y	Y
		All the policies are signed by Mr. Abhijit Joshi, Whole-Time Director & CEO.								
5.	Does the company have a specified committee of the Board/Director/ Official to oversee the implementation of the policy?	Y	Y	Y	Y	Y	Y	Y	Y	Y
6.	Indicate the link for the policy to be viewed online?	*	*	*	*	*	*	*	*	*
7.	Has the policy been formally communicated to all relevant internal and external stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
8.	Does the company have in-house structure to implement the policy/ policies.	Y	Y	Y	Y	Y	Y	Y	Y	Y
9.	Does the Company have a grievance redressal mechanism related to the policy/policies to address stakeholders' grievances related to the policy/ policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
10.	Has the company carried out independent audit/evaluation of the working of this policy by an internal or external agency?	Y	Y	Y	Y	Y	Y	Y	Y	Y

^National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business issued by the Ministry of Corporate Affairs in July 2011.

\* <http://www.paushak.com/policy.aspx>

- (b) If answer to the question at serial number 1 against any principle, is 'No', please explain why: (Tick up to 2 options): Not Applicable

3. Governance related to BR

- (a) Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year: Annually
- (b) Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?

Yes, BR is published annually in the Annual Report and available at <http://www.paushak.com/annual-report.aspx>

**Section E: Principle-wise performance**

**Principle 1: Ethics, Transparency and Accountability**

1. Does the policy relating to ethics, bribery and corruption cover only the Company? Yes/No. Does it extend to the Group/Joint Ventures/Suppliers/Contractors/NGOs/Others?

No. The policy relating to ethics, bribery and corruption covers the entire Alembic Group.

2. How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so.:

During the year under review, the Company did not receive any such complaint.

**Principle 2: Product Sustainability**

1. List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities;

We strive to innovate and incorporate social and/or environmental concerns in all our products;

- Successfully commissioned Phosgene plant of higher capacity and having different layers of safety, New Downstream MPP6 plant for MCF & ECF with better design, controls through DCS and overall electrical infrastructure which includes efficient transformers, IMCC and complete DG back up with auto changeover system, emergency scrubber with UPS power backup for all essential operations, Dedicated drum filling station along with automated filling machine connected with scrubbing system to minimize manual intervention and exposure, Online stack monitoring system installed in stacks which connected to DCS for continuous monitoring.
- This ensures zero impact on environment and as well as our internal and external stake holders' safety with quality and quantity, both are consistent with improved norms.
- Paushak is determined to design and adopt best technologies from operation and safety perspective.

2. For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of production (optional):

- (a) Reduction during sourcing/production/distribution achieved since previous year throughout the value chain?

- Upgraded utility system thereby reduction in power norms per unit TR. Optimized process operation through automation and heat loss through good insulation to reduce required TR per unit production. Improvement in specific energy consumption by converting critical manual operations to automated, based on close loop control system with Distributed Control System (DCS) having multiple layers of safety, thereby improvement in yield, batch cycle time to increase through output.
- Compressed air generation switched over to energy efficient Screw Compressor from Reciprocating Compressor resulting into energy saving of 5-6%.
- Water recycling up to 40% of total generated waste water after treatment has substantially saved natural resource and Improved technology for waste reduction by 3R concept – Reduce, Reuse and Recycling.

- Substantial reduction in water rejection in RO/DM water generation and cooling tower blowdowns achieved by using low TDS water.
- (b) Reduction during usage by consumers (energy, water) has been achieved since the previous year?
- The Company's products do not have any broad-based impact on energy and water consumption by consumers. However, the Company has taken several measures to reduce the consumption of energy and water.
3. Does the Company have procedures in place for sustainable sourcing (including transportation)?
- (a) If yes, what percentage of your inputs was sourced sustainably? Also, provide details thereof, in about 50 words or so.
- The Company has formulated & implemented an operating procedure to approve vendors. Materials are procured from approved vendors both, local and international. The sourcing and quality assurance team of the Company conducts periodic audit of the vendors, especially those who supply key raw materials. The Company works with regular KRM vendor as long terms strategic partners. The Company enters into annual freight contracts with leading transporters for movement of materials. The Company continues to receive sustained support from its vendors.
4. Has the Company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work?
- (a) If yes, what steps have been taken to improve their capacity and capability of local and small vendors?
- The Company procures goods and avail services from local and small good vendors, particularly those located around its manufacturing locations and from within the State to promote them. As a result of procurement of goods from local vendors, the Company saves on transportation as also on inventory carrying costs by ensuring just in time concept. The Company provides technical support and guidance to vendors in developing and improving products wherever possible. The Company also created bulk storage capacities of key raw material which ensure less frequency of vehicles for deliveries.
5. Does the Company have a mechanism to recycle products and waste? If yes what is the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%). Also, provide details thereof, in about 50 words or so.
- Paushak has mechanism for recycling of products, solvents as well as waste. Majority part of total effluent generated is recycled or treated since the company operates in a zero-discharge zone.
  - Domestic effluent is treated in STP and its outlet is 100% used for gardening in Company premises to reduce fresh water. The Company has developed in-house treatment facility with help of R&D to treat lachrymatory residue which reduce environmental cost. Residue is being explored as co-processing in cement industry as their inputs.

**Principle 3: Employees' Well-Being**

1. Please indicate the Total number of employees: 311
2. Please indicate the Total number of employees hired on temporary/contractual/casual basis: 315.
3. Please indicate the Number of permanent women employees: 6
4. Please indicate the Number of permanent employees with disabilities: Nil
5. Do you have an employee association that is recognized by management: No
6. What percentage of your permanent employees is members of this recognized employee association? Not Applicable
7. Number of complaints related to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year.

No.	Category	No of complaints filed during the financial year	No of complaints pending as on end of the financial year
1.	Child labour/ forced labour/ involuntary labour	Nil	Nil
2.	Sexual harassment	Nil	Nil
3.	Discriminatory employment	Nil	Nil

8. What percentage of your under mentioned employees were given safety & skill up-gradation training in the last year?
- (a) Permanent Employees: 98%
  - (b) Permanent Women Employees: 77%
  - (c) Casual/Temporary/Contractual Employees: 92%
  - (d) Employees with disabilities: N.A.

**Principle 4: Stakeholders Engagement**

1. Has the Company mapped its internal and external stakeholders?  
Yes.
2. Out of above, has the Company identified the disadvantaged, vulnerable & marginalized stakeholders?  
Yes.
3. Are there any special initiatives taken by the Company to engage with the disadvantaged, vulnerable and marginalized stakeholders. If so, provide details thereof, in about 50 words or so.
- The Company through its Non - Profit Organisations viz. Alembic CSR Foundation, Rural Development Society, Bhailal Amin General Hospital, Uday Education Society and others are taking various initiatives in the area of Education, Healthcare including Preventive Healthcare, Community outreach programs, Sanitation, Employment enhancing vocational skills, etc. to engage with the disadvantaged, vulnerable and marginalized stakeholders.

**Principle 5: Human Rights**

1. Does the policy of the Company on human rights cover only the Company or extend to the Group/Joint Ventures/Suppliers/Contractors/NGOs/Others?  
The Company's policy on human rights covers the entire Alembic Group.
2. How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?  
During the year under review, the Company did not receive any such complaint.

**Principle 6: Environment**

1. Does the policy related to Principle 6 cover only the Company or extends to the Group/Joint Ventures/Suppliers/Contractors/NGOs/others.  
The Company's policy on environment covers the entire Alembic Group.
2. Does the Company have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc.? Y/N. If yes, please give hyperlink for webpage etc.  
No.
3. Does the Company identify and assess potential environmental risks?  
Yes. Environment Risk is assessed from the design stage of the project & adequate steps are taken to reduce environmental impact at construction & operational stage along with continuous online environment monitoring system. The Company also identifies and assesses potential environmental risks for its existing and new products.
4. Does the Company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if yes, whether any environmental compliance report is filed?  
The Company has not registered any project under Clean Development Mechanism at present. However, the Company is undertaking various projects to reduce greenhouse gases at its manufacturing facilities.
5. Has the Company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy, etc. Y/N. If yes, please give hyperlink for webpage etc.  
The Company has taken various initiatives on conservation of energy and technology absorption as mentioned in Annexure E to the Board's Report. Wind Power is one of the areas where the Company has invested for clean energy.  
<http://www.paushak.com/annual-report.aspx>

6. Are the Emissions/Waste generated by the Company within the permissible limits given by CPCB/SPCB for the financial year being reported?

Yes.

7. Number of show cause/ legal notices received from CPCB/SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year.

Nil.

### Principle 7: Advocacy

1. Is your Company a member of any trade and chamber of association? If Yes, Name only those major ones that your business deals with:

The Company is a member of various trade bodies and chamber of associations inter alia:-

- (a) Federation of Gujarat Industries
  - (b) Indian Chemical Council
  - (c) National Safety Council
  - (d) Chemexcil
  - (e) Gujarat Employers' Organization.
2. Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes/No; if yes specify the broad areas (drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others)

Yes.

The Company has advocated on various areas concerning economic reforms, best practices, new standards or regulatory development pertaining to speciality chemicals industry through the associations, from time to time.

### Principle 8: Community Development

1. Does the Company have specified programmes/initiatives/projects in pursuit of the policy related to Principle 8? If yes details thereof.

Alembic Group has been proactively carrying out various community development activities since more than fifty years. Alembic Group has established, nurtured and promoted various Non - Profit Organisation focusing on three major areas – Education, Healthcare and Rural Development. The details are mentioned in Annexure B to the Board's Report.

Paushak has been providing gainful employment opportunities to the local population from in and around the manufacturing facilities.

2. Are the programmes/projects undertaken through in-house team/own foundation/external NGO/government structures/ any other organization?

The Company undertakes programmes/projects directly/through various Non - Profit Organisation viz. Alembic CSR Foundation, Rural Development Society, Bhailal Amin General Hospital, Uday Education Society and others.

3. Have you done any impact assessment of your initiative?

Yes.

4. What is your Company's direct contribution to community development projects - Amount in INR and the details of the projects undertaken:

The details are mentioned in Annexure B to the Board's Report.

5. Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so.

The Company conducts impact assessment of its CSR initiatives through feedbacks collected from the beneficiaries of projects undertaken. Various projects are undertaken with Government and Semi-Government agencies that have their monitoring mechanisms and impact assessment systems.

**Principle 9: Customer Value**

1. What percentage of customer complaints/consumer cases are pending as on the end of financial year.  
Nil.
2. Does the Company display product information on the product label, over and above what is mandated as per local laws? Yes/No/N.A./Remarks (additional information):  
Yes. The Company follows all legal statues with respect to product labeling and displaying of product information.
3. Is there any case filed by any stakeholder against the Company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years and pending as on end of financial year. If so, provide details thereof, in about 50 words or so.  
No.
4. Did your Company carry out any consumer survey/ consumer satisfaction trends?  
Yes.

On behalf of the Board of Directors,

**Sd/-**

**Abhijit Joshi**

Whole-Time Director & CEO and BR Head

DIN: 06568584

## INDEPENDENT AUDITOR'S REPORT

To the Members of

**Paushak Limited**

**Report on the Audit of the Financial Statements**

### **Opinion**

We have audited the financial statements of Paushak Limited, which comprise the Balance Sheet as at 31<sup>st</sup> March, 2022, and the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 (The Act) in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31<sup>st</sup> March, 2022, and its profit, total comprehensive income, changes in equity and its cash flows for the year ended on that date.

### **Basis for Opinion**

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the *Code of Ethics* issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 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.

### **Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. There is no key audit matter to communicate in our report.

### **Information Other than the Financial Statements and Auditor's Report thereon**

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Corporate Governance and Shareholder's Information but does not include the financial statements and our auditor's report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

We have been provided the aforesaid reports and based on the work we have performed, we did not observe any material misstatement of this other information and accordingly, we have nothing to report in this regard.

### **Management's Responsibility for the Standalone Financial Statements and for Internal Financial control over Financial Reporting**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position and financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting standards (Ind AS) specified under section 133 of the Act read with relevant rules issued thereunder.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

#### **Auditor's Responsibilities for the Audit of the Financial Statements**

We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act and the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting. Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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 financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have 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.

#### **Meaning of Internal Financial Controls Over Financial Reporting**

A Company's internal financial controls over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting



principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

### **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

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

### **Report on Other Legal and Regulatory Requirements**

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

As required by section 143(3) of the Act, we report that:

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards (Ind AS) specified under Section 133 of the Act, read with relevant rules issued thereunder.
- (e) On the basis of the written representations received from the directors as on 31<sup>st</sup> March, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2022 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) In our opinion considering nature of business, size of the operation and organizational structure of the entity, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31<sup>st</sup> March, 2022 based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer item B of Note 31 to Financial Statements.
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
  - iv.
- (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

- (b) The management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) as provided under (a) and (b) above, contain any material misstatement.
- v. The final dividend proposed in the previous year, declared and paid by the Company during the year is in compliance with section 123 of the Companies Act, 2013.

The Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The amount of dividend proposed is in accordance with section 123 of the Act, as applicable.

**For Maloo Bhatt & Co.**  
Chartered Accountants  
(FRN: 129572W)

**CA. Yash Bhatt**  
Partner  
M No. 117745

**UDIN: 22117745AIRTNZ8478**

Place: Vadodara  
Date: 06<sup>th</sup> May, 2022

## **Annexure "A" to the Independent Auditors' Report**

Referred to in paragraph 1 under the heading 'Report on Other Legal & Regulatory Requirements' of our report of even date on the financial statements of the Company for the year ended 31<sup>st</sup> March, 2022:

- 1)
  - (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipments (PPE).
  - (b) We have been informed that the Property, Plant and Equipments have been physically verified by the management with a phased programme of verification which, in our opinion is reasonable and to cover all the items of PPE over a period of three years having regard to the size of the Company and the nature of its assets. According to the information and explanations given to us, there was no material discrepancies noticed on such verification.
  - (c) The title deeds of immovable properties are held in the name of the Company.
  - (d) The Company has not revalued its Property, Plant and Equipment and intangible assets during the year.
  - (e) No Proceeding have been initiated or pending against the Company for holding any Benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder.
- 2)
  - (a) As explained to us, all the inventory of the Company has been physically verified by the management at reasonable intervals and at year-end. In our opinion, the frequency of the verification is reasonable. During the period covered under audit, no material discrepancies has been noticed and reported on physical verification of inventory as compared to book records.
  - (b) The Company has not been sanctioned any working capital facility on the basis of security of Current Assets and hence Company is not required to submit quarterly returns or statement with the Bank.
- 3) In respect of whether the Company has made investment in, provided any guarantee or security or granted any loans or advances in nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties, we state that:
  - (a) During the year, the Company has made investment in the bonds and debentures of certain companies, the terms and conditions of these investments are not prejudicial to the Company's Interest.

- (b) The Company has not provided loans or provided advances in the nature of loans (except employee advances), or stood guarantee or provided security to any other entity, hence sub-clause (a), (c), (d), (e) and (f) of clause 3(iii) is not applicable to Company.
- 4) In our opinion and according to information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 in respect of loans, making investments and providing guarantees and securities, as applicable.
- 5) According to information and explanations given to us, the Company has not accepted any deposits including deemed deposits, during the year, therefore the provisions of the clause 3 (v) of the Order are not applicable to the Company.
- 6) To the best of our knowledge and explanations provided by the management, the maintenance of cost records has been prescribed by the Central Government under sub section (1) of section 148 of the Companies Act, 2013 and are maintained accordingly.
- 7)
- (a) According to information and explanations given to us, and on the basis of our examination of the books of account, and records, the Company has been generally regular in depositing undisputed statutory dues including Goods and Service Tax, Provident Fund, Employees State Insurance, Income Tax, Sales Tax, Service Tax, Duty of Customs, Duty of Excise, Value Added Tax, Cess and any other statutory dues with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the above were in arrears as at 31<sup>st</sup> March, 2022 for a period of more than six months from the date on when they become payable.
- (b) According to the information and explanations given to us, and on the basis the records produced before us by the Company, except for the cases stated below, there are no disputed amounts payable in respect of statutory dues referred in sub-clause (a) above, which have not been deposited on account of any dispute.

<b>Nature of Statute</b>	<b>Nature of Dues</b>	<b>Amount under dispute not yet deposited</b>	<b>Period to which the amount relates</b>	<b>Forum where dispute is pending</b>
The Service Tax (Finance Act, 1994)	Non Allowability of certain Service Tax Credits	6,73,652/-	July-15 to Dec-16	CCE and ST, Halol (matter remand back)
Gujarat VAT Act, 2003	VAT demand	2,54,684/-	FY 2006-07	Commissioner, Commercial Taxes, Vadodara, Gujarat

- 8) There is no transaction of unrecorded income surrendered or disclosed during the year, hence reporting under clause 3(viii) of this Order is not applicable to the Company.
- 9)
- (a) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of loans or borrowing to a financial institution, bank or Government. The Company has not obtained any borrowings by way of debentures.
- (b) The Company is not a wilful defaulter by any bank or financial institution or other lender.
- (c) The Company has not taken any term loans during the year.
- (d) No funds raised on short term basis, have been utilised for long term purposes during the year.
- (e) The Company doesn't have any subsidiary, associates or joint venture, hence reporting under clause 3(ix)(e) is not applicable to the Company.
- (f) The Company doesn't have any subsidiary, associates or joint venture, hence reporting under clause 3(ix)(f) is not applicable to the Company.
- 10)
- (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year.
- (b) The Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year.

- 11)
- (a) According to the information and explanations given to us, we have not noticed or reported any fraud by the Company or any fraud on the Company by its officers or employees during the year.
  - (b) No report under sub-section (12) of section 143 of the Companies Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government;
  - (c) As explained to us, the Company has not received any whistleblower complaint during the year.
- 12) Clause 3 (xii) of the Order is not applicable to the Company as the Company is not a Nidhi Company.
- 13) In our opinion, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.
- 14)
- (a) The Company has internal audit system and it is commensurate with the size and nature of its business.
  - (b) We have considered reports of the internal auditors for the period under audit.
- 15) According to the information and explanations given to us, the Company has not entered into any non-cash transactions with directors or persons connected with him and the provisions of section 192 of Companies Act, 2013 have been complied with.
- 16) Clause 3(xvi) of the Order is not applicable to the Company as the Company is not a required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.
- 17) The Company has not incurred any cash losses during the current financial year and in the immediately preceding financial year.
- 18) There is no such case of resignation of statutory auditors, hence this clause is not applicable.
- 19) On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans, we are of the opinion that no material uncertainty exists as on the date of the audit report and that the Company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date.
- We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts upto the date of audit report and we neither give any guarantee nor any assurance that all liabilities falling due within one year from the Balance Sheet date, will get discharged by the Company as and when they fall due.
- 20) There is no unspent amount related to CSR pending to be spent by the Company hence Clause 3 (xx) and its sub-clauses of this Order are not applicable to the Company.
- 21) Since the Company is not required to prepare Consolidated financial statements, clause 3 (xxi) is not applicable.

**For Maloo Bhatt & Co.**  
Chartered Accountants  
(FRN: 129572W)

**CA. Yash Bhatt**  
Partner

M No. 117745

**UDIN: 22117745AIRTNZ8478**

Place: Vadodara  
Date: 06<sup>th</sup> May, 2022

## BALANCE SHEET

₹ in Lacs

Particulars	Notes	As at	
		31 <sup>st</sup> March, 2022	31 <sup>st</sup> March, 2021
<b>I. ASSETS</b>			
<b>(1) Non-current assets</b>			
(a) Property, Plant and Equipment	2	14,673.02	5,085.16
(b) Capital Work-in-progress	2	758.82	6,797.73
(c) Other Intangible Assets	2	13.03	18.62
(d) Financial Assets			
- Investments	3	10,850.77	11,042.19
- Other Financial Assets	4	1.01	1.30
(e) Other Non - Current Assets	5	5.45	443.04
<b>Total Non Current Assets</b>		<b>26,302.11</b>	<b>23,388.04</b>
<b>(2) Current assets</b>			
(a) Inventories	6	1,897.84	1,378.76
(b) Financial Assets			
- Investments	7	4,284.22	4,378.46
- Trade Receivables	8	3,973.08	3,291.61
- Other Financial Assets	9	2.00	0.85
- Cash and Cash Equivalents	10	6.06	18.04
- Bank Balance other than cash and cash equivalents	11	39.19	39.50
(c) Other Current Assets	12	110.68	380.57
(d) Current Tax Assets (Net)	13	37.11	0.60
<b>Total Current Assets</b>		<b>10,350.17</b>	<b>9,488.39</b>
<b>TOTAL ASSETS</b>		<b>36,652.28</b>	<b>32,876.43</b>
<b>II. EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity Share Capital	14	308.21	308.21
Other Equity	15	30,247.99	26,858.26
<b>Total Equity</b>		<b>30,556.20</b>	<b>27,166.47</b>
<b>Liabilities</b>			
<b>(1) Non-Current Liabilities</b>			
(a) Provisions	16	89.34	88.33
(b) Deferred Tax Liabilities (Net)	17	3,305.55	2,903.52
<b>Total Non-Current Liabilities</b>		<b>3,394.89</b>	<b>2,991.85</b>
<b>(2) Current Liabilities</b>			
(a) Financial Liabilities			
- Borrowings	18	12.14	-
- Trade Payables	19		
- Total outstanding dues of micro enterprises and small enterprises		177.97	64.70
- Total outstanding dues of creditors other than micro enterprises and small enterprises		1,671.03	1,040.05
- Other Financial Liabilities	20	615.46	1,508.85
(b) Other Current Liabilities	21	186.89	58.99
(c) Provisions	22	37.71	45.51
<b>Total Current Liabilities</b>		<b>2,701.19</b>	<b>2,718.11</b>
<b>Total Liabilities</b>		<b>6,096.08</b>	<b>5,709.96</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>36,652.28</b>	<b>32,876.43</b>

Significant Accounting Policies and Other Explanatory Notes and Information 1 & 31

The accompanying notes referred to above form an integral part of the Financial Statements

As per our report of even date

**For Maloo Bhatt & Co**  
Chartered Accountants  
Firm Registration No. 129572W

For and on behalf of the Board

**Chirayu Amin**  
Chairman  
DIN No.: 00242549

**Amit Goradia**  
Director  
DIN No.: 00074478

**Abhijit Joshi**  
Whole-time Director & CEO  
DIN No.: 06568584

**CA. Yash Bhatt**  
Partner  
Membership No. 117745  
Vadodara, 6<sup>th</sup> May, 2022

**Manisha Saraf**  
Company Secretary

**Kirti Shah**  
CFO

Vadodara, 6<sup>th</sup> May, 2022

## STATEMENT OF PROFIT AND LOSS

₹ in Lacs

Particulars	Notes	For the year ended 31 <sup>st</sup> March, 2022	For the year ended 31 <sup>st</sup> March, 2021
<b>I. INCOME</b>			
Revenue from operations	23	15,009.76	14,099.97
Other income	24	514.12	613.47
<b>Total income</b>		<b>15,523.88</b>	<b>14,713.44</b>
<b>II. EXPENSES</b>			
Cost of materials consumed	25	3,331.34	2,929.33
Changes in inventories of Finished Goods, Semi-Finished Goods and Work in progress	26	(354.09)	480.94
Employee benefits expense	27	2,153.14	1,999.46
Financial costs	28	6.15	4.91
Depreciation and amortisation expense	2	902.50	495.95
Other expenses	29	4,457.07	3,643.97
<b>Total Expenses</b>		<b>10,496.11</b>	<b>9,554.56</b>
<b>III. Profit before Tax (I - II)</b>		<b>5,027.77</b>	<b>5,158.88</b>
<b>IV. Tax expense:</b>			
Current Tax		897.76	1,335.00
Less: Excess Provision of Income Tax for earlier years		27.52	0.30
Current Tax		870.24	1,334.70
Deferred Tax		396.34	94.35
<b>V. Profit/(Loss) for the period (III - IV)</b>		<b>3,761.19</b>	<b>3,729.82</b>
<b>VI. Other Comprehensive Income</b>	<b>30</b>		
A (i) Item that will not be reclassified to profit or loss		(231.65)	1,121.71
(ii) Income tax relating to item that will not be reclassified to profit or loss		51.64	(259.11)
B (i) Item that will be reclassified to profit or loss		53.05	49.39
(ii) Income tax relating to item that will be reclassified to profit or loss		(59.57)	(14.60)
<b>VII. Total Other Comprehensive Income</b>		<b>(186.53)</b>	<b>897.40</b>
<b>VIII. Total Comprehensive Income for the period (V +VII)</b>		<b>3,574.65</b>	<b>4,627.22</b>
<b>IX. Earning per equity share: (FV ₹ 10/- each)</b>			
- Basic & Diluted [Refer Note 31H]		122.03	121.02

**Significant Accounting Policies and Other Explanatory Notes and Information 1 & 31**

Note: The accompanying notes referred to above form an integral part of the financial statements

As per our report of even date  
**For Maloo Bhatt & Co**  
Chartered Accountants  
Firm Registration No. 129572W

For and on behalf of the Board

**Chirayu Amin**  
Chairman  
DIN No.: 00242549

**Amit Goradia**  
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Partner  
Membership No. 117745  
Vadodara, 6<sup>th</sup> May, 2022

**Manisha Saraf**  
Company Secretary

**Kirti Shah**  
CFO

Vadodara, 6<sup>th</sup> May, 2022

**STATEMENT OF CHANGES IN EQUITY**

**A Equity Share Capital:**

Particulars	No. of Shares	₹ in Lacs
<b>Equity Shares of ₹ 10/- each issued, subscribed and fully paid</b>		
<b>Balance as at 1<sup>st</sup> April, 2020</b>	30,82,114	308.21
Change in equity share capital during the year	-	-
<b>Balance as at 31<sup>st</sup> March, 2021</b>	<b>30,82,114</b>	<b>308.21</b>

<b>Equity Shares of ₹ 10/- each issued, subscribed and fully paid</b>		
<b>Balance as at 1<sup>st</sup> April, 2021</b>	30,82,114	308.21
Change in equity share capital during the year	-	-
<b>Balance as at 31<sup>st</sup> March, 2022</b>	<b>30,82,114</b>	<b>308.21</b>

**B Other Equity**

₹ in Lacs

Particulars	Reserves and Surplus				FVOCI - Equity Investment Reserve	FVOCI - Debt Investment Reserve	Total
	Capital Reserve	Capital Redemption Reserve	General Reserve	Retained Earning			
<b>Balance as at 1<sup>st</sup> April, 2020 (I)</b>	4.25	313.66	4,534.08	9,771.11	3,392.11	4,400.76	22,415.97
Profit for the period	-	-	-	3,729.82	-	-	3,729.82
Re-measurement of post employment benefit obligation (net of tax)	-	-	-	(9.14)	-	-	(9.14)
Other Comprehensive Income for the year	-	-	-	-	871.75	34.79	906.54
<b>Total Comprehensive Income for the year (II)</b>	-	-	-	3,720.68	871.75	34.79	4,627.22
Dividend paid	-	-	-	(184.93)	-	-	(184.93)
Any other changes:							
- Transfer from Retained Earning to General Reserve	-	-	1,000.00	(1,000.00)	-	-	-
<b>Transaction for the year (III)</b>	-	-	1,000.00	(1,184.93)	-	-	(184.93)
<b>Balance as at 31<sup>st</sup> March, 2021 (I + II + III)</b>	4.25	313.66	5,534.08	12,306.86	4,263.85	4,435.56	26,858.26

Particulars	Reserves and Surplus				FVOCI - Equity Investment Reserve	FVOCI - Debt Investment Reserve	Total
	Capital Reserve	Capital Redemption Reserve	General Reserve	Retained Earning			
<b>Balance as at 1<sup>st</sup> April, 2021 (I)</b>	<b>4.25</b>	<b>313.66</b>	<b>5,534.08</b>	<b>12,306.86</b>	<b>4,263.85</b>	<b>4,435.56</b>	<b>26,858.26</b>
Profit for the period	-	-	-	3,761.19	-	-	3,761.19
Re-measurement of post employment benefit obligation (net of tax)	-	-	-	6.85	-	-	6.85
Other Comprehensive Income for the year	-	-	-	-	(186.86)	(6.52)	(193.38)
<b>Total Comprehensive Income for the year (II)</b>	-	-	-	3,768.03	(186.86)	(6.52)	3,574.65
Dividend paid	-	-	-	(184.93)	-	-	(184.93)
Any other changes: - Transfer from Retained Earning to General Reserve	-	-	1,000.00	(1,000.00)	-	-	-
<b>Transaction for the year (III)</b>	-	-	<b>1,000.00</b>	<b>(1,184.93)</b>	-	-	<b>(184.93)</b>
<b>Balance as at 31<sup>st</sup> March, 2022 (I + II + III)</b>	<b>4.25</b>	<b>313.66</b>	<b>6,534.08</b>	<b>14,889.97</b>	<b>4,077.00</b>	<b>4,429.04</b>	<b>30,247.99</b>

As per our report of even date  
**For Maloo Bhatt & Co**  
 Chartered Accountants  
 Firm Registration No. 129572W

For and on behalf of the Board  
**Chirayu Amin**  
 Chairman  
 DIN No.: 00242549

**Amit Goradia**  
 Director  
 DIN No.: 00074478

**Abhijit Joshi**  
 Whole-time Director & CEO  
 DIN No.: 06568584

**CA. Yash Bhatt**  
 Partner  
 Membership No. 117745  
 Vadodara, 6<sup>th</sup> May, 2022

**Manisha Saraf**  
 Company Secretary

**Kirti Shah**  
 CFO

Vadodara, 6<sup>th</sup> May, 2022



## CASH FLOW STATEMENT

		₹ in Lacs	
Particulars	For the Year ended 31 <sup>st</sup> March, 2022	For the Year ended 31 <sup>st</sup> March, 2021	
<b>A CASH FLOW FROM OPERATING ACTIVITIES:</b>			
Net Profit before tax	5,027.77	5,158.88	
<b>Adjustments for:</b>			
1 Depreciation	902.50	495.95	
2 Interest Charged	0.41	0.59	
3 Interest Income	(30.07)	(1.70)	
4 Dividend Income	(294.71)	(213.43)	
5 Unrealised Foreign Exchange Loss (Net)	(4.61)	11.88	
6 Loss/(Profit) on Sales of Property, Plant & Equipment	7.97	(11.41)	
7 Sundry Balance written back	(8.35)	(0.29)	
8 Profit on Redemption of Investments	(160.50)	(196.74)	
9 Fair value change of Financial Investments	(5.95)	(189.43)	
10 Rent Income	(0.44)	(0.44)	
<b>Operating profit before change in working capital</b>	<b>5,434.02</b>	<b>5,053.86</b>	
<b>Adjustments for (Increase)/Decrease in Operating Assets:</b>			
Inventories	(519.08)	246.67	
Trade Receivables	(677.77)	(682.24)	
Other Current Assets	269.04	(210.94)	
Other Non Current Assets	0.29	(0.12)	
<b>Adjustments for (Increase)/Decrease in Operating Liabilities:</b>			
Trade Payables	753.49	(272.73)	
Other Current Liabilities	39.55	158.64	
Current Provisions	5.01	(5.73)	
Non Current Provisions	1.01	(12.64)	
<b>Cash generated from operations</b>	<b>5,305.56</b>	<b>4,274.78</b>	
Income Tax Paid	(908.99)	(1,295.17)	
<b>NET CASH INFLOW FROM OPERATING ACTIVITIES</b>	<b>A 4,396.57</b>	<b>2,979.61</b>	
<b>B CASH FLOW FROM INVESTING ACTIVITIES:</b>			
1 Purchase of Property, Plant & Equipment / CWIP	(4,825.45)	(5,576.43)	
2 Sale of Property, Plant & Equipment	4.48	18.76	
3 Net Proceeds from Investments			
From Related Parties	(0.00)	(0.00)	
From Mutual Funds, Debentures & Bonds	258.27	2,485.53	
4 Interest received			
From Banks	32.49	1.70	
5 Dividend Received			
From Related Parties	294.41	213.13	
From Others	0.30	0.29	
6 Rent Income			
From Related Parties	0.44	0.44	
<b>NET CASH UTILISED IN INVESTING ACTIVITIES</b>	<b>B (4,235.05)</b>	<b>(2,856.57)</b>	

		₹ in Lacs	
Particulars		For the Year ended 31 <sup>st</sup> March, 2022	For the Year ended 31 <sup>st</sup> March, 2021
<b>C CASH FLOW FROM FINANCIAL ACTIVITIES:</b>			
1 Proceeds/ (Repayment) from Current Borrowings (Net)		12.14	-
2 Interest Paid		(0.41)	(0.59)
3 Dividend Paid		(185.24)	(184.29)
<b>NET CASH UTILISED IN FINANCIAL ACTIVITIES</b>	<b>C</b>	<b>(173.51)</b>	<b>(184.87)</b>
<b>I Net Increase / (Decrease) in Cash and Cash Equivalents</b>	<b>A+B+C</b>	<b>(11.98)</b>	<b>(61.83)</b>
<b>II Cash &amp; Cash equivalents as at the beginning of the Year</b>		<b>18.04</b>	79.88
<b>III Cash &amp; Cash equivalents as at the end of the Reporting Period (I+II)</b>		<b>6.06</b>	18.04
<b>IV Cash &amp; Cash equivalents as at the end of the Reporting Period</b>			
Balances with Bank		5.26	17.70
Cash on Hand		0.80	0.34
<b>Cash and Cash Equivalents</b>		<b>6.06</b>	<b>18.04</b>

As per our report of even date

**For Maloo Bhatt & Co**  
Chartered Accountants  
Firm Registration No. 129572W

For and on behalf of the Board

**Chirayu Amin**  
Chairman  
DIN No.: 00242549

**Amit Goradia**  
Director  
DIN No.: 00074478

**Abhijit Joshi**  
Whole-time Director & CEO  
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**CA. Yash Bhatt**  
Partner  
Membership No. 117745

Vadodara, 6<sup>th</sup> May, 2022

**Manisha Saraf**  
Company Secretary

**Kirti Shah**  
CFO

Vadodara, 6<sup>th</sup> May, 2022

## **NOTES TO FINANCIAL STATEMENTS**

### **1 Company Overview and Significant Accounting Policies:**

#### **1.1 Description of business**

The Company is a public company domiciled in India and is incorporated under the provisions of the Companies Act, 1956. Its shares are listed on one recognised stock exchange in India. The registered office of the Company is located at Alembic Road, Vadodara 390003, Gujarat. The Company is dealing in Speciality Chemicals Business.

#### **1.2 Basis of preparation of Financial Statements**

The Financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) as prescribed under Section 133 of the Act to be read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

The financial statements have been prepared on the historical cost basis except for certain financial instruments and plan assets of defined benefit plans, which are measured at fair value in accordance with Ind AS.

#### **1.3 Composition of financial statements**

The financial statements are drawn up in INR, the functional currency of the Company, and in accordance with Ind AS presentation. The financial statements comprise:

- Balance Sheet
- Statement of Profit and Loss
- Statement of Cash Flow
- Statement of Changes in Equity
- Notes to Financial Statements

#### **1.4 Key accounting judgments, estimates and assumptions**

In preparing these financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expense. Actual results may differ from these estimates.

Estimates are often based on complex judgments and assumptions that management believe to be reasonable, but estimates and underlying assumptions are reviewed on an ongoing basis. Any change in these estimates and assumptions will generally be reflected in the financial statements in current period or prospectively, unless they are required to be treated retrospectively under relevant accounting standards.

#### **1.5 Significant Accounting Policies and other explanatory notes**

##### **a) Revenue recognition**

Sales are disclosed net of sales returns and GST.

Revenue from the sale of goods or service is recognised when (or as) the entity satisfies a performance obligation by transferring a promised good or service to a customer. The ownership is transferred when (or as) the customer obtains control of that goods or service.

Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, net of returns and allowances, trade discounts and volume rebates.

Income from operations includes revenue earned on account of job work income which is accounted as per the due terms agreed with the customers.

Other income is comprised primarily of interest income, dividend income, export benefits, sale of wind generated power and gain/loss on investments. Interest income is recognized using the effective interest method. Dividend income is recognized when the right to receive payment is established. Export benefits available under prevalent schemes are accounted on entitlement basis. Income from sale of wind generated power is accounted on accrual basis on confirmation of units generated and supplied to the State Electricity Board as per the agreement.

##### **b) Foreign Currency Transactions**

Transactions in foreign currencies are initially recorded by the Company at the rate of exchange prevailing on the date of the transaction.

Monetary assets and monetary liabilities denominated in foreign currencies remaining unsettled at the end of the year are converted at the exchange rate prevailing on the reporting date.

## NOTES TO FINANCIAL STATEMENTS

Differences arising on settlement or conversion of monetary items are recognised in Statement of Profit or Loss.

Effective April 1, 2018, the Company has adopted Appendix B to Ind AS 21 - 'Foreign Currency Transactions and Advance Consideration' which clarifies the date of the transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income (or part of it) when an entity has received or paid advance consideration in foreign currency.

### c) Employee benefits

#### i) Defined Benefit Obligation Plans

##### Gratuity

The Company operates a defined benefit gratuity plan which requires contributions to be made to a fund separately administered by the Life Insurance Corporation of India (LIC). The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method. The service cost and the net interest cost are charged to the Statement of Profit and Loss. Actuarial gains and losses arise due to re-measurement as result of the actual experience and the assumed parameters and changes in the assumptions used for valuation are recognised in the Other Comprehensive Income (OCI).

##### Provident Fund

The Company's contribution to provident fund, administered through a Company managed trust, is recognised as an expense in the Statement of Profit and Loss.

##### Compensated absences

The Company has a policy to allow accumulation of leave by employees up to certain days. The excess leave will either be encashed or funded by the Company to LIC for and on behalf of employees. Accordingly, the excess leave liability is discharged by the Company upon such funding to LIC. Remaining accumulated leave liability (other than sick leave) as at the year-end is provided as per actuarial valuation. The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method. Actuarial gains and losses arise due to difference in the actual experience and the assumed parameters and also due to changes in the assumptions used for valuation. The Company recognizes these actuarial gains and losses in the Statement of Profit and Loss, as income or expense.

##### Sick Leave

Accumulated sick leave, if any, is provided for at actual in the Statement of Profit and Loss.

#### ii) Defined Contribution plan

Superannuation fund is administered by the LIC. The contribution to Superannuation fund, Pension fund, ESIC and Labour Welfare fund are recognised as an expense in the Statement of Profit and Loss.

### d) Property, plant and equipment

Property, plant and equipment were carried on historical cost in the balance sheet as on 31st March, 2016 prepared in accordance with Indian GAAP. The Company has elected to regard those net values as deemed cost at the date of the transition i.e 1st April, 2016 as permitted under Ind AS 101.

Property, plant and equipment are recorded at cost of acquisition / construction less accumulated depreciation and impairment losses, if any. Cost comprises of the purchase price net of creditable Goods and Services Tax, creditable customs duty, if any, and any attributable cost of bringing the assets to its working condition for its intended use.

Components of an asset are separated where their value is significant in relation to the total value of the asset and where those components have different useful lives to the remainder of the asset. Where a component is replaced or restored, the carrying amount of the old component will be derecognised and value of new component / restoration cost will be added. Where the carrying value of the derecognised/replaced component is not known, a best estimate will be determined by reference to the current cost.

The cost and related accumulated depreciation are eliminated from the financial statements upon sale or retirement or impairment of the asset and the resultant gains or losses are recognized in the Statement of Profit and Loss. Assets to be disposed off are reported at the lower of the carrying value or the fair value less cost to sell.

**NOTES TO FINANCIAL STATEMENTS**

**e) Intangible Assets**

Intangible assets are stated at cost less provisions for amortisation and impairments. Software licenses fees are charged to statement of profit and loss when incurred.

Gains or losses arising from the retirement or disposal of an intangible asset are determined as the difference between disposal proceeds and carrying amount of the asset and are recognised as income or expense in the Statement of Profit and Loss.

**f) Depreciation / Amortisation on Property, Plant & Equipment and Investment Properties**

Depreciation / Amortisation on Property, Plant & Equipment and Investment Properties (other than freehold land and capital work-in-progress) is charged on a Straight Line Basis so as to write off the original cost of the assets over the useful lives. The useful life of the Property, Plant & Equipment has been adopted based on Technical Evaluation and in other cases, as prescribed under the Companies Act, 2013. Details for the same are as under:

<b>Class of Assets</b>	<b>Range of Useful Life</b>
Building	05 - 60 Years
Plant & Machinery	03 - 15 Years
Windmill	22 Years
Furniture & Fixtures	03 - 10 Years
Office Machinery	10 Years
Vehicles	08 Years
Intangible Assets	03 - 04 Years

**g) Capital Work-in-Progress**

Assets under construction wherein assets are not ready for use in the manner as intended by the management are shown as Capital Work-In-Progress.

**h) Leases**

**i) Company as a lessee**

Right-of-use assets and Lease Liabilities for leases where the lease term ends within 12 months of the lease commencement date i.e. Short Term Leases are not recognised in Balance sheet. The Company has elected to recognise the lease payments associated with Short Term Leases as an expense on straight-line basis.

**ii) Company as a lessor**

Leases for which the Company is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

Lease income from operating lease is recognised in the statement of profit and loss on straight line basis over the lease term.

**i) Fair value measurement**

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

**j) Impairments of non-current assets**

Non-financial assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the cash generating unit to which the asset belongs.

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## NOTES TO FINANCIAL STATEMENTS

If such assets are considered to be impaired, the impairment to be recognized in the statement of profit and loss is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset. An impairment loss is reversed in the statement of profit and loss if there has been a change in the estimates used to determine the recoverable amount. The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortization or depreciation) had no impairment loss been recognized for the asset in prior years.

### k) Inventories

All Inventories are valued at the lower of cost and net realisable value.

Raw materials, Packing Material and Stores and consumables are valued at lower of cost determined on weighted average basis and net realisable value.

Work in Process includes material lying at reactors/tanks on which process is continued as on date. Work in Process are valued at raw materials cost as calculated, which is estimated and certified by the management using moving weighted average method.

Semi-Finished goods has been identified as such depending upon stage of completion of finished goods technically determined by the management. Semi-Finished goods are valued at raw materials cost as calculated above plus weighted average cost of production including appropriate proportion of cost of conversion to the extent of process, which is estimated and certified by the management.

Finished Goods are valued at lower of cost and net realisable value.

### l) Trade receivables

Trade receivables are carried at original invoice amount less any provisions for doubtful debts. Provisions are made where there is evidence of a risk of non-payment, taking into account ageing, previous experience and general economic conditions. When a trade receivable is determined to be uncollectable it is written off, firstly against any provision available and then to the Statement of Profit and Loss.

### m) Cash and Cash equivalents

Cash and cash equivalents include cash at bank and cash in hand and highly liquid interest-bearing securities with maturities of three months or less from the date of inception/acquisition.

In the cash-flow statement, cash and cash equivalents are shown net of bank overdrafts, which are included as current borrowings in liabilities on the balance sheet.

### n) Borrowing Costs

Borrowing costs directly attributable to the acquisition and/or construction of an asset that necessarily takes a substantial period of time to get ready for its intended use are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they are incurred.

### o) Taxation

#### i) Current income tax

Income tax expense is recognized in the statement of profit and loss except to the extent that it relates to items recognized directly in equity/OCI, in which case it is recognized in other comprehensive income. Current income tax for current and prior periods is recognized at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted on the reporting date. The Company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis or to realize the asset and settle the liability simultaneously.

#### ii) Deferred tax

Deferred income tax assets and liabilities are recognized for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

## NOTES TO FINANCIAL STATEMENTS

Deferred income tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted on the reporting date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect of changes in tax rates on deferred income tax assets and liabilities is recognized as income or expense in the period that includes the enactment or the substantive enactment date.

Minimum Alternate Tax (MAT) for the earlier years is available in accordance with the provisions of the section 115J(AA) of Income Tax, 1961 over the period of subsequent 15 assessment years and it is recognised to the extent of Deferred Tax Liabilities in view of certainty involved of its realisation against reversal of Deferred Tax Liability.

### p) Financial instruments

The Company recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the financial instrument.

#### i) Financial Assets

##### a. Initial recognition and measurement

All financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date i.e. the date that the Company commits to purchase or sell the asset.

##### b. Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in three categories:

##### i) Financials Assets at amortised cost

A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

After initial measurement, debt instruments are subsequently measured at amortised cost using the effective interest rate method, less impairment, if any.

##### ii) Financial assets at fair value through other comprehensive income

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

The Company has made an irrevocable election for its investments which are classified as equity / debt instruments to present the subsequent changes in fair value in other comprehensive income based on its business model.

The fair value is measured adopting valuation techniques as per prevailing valuation guidelines, to the extent applicable, as at the reporting date.

##### iii) Financial assets at fair value through profit or loss

Financial assets which are not classified in any of the above categories are subsequently fair valued through profit or loss.

#### ii) Financial Liabilities

##### a. Initial recognition and measurement

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

Financial liabilities are classified, at initial recognition, as at fair value through profit and loss or as those measured at amortised cost.

## NOTES TO FINANCIAL STATEMENTS

### b. Subsequent measurement

The subsequent measurement of financial liabilities depends on their classification as follows:

#### i) Financial liabilities at fair value through profit and loss

Financial liabilities at fair value through profit and loss include financial liabilities held for trading. The Company has not designated any financial liabilities upon initial recognition at fair value through profit and loss.

#### ii) Financial liabilities measured at amortised cost

After initial recognition, interest bearing loans and borrowings are subsequently measured at amortised cost using the effective interest rate method except for those designated in an effective hedging relationship.

### q) Provisions, Contingent liabilities and Assets

#### i) Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The expense relating to a provision is presented in the Statement of Profit and Loss net of any reimbursement.

#### ii) Contingent Liabilities

Contingent Liability is disclosed for (i) Possible obligations which will be confirmed only by the future events not wholly within the control of the Company or (ii) Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

#### iii) Contingent Assets

Contingent Assets are not recognised in the financial statements. Contingent Assets if any, are disclosed in the notes to the financial statements.

### r) Operating cycle

Based on the nature of products / activities of the Company and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

### s) Earnings Per Share

Basic earnings per equity share are computed by dividing the net profit attributable to the equity holders of the Company by the weighted average number of equity shares outstanding during the period. Diluted earnings per equity share is computed by dividing the net profit attributable to the equity holders of the Company by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. The dilutive potential equity shares are adjusted for the proceeds receivable had the equity shares been actually issued at fair value (i.e. the average market value of the outstanding equity shares). Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

The number of equity shares and potentially dilutive equity shares are adjusted retrospectively for all periods presented for any share splits and bonus shares issues including for changes effected prior to the approval of the financial statements by the Board of Directors.

### 1.6 Recent Accounting Pronouncements:

The following standards / amendments to standards have been issued and will be effective from 1<sup>st</sup> April, 2022. The Company is evaluating the requirements of these standards, improvements and amendments and has not yet determined the impact on the financial statements.

- a) **Indian Accounting Standard (Ind AS) 16 - Property, Plant and Equipment** – Modification in treatment of excess of net sale proceeds of items produced over the cost of testing as part of cost of an item of property, plant, and equipment.
- b) **Indian Accounting Standard (Ind AS) 37 - Provisions, Contingent Liabilities and Contingent Assets** – Modifications in application of recognition and measurement principles relating to onerous contracts.



NOTES TO FINANCIAL STATEMENTS

2. Property, Plant and Equipment, Capital work-in-progress and Intangible Assets:

₹ in Lacs

Property, Plant and Equipment	Free Hold Land	Buildings	Plant & Machinery	Windmill	R&D Equipment	Furniture & Fixtures	Office Machinery	Vehicles	Total	Capital work in progress	Intangible Assets
<b>Gross Carrying amount</b>											
As at 1 <sup>st</sup> April, 2020	3.73	453.21	3,267.19	1,450.40	202.51	63.28	77.78	21.02	5,539.11	1,590.23	9.42
Additions	-	133.90	1,330.82	-	-	23.01	30.95	-	1,518.68	6,740.99	14.80
Disposals	-	-	17.15	-	0.87	-	-	-	18.01	-	-
Transfer	-	-	-	-	-	-	-	-	-	1,533.48	-
<b>As at 31<sup>st</sup> March, 2021</b>	<b>3.73</b>	<b>587.11</b>	<b>4,580.86</b>	<b>1,450.40</b>	<b>201.64</b>	<b>86.29</b>	<b>108.73</b>	<b>21.02</b>	<b>7,039.78</b>	<b>6,797.73</b>	<b>24.22</b>
<b>Accumulated Depreciation</b>											
As at 1 <sup>st</sup> April, 2020	-	54.63	1,097.41	234.91	57.15	8.33	18.75	1.54	1,472.72	-	2.21
Depreciation charge for the year	-	29.49	365.62	62.63	16.90	7.13	8.35	2.44	492.56	-	3.39
Disposals	-	-	10.39	-	0.27	-	-	-	10.66	-	-
<b>As at 31<sup>st</sup> March, 2021</b>	<b>-</b>	<b>84.12</b>	<b>1,452.65</b>	<b>297.54</b>	<b>73.78</b>	<b>15.46</b>	<b>27.10</b>	<b>3.98</b>	<b>1,954.62</b>	<b>-</b>	<b>5.60</b>
<b>Net Carrying amount</b>											
As at 31 <sup>st</sup> March, 2020	3.73	398.58	2,169.77	1,215.49	145.36	54.95	59.03	19.48	4,066.39	1,590.23	7.22
<b>As at 31<sup>st</sup> March, 2021</b>	<b>3.73</b>	<b>502.99</b>	<b>3,128.22</b>	<b>1,152.86</b>	<b>127.86</b>	<b>70.83</b>	<b>81.63</b>	<b>17.04</b>	<b>5,085.16</b>	<b>6,797.73</b>	<b>18.62</b>
<b>Gross Carrying amount</b>											
As at 1 <sup>st</sup> April, 2021	3.73	587.11	4,580.86	1,450.40	201.64	86.28	108.73	21.02	7,039.78	6,797.73	24.22
Additions	26.87	2,198.45	8,159.48	-	22.88	21.23	67.87	-	10,496.77	4,458.31	0.45
Disposals	-	0.33	27.98	-	13.79	0.08	0.24	1.73	44.15	-	-
Transfer	-	-	-	-	-	-	-	-	-	10,497.22	-
<b>As at 31<sup>st</sup> March, 2022</b>	<b>30.60</b>	<b>2,785.23</b>	<b>12,712.36</b>	<b>1,450.40</b>	<b>210.73</b>	<b>107.43</b>	<b>176.35</b>	<b>19.29</b>	<b>17,492.39</b>	<b>758.82</b>	<b>24.68</b>
<b>Accumulated Depreciation</b>											
As at 1 <sup>st</sup> April, 2021	-	84.12	1,452.65	297.54	73.78	15.46	27.10	3.98	1,954.62	-	5.60
Depreciation charge for the year	-	73.32	716.79	62.63	17.28	9.60	14.53	2.29	896.46	-	6.05
Disposals	-	-	19.83	-	10.01	0.05	0.22	1.59	31.70	-	-
<b>As at 31<sup>st</sup> March, 2022</b>	<b>-</b>	<b>157.43</b>	<b>2,149.61</b>	<b>360.17</b>	<b>81.06</b>	<b>25.01</b>	<b>41.41</b>	<b>4.68</b>	<b>2,819.37</b>	<b>-</b>	<b>11.65</b>
<b>Net Carrying amount</b>											
As at 31 <sup>st</sup> March, 2021	3.73	502.99	3,128.22	1,152.86	127.86	70.83	81.63	17.04	5,085.16	6,797.73	18.62
<b>As at 31<sup>st</sup> March, 2022</b>	<b>30.60</b>	<b>2,627.80</b>	<b>10,562.75</b>	<b>1,090.23</b>	<b>129.67</b>	<b>82.42</b>	<b>134.95</b>	<b>14.61</b>	<b>14,673.02</b>	<b>758.82</b>	<b>13.03</b>

Note:

The Company has elected to measure all its property, plant and equipment at the previous GAAP net carrying amount (Deemed Cost) at the date of transition to Ind AS. For Capital work in progress ageing, please refer note 31L.

## NOTES TO FINANCIAL STATEMENTS

## 3. Non-Current Investments:

₹ in Lacs

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
<b>Investments at fair value through other comprehensive income</b>		
<b>Investment in Equity Instruments (Quoted)</b>		
1,525 (31 <sup>st</sup> March, 21: 1,525) equity shares of ₹ 2/- each fully paid up in Alembic Limited.	1.10	1.57
855 (31 <sup>st</sup> March, 21: 855) equity shares of ₹ 2/- each fully paid up in Alembic Pharmaceuticals Limited.	6.34	8.25
<b>Investment in Equity Instruments (Unquoted)</b>		
1,433 (31 <sup>st</sup> March, 21: 1,433) equity shares of ₹ 100/- each fully paid up in Nirayu Limited.	2,640.93	2,883.02
1,33,332 (31 <sup>st</sup> March, 21: 1,33,332) equity shares of ₹ 100/- each fully paid up in Shreno Limited.	2,673.31	2,673.31
10 (31 <sup>st</sup> March, 21: 10) equity shares of ₹ 100/- each fully paid up in Gujarat Urban Housing Co.	0.01	0.01
25,020 (31 <sup>st</sup> March, 21: 25,020) equity shares of ₹ 10/- each fully paid up in Pragati Sahakari Bank Limited.	2.50	2.50
1 (31 <sup>st</sup> March, 21: 1) equity share of ₹ 25/- each fully paid up in Bharat Co-op Bank Limited.	0.00	0.00
25 (31 <sup>st</sup> March, 21: 25) equity shares of ₹ 25/- each fully paid up in The Shamrao Vithal Co-op Bank Limited.	0.01	0.01
<b>Investment in Preference Shares (Unquoted)</b>		
1,37,053 (31 <sup>st</sup> March, 21: 1,37,053) 5% Non-Convertible Cumulative Redeemable Preference Shares of ₹100/- each fully paid up in Nirayu Limited.	1,348.55	1,317.20
1,525 (31 <sup>st</sup> March, 21: 1,525) 7% Non-Convertible Cumulative Redeemable Preference Shares of ₹ 2/- each fully paid up in Shreno Limited.	0.25	0.25
1,33,332 (31 <sup>st</sup> March, 21: 1,33,332) 7% Non-Convertible Cumulative Redeemable Preference Shares of ₹ 100/-each fully paid up in Nirayu Limited.	4,148.52	4,126.83
2,92,500 (31 <sup>st</sup> March, 21: 2,92,500) 1% Redeemable Cumulative Pref. Shares of ₹10/- each fully paid up in Enviro Infrastructure Co. Limited.	29.25	29.25
<b>Total</b>	<b>10,850.77</b>	<b>11,042.19</b>
Aggregate value of quoted investments - At cost	0.02	0.02
Aggregate value of quoted investments - At market value	7.44	9.82
Aggregate value of unquoted investments - At cost	87.36	87.36
Aggregate value of unquoted investments - At market value	10,843.33	11,032.37

## 4. Other Financial Assets:

₹ in Lacs

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
Bank Deposits with more than 12 months maturity	1.01	1.30
<b>Total</b>	<b>1.01</b>	<b>1.30</b>

NOTES TO FINANCIAL STATEMENTS

5. Other Non Current Assets: ₹ in Lacs

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
Capital Advances	5.45	443.04
<b>Total</b>	<b>5.45</b>	<b>443.04</b>

6. Inventories: [Basis of Valuation - Refer Note 1.5 (k)] ₹ in Lacs

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
(a) Raw materials	594.41	541.71
(b) Work-in-progress	113.97	99.47
(c) Finished goods*	117.59	8.23
(d) Semi Finished goods	573.57	343.34
(e) Stores, Spares & Packing Materials	498.31	386.01
<b>Total</b>	<b>1,897.84</b>	<b>1,378.76</b>

\* Includes finished goods in transit for ₹107.03 Lacs as on 31.03.2022 (P.Y. ₹ 7.45 Lacs).

7. Current Investments: ₹ in Lacs

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
<b>Investment in Bond (Quoted)</b>		
Measured at Amortised Cost	2,210.13	-
<b>Investment in Mutual Fund (Quoted)</b>		
Measured at Fair Value (Market Value) through Profit and Loss	2,074.09	4,378.46
<b>Total</b>	<b>4,284.22</b>	<b>4,378.46</b>

8. Trade Receivables (Current / Unsecured): ₹ in Lacs

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
<b>Considered good</b>		
Receivable from Related Parties [Refer note no. 31G]	14.74	6.64
Others	3,958.34	3,284.96
<b>Total</b>	<b>3,973.08</b>	<b>3,291.61</b>

For ageing, please refer note no. 31M.

NOTES TO FINANCIAL STATEMENTS

9. Other Financial Assets: ₹ in Lacs

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
Security Deposits	2.00	0.85
<b>Total</b>	<b>2.00</b>	<b>0.85</b>

10. Cash and Cash Equivalents: ₹ in Lacs

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
(a) Balances with Bank		
In current account	5.26	17.70
(b) Cash on hand	0.80	0.34
<b>Total</b>	<b>6.06</b>	<b>18.04</b>

11. Bank Balance other than Cash and Cash Equivalents: ₹ in Lacs

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
In earmarked accounts		
Balances held in unpaid dividend accounts	39.19	39.50
<b>Total</b>	<b>39.19</b>	<b>39.50</b>

12. Other Current Assets: ₹ in Lacs

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
(a) Advance given to Trade Creditors	1.46	8.06
(b) Balances with Government Authorities	26.32	289.66
(c) Prepaid Expenses	49.09	45.53
(d) Export benefits	28.83	37.32
(e) Others	4.98	0.00
<b>Total</b>	<b>110.68</b>	<b>380.57</b>

13. Current Tax Assets (Net): ₹ in Lacs

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
Income Taxes paid (Advance Tax and TDS) net of Provision	37.11	0.60
<b>Total</b>	<b>37.11</b>	<b>0.60</b>

NOTES TO FINANCIAL STATEMENTS

14. Equity Share Capital:

₹ in Lacs

Particulars	As at	As at
	31 <sup>st</sup> March, 2022	31 <sup>st</sup> March, 2021
<b>(a) Shares Authorized:</b>		
90,00,000 Equity shares of ₹10/- each	900.00	900.00
11,00,000 Redeemable Cumulative Preference Shares of ₹100/- each	1,100.00	1,100.00
<b>Total</b>	<b>2,000.00</b>	2,000.00
<b>(b) Shares issued, subscribed and fully paid:</b>		
30,82,114 Equity Shares of ₹10/- each	308.21	308.21
<b>Total</b>	<b>308.21</b>	308.21

**(c) Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period:**

Particulars	2021-22		2020-21	
	No. of Shares	₹ in Lacs	No. of Shares	₹ in Lacs
Equity Shares of ₹ 10/- each issued, subscribed and fully paid				
At the beginning of the year	30,82,114	308.21	30,82,114	308.21
Outstanding at the end of the year	30,82,114	308.21	30,82,114	308.21

**(d) The rights, preferences and restrictions including restrictions on the distribution of dividends and the repayment of capital:**

The Company is having only one class of shares i.e. Equity carrying a nominal value of ₹10/- per share. Every holder of the equity share of the Company is entitled to one vote per share held. In the event of liquidation of the Company, the equity shareholders will be entitled to receive remaining assets of the Company after the distribution / repayment to all creditors. The distribution to the equity shareholders will be in proportion of the number of shares held by each shareholder.

**(e) Shares in the Company held by each shareholder holding more than 5 percent shares specifying the number of shares held as at:**

Shareholder Name	31 <sup>st</sup> March, 2022		31 <sup>st</sup> March, 2021	
	No. of Shares	% held	No. of Shares	% held
1. Nirayu Limited	12,68,303	41.15%	12,68,303	41.15%
2. Alembic Limited	5,87,809	19.07%	5,87,809	19.07%

**(f) Shares in the Company held by promoters as at:**

Promoter Name	31 <sup>st</sup> March, 2022		31 <sup>st</sup> March, 2021		% change during the year
	No. of Shares	% held	No. of Shares	% held	
1. Mr. Chirayu Amin*	89,686	2.91%	89,686	2.91%	-
2. Mr. Udit Amin	25,846	0.84%	25,846	0.84%	-

\*15,423 equity shares held in the name of Mr. Chirayu Amin in representative capacity of Karta of Chirayu Ramanbhai Amin HUF

**(g) Aggregate number of equity shares bought back during last 5 years: 1,25,000 Equity Shares (FY 2018-19)**

## NOTES TO FINANCIAL STATEMENTS

## 15. Other Equity: ₹ in Lacs

Particulars	As at	
	31 <sup>st</sup> March, 2022	31 <sup>st</sup> March, 2021
(a) Capital Reserve	4.25	4.25
(b) Capital Redemption Reserve	313.66	313.66
(c) General Reserve	6,534.08	5,534.08
(d) Retained Earnings	14,889.97	12,306.86
(e) FVOCI - Equity Investment Reserve	4,077.00	4,263.85
(f) FVOCI - Debt Investment Reserve	4,429.04	4,435.56
<b>Total</b>	<b>30,247.99</b>	<b>26,858.25</b>

**Capital Redemption Reserve:**

This reserve was created as per requirements of Companies Act, 2013 pursuant to buyback of equity shares and redemption of preference shares.

**General Reserve:**

This reserve is created by transfer of a portion of the net profit.

**FVOCI - Equity Investment Reserve:**

The Company has elected to recognise changes in the fair value of certain investments in equity shares in other comprehensive income. These changes are accumulated within the FVTOCI equity investments reserve within equity.

**FVOCI - Debt Investment Reserve:**

The Company has elected to recognise changes in the fair value of certain investments in preference shares in other comprehensive income. These changes are accumulated within the FVTOCI debt investments reserve within equity.

## 16. Provisions - Non-Current: ₹ in Lacs

Particulars	As at	
	31 <sup>st</sup> March, 2022	31 <sup>st</sup> March, 2021
<b>Provision for employee benefits</b>		
Provision for Leave benefits	84.66	78.88
Provision for Gratuity benefits	4.68	9.45
<b>Total</b>	<b>89.34</b>	<b>88.33</b>

## 17. Deferred Tax Liabilities (Net) : ₹ in Lacs

Particulars	As at	
	31 <sup>st</sup> March, 2022	31 <sup>st</sup> March, 2021
<b>Deferred Tax Liabilities on:</b>		
Difference Between Book & Tax Depreciation	1,095.03	644.98
Fair value changes through P&L	1.73	50.47
Fair value changes through OCI	2,257.36	2,255.40
	<b>3,354.12</b>	<b>2,950.85</b>
<b>Less: Deferred Tax Assets on:</b>		
Unused tax credit	8.02	-
Disallowances under Income Tax Act	40.55	47.33
	<b>48.57</b>	<b>47.33</b>
<b>Total</b>	<b>3,305.55</b>	<b>2,903.52</b>

NOTES TO FINANCIAL STATEMENTS

18. Borrowings - Current: ₹ in Lacs

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
<b>From Banks</b>		
Working Capital facilities	12.14	-
<b>Total</b>	<b>12.14</b>	<b>-</b>

19. Trade Payable: ₹ in Lacs

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
<b>For Supplies / Services</b>		
a) Due to Micro & Small enterprises [Refer Note 31E]	177.97	64.70
b) Others	1,671.03	1,040.05
<b>Total</b>	<b>1,849.00</b>	<b>1,104.76</b>

For ageing, please refer note no. 31N.

20. Other Financial Liabilities - Current: ₹ in Lacs

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
Unpaid Dividends	39.19	39.50
Trade Deposits	26.90	26.00
Staff payables	154.84	244.10
Payables on Purchase of Property, Plant & Equipment	394.52	1,199.25
<b>Total</b>	<b>615.46</b>	<b>1,508.85</b>

21. Other Current Liabilities: ₹ in Lacs

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
<b>Statutory Liabilities</b>		
PF, ESI, Prof. Tax & Others	41.50	16.11
GST	88.11	2.80
TDS	50.54	29.12
Advance from Customers	6.74	10.96
<b>Total</b>	<b>186.89</b>	<b>58.99</b>

22. Provisions - Current: ₹ in Lacs

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
<b>Provision for employee benefits</b>		
Provision for Leave benefits	21.83	12.64
Provision for Gratuity benefits	15.88	32.87
<b>Total</b>	<b>37.71</b>	<b>45.51</b>

NOTES TO FINANCIAL STATEMENTS

23. Revenue from Operations:

₹ in Lacs

Particulars	For the year ended 31 <sup>st</sup> March, 2022	For the year ended 31 <sup>st</sup> March, 2021
<b>a Sale of products</b>		
- Domestic	11,618.14	11,510.19
- Exports	3,233.73	2,443.24
	<b>14,851.87</b>	<b>13,953.44</b>
<b>b Other Operating Revenues</b>		
- Disposal Sales	95.37	56.88
- Export Incentives	40.89	65.69
- Service Income	21.64	23.96
	<b>157.90</b>	<b>146.53</b>
<b>Total</b>	<b>15,009.76</b>	<b>14,099.97</b>

24. Other Income:

₹ in Lacs

Particulars	For the year ended 31 <sup>st</sup> March, 2022	For the year ended 31 <sup>st</sup> March, 2021
Dividend		
Financial Assets - Investments		
From Related Parties	294.41	213.13
From Others	0.30	0.29
Sundry Balance written back	8.35	0.29
Interest Income	30.07	1.70
Profit on Sale / Redemption of Investment (Net)	160.50	196.74
Sale of Power	0.44	-
Profit on Sale of Property, Plant and Equipment	-	11.41
Exchange Fluctuation Gain (Net)	13.63	-
Fair Value change of investment held for trading	5.95	189.43
Rent Received		
From Related Parties	0.44	0.44
From Others	0.03	0.04
<b>Total</b>	<b>514.12</b>	<b>613.47</b>

25. Cost of Raw Material Consumed:

₹ in Lacs

Particulars	For the year ended 31 <sup>st</sup> March, 2022	For the year ended 31 <sup>st</sup> March, 2021
Inventory at the beginning of the year	541.71	369.66
Add : Purchases	3,384.03	3,101.38
	<b>3,925.74</b>	<b>3,471.04</b>
Less : Inventory at the end of the year	594.41	541.71
<b>Total</b>	<b>3,331.34</b>	<b>2,929.33</b>



NOTES TO FINANCIAL STATEMENTS

26. Change in inventories of finished goods, semi-finished goods and work-in-progress: ₹ in Lacs

Particulars	For the year ended 31 <sup>st</sup> March, 2022	For the year ended 31 <sup>st</sup> March, 2021
<b>Inventory at the end of the year</b>		
Work in Process	113.97	99.47
Semi Finished Goods	573.57	343.34
Finished Goods	117.59	8.23
	<b>805.12</b>	<b>451.04</b>
<b>Inventory at the beginning of the year</b>		
Work in Process	99.47	79.51
Semi Finished Goods	343.34	820.99
Finished Goods	8.23	31.49
	<b>451.04</b>	<b>931.98</b>
<b>Total</b>	<b>(354.09)</b>	<b>480.94</b>

27. Employee benefits expense: ₹ in Lacs

Particulars	For the year ended 31 <sup>st</sup> March, 2022	For the year ended 31 <sup>st</sup> March, 2021
Salaries, Wages, Bonus and Others etc.	1,858.93	1,749.83
Contribution to Provident and other funds	133.65	96.44
Staff welfare	160.55	153.19
<b>Total</b>	<b>2,153.14</b>	<b>1,999.46</b>

28. Finance Cost: ₹ in Lacs

Particulars	For the year ended 31 <sup>st</sup> March, 2022	For the year ended 31 <sup>st</sup> March, 2021
Interest on Working Capital	0.41	0.59
Bank Charges	5.73	4.32
<b>Total</b>	<b>6.15</b>	<b>4.91</b>

## NOTES TO FINANCIAL STATEMENTS

## 29. Other Expenses:

₹ in Lacs

Particulars	For the year ended 31 <sup>st</sup> March, 2022	For the year ended 31 <sup>st</sup> March, 2021
Repairs and Maintenance		
Machineries	317.30	382.18
Buildings	29.25	3.52
Others	37.45	5.66
Freight and Forwarding Charges	414.40	255.70
Packing Material Consumed	293.10	210.76
Stores, Spares & Containers Consumed	640.55	458.53
Power, Fuel & Utilities	1,005.15	618.13
Contract Labour Charges	414.98	346.53
Other manufacturing expenses	174.59	145.69
Selling, Distribution & Advertisement Expenses	82.84	97.05
Rent	49.22	50.44
Rates and Taxes	35.81	24.11
Insurance	41.82	35.84
Travelling Expense	227.49	166.03
Legal & Professional Fees	415.65	606.25
Payment to Auditor [Refer Note 31J]	7.45	5.04
Directors' Sitting fees	9.40	10.10
Exchange Fluctuation Loss (Net)	-	6.54
Loss on Sale of Property, Plant and Equipment	7.97	-
Expenses on CSR Activities [Refer Note 31I]	81.97	72.54
Miscellaneous Expenses	170.69	143.36
<b>Total</b>	<b>4,457.07</b>	<b>3,643.97</b>

## 30. Other Comprehensive Income:

₹ in Lacs

Particulars	For the year ended 31 <sup>st</sup> March, 2022	For the year ended 31 <sup>st</sup> March, 2021
<b>(a) Item that will not be reclassified to Profit and Loss</b>		
Gain and losses on re-measurement of Financial Asset routed through OCI	(244.47)	1,134.62
Income Tax Relating to this item	57.61	(262.87)
	<b>(186.86)</b>	871.75
Remeasurements of post-employment benefit obligations	12.82	(12.90)
Income Tax Relating to this item	(5.97)	3.76
	<b>6.85</b>	(9.14)
	<b>(180.01)</b>	862.60
<b>(b) Item that will be reclassified to Profit and Loss</b>		
Gain and losses on re-measurement of Financial Asset routed through OCI	53.05	49.39
Income Tax Relating to this item	(59.57)	(14.60)
	<b>(6.52)</b>	34.79
<b>Total</b>	<b>(186.53)</b>	<b>897.40</b>

NOTES TO FINANCIAL STATEMENTS

31. Other Explanatory Notes and Information:

A. Capital & Other Commitment:

Estimated amount of contracts remaining to be executed on capital accounts and not provided for (net of advances) ₹ 405.61 lacs (Previous year ₹ 2,453.22 lacs).

B. Contingent Liabilities:

Contingent liabilities not provided for:

₹ in Lacs

Sr. No.	Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
i)	Disputed claims for Excise Duty & Service Tax	26.87	32.79
ii)	Income Tax	27.33	-
iii)	VAT & CST	2.55	2.55
iv)	Civil Suit	4.00	4.00
v)	Bank Guarantee	183.89	151.21

C. Defined benefit plans / compensated absences - As per actuarial valuation:

₹ in Lacs

Particulars	31.03.2022	31.03.2021	31.03.2022	31.03.2021
	Gratuity Funded		Leave Encashment	
<b>Expense recognised in the Statement of Profit &amp; Loss</b>				
Current Service Cost	32.01	27.40	14.10	13.97
Interest Cost	2.74	3.07	6.22	4.50
Net Actuarial (Gains) / Losses	-	-	3.99	24.46
<b>Total expense</b>	<b>34.75</b>	<b>30.47</b>	<b>24.31</b>	<b>42.93</b>
<b>Expense recognised in the Statement of Other Comprehensive Income</b>				
Components of actuarial gain/losses on obligations:				
Due to change in Financial Assumptions	1.03	-	-	-
Due to Experience Adjustments	(14.10)	14.05	-	24.46
Return on plan assets excluding amounts included in Interest Income	0.25	(1.15)	-	-
<b>Total amount recognized in Other Comprehensive Income</b>	<b>(12.82)</b>	<b>12.90</b>	<b>-</b>	<b>24.46</b>
<b>Net Asset / (Liability) recognised in the Balance Sheet</b>				
Present value of Defined Benefit Obligation	267.25	269.59	106.49	91.52
Fair value of plan assets	246.69	227.27	-	-
Funded status [Surplus / (Deficit)]	(20.56)	(42.32)	(106.49)	(91.52)
<b>Net Asset / (Liability)</b>	<b>(20.56)</b>	<b>(42.32)</b>	<b>(106.49)</b>	<b>(91.52)</b>
<b>Change in Obligation during the year</b>				
<b>Present value of Defined Benefit Obligation at beginning of the year</b>	<b>269.59</b>	<b>254.17</b>	<b>91.52</b>	<b>71.14</b>
Current Service Cost	32.00	27.40	14.10	13.97
Interest Cost	18.33	14.84	6.22	4.50
Actuarial (Gains) / Losses	(13.07)	14.05	3.99	24.46
Benefits Payments	(39.61)	(40.87)	(9.34)	(22.55)
<b>Present value of Defined Benefit Obligation at the end of the year</b>	<b>267.25</b>	<b>269.59</b>	<b>106.49</b>	<b>91.52</b>

## NOTES TO FINANCIAL STATEMENTS

Particulars	31.03.2022	31.03.2021	31.03.2022	31.03.2021
	Gratuity Funded		Leave Encashment	
<b>Change in Assets during the year</b>				
Plan assets at the beginning of the year	227.27	195.61	-	-
Expected return on plan assets	15.59	11.77	-	-
Contributions by Employer	43.69	59.61	-	-
Actual benefits paid	(39.61)	(40.87)	-	-
Return on plan assets excluding amounts included in Interest Income	(0.25)	1.15	-	-
Plan assets at the end of the year	246.69	227.27	-	-
Actual return on plan assets	15.59	11.77	-	-
<b>Expected Cash flow based on the past service liability for the year</b>				
Year 1 Cash flow	52.08	76.15	21.83	12.64
Distribution (%)	18.3%	16.5%	18.8%	5.4%
Year 2 Cash flow	15.06	18.59	4.81	7.90
Distribution (%)	5.3%	4.0%	4.1%	3.4%
Year 3 Cash flow	12.85	11.35	3.48	5.12
Distribution (%)	4.5%	2.5%	3.0%	2.2%
Year 4 Cash flow	21.57	17.84	5.28	4.13
Distribution (%)	7.6%	3.9%	4.5%	1.8%
Year 5 Cash flow	13.47	14.22	3.86	2.89
Distribution (%)	4.7%	3.1%	3.3%	1.2%
Year 6 - Year 10 Cash flow	65.99	135.18	11.72	28.07
Distribution (%)	23.2%	29.3%	10.1%	12.1%
<b>Actuarial Assumptions</b>				
Discount Rate	6.80%	6.85%	6.80%	6.85%
Expected rate of return on plan assets	6.80%	6.85%	6.80%	6.85%
Mortality pre retirement	Indian Assured Lives Mortality (2012-14) Table		NA	NA
Mortality post retirement	NA	NA	NA	NA
Withdrawal Rates	5.00% p.a at younger ages reducing to 1.00% p.a at older ages	5.00% p.a at younger ages reducing to 1.00% p.a at older ages	5.00% p.a at younger ages reducing to 1.00% p.a at older ages	5.00% p.a at younger ages reducing to 1.00% p.a at older ages
Medical premium inflation	NA	NA	NA	NA
Annual Increment in Salary cost	6.00%	6.00%	6.00%	6.00%
<b>Sensitivity Analysis</b>				
<b>Defined Benefit Obligation upon delta effect of:</b>				
+0.5% Change in Rate of Discounting	257.28	261.45	101.01	86.82
-0.5% Change in Rate of Discounting	277.99	278.31	112.48	96.67
+0.5% Change in Rate of Salary Increase	278.02	277.41	112.49	96.69
-0.5% Change in Rate of Salary Increase	257.16	261.48	100.95	86.76
+10% Change in Rate of Withdrawal Rate	267.85	269.82	106.90	91.75
-10% Change in Rate of Withdrawal Rate	266.63	269.36	106.04	91.28

**A description of methods used for sensitivity analysis and its Limitations:**

Sensitivity analysis is performed by varying a single parameter while keeping all the other parameters unchanged. Sensitivity analysis fails to focus on the interrelationship between underlying parameters. Hence, the results may vary if two or more variables are changed simultaneously. The method used does not indicate anything about the likelihood of change in any parameter and the extent of the change if any.

**NOTES TO FINANCIAL STATEMENTS**

**D.** As per terms of Provident Fund Trust Deed, the Company is liable for any shortfall in the revenue generated on fund assets as compared to Government Specified rate of return. Such shortfall, if any, is recognised in the statement of Profit & Loss as an expense in the year of incurring the same. Shortfall of ₹ 23 Lacs has been provided in the FY 2021-22 (PY: Nil)

**E. Micro, Small and Medium Enterprises Development Act, 2006**

As per requirement of Section 22 of Micro, Small & Medium Enterprises Development Act, 2006 following information is disclosed to the extent identifiable:

		₹ in Lacs	
Sr. No.	Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
a)	(i) The Principal amount remaining unpaid to any supplier at the end of accounting year	177.97	64.70
	(ii) The interest due on above	-	-
	Total of (i) & (ii) above	177.97	64.70
b)	Amount of interest paid by the buyer in terms of Section 16 of the Act along with the amount of the payment made to the supplier beyond the appointed day during each accounting year.	-	-
c)	The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Act.	-	-
d)	The amount of interest accrued and remaining unpaid at the end of each accounting year.	-	-
e)	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of Act.	-	-

The information has been given in respect of such vendors to the extent they could be identified as micro and small enterprises on the basis of information available with the Company.

**F. Segment Reporting**

**a) Primary Segment**

The Company has identified 'Speciality Chemicals' as the only primary reportable segment.

**b) Secondary Segment (By Geographical Segment)**

		₹ in Lacs	
Particulars	For the year ended 31 <sup>st</sup> March, 2022	For the year ended 31 <sup>st</sup> March, 2021	
India	11,618.14	11,510.19	
Outside India	3,233.73	2,443.24	
<b>Total Sales</b>	<b>14,851.87</b>	<b>13,953.44</b>	

In view of the inter-woven / inter-mixed nature of business and manufacturing facility, other secondary segmental information is not ascertainable.

## NOTES TO FINANCIAL STATEMENTS

### G. Related Party Disclosures

#### a) List of Related Parties with whom the Company has entered into transactions during the year

- i) **Controlling Companies:** Nirayu Limited
- ii) **Subsidiary and Fellow Subsidiary:** There is no subsidiary / fellow subsidiary company
- iii) **Associate / Joint Venture Companies:** There is no associate / joint venture company

#### iv) Other Related Parties:

- 1 Alembic Pharmaceuticals Ltd.
- 2 Alembic Ltd.
- 3 Shreno Ltd.
- 4 Shreno Publications Ltd.
- 5 Shreno Engineering Ltd.
- 6 Alembic City Ltd.
- 7 Viramya Packlight LLP
- 8 Enviro Infrastructure Co. Ltd.
- 9 Alembic CSR Foundation
- 10 Paushak Ltd PF Trust
- 11 Paushak Ltd. EGGGS

#### v) Key Management Personnel:

- 1 Mr. Chirayu Amin - Chairman
- 2 Mr. Udit Amin - Non-Executive Director
- 3 Mr. Amit Goradia - Independent Director
- 4 Mr. Atul Patel - Independent Director
- 5 Mr. V. H. Gandhi - Independent Director
- 6 Ms. Shamita Amin - Independent Director
- 7 Mr. Abhijit Joshi - Whole Time Director & CEO
- 8 Ms. Kirti Shah - Chief Financial Officer
- 9 Mr. Kaushik Shah - Dy. Chief Financial Officer (upto 19.05.2020)
- 10 Ms. Manisha Saraf - Company Secretary

#### vi) Relatives of Key Management Personnel:

- 1 Ms. Yera Amin
- 2 Ms. Shreya Mukharji
- 3 Ms. Jyoti Suresh Patel
- 4 Ms. Ninochaka Anup Kothari
- 5 Ms. Malika Amin
- 6 Mr. Pranav Amin
- 7 Mr. Shaunak Amin

NOTES TO FINANCIAL STATEMENTS

- b) Disclosure in respect of material transaction with related parties during the year (including all transactions with entities which hold 10% or more shareholding in the Company)

₹ in Lacs

Sr. No.	Particulars	For the year ended 31 <sup>st</sup> March, 2022	For the year ended 31 <sup>st</sup> March, 2021
1	<b>Purchase of Goods</b>		
	<b>Controlling Company</b>		
	Nirayu Ltd.	-	1.96
	<b>Other Related Parties</b>		
	Alembic Ltd.	11.13	5.41
	Alembic Pharmaceuticals Ltd.	32.01	2.57
2	<b>Sale of Goods/Services</b>		
	<b>Other Related Parties</b>		
	Alembic Pharmaceuticals Ltd.	179.67	164.93
	Alembic Ltd.	6.80	5.27
3	<b>Receiving of Services</b>		
	<b>Other Related Parties</b>		
	Alembic Ltd.	71.50	78.90
	Alembic City Ltd.	16.25	10.83
	Enviro Infrastructure Co. Ltd.	10.10	8.20
	Shreno Publications Ltd.	0.35	-
	<b>Close Member of KMP / Promoters / Directors</b>		
	Ms. Yera Amin	34.81	31.86
	Ms. Shreya Mukharji	9.83	-
4	<b>Reimbursement of Expenses</b>		
	<b>Other Related Parties</b>		
	Alembic City Ltd.	6.98	3.74
5	<b>Rent Income</b>		
	<b>Other Related Parties</b>		
	Alembic Pharmaceuticals Ltd.	0.52	0.52
6	<b>Purchase of Property, Plant &amp; Equipment</b>		
	<b>Controlling Company</b>		
	Nirayu Ltd.	31.26	256.69
	<b>Other Related Parties</b>		
	Shreno Engineering Ltd.	4.26	-
	Alembic Ltd.	10.62	1.56
7	<b>Sale of Property, Plant &amp; Equipment</b>		
	<b>Other Related Parties</b>		
	Alembic Pharmaceuticals Ltd.	3.03	-
	Shreno Engineering Ltd.	0.50	-
8	<b>Remuneration</b>		
	<b>Key Management Personnel</b>		
	Short Term Benefits	101.36	98.25
	Post Employment Benefits	11.25	6.60
	Others	154.40	155.10

## NOTES TO FINANCIAL STATEMENTS

₹ in Lacs			
Sr. No.	Particulars	For the year ended 31 <sup>st</sup> March, 2022	For the year ended 31 <sup>st</sup> March, 2021
9	<b>CSR Contribution</b>		
	<b>Other Related Parties</b>		
	Alembic CSR Foundation	81.97	72.54
10	<b>Post Employment Benefit Plans</b>		
	<b>Other Related Parties</b>		
	Paushak Ltd PF Trust	188.11	137.67
	Paushak Ltd. EGGS	42.00	58.00
11	<b>Dividend Received</b>		
	<b>Controlling Company</b>		
	Nirayu Ltd.	294.00	213.12
	<b>Other Related Parties</b>		
	Alembic Ltd. (*Amount Less than ₹ 1,000)	0.00*	0.01
	Alembic Pharmaceuticals Ltd.	0.12	-
	Shreno Ltd.	-	0.01
	Enviro Infrastructure Co. Ltd.	0.29	0.29
12	<b>Dividend Paid</b>		
	<b>Controlling Company</b>		
	Nirayu Ltd.	76.10	75.11
	<b>Other Related Parties</b>		
	Alembic Ltd.	35.27	35.27
	Others	0.00	0.00
	<b>KMP &amp; Close Members of KMP</b>	<b>12.70</b>	<b>12.87</b>

All related party transactions entered during the period are in the ordinary course of business and at arm's length basis.

## c) Balances outstanding as at the end of the year

₹ in Lacs			
Sr. No.	Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
1	<b>Controlling Company</b>		
	Investments	8,138.01	8,327.05
2	<b>KMP, Promoters, Directors &amp; Close Members of KMP / Promoters / Directors</b>		
	Remuneration Payable	145.00	145.00
3	<b>Other related parties</b>		
	Trade / Other Payable	24.37	0.73
	Trade / Other Receivable	14.74	6.64
	Investments	2,710.25	2,712.62



NOTES TO FINANCIAL STATEMENTS

H. Earnings Per Share

₹ in Lacs			
Sr. No.	Particulars	For the year ended 31 <sup>st</sup> March, 2022	For the year ended 31 <sup>st</sup> March, 2021
	<b>Earning per share has been computed as under:</b>		
a)	Profit after Taxation	3,761.19	3,729.82
b)	Total Ordinary shares		
	Number of Ordinary Shares	30,82,114	30,82,114
c)	Basic and Diluted Earning per Share (Face value ₹10/- per share) (in ₹)	122.03	121.02

I. Corporate Social Responsibility

As per section 135 of the Companies Act, 2013, a company meeting the applicability threshold, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on corporate social responsibility (CSR) activities. A CSR Committee has been formed by the Company as per the Act. The Company spent ₹ 81.97 Lacs on various projects during the year. Please refer to Annexure – B in the Board's Report.

- (a) Gross amount required to be spent by the Company during the year: ₹ 81.97 lacs (Previous Year ₹ 72.54 lacs)  
 (b) Amount spent during the year on:

₹ in Lacs			
Particulars	For the year ended 31 <sup>st</sup> March, 2022	For the year ended 31 <sup>st</sup> March, 2021	
<b>1. Construction / Acquisition of Assets</b>			
- In cash	-	-	
- Yet to be paid in cash	-	-	
<b>2. On purpose other than (i) above</b>			
- In cash	81.97	72.54	
- Yet to be paid in cash	-	-	

The Company through Alembic CSR Foundation, Implementing Agency has spent the amount referred in (b) above on CSR activities.

- (c) Nature of CSR activity - Refer Annexure - B to Board's Report  
 (d) Related party transaction - Refer note 31G to the notes to the Financial Statements.

J. Payment to Auditors

₹ in Lacs			
Sr. No.	Particulars	For the year ended 31 <sup>st</sup> March, 2022	For the year ended 31 <sup>st</sup> March, 2021
a)	<b>Statutory Auditors</b>		
	As Auditors	3.50	2.00
	In other capacity		
	Other services	0.12	0.02
b)	<b>Tax Auditors</b>		
	Tax Audit Fees	1.25	0.75
c)	<b>Cost Auditors</b>	0.48	0.32
d)	<b>Secretarial Auditor</b>		
	Secretarial Audit, Corporate Governance, Annual Return & other services	2.10	1.95
	<b>Total</b>	<b>7.45</b>	<b>5.04</b>

## NOTES TO FINANCIAL STATEMENTS

## K. Research and Development Expenses

		₹ in Lacs	
	Particulars	For the year ended 31 <sup>st</sup> March, 2022	For the year ended 31 <sup>st</sup> March, 2021
a)	Material Consumption	32.16	28.93
b)	Employees' Cost	149.12	135.64
c)	Utilities	32.97	30.86
d)	Others	9.86	4.92
	<b>Total Expenses (included in Statement of Profit and Loss)</b>	<b>224.10</b>	<b>200.35</b>

## L. Capital Work in Progress ageing

		₹ in Lacs				
Particulars	As at 31 <sup>st</sup> March, 2022 for a period of					
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total	
Projects in Progress	746.92	11.90	-	-	758.82	
Projects temporarily suspended	-	-	-	-	-	
<b>Total</b>	<b>746.92</b>	<b>11.90</b>	<b>-</b>	<b>-</b>	<b>758.82</b>	

		₹ in Lacs				
Particulars	As at 31 <sup>st</sup> March, 2021 for a period of					
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total	
Projects in Progress	5,910.44	827.17	60.12	-	6,797.73	
Projects temporarily suspended	-	-	-	-	-	
<b>Total</b>	<b>5,910.44</b>	<b>827.17</b>	<b>60.12</b>	<b>-</b>	<b>6,797.73</b>	

There is no project under Capital Work in Progress with time/cost overrun.

## M. Trade Receivables ageing

		₹ in Lacs			
Particulars	As at 31 <sup>st</sup> March, 2022				
	Not due	Overdue for		Total	
		Less than 6 Months	6 Months - 1 year		
Undisputed Trade Receivables - considered good	3,566.09	406.98	-	3,973.08	
<b>Total</b>	<b>3,566.09</b>	<b>406.98</b>	<b>-</b>	<b>3,973.08</b>	

As there are no amounts, columns for other periods (more than 1 year) are not provided.

		₹ in Lacs			
Particulars	As at 31 <sup>st</sup> March, 2021				
	Not due	Overdue for		Total	
		Less than 6 Months	6 Months - 1 year		
Undisputed Trade receivables - considered good	2,752.94	538.67	-	3,291.61	
<b>Total</b>	<b>2,752.94</b>	<b>538.67</b>	<b>-</b>	<b>3,291.61</b>	

As there are no amounts, columns for other periods (more than 1 year) are not provided.

NOTES TO FINANCIAL STATEMENTS

N. Trade Payables ageing

₹ in Lacs

Particulars	As at 31 <sup>st</sup> March, 2022				
	Not due	Overdue for			Total
		Less than 1 year	1-2 years	More than 3 years	
Undisputed dues - MSME	177.97	-	-	-	177.97
Undisputed dues - Others	1,416.06	254.82	0.15	-	1,671.03
<b>Total</b>	<b>1,594.03</b>	<b>254.82</b>	<b>0.15</b>	<b>-</b>	<b>1,849.00</b>

₹ in Lacs

Particulars	As at 31 <sup>st</sup> March, 2021				
	Not due	Overdue for			Total
		Less than 1 year	1-2 years	More than 3 years	
Undisputed dues - MSME	64.70	-	-	-	64.70
Undisputed dues - Others	796.49	239.32	-	4.24	1,040.05
<b>Total</b>	<b>861.19</b>	<b>239.32</b>	<b>-</b>	<b>4.24</b>	<b>1,104.76</b>

O. Financial instruments

i) Fair value measurement hierarchy

₹ in Lacs

Particulars	As at 31 <sup>st</sup> March, 2022			
	Carrying amount	Level of input used in		
		Level 1	Level 2	Level 3
<b>Financial assets</b>				
<b>At Fair Value through Profit and Loss</b>				
Mutual Funds	2,074.09	2,074.09	-	-
<b>At FVTOCI</b>				
Investment in Equity instruments	5,324.20	7.44	5,314.24	2.52
Investment in Debt instruments	5,526.57	-	-	5,526.57
<b>At Amortised cost</b>				
Bonds & Debentures	2,210.13	-	-	-
Deposits	3.01	-	-	-
Trade Receivables	3,973.08	-	-	-
Cash and cash equivalents	6.06	-	-	-
Bank balances other than above	39.19	-	-	-
<b>Financial liabilities</b>				
Trade Payables	1,849.00	-	-	-
Trade Deposits	26.90	-	-	-
Borrowings	12.14	-	-	-
Other Financial liabilities	588.56	-	-	-

## NOTES TO FINANCIAL STATEMENTS

₹ in Lacs

Particulars	As at 31 <sup>st</sup> March, 2021			
	Carrying amount	Level of input used in		
		Level 1	Level 2	Level 3
<b>Financial assets</b>				
<b>At Fair Value through Profit and Loss</b>				
Mutual Funds	4,378.46	4,378.46	-	-
<b>At FVTOCI</b>				
Investment in Equity instruments	5,568.67	9.82	5,556.33	2.52
Investment in Debt instruments	5,473.52	-	-	5,473.52
<b>At Amortised cost</b>				
Trade Receivables	3,291.61	-	-	-
Cash and cash equivalents	18.04	-	-	-
Bank balances other than above	39.50	-	-	-
<b>Financial liabilities</b>				
Trade Payables	1,104.76	-	-	-
Trade Deposits	26.00	-	-	-
Other Financial liabilities	1,482.85	-	-	-

**Level 1:** Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments and mutual funds that have quoted price. The fair value of all equity instruments which are traded in the stock exchanges is valued using the closing price as at the reporting period. The mutual funds are valued using the closing NAV.

**Level 2:** The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

**Level 3:** If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

The Company's policy is to recognise transfers into and transfers out of fair value hierarchy levels at the end of the reporting period. On account of change in valuation estimates, certain investments were transferred from level 3 to level 2 valuation hierarchy and vice versa during the previous year.

**ii) Valuation technique used to determine fair value**

Specific valuation techniques used to value financial instruments are as under:

- The fair values of investments in mutual fund units is based on the net asset value ('NAV') as stated by the issuers of these mutual fund units in the published statements as at Balance Sheet date.
- The fair values of quoted investment in equity shares is based on the current bid price of respective investment as at the Balance Sheet date.
- The fair values of unquoted investment in equity shares of investee companies, including those having multiple business segments are derived as under:
  - For investments of investee in listed securities, average closing price of the security for the previous six months from year end or the closing price as on the balance sheet date, as may be reflecting the correct position is considered.
  - For investment in mutual funds, we have considered the NAV of the mutual funds as on Balance sheet date.
  - For valuation of any land and property of investee, fair market value of the asset based on reports of experts is considered.

NOTES TO FINANCIAL STATEMENTS

- For valuation of property purchased during current financial year, we have relied upon the stamp duty value as is taken in the financial statements.
  - For investments of investee in unlisted non-operating companies, valuation is carried out on realizable net asset value basis, derived from the fair valuation of the underlying assets and liabilities or using DCF Method, in case if projections are made available.
  - For valuation of any unlisted Cash Generating Unit / operating business of the investee, the valuation has been arrived by applying DCF method.
- d. The fair values of unquoted investment in preference shares is arrived by discounting income/cash flows to its present value using the required rate of return and the cost of debt of Paushak Limited and returns expected on similar investments.

iii) **Fair value measurements using significant unobservable inputs (level 3)**

The following table represents the changes in level 3 items for the year ended 31<sup>st</sup> March, 2022.

Particulars	₹ in Lacs
As on April 1, 2021	5,476.04
Gains / (Losses) recognized in other comprehensive income	53.05
<b>As on March 31, 2022</b>	<b>5,529.09</b>

iv) **Valuation inputs and relationships to fair value (Level 3)**

Particulars		Fair value		Significant Observable Inputs	Probable - weighted range	
		As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021		As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
		₹ in Lacs				
a)	Unquoted Equity Instruments	2.52	2.52	Earnings Growth Rate	-	-
				Free Cash Discount Rate	-	-
b)	Unquoted Debt Instruments	5,526.57	5,473.52	Effective Interest Rate	<b>Ranging from 5% to 7%</b>	Ranging from 5% to 7%
				Cash Flows	<b>Ranging from 5% to 7%</b>	Ranging from 5% to 7%
				Earnings Growth Rate	-	-
				Free Cash Discount Rate	<b>10%</b>	10%

v) **Valuation Processes**

Valuation of certain unquoted equity shares is done by an external valuation agency as per above valuation techniques.

**P. Financial Risk management**

The Company has exposure to the following risks arising from financial instruments:

- Credit risk;
- Liquidity risk; and
- Market risk

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk controls and to monitor risks. Risk management policies and systems are reviewed periodically to reflect changes in market conditions and the Company's activities. The Company monitors compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company.

**NOTES TO FINANCIAL STATEMENTS**

**i) Credit risk**

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers, deposit and other receivables. Credit risk is managed through continuous monitoring of receivables and follow up of overdue.

**Investments**

The Company limits its exposure to credit risk by generally investing in liquid securities and only with counterparties that have a good credit rating. The Company does not expect any losses from non-performance by these counter parties, and does not have any significant concentration of exposures to specific industry sector or specific country risks.

**Trade receivables**

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer, demographics of the customer, default risk of the industry and country in which the customer operates. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business.

The Company has used expected credit loss (ECL) model for assessing the impairment loss. For the purpose, the Company uses a provision matrix to compute the expected credit loss amount. The provision matrix takes into account external and internal risk factors and historical data of credit losses from various customers.

There are no credit impaired Trade Receivable as on 31<sup>st</sup> March, 2022.

Other than trade and other receivables, the Company has no other financial assets that are past due but not impaired.

**ii) Liquidity risk**

Liquidity risk is the risk that the Company will not be able to meet its financial obligation as they fall due. The Company ensures that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions.

**Maturities of Financial Liabilities**

The table herewith analyses the Company's Financial Liabilities into relevant maturity groupings based on their contractual maturities.

The amounts disclosed in the table are the contractual undiscounted cash flows. Balance dues within the 12 months equal there carrying balances as the impact of discounting is not significant.

**Contractual maturities of financial liabilities**

Particulars			₹ in Lacs
	Less than 1 year	More than 1 year	Total
<b>As at 31<sup>st</sup> March, 2022</b>			
<b>Non-derivatives</b>			
Other Financial Liabilities	615.46	-	615.46
Borrowings	12.14	-	12.14
Trade payables	1,849.00	-	1,849.00
<b>Total Non-derivative liabilities</b>	<b>2,476.59</b>	<b>-</b>	<b>2,476.59</b>

NOTES TO FINANCIAL STATEMENTS

Particulars			₹ in Lacs
	Less than 1 year	More than 1 year	Total
<b>As at 31<sup>st</sup> March, 2021</b>			
<b>Non-derivatives</b>			
Other Financial Liabilities	1,508.85	-	1,508.85
Trade payables	1,104.76	-	1,104.76
<b>Total Non-derivative liabilities</b>	<b>2,613.60</b>	<b>-</b>	<b>2,613.60</b>

iii) **Market risk**

Market risk is the risk that arises due to changes in market prices and other factors such as foreign exchange rates, interest rates and commodity risk. Market risk is also attributable to all market risk sensitive financial instruments including foreign currency receivables and payables and long term debt.

**Price Risk**

The Company is mainly exposed to the price risk due its investment in equity instruments and equity & debt mutual fund. The price risk arises due to unascertainty about the future market value of these investments.

**Management Policy**

The Company maintains its portfolio in accordance with framework set by risk management policies duly monitored by competent professionals.

**Q. Capital Management**

The Company's capital management objectives are:

- to ensure the Company's ability to continue as a going concern; and
- to provide an adequate return to shareholders through optimisation of debts and equity balance.

The Company monitors capital on the basis of the carrying amount of debt less cash and cash equivalents as presented on the face of the financial statements. The Company's objective for capital management is to maintain an optimum overall financial structure.

Particulars	₹ in Lacs	
	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
Debt (includes non-current, current borrowings and current maturities of long term debt)	12.14	-
Less: Cash and cash equivalents	6.06	18.04
<b>Net Debt</b>	<b>6.08</b>	<b>-</b>
<b>Total Equity excluding Revaluation Reserves</b>	<b>22,050.17</b>	18,467.06
<b>Net debt to total equity ratio</b>	<b>0.000</b>	<b>-</b>

**R. Use of Estimates and Judgements**

The preparation of the Company's financial statements requires the management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected. In particular, information about significant areas of estimation uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements is included in these notes.

**S. Details of Hypothecation of Assets**

No assets of the Company are hypothecated.

## NOTES TO FINANCIAL STATEMENTS

### T. SEBI (Listing Obligation & Disclosure Requirements) Regulation 2015

Disclosures as required under Regulation 34(3) read with schedule V of the SEBI (Listing Obligation & Disclosure Requirements) Regulation 2015 have not been given as there are no such transactions with any such party.

### U. Information on Dividend for the year

Dividends proposed or declared after the balance sheet date but before the financial statements have been approved by the Board of Director is not recognised as a liability at the balance sheet date. The Board of Director recommended final dividend of ₹ 12/- per equity share for the financial year ended on 31st March, 2022. The payment is subject to approval of shareholder in ensuing Annual General Meeting of the Company. (Previous year ₹ 6/- per equity share).

### V. Relationship with Struck off Companies

The Company has no relationship with any struck off companies, other than the following struck off companies whose names are found in its register of members:

Name of Company	Nature of transaction	Balance outstanding/ Nominal values of shares (₹)	Relationship with struck off Company
Ardra Holdings Private Limited	Shares held by struck off Company	60.00	Equity shareholder
Vulcan Capital Services (P) Ltd		160.00	Equity shareholder
Parsani Investment & Leasing Pvt Ltd		1,000.00	Equity shareholder

The information has been given in respect of such entities to the extent they could be identified as struck off companies on the basis of information available with the Company.

### W. Other statutory information

- i) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- ii) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- iii) The Company has not traded or invested in Crypto currency or Virtual Currency during the year.
- iv) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall: (i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or (ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- v) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall: (i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or (ii) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- vi) The Company does not have any such transaction which is not recorded in the books of accounts and that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).
- vii) The Company holds all the title deeds of immovable property in its name.
- viii) There is no Scheme of Arrangements approved by the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013.
- ix) The Company is not declared as wilful defaulter by any bank or financial Institution or other lender.
- x) The Company does not have any subsidiaries and hence compliance with number of layers of companies is not applicable.



NOTES TO FINANCIAL STATEMENTS

X. Ratios

Particulars	2021-22	2020-21	% Variance
<b>Current Ratio (in times)</b> Current Assets except Investments / Current Liabilities	2.25	1.88	19%
<b>Debt-Equity Ratio (in times) (Refer Note 2)</b> Debt / Net Worth (Net worth: Share Capital + General Reserves + Retained Earnings)	NA	NA	NA
<b>Debt Service Coverage Ratio (in times) (Refer Note 2)</b> Earnings available for debt service / Debt Service	NA	NA	NA
<b>Inventory Turnover Ratio (in times)</b> Cost of Goods Sold / Average Inventory (Cost of Goods Sold: Total Expenses - Finance Cost)	6.40	6.36	1%
<b>Inventory Turnover (in days)</b> 365 / Inventory Turnover Ratio (in times)	57	57	-1%
<b>Trade Receivables turnover Ratio (in times)</b> Income from operations / Average debtors (Income from Operations: Revenue from Operations + GST- Export Incentive )	4.71	5.58	-16%
<b>Trade Receivable Turnover (in days)</b> 365 / Trade Receivable Turnover Ratio (in times)	78	65	19%
<b>Trade Payable turnover Ratio (in times)</b> Purchases / Average trade payables	5.29	5.40	-2%
<b>Net Capital Turnover Ratio (in times)</b> Revenue from operations / Working capital (Working Capital: Current assets except Investments - Current liabilities)	4.46	5.90	-24%
<b>Net Profit Ratio (in %)</b> Net Profit after taxes / Total Income	24.23%	25.35%	-4%
<b>Operating Profit Margin (in %)</b> (Profit Before Tax - Other Income) / Revenue from Operations	30.07%	32.24%	-7%
<b>Return on Equity Ratio (in %)</b> Profit after tax / Average Shareholder's Equity (Shareholder's Equity: Share Capital + General Reserves + Retained Earnings)	19%	23%	-17%
<b>Return on Capital Employed (in %)</b> PBIT / Capital Employed (Capital Employed: Net Worth + Borrowing + Deferred Tax Liability)	20%	25%	-18%
<b>Return on Investment (in %)</b> Profit before tax / Total Assets	14%	16%	-13%
<b>Return on Net Worth (in %)</b> Profit after tax / Net Worth	17%	21%	-16%
<b>Earning Per Share (₹)</b> Profit After Tax / Number of ordinary shares	122.03	121.02	1%

**Note 1:** Reasons for variance is not applicable, since change in ratio is less than 25%.

**Note 2:** The Company doesn't have Long Term Debt hence this ratio is not applicable.

## NOTES TO FINANCIAL STATEMENTS

## Y. Taxes Reconciliation

## (i) Income tax expense

₹ in Lacs

Sr. No.	Particulars	31 <sup>st</sup> March, 2022	31 <sup>st</sup> March, 2021
a)	<b>Current Tax</b>		
	Current tax expense	897.76	1,335.00
	Less: MAT Credit utilised	-	-
	<b>Net Current Tax</b>	<b>897.76</b>	1,335.00
b)	<b>Deferred Tax</b>		
	Decrease / (Increase) in deferred tax assets	(4.97)	4.96
	(Decrease) / Increase in deferred tax liabilities	401.31	89.39
	<b>Total Deferred tax expenses (Benefits)</b>	<b>396.34</b>	94.35
c)	<b>Short/(Excess) income tax provisions of earlier years</b>	<b>(27.52)</b>	(0.30)
	<b>Total Income tax expenses (a+b+c) *</b>	<b>1,266.58</b>	1,429.05
	* Excludes below tax impact on Other comprehensive income		
	Tax Benefit / (Expense) on Actuarial	(5.97)	3.76
	Tax Benefit / (Expenses) due to Fair Value of Investments	(1.96)	(277.47)

## (ii) Reconciliation of tax expense and the accounting profit multiplied by Indian tax rate

₹ in Lacs

Sr. No.	Particulars	31 <sup>st</sup> March, 2022	31 <sup>st</sup> March, 2021
a)	<b>Profit before Income tax expense</b>	5,027.77	5,158.88
b)	<b>Tax at the Indian Tax Rate *</b>	878.45	1,502.26
c)	<b>Tax effect of amounts which are not deductible (taxable) in calculating taxable income</b>		
	Tax impact on tax loss	-	(3.53)
	Tax impact on deduction available under Chapter VIA and R&D	-	(105.79)
	Deferred Tax	396.34	
	Utilization of MAT Credit	-	(10.65)
	Others	19.31	47.04
d)	<b>Short/(Excess) income tax provisions of earlier years</b>	<b>(27.52)</b>	(0.30)
	<b>Income Tax Expense</b>	<b>1,266.58</b>	1,429.05

\*For FY 2021-22, the Company falls under the provisions of MAT and the applicable Indian statutory tax rate for year ended March 31, 2022 is 17.472%. For FY 2020-21, the Company was falling under the normal provisions of Income Tax Act, 1961 and the applicable Indian statutory tax rate for year ended March 31, 2021 was 29.12%.

## (iii) Current Tax (Liabilities) / Assets

₹ in Lacs

Sr. No.	Particulars	31 <sup>st</sup> March, 2022	31 <sup>st</sup> March, 2021
a)	Opening balance	<b>0.60</b>	40.14
b)	Income Tax Paid	908.99	1,295.17
c)	Current income tax / wealth tax payable for the year	(900.00)	(1,335.00)
d)	Current income tax provision for earlier year	27.52	0.30
e)	Net current income tax asset/ (liability) at the end	<b>37.11</b>	0.60

**NOTES TO FINANCIAL STATEMENTS**

- Z.** Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.
- AA.** These Financial Statements were authorised for issue in accordance with the resolution of the Board of Directors at its meeting held on 6<sup>th</sup> May, 2022.

As per our report of even date

**For Maloo Bhatt & Co**  
Chartered Accountants  
Firm Registration No. 129572W

For and on behalf of the Board

**Chirayu Amin**  
Chairman  
DIN No.: 00242549

**Amit Goradia**  
Director  
DIN No.: 00074478

**Abhijit Joshi**  
Whole-time Director & CEO  
DIN No.: 06568584

**CA. Yash Bhatt**  
Partner  
Membership No. 117745

Vadodara, 6<sup>th</sup> May, 2022

**Manisha Saraf**  
Company Secretary

**Kirti Shah**  
CFO

Vadodara, 6<sup>th</sup> May, 2022



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