

Date: 4<sup>th</sup> July, 2023

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

**Scrip Code: 532742**

Dear Sir/Madam,

**Sub: Submission of 50<sup>th</sup> Annual Report of the Company for the financial year ended 31<sup>st</sup> March, 2023**

Pursuant to Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we enclose herewith a copy of the 50<sup>th</sup> Annual Report of the Company for the financial year ended 31<sup>st</sup> March, 2023.

We request you to kindly take the same on record.

Thanking you,

Yours faithfully,  
**For Paushak Limited**

**Sagar Gandhi**  
**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 / 6637300  
www.paushak.com • investors@paushak.com



# PAUSHAK

Your Strategic Source For Phosgene Derivatives



50<sup>TH</sup> ANNUAL REPORT  
**2022-23**



## PAUSHAK LIMITED

### Board of Directors

Mr. Chirayu Amin  
Chairman

Mr. Amit Goradia  
Independent Director

Mr. Vijay Gandhi  
Independent Director

Mr. Atul Patel  
Independent Director

Dr. Shamita Amin (upto 1<sup>st</sup> July, 2022)  
Independent Director

Ms. Roopa Patel (w.e.f. 15<sup>th</sup> September, 2022)  
Independent Director

Mr. Udit Amin  
Director

Mr. Abhijit Joshi  
Whole-time Director & CEO

### Chief Financial Officer

Ms. Kirti Shah

### Company Secretary

Ms. Manisha Saraf (upto 31<sup>st</sup> March, 2023)  
Mr. Sagar Gandhi (w.e.f. 1<sup>st</sup> April, 2023)

### Statutory Auditors

Haribhakti & Co. LLP  
Chartered Accountants  
705, Leela Business Park, 7<sup>th</sup> Floor,  
Opp. Leela Hotel, Airport Road,  
Metro Station, Andheri Kurla Road,  
Andheri East, Mumbai – 400 059.

### Registrar and Share Transfer Agents

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

### Registered Office

Alembic Road, Vadodara – 390 003.  
Tel : +91 265 6637300  
Email ID : investors@paushak.com  
Website : www.paushak.com  
CIN : L51909GJ1972PLC044638

### Stock Exchange

BSE Limited  
Phiroze Jeejeebhoy Towers,  
Dalal Street, Fort,  
Mumbai – 400 001.  
Code: 532742 | PAUSHAKLTD

### Manufacturing Facility

Panelav, Tal. Halol,  
Dist. Panchmahal – 389 350. Gujarat.

## NOTICE

NOTICE is hereby given that the **Fiftieth Annual General Meeting ("AGM")** of the Members of **Paushak Limited** will be held on **Tuesday, the 1<sup>st</sup> August, 2023 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, 2023 and the Reports of the Board of Directors and Auditors thereon.
2. To declare Dividend on Equity Shares for the financial year 2022-23.
3. To consider and if thought fit, to pass the following Resolution as a Special Resolution:

**Appointment of a Director in place of Mr. Chirayu Amin (DIN: 00242549), who retires by rotation and being eligible, offers himself for re-appointment:**

"**RESOLVED THAT** pursuant to provisions of Section 152 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") read with Regulation 17(1A) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations, 2015"), Mr. Chirayu Amin (DIN: 00242549), who retires by rotation at this 50<sup>th</sup> Annual General Meeting ("AGM") and being eligible, offers himself for re-appointment, be and is hereby re-appointed as Director liable to retire by rotation."

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

**Re-appointment of M/s. Haribhakti & Co. LLP, Chartered Accountants (Firm Registration Number: 103523W/W100048) as Statutory Auditors of the Company and to fix their remuneration:**

"**RESOLVED THAT** pursuant to the provisions of Sections 139, 141, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, (including any statutory modification(s) / amendment(s) / re-enactment(s) thereto) ("the Act"), recommendations of Audit Committee and the Board of Directors of the Company, M/s. Haribhakti & Co. LLP, Chartered Accountants (Firm Registration Number: 103523W/W100048) be and are hereby re-appointed as the Statutory Auditors of the Company to hold office from the conclusion of this 50<sup>th</sup> Annual General Meeting ("AGM") till the conclusion of the 52<sup>nd</sup> AGM of the Company for the F.Y. 2024-25, on such terms and conditions including remuneration as set out in the explanatory statement annexed to this Notice."

### SPECIAL BUSINESS:

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

**Re-appointment of Mr. Abhijit Joshi (DIN: 06568584) as Whole-time Director and Chief Executive Officer (CEO) of the Company:**

"**RESOLVED THAT** pursuant to the provisions of Sections 152, 196, 197, 198, 203 and other applicable provisions, if any, of the Companies Act, 2013 and rules framed thereunder ("the Act") read with Schedule V to the Act and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations, 2015") (including any statutory modification(s) / amendment(s) / re-enactment(s) thereto), and recommendations of the Nomination and Remuneration Committee and the Board of Directors of the Company, approval of the members of the Company be and is hereby accorded for the re-appointment of Mr. Abhijit Joshi (DIN: 06568584) as Whole-time Director and Chief Executive Officer (CEO) of the Company, not liable to retire by rotation, for a period of 2 (Two) years w.e.f. 1<sup>st</sup> May, 2024, on such terms and conditions including remuneration as set out in the explanatory statement annexed to this Notice.

**RESOLVED FURTHER THAT** the Board of Directors be and is hereby authorized to alter and vary the remuneration and terms and conditions of said re-appointment to the extent recommended by the Nomination and Remuneration Committee, from time to time as may be considered appropriate, subject to the overall limits specified in the Act and as may be agreed to by and between the Board of Directors and Mr. Abhijit Joshi.

**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 a Special Resolution:

**Appointment of Dr. Tushar Shah (DIN: 07756760) as an Independent Director of the Company:**

“**RESOLVED THAT** pursuant to provisions of Sections 149, 150, 152 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (“the Act”) read with Schedule IV to the Act, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations, 2015”) (including any statutory modification(s) / amendment(s) / re-enactment(s) thereto), the Articles of Association of the Company, and recommendations of the Nomination and Remuneration Committee and the Board of Directors of the Company, Dr. Tushar Shah (DIN: 07756760), in respect of whom the Company has received a notice in writing under Section 160 of the Act from a member proposing his candidature for the office of a Director, be and is hereby appointed as an Independent Director of the Company at this 50<sup>th</sup> Annual General Meeting (“AGM”), not liable to retire by rotation, for a term of (5) five consecutive years w.e.f. 1<sup>st</sup> August, 2023 upto 31<sup>st</sup> July, 2028.

**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.”

7. 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 2022-23:**

“**RESOLVED THAT** pursuant to the provisions of Regulation 17(6)(ca) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations, 2015”), 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), recommendations of the Nomination and Remuneration Committee and the Board of Directors of the Company and subject to the maximum remuneration approved by the members at the 49<sup>th</sup> Annual General Meeting held on 9<sup>th</sup> August, 2022, approval of the members of the Company be and is hereby accorded for payment of commission of ₹ 200 Lacs amounting to 2.90 % 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, 2023, 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.”

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

**Ratification of Remuneration to the Cost Auditors for the Financial Year 2023-24:**

“**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) thereto), 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 2023-24, 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. Pursuant to the General Circular Nos. 14/2020 dated 8<sup>th</sup> April, 2020, 17/2020 dated 13<sup>th</sup> April, 2020, 20/2020 dated 5<sup>th</sup> May, 2020, 02/2021 dated 13<sup>th</sup> January, 2021, 19/2021 dated 8<sup>th</sup> December, 2021, 21/2021 dated 14<sup>th</sup> December, 2021, 02/2022 dated 5<sup>th</sup> May, 2022 and 10/2022 dated 28<sup>th</sup> December, 2022 issued by the Ministry of Corporate Affairs (“MCA”) and Circular Nos. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated 12<sup>th</sup> May, 2020, SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated 15<sup>th</sup> January, 2021, SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated 13<sup>th</sup> May, 2022 and SEBI/HO/CFD/PoD-2/P/CIR/2023/4 dated 5<sup>th</sup> January, 2023 issued by Securities and Exchange Board of India (“SEBI”) (hereinafter collectively referred to as the “Circulars”), companies are allowed to hold the Annual General Meeting (“AGM”) Video Conferencing (“VC”) / Other Audio Visual Means (“OAVM”), without the physical presence

of the members at a common venue. Hence, in compliance with the 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 the aforesaid 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 Circulars, Notice of the AGM along with the Annual Report is being sent only through electronic mode to those members whose e-mail address 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 ("BSE") 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. The explanatory statement, pursuant to Section 102(1) of the Act relating to business set out under Item no. 4 to 9 of the accompanying Notice are annexed hereto.
6. The details of the Directors seeking appointment/re-appointment at the AGM, pursuant to the provisions of Regulation 36(3) of the SEBI Listing Regulations, 2015, 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, the 25<sup>th</sup> July, 2023 as the "record date" for determining the entitlement of members to final dividend for the financial year ended 31<sup>st</sup> March, 2023, if approved at the AGM.
9. The dividend when sanctioned will be made payable on or from 5<sup>th</sup> August, 2023, 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 dispatched to their 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), mandates, nominations, Power of Attorney (PoA), bank account details such as name of the bank and branch details, bank account number, MICR code and IFSC code, etc.:
  - i. In case shares are held in physical mode, members are requested to submit their service requests in the forms prescribed under SEBI Circular No. SEBI/HO/MIRSD/MIRSD-PoD-1/P/CIR/2023/37 dated 16<sup>th</sup> March, 2023. The form(s) are available on the website of the Company at <https://www.paushak.com/investor-relation.aspx> and on the website of Company's Registrar & Share Transfer Agent, Link Intime India Pvt. Ltd. ("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 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 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>
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
9 <sup>th</sup> August, 2022	2021-22	September, 2029

13. All the work related to share registry in terms of both physical and electronic are being conducted by LIPL at B-102 & 103, Shangrila Complex, First Floor, Opp. HDFC Bank, Near Radhakrishna Char Rasta, Akota, Vadodara – 390 020, Tel: +91 265 6136000, e-mail ID: 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 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. Pursuant to SEBI Circular No. SEBI/HO/MIRSD/MIRSD\_RTAMB/P/CIR/2022/8 dated 25<sup>th</sup> January, 2022, the Company shall issue the securities in dematerialized form only while processing the service request(s) in the form(s) prescribed therein. 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>. 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, 2015 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 viz. "remote e-voting" (e-Voting from a place other than venue of the AGM), 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 e-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.nsd.com](http://www.evoting.nsd.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 Saturday, the 29<sup>th</sup> July, 2023 (9:00 a.m. IST) and ends on Monday, the 31<sup>st</sup> July, 2023 (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 25<sup>th</sup> July, 2023 may cast their vote electronically. The remote e-Voting module shall be disabled by NSDL for voting thereafter.
- ii. The facility for electronic voting system (“e-voting”), shall also be made available at the AGM. The members attending the AGM, who have not cast their votes through remote e-voting, shall be able to exercise their voting rights at the AGM. The members who have already cast their votes through remote e-voting may attend the AGM, but shall not be entitled to cast their votes again at the AGM.
- iii. 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 this 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.**” A person who is not a member as on the cut-off date should treat this Notice for information purposes only.
- 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:**

In terms of 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>1. 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>2. 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/Id easDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/Id easDirectReg.jsp</a></li> </ol>



Type of shareholders	Login Method
	<p>3. 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.</p> <p>4. Shareholders/Members can also download NSDL Mobile App “<b>NSDL Speede</b>” facility by scanning the QR code mentioned below for seamless voting experience.</p> <p style="text-align: center;"><b>NSDL Mobile App is available on</b></p> <div style="display: flex; justify-content: center; gap: 20px;"> <div style="text-align: center;">  </div> <div style="text-align: center;">  </div> </div> <div style="display: flex; justify-content: center; gap: 20px; margin-top: 10px;">   </div>
<p>Individual Shareholders holding securities in demat mode with CDSL</p>	<ol style="list-style-type: none"> <li>1. Users who have opted for CDSL Easi / Easiest facility, can login through their existing user ID and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi / Easiest are requested to visit CDSL website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login icon &amp; New System Myeasi Tab and then user may use their existing Myeasi username &amp; password.</li> <li>2. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the e-Voting is in progress as per the information provided by company. On clicking the e-Voting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly.</li> <li>3. If the user is not registered for Easi/Easiest, option to register is available at CDSL website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login &amp; New System Myeasi Tab and then click on registration option.</li> <li>4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on <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; Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the e-Voting is in progress and also able to directly access the system of all e-Voting Service Providers.</li> </ol>
<p>Individual Shareholders (holding securities in demat mode) login through their depository participants</p>	<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.**

Login type	Helpdesk details
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 022 - 4886 7000 and 022 - 2499 7000
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 toll free no. 1800 22 55 33

**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" 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 :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
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 **process for those shareholders whose email ids are not registered.**

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 and join virtual meeting 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 124351**” 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 upload their Board Resolution/ Authority Letter by clicking on “Upload Board Resolution/Authority Letter” displayed under “e-Voting” tab on this screen or send scanned copy (PDF/JPG Format) of the relevant Board Resolution/Authority letter authorizing person(s) 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), atleast 48 hours before the meeting.
- 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 022 - 4886 7000 and 022 - 2499 7000 or send a request to Ms. Pallavi Mhatre: Senior Manager at [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.
- iii) 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 24<sup>th</sup> July, 2023 to 28<sup>th</sup> July, 2023. 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.
- iv) Members who need assistance before or during the AGM, can contact Ms. Pallavi Mhatre, Senior Manager, NSDL on [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) / 022 - 4886 7000 and 022 - 2499 7000.

**18. Recommendation to the members:**

It is recommended to join the AGM through laptop for better experience. Members 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 LAN Connection to mitigate any kind of aforesaid glitches.

By Order of the Board,

Sd/-

**Sagar Gandhi**  
Company Secretary

**Registered Office:**

Alembic Road, Vadodara – 390 003

CIN: L51909GJ1972PLC044638

Tel: +91 265 6637300

Website: [www.paushak.com](http://www.paushak.com)

e-mail ID: [investors@paushak.com](mailto:investors@paushak.com)

Date: 19<sup>th</sup> June, 2023

Place: Vadodara

## Explanatory Statement as required under Section 102 of the Companies Act, 2013

### Item No. 3

Pursuant to the provisions of Section 152(6) of the Act, minimum two third of the total number of directors, excluding Independent Director, shall be the directors who are liable to retire by rotation and one third of such directors who are liable to retire by rotation shall retire at every AGM. Accordingly, Mr. Chirayu Amin (DIN: 00242549), shall retire by rotation at this 50<sup>th</sup> Annual General Meeting ("AGM") and being eligible, has offered himself for re-appointment.

The Company had taken approval of members by way of a special resolution at the 48<sup>th</sup> AGM held on 3<sup>rd</sup> August, 2021 for continuation of directorship of Mr. Chirayu Amin as Non-Executive Non-Independent Director in terms of Regulation 17 (1A) of the SEBI Listing Regulations, 2015, after his attaining 75 years of age on 4<sup>th</sup> December, 2021.

Since Mr. Chirayu Amin is proposed to be re-appointed, approval of the shareholders by way of special resolution is sought in terms of Regulation 17 (1A) of SEBI Listing Regulation, 2015.

The Board of Directors recommends the resolution as set forth at Item No. 3 of this Notice for your approval.

None of the Directors, Key Managerial Personnel and their 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. 3 of this Notice.

### Item No. 4

M/s. Maloo Bhatt & Co., Chartered Accountants, were appointed as the Statutory Auditors of the Company for a term of 5 (Five) consecutive years from the conclusion of the 47<sup>th</sup> Annual General Meeting ("AGM") held on 4<sup>th</sup> August, 2020 till the conclusion of the 52<sup>nd</sup> AGM. In view of the business integration of M/s. Maloo Bhatt & Co. with M/s. Haribhakti & Co. LLP, Chartered Accountants (Firm Registration Number: 103523W/W100048), M/s. Maloo Bhatt & Co. had tendered their resignation w.e.f. 14<sup>th</sup> September, 2022.

In accordance with the provisions of Section 139(8) of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 ("the Act"), in order to fill the casual vacancy caused pursuant to the resignation tendered by M/s. Maloo Bhatt & Co., the Board of Directors of the Company ("Board") vide its resolution dated 15<sup>th</sup> September, 2022, based on the recommendation of Audit Committee, approved the appointment of M/s. Haribhakti & Co. LLP, Chartered Accountants, as Statutory Auditors of the Company to hold office until the conclusion of this 50<sup>th</sup> AGM for the F.Y. 2022-23 and the same was approved by the members vide resolution passed by way of postal ballot dated 30<sup>th</sup> October, 2022.

Pursuant to the provisions of Section 139 of the Act, the Board of Directors of the Company at their meeting held on 4<sup>th</sup> May, 2023, based on the recommendation of the Audit Committee, have approved the re-appointment of M/s. Haribhakti & Co. LLP, Chartered Accountants (Firm Registration Number: 103523W/W100048), as Statutory Auditors of the Company to hold office from the conclusion of this 50<sup>th</sup> AGM till the conclusion of the 52<sup>nd</sup> AGM of the Company for the F.Y. 2024-25.

M/s. Haribhakti & Co. LLP, Chartered Accountants, have given their consent confirming that their appointment, if made, would be in accordance with the provisions of Section 139 and 141 of the Act read with the Companies (Audit and Auditors) Rules, 2014.

Proposed Fees: Fixed Remuneration for Statutory Audit including quarterly limited review shall be Rs. 5.00 Lacs plus applicable taxes, travelling and other out-of-pocket expenses incurred by them in connection with the statutory audit including quarterly limited review of the Company for the financial year 2023-24. The proposed fees is based on knowledge, expertise and industry experience possessed by them. The proposed fees are also in line with the industry benchmarks. The fees for services in the nature of statutory certifications and other professional work will be in addition to the audit fee as mentioned above and will be decided by the management in consultation with the Auditors. The Board of Directors are also authorized to fix the remuneration for the remaining tenure of their appointment in consultation with the Audit Committee.

### Credentials:

M/s. Haribhakti & Co. LLP, Chartered Accountants (Firm Registration Number: 103523W/W100048) came into being in 1954 and since then, has expanded to cover a wide array of services. It is one of the largest domestic accounting & consulting firm and provides a whole range of assurance, accounting, advisory and consulting services, both nationally and internationally, through various service divisions. The firm has national presence having own branch network in major cities like Mumbai, Delhi, Bengaluru, Kolkata, Hyderabad, Chennai, and Ahmedabad. The firm caters to large number of clients in varied sectors and locations.

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

None of the Directors, Key Managerial Personnel and their relatives thereof has any concern, interest, financial or otherwise in the resolution at Item No. 4 of this Notice.

**Item No. 5**

Mr. Abhijit Joshi (DIN: 06568584) was re-appointed as the Whole-time Director & Chief Executive Officer (CEO) of the Company for a period of 3 (three) years with effect from 1<sup>st</sup> May, 2021 to 30<sup>th</sup> April, 2024 by the members at the 48<sup>th</sup> Annual General Meeting held on 3<sup>rd</sup> August, 2021. Accordingly, the present term of his office will come to an end on 30<sup>th</sup> April, 2024.

In accordance with the provisions of Section 152, 196 and 203 and other applicable provisions, if any, of the Act and rules framed thereunder read with Schedule V to the Act and Regulation 17(1C) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations, 2015"), the Board of Directors of the Company at its meeting held on 4<sup>th</sup> May, 2023, based on the recommendation of Nomination and Remuneration Committee ("NRC") and subject to approval of members, approved the re-appointment of Mr. Abhijit Joshi as Whole-time Director and CEO of the Company, not liable to retire, for a period of 2 (Two) years w.e.f. 1<sup>st</sup> May, 2024.

Mr. Abhijit Joshi has done his Masters in Organic Chemistry and Production Management. He has vast experience of 42 years in the fields of basic research, tech-transfer, production and manufacturing site administration, etc. Keeping in view, the contribution made by Mr. Abhijit Joshi to the growth of the Company and in the opinion of the NRC and Board, it is beneficial in the interest of the Company to consider his re-appointment as Whole-time Director and CEO of the Company.

Remuneration will consist of Basic Salary, Perquisites and other allowance/benefits (as per the rules of the Company) up to maximum CTC of Rs. 100 Lacs per annum, as may be determined by the Board of Directors of the Company from time to time within the above referred limit.

The other details as required under the provisions of Regulation 36(3) of the SEBI Listing Regulations, 2015, para 1.2.5 of SS-2 and other applicable provisions, if any, are provided in Annexure – A to this Notice.

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

None of the Directors, Key Managerial Personnel and their relatives thereof other than Mr. Abhijit Joshi, has any concern or interest, financial or otherwise, in the resolution at Item No. 5 of this Notice.

**Item No. 6**

The Board of Directors of the Company has noted that the second term of majority of existing Independent Directors will end in the calendar year 2024 and since they cannot be re-appointed pursuant to the provisions of the Act, the Company will be required to appoint new Independent Directors on the Board. In order to ensure a smoother transition and continuity, it was considered appropriate to induct new Independent Directors on the Board of the Company.

The Board of Directors of the Company, based on the recommendation of the Nomination and Remuneration Committee ("NRC"), approved the appointment of Dr. Tushar Shah (DIN: 07756760) as an Independent Director of the Company, not liable to retire by rotation, at this 50<sup>th</sup> Annual General Meeting ("AGM"), for a term of (5) five consecutive years i.e. w.e.f. 1<sup>st</sup> August, 2023 upto 31<sup>st</sup> July, 2028.

According to NRC's and Board's opinion, Dr. Tushar Shah's experience, expertise, integrity and skill sets will further strengthen the functioning of the Board and help the Company in achieving future growth and it is desirable to avail his services as an Independent Director on the Board of the Company.

Dr. Tushar Shah is a M.S. (Orthopaedics) and renowned orthopaedic surgeon with experience of over two decades in surgery with expertise in managing polytrauma and complex fractures. Dr. Tushar Shah is involved in working in a leading tertiary care centre of Gujarat state along with running his own nursing home.

Dr. Tushar Shah is an Independent Director on the Board of Accord Synergy Limited. Dr. Shah is a fellow member of various international bodies including the Indo German Orthopaedic Foundation, Germany and Sports Medicine Fellowship, Germany.

In accordance with the provisions of Section 149(8) and 152(2) read with Schedule IV of the Act and Regulation 17(1C) of SEBI Listing Regulations, 2015, the appointment of Independent Director(s) of the Company is required to be approved at the meeting of the shareholders.

In the opinion of the NRC and Board, Dr. Tushar Shah fulfils the conditions for appointment of Independent Director as specified in the Act and the SEBI Listing Regulations, 2015 and is independent of the management. He is not restrained

from acting as a Director by virtue of any Order passed by SEBI or any such authority and is eligible to be appointed as a Director in terms of Section 164 of the Act. He has also given his consent to act as a Director as prescribed under Section 152(5) of the Act. The Company has also received a declaration from him 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, 2015, that he meets the criteria for independence.

The Company has received a notice in writing under Section 160 of the Act from a member proposing his candidature for the office of Director of the Company.

Dr. Tushar Shah shall be paid sitting fees for attending the meetings of the Board or Committees thereof and reimbursement of expenses for participating in the Board and other meetings within the limits stipulated under Section 197 of the Act, as may be decided by the Board of Directors, from time to time.

Copy of the draft letter of appointment of Dr. Tushar Shah setting out the terms and conditions of appointment is available for inspection electronically.

The other details as required under the provisions of Regulation 36(3) of the SEBI Listing Regulations, 2015, para 1.2.5 of SS-2 and other applicable provisions, if any, are provided in Annexure – A to this Notice.

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 their relatives thereof has any concern, interest, financial or otherwise in the resolution at Item No. 6 of this Notice.

### **Item No. 7**

The Company had obtained approval from its members by way of a Special Resolution passed at the 49<sup>th</sup> Annual General Meeting held on 9<sup>th</sup> August, 2022 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, 2023 and upto the financial year ending 31<sup>st</sup> March, 2027.

Pursuant to Regulation 17(6)(ca) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing 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 2022-23 as the annual remuneration payable to a single non-executive director exceeds fifty percent of the total annual remuneration payable to all non-executive directors.

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, the Company has completed a major capex program, the results of which are visible in the performance of the Company. In order to remunerate Mr. Udit Amin for the responsibilities entrusted upon him, upon recommendation of Nomination and Remuneration Committee, the Board of Directors of the Company have recommended the payment of commission for the financial year 2022-23 in the manner stated in the resolution.

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 resolution as set forth at Item No. 7 of this Notice for your approval.

None of the Directors, Key Managerial Personnel and their 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. 7 of this Notice.

### **Item No. 8**

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 4<sup>th</sup> May, 2023, 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 2023-24.

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 2023-24 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. 8 of this Notice for your approval.

None of the Directors, Key Managerial Personnel and their relatives thereof has any concern, interest, financial or otherwise in the resolution at Item No. 8 of this Notice.

By Order of the Board,

Sd/-

**Sagar Gandhi**

Company Secretary

**Registered Office:**

Alembic Road, Vadodara – 390 003

CIN: L51909GJ1972PLC044638

Tel: +91 265 6637300

Website: [www.paushak.com](http://www.paushak.com)

e-mail ID: [investors@paushak.com](mailto:investors@paushak.com)

Date: 19<sup>th</sup> June, 2023

Place: Vadodara



Details of the Director seeking appointment/re-appointment at the AGM, pursuant to the provisions of Regulation 36(3) of the SEBI (Listing Obligations and Disclosures 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. Chirayu Amin</b>	<b>Mr. Abhijit Joshi</b>	<b>Dr. Tushar Shah</b>
Age	76 years	67 years	57 years
Qualification	B.Sc. & M.B.A	M.A. (Masters in Organic Chemistry and Production Management)	M.S. (Orthopaedic)
Experience	55 years	42 years	30 years
Terms and Conditions of appointment/re-appointment along with details of remuneration sought to be paid	The details are provided in the resolution at Item No. 3 of this Notice.	The details are provided in the resolution at Item No. 5 of this Notice.	The details are provided in the resolution at Item No. 6 of this Notice.
Remuneration last drawn (2022-23)	Rs. 1.30 Lacs as Sitting Fees	Rs. 75.91 Lacs	N.A.
Nature of expertise in specific functional areas	Management & Leadership	Manufacturing, Management & Leadership	Medical sciences & Management
Date of first appointment on to the Board	18 <sup>th</sup> August, 2005	1 <sup>st</sup> May , 2013	N.A.
No. of Shares held in the Company as on 31 <sup>st</sup> March, 2023	89,686*	Nil	Nil
Relationship with other Directors, Manager and other Key Managerial Personnel	Mr. Chirayu Amin, Chairman is father of Mr. Udit Amin, Non-Executive Director of the Company.	Mr. Abhijit Joshi does not have any relation with other Directors, Manager and Key Managerial Personnel.	Dr. Tushar Shah does not have any relation with other Directors, Manager and Key Managerial Personnel.
No. of Meetings of the Board attended during the year	4	4	N.A.
Directorship in other companies as on 31 <sup>st</sup> March, 2023	1. Alembic Pharmaceuticals Limited 2. Alembic Limited 3. Shreno Limited 4. Nirayu Limited	1. Alembic Limited	1. Accord Synergy Limited
Chairmanship / Membership of Committees of other Board	<b>Alembic Pharmaceuticals Limited</b> - Chairman of Corporate Social Responsibility Committee <b>Nirayu Limited</b> - Chairman of Corporate Social Responsibility Committee <b>Shreno Limited</b> - Chairman of Corporate Social Responsibility Committee - Chairman of Stakeholders Relationship Committee - Member of Nomination and Remuneration Committee	<b>Alembic Limited</b> - Chairman of Risk Management Committee	<b>Accord Synergy Limited</b> - Chairman of Audit Committee - Chairman of Stakeholders Relationship Committee - Chairman of Nomination and Remuneration Committee
Name of the Listed entities from which he resigned in the past three years	Elecon Engineering Company Limited	Nil	Nil

\*15,722 Equity Shares are held in the name of Chirayu Ramanbhai Amin in representative capacity of Karta of Chirayu Ramanbhai Amin HUF.

## BOARD'S REPORT

Dear Members,

Your Directors have pleasure in presenting their 50<sup>th</sup> Annual Report together with the Audited Statement of Accounts for the year ended on 31<sup>st</sup> March, 2023.

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

(₹ in Lacs)

Particulars	Year ended on 31 <sup>st</sup> March, 2023	Year ended on 31 <sup>st</sup> March, 2022
Revenue from Operations	21,234.61	15,009.76
Other Income	905.06	514.12
Profit for the year before Interest, Depreciation & Amortization, Exceptional Item and Tax	8,424.74	5,936.42
Less:		
Interest (net)	31.1	6.15
Depreciation & Amortization expense	1,341.72	902.50
Add: Exceptional Item	170.41	-
<b>Profit before Tax</b>	<b>7,222.33</b>	<b>5,027.77</b>
Less:		
Tax Expenses	1,821.78	1,266.58
<b>Profit after Tax</b>	<b>5,400.55</b>	<b>3,761.19</b>
Other Comprehensive Income	(217.62)	(186.53)
<b>Total Comprehensive Income</b>	<b>5,182.93</b>	<b>3,574.65</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:**

During the year, no amount was transferred to any of the reserves of the Company.

**3. Dividend:**

The Board of Directors at their meeting held on 4<sup>th</sup> May, 2023 has recommended Dividend of ₹ 17.50/- (175 %) per equity share having face value of ₹ 10/- each for the financial year 31<sup>st</sup> March, 2023 as against ₹ 12/- (120 %) per equity share having face value of ₹ 10/- each for the previous financial year ended 31<sup>st</sup> March, 2022.

**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, 2015"), 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. Chirayu Amin (DIN: 00242549), Director of the Company, will retire by rotation at the ensuing Annual General Meeting and being eligible offers himself for re-appointment.

The Board of Directors at its meeting held on 4<sup>th</sup> May, 2023 has approved the re-appointment of Mr. Abhijit Joshi (DIN: 06568584) as Whole-time Director & Chief Executive Officer of the Company for a period of two years, effective from 1<sup>st</sup> May, 2024, subject to approval of the members at this ensuing Annual General Meeting.

During the year under review, Dr. Shamita Amin (DIN: 00331702) resigned from the position of Independent Director of the Company w.e.f. 1<sup>st</sup> July, 2022. Ms. Roopa Patel (DIN: 00090105) was appointed as an Independent Director of the Company w.e.f. 15<sup>th</sup> September, 2022 by the Board of Directors and the same was approved by the shareholders vide resolution passed by way of postal ballot dated 30<sup>th</sup> October, 2022.

The Board of Directors of the Company based on the recommendation of Nomination and Remuneration Committee has considered the appointment of Dr. Tushar Shah (DIN: 07756760) as an Independent Director of the Company for a term of (5) five consecutive years w.e.f. approval of their appointment at the ensuing Annual General Meeting ("AGM").

### **6. Key Managerial Personnel:**

Mr. Abhijit Joshi, Whole-time Director & Chief Executive Officer (CEO), Ms. Kirti Shah, Chief Financial Officer (CFO) and Mr. Sagar Gandhi, Company Secretary are Key Managerial Personnel of the Company.

During the year under review, Ms. Manisha Saraf resigned as Company Secretary & Compliance Officer of the Company w.e.f. 31<sup>st</sup> March, 2023 (after the closure of business hours) and Mr. Sagar Gandhi was appointed as Company Secretary & Compliance Officer of the Company w.e.f. 1<sup>st</sup> April, 2023.

### **7. Meetings of the Board:**

Four (4) Board Meetings were held during the financial year ended 31<sup>st</sup> March, 2023. 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, 2015.

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

Pursuant to the provisions of the Act, SEBI Listing Regulations, 2015 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 Committee 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/Whistle Blower Policy:**

In compliance with requirements of Section 177(9) & (10) of the Act and Regulations 22 of SEBI Listing Regulations, 2015 and 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.

The web-link as required under SEBI Listing Regulations, 2015 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 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, 2023 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, 2015, 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:

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

The salient features of the NRC 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, 2015, 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, 2015 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 and hence there is no information required to be provided 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, 2015 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, 2015, 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 ISIN for equity shares is INE111F01016.

The Company confirms that the annual listing fees to BSE for the financial year 2023-24 has been paid.

### 20. Auditors:

#### (a) Statutory Auditors:

In compliance with the provisions of Section 139 of the Act the Companies (Audit and Auditors) Rules, 2014, M/s. Maloo Bhatt & Co., Chartered Accountants (Firm Registration No. 129572W), were appointed as the Statutory Auditors of the Company for a term of 5 (Five) consecutive years from the conclusion of the 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 52<sup>nd</sup> AGM for the financial year 2024-25. In view of the business integration of M/s. Maloo Bhatt & Co. with M/s. Haribhakti & Co. LLP, Chartered Accountants (Firm Registration Number: 103523W/W100048), M/s. Maloo Bhatt & Co. had tendered their resignation w.e.f. 14<sup>th</sup> September, 2022.

The Board of Directors of the Company ("Board") vide its resolution dated 15<sup>th</sup> September, 2022, based on the recommendation of Audit Committee, approved the appointment of M/s. Haribhakti & Co. LLP, Chartered Accountants (Firm Registration Number: 103523W/W100048) as Statutory Auditors of the Company to hold office until the conclusion of the ensuing 50<sup>th</sup> Annual General Meeting ("AGM") for the F.Y. 2022-23 and the same was approved by the members vide resolution passed by way of postal ballot dated 30<sup>th</sup> October, 2022.

Pursuant to the provision of Section 139 of the Act, the Board of Directors of the Company at their meeting held on 4<sup>th</sup> May, 2023, based on the recommendation of the Audit Committee, approved the re-appointment of M/s. Haribhakti & Co. LLP, Chartered Accountants (Firm Registration Number: 103523W/W100048), as Statutory Auditors of the Company to hold office from the conclusion of this 50<sup>th</sup> AGM till the conclusion of the 52<sup>nd</sup> AGM of the Company for the F.Y. 2024-25.

M/s. Haribhakti & Co. LLP, Chartered Accountants, have given their consent confirming that their appointment, if made, would be in accordance with the provisions of Section 139 and 141 of the Act read with the Companies (Audit and Auditors) Rules, 2014.

The Auditor's Report for financial year 2022-23 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 2023-24.

The Secretarial Audit Report of M/s. Samdani Shah & Kabra, Practising Company Secretaries for the financial year 2022-23 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 2023-24.

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 2023-24.

**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 & Sustainability Report:**

The Business Responsibility & Sustainability Report as required under Regulation 34 of the SEBI Listing Regulations, 2015, 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, 2013 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, 2023. Further, it is hereby confirmed that there has been no change in the nature of business of the Company.

**27. Other Disclosures:**

- a) The Company does not have any subsidiary / associates / joint venture company as on 31<sup>st</sup> March, 2023.
- b) 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.
- c) 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.
- d) 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.
- e) The Company has not invited/accepted any deposits from public.
- f) 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.
- g) No application was made nor any proceeding is pending under the Insolvency and Bankruptcy Code, 2016.
- h) 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) Independent Director appointed during the year is a person of integrity and possess expertise, experience and proficiency.
- e) they have prepared the annual accounts on a going concern basis;
- f) 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
- g) 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 6637300  
Website: [www.paushak.com](http://www.paushak.com)  
e-mail ID: [investors@paushak.com](mailto:investors@paushak.com)

Date: 19<sup>th</sup> June, 2023

Place: London

## MANAGEMENT DISCUSSION AND ANALYSIS

The Company's management provides its own perspective on the operating and financial performance of the Company during financial year 2022-23 and an outlook of the business performance in the coming years as follows:

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

Impact of Covid in 2021 resulted in higher demand in subsequent periods across the industries as speciality chemicals are used for a wide array of applications. This situation immensely benefitted Paushak as we have aggressively captured markets, got into early contract with customers while selling more volumes coming out from our new Phosgene derivatives/ multi-purpose plant which started contributing in sales from Q4 FY 2022. We have become a large scale commercial supplier of such products in India while fulfilling major domestic demand and reducing imports significantly and saving foreign exchange. We are pleased to share that we have achieved rated capacities of the new plants while demonstrating our technical expertise in developing indigenous technology platforms, launching new products and building state of the art plants. These new automated plants have also been visited/audited by Global Customers/ Innovators from our targeted segments resulting in more confidence and interest in our technical expertise and is expected to result in future growth opportunities while establishing Paushak as serious global supplier for Phosgene derivatives.

Revenues from operations had a strong year-on-year growth of 41.5% due to aforesaid reasons. However, the Pharmaceuticals market has been experiencing slowdown in FY 2023 along with slowdown in Agrochemicals demand towards the end of the year onwards, with opening of China and higher energy cost especially in Europe. This has resulted in pressure on the pricing due to excess supplies, lowering demand and intensified competition. Although this adverse impact has been mitigated by our operating efficiency and softening of raw material prices in second half of FY 2023. 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:

Our major market like Pharmaceuticals and Agrochemicals are experiencing slow down along with price erosion and intensified competition. This is expected to result in margin pressure in near future. However, the new plants have catalysed our growth while demonstrating our technical capabilities, commitment and our vision to become a global technology leader in Phosgene and its derivatives while creating niche for us. We are working on new technology platforms while launching new products in near future while investing more to create downstream capacities. We remain committed to be "Partner of Choice" for our customers while expanding R&D capabilities to support such launches with addition of more technical resources.

### (C) Financial Performance:

The gross total income of the Company is ₹ 22,139.67 Lacs for the year under review as compared to ₹ 15,523.88 Lacs for the previous year. The Company registered a net profit of ₹ 5,400.55 Lacs for the year under review as compared to net profit of ₹ 3,761.19 Lacs for the previous year.

### (D) Key Financial Ratios:

Kindly refer to the ratios disclosed under note no. 32(W) to the financial statements.

### (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 hired best talents from the industry to further accelerate the growth. With automation, we have significantly reduced overall manpower requirement and this will continue with addition of new plants in days to come. Higher expense in employee cost is an investment for future and Paushak remains committed for the same.

On behalf of the Board of Directors,

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

Date: 19<sup>th</sup> June, 2023  
 Place: London



**Annual Report on CSR Activities for the financial year ended 31<sup>st</sup> March, 2023**

**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. either directly by the Company or through various 'Non-Profit Organizations', viz. Alembic CSR Foundation, Bhailal Amin General Hospital, Rural Development Society, Uday Education Society and others or by way of contribution to Central / State Government Relief Funds.

**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	4
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/csr.aspx>

**4. Provide the executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, if applicable:**

Not Applicable

5. (a) Average net profit of the Company as per sub-section (5) of section 135: ₹ 4,379.73 Lacs
- (b) Two percent of average net profit of the Company as per sub-section (5) of section 135: ₹ 87.59 Lacs
- (c) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: Nil
- (d) Amount required to be set off for the financial year, if any: Nil
- (e) Total CSR obligation for the financial year [(b)+(c)-(d)]: ₹ 87.59 Lacs
6. (a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project): ₹ 87.59 Lacs
- (b) Amount spent in Administrative Overheads: Nil
- (c) Amount spent on Impact Assessment, if applicable: Not Applicable
- (d) Total amount spent for the Financial Year [(a)+(b)+(c)]: ₹ 87.59 Lacs
- (e) CSR amount spent or unspent for the financial year:

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

- (f) 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)	87.59
(ii)	Total amount spent for the Financial Year	87.59
(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)]	-

7. **Details of Unspent CSR amount for the preceding three financial years:**

Not Applicable

8. **Whether any capital assets have been created or acquired through CSR amount spent in the Financial Year:**  
No.

9. **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

Sd/-

**Chirayu Amin**

Chairman

DIN: 00242549

Date: 19<sup>th</sup> June, 2023

Place: London

On behalf of the CSR Committee

Sd/-

**Amit Goradia**

Chairman-CSR Committee

DIN: 00074478

Date: 19<sup>th</sup> June, 2023

Place: Vadodara

## Secretarial Audit Report

For the Financial Year ended March 31, 2023  
[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 Disclosure 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, 2023 ("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 (Issue of Capital and Disclosure Requirements) Regulations, 2018; However, there were no actions / events pursuant to these regulations, hence not applicable.
  - b. SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - c. SEBI (Buy-back of Securities) Regulations, 2018; However, there were no actions / events pursuant to these regulations, hence not applicable.
  - d. SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; However, there were no actions / events pursuant to these regulations, hence not applicable.
  - e. SEBI (Prohibition of Insider Trading) Regulations, 2015;
  - f. SEBI (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Act and dealing with client;
  - g. SEBI (Delisting of Equity Shares) Regulations, 2021; However, there were no actions / events pursuant to these regulations, hence not applicable;
  - h. SEBI (Depositories and Participants) Regulations, 2018;
  - i. SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021; However, there were no actions / events pursuant to these regulations, hence not applicable;
  - j. 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**

**ICSI UDIN: F003677E000255346**

**Place: Vadodara | Date: May 04, 2023**

*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 Company's affairs.

Sd/-

**S. Samdani**

Partner

**Samdani Shah & Kabra**

Company Secretaries

FCS No. 3677 | CP No. 2863

**ICSI Peer Review # 1079/2021**

**ICSI UDIN: F003677E000255346**

**Place: Vadodara | Date: May 04, 2023**

**Annexure D**

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	1:0.05908	7.43
Mr. Udit Amin Non-Executive Director	1:0.022425	38.00
Ms. Kirti Shah CFO	1:0.17520	16.95
Ms. Manisha Saraf Company Secretary	1:0.19542	14.41
None of the other Directors received any remuneration other than sitting fees		
Percentage increase in the median remuneration of employees in the financial year		10.88
Number of permanent employees on the rolls of company		335
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		9.4 (Non-Managerial Personnel) 10.6% (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,

Sd/-

**Chirayu Amin**

Chairman

DIN: 00242549

Date: 19<sup>th</sup> June, 2023

Place: London

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:**

- Kept steam condensate recovery journey on to utilize its heat for boiler feed water in order to save additional steam required for pre heating feed water.
- Drinking water filtration and distribution system started using available static head of water network resulting direct saving of electrical power.
- Motion sensors installed in certain buildings to optimize lighting power resulting into considerable energy savings.
- Achieved stability in operations through better process understanding and controls thereby consistently reducing raw material specific consumption and utility requirement.

**(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 keeps exploring use of solar energy for certain site operations.

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

- New upstream product generators with improved design installed and commissioned for energy efficient operation. Old and inefficient generators to be discontinued gradually.
- 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%.
- Installation of storage tanks in new plants and couple of improvements in old plants resulted in stoppage of off-loading material in drums and their movement thus saving on diesel and moving vehicle operation.

**(B) Technology Absorption:**

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

- All upstream reactors upgraded to new design with Distributed Control System (“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.
- Newly technologically developed plants are running successfully with improved specific consumptions for raw materials and utility having full DCS control.
- Dedicated emergency scrubber with Uninterruptable Power Supply (“UPS”) power backup and having Variable Frequency Drive’s (“VFD”) utilization improved by connecting it to main process and providing automation in order to always keep it ready as emergency system. It has saved substantial power by eliminating requirement of additional such set up.
- Dedicated drum filling station along with automated filling machine connected with scrubbing system to minimize manual intervention as well as lot of movement of drums through fork lift where fuel consumption was high.
- Online stack monitoring system installed in stacks with DCS for continuous monitoring.
- Hazard and Operability Study (“HAZOP”) & Pre-Startup Safety Review (“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, Reuse and Recycle.
  - Design efforts being taken to convert batch processes to continuous to improve efficiency and utility specific consumption.
  - Consideration of steam ejectors from water jet venturi system to reduce consumption of electrical energy substantially.
- (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 significantly and HTDS effluent generation.
  - The initiative to become Water positive was initiated at site where 40% of water requirement is being met by recycling. Further use is being explored.
  - 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. Raw material and utility specific consumption have been optimized significantly.
- (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 ₹ 269.85 Lacs as compared to ₹ 257.84 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 2022-23 was ₹ 4,514.49 Lacs.

Foreign exchange outgo in terms of actual outflows during the financial year 2022-23 was ₹ 346.89 Lacs.

On behalf of the Board of Directors,

Sd/-

**Chirayu Amin**

Chairman

DIN: 00242549

Date: 19<sup>th</sup> June, 2023

Place: London



## 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, 2023 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 financial year ended on 31<sup>st</sup> March, 2023 on 6<sup>th</sup> May 2022, 9<sup>th</sup> August 2022, 10<sup>th</sup> November 2022 and 27<sup>th</sup> January 2023. 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 Director	4 out of 4	Yes	89,686 <sup>^&amp;</sup>
Mr. Udit Amin	Promoter Non-Executive Director	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>	4 out of 4	Yes	Nil
Dr. Shamita Amin <sup>@</sup>	NED (I) <sup>*</sup>	1 out of 1	N.A.	16 <sup>§</sup>
Ms. Roopa Patel <sup>@</sup>	NED (I) <sup>*</sup>	2 out of 2	N.A.	Nil
Mr. Abhijit Joshi Whole-time Director & CEO	Professional Executive Director	4 out of 4	Yes	Nil

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

<sup>^</sup> Includes 15,722 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> Ms. Shamita Amin (DIN: 00331702) resigned from the position of Independent Director of the Company w.e.f. 1<sup>st</sup> July, 2022. Ms. Roopa Patel (DIN: 00090105) was appointed as an Independent Director of the Company w.e.f. 15<sup>th</sup> September, 2022.

<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	5	1	4	1
Mr. Udit Amin	2	1	1	-	-
Mr. Atul Patel	7	3	1	1	-
Mr. Amit Goradia	5	-	-	-	-
Dr. Shamita Amin	2	-	-	-	-
Ms. Roopa Patel	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	-	-
Ms. Roopa Patel	-	-
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, 2015"), 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:

<https://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, 2015 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:

<b>Core skills/ Experience/ Competence</b>	<b>Actual Availability with current board</b>	<b>Mr. Chirayu Amin</b>	<b>Mr. Udit Amin</b>	<b>Mr. Atul Patel</b>	<b>Mr. Amit Goradia</b>	<b>Ms. Roopa Patel</b>	<b>Mr. Vijay Gandhi</b>	<b>Mr. Abhijit Joshi</b>
<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	Available	√	√	√	√	√	√	√
(b) Mentoring abilities	Available	√	√	√	√	√	√	√
(c) Interpersonal Relations	Available	√	√	√	√	√	√	√

**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, 2015 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 9<sup>th</sup> August, 2022.

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

Four (4) meetings of the Audit Committee were held during the financial year ended 31<sup>st</sup> March, 2023 on 6<sup>th</sup> May, 2022, 9<sup>th</sup> August, 2022, 10<sup>th</sup> November 2022 and 27<sup>th</sup> January, 2023.

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

Name of Director	No. of meetings held	No. of meeting attended
Mr. Amit Goradia	4	4
Mr. Vijay Gandhi	4	4
Mr. Atul Patel	4	4

4. **Nomination and Remuneration Committee:**

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

The Nomination and Remuneration Committee comprises of 3 Independent Non-Executive Directors with Mr. Atul Patel, as Chairman, Mr. Amit Goradia and Mr. Vijay Gandhi as members. The terms of reference of the Committee covers the matters specified for Nomination and Remuneration Committee under the Act. Mr. Atul Patel, Chairman of Nomination and Remuneration Committee was present at the last Annual General Meeting held on 9<sup>th</sup> August, 2022.

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

Three (3) meetings of the Nomination and Remuneration Committee were held during the financial year ended 31<sup>st</sup> March, 2023 on 9<sup>th</sup> August, 2022, 10<sup>th</sup> November, 2022 and 27<sup>th</sup> January, 2023.

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

Name of the Director	No. of meetings held	No. of meetings attended
Mr. Atul Patel	3	3
Mr. Chirayu Amin*	2	2
Mr. Amit Goradia	3	3
Mr. Vijay Gandhi	3	3

\*Ceased to be a member w.e.f. 11<sup>th</sup> November, 2022.

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

The Nomination & Remuneration Committee has laid down the criteria for evaluations of the performance of Independent Directors which includes the 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 and Mr. Atul Patel 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, 2015 and the Act. Mr. Vijay Gandhi was present at the last Annual General Meeting held on 9<sup>th</sup> August, 2022.

Ms. Manisha Saraf, Company Secretary was the Compliance Officer of the Company till 31<sup>st</sup> March, 2023. Mr. Sagar Gandhi, Company Secretary is the Compliance Officer of the Company appointed w.e.f. 1<sup>st</sup> April, 2023

Details of No. of Shareholders' complaints received during the financial year: 22 (Twenty Two)

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 financial year ended 31<sup>st</sup> March, 2023 on 6<sup>th</sup> May, 2022, 9<sup>th</sup> August, 2022, 10<sup>th</sup> November, 2022 and 27<sup>th</sup> January, 2023.

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*	1	1
Mr. Atul Patel <sup>§</sup>	3	3
Mr. Abhijit Joshi	4	4

\*Ceased to be a member w.e.f. 1<sup>st</sup> July, 2022.

<sup>§</sup>Inducted as member w.e.f. 9<sup>th</sup> August, 2022.

**6. Risk Management Committee**

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

The Risk Management Committee comprised 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, 2015. Mr. Ramakrishnan Iyer, Vice President – Operations has been appointed as the member of the Risk Management Committee of the Company w.e.f. 4<sup>th</sup> May, 2023.

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

Two (2) meetings of the Risk Management Committee were held during the financial year ended 31<sup>st</sup> March, 2023 on 27<sup>th</sup> July, 2022 and 10<sup>th</sup> November, 2022.

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

<b>Name of the Director/senior management personnel</b>	<b>No. of meetings held</b>	<b>No. of meetings attended</b>
Mr. Amit Goradia	2	2
Mr. Abhijit Joshi	2	2
Mr. Ambrish Dixit	2	2

**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 2022-23 are given below:

(₹ in Lacs)

<b>Name &amp; Designation of the Executive Directors</b>	<b>Tenure</b>	<b>Fixed Salary &amp; Perquisites</b>	<b>Variable Performance Incentive</b>	<b>Total</b>
Mr. Abhijit Joshi Whole-time Director & CEO	3 years w.e.f. 1 <sup>st</sup> May, 2021	67.89	8.02	75.91

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 2022-23 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	0.30	1.30
Mr. Udit Amin	1.00	0.40	1.40
Mr. Amit Goradia	1.00	1.70	2.70
Mr. Atul Patel	1.00	1.80	2.80
Dr. Shamita Amin	0.25	0.20	0.45
Ms. Roopa Patel	0.50	-	0.50
Mr. Vijay Gandhi	1.00	1.50	2.50

Mr. Udit Amin, Non-Executive Director, will be paid commission of ₹ 200 Lacs for the financial year 2022-23 which is within the limit approved by the members of the Company at the 49<sup>th</sup> Annual General Meeting of the Company held on 9<sup>th</sup> August, 2022. Further, the same is subject to approval of the members at the Annual General Meeting for the financial year 2022-23.

The criteria for making payment to Non-Executive Directors is as under:

- Remuneration:** The remuneration shall be in accordance with the provisions of the Companies Act, 2013 ('Act').
- Sitting Fees:** The Non- Executive / Independent Director may receive fees for attending meetings of the Company. Provided that the amount of such fees shall not exceed Rs. 1 Lac per meeting of the Board or Committee or such amount as may be prescribed under the Act. Additionally the Non-Executive Directors shall be reimbursed traveling and incidental expenses incurred for attending the meeting.
- Commission:** Commission may be paid in accordance with the provisions of the Act and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, in addition to sitting fees and reimbursement of expenses for participating in the Board/Committee Meetings of the Company.
- Stock Options:** An Independent Director shall not be entitled to any stock option of the Company.

Note: The above are derived from 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.

**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
2021-22	N.A. <sup>1</sup>	9 <sup>th</sup> August 2022	4.00 p.m.	2
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

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

- Details of special resolution passed through postal ballot during the financial year 2022-23, person who conducted the postal ballot, details of the voting pattern and procedure of postal ballot:**

The Company had sought approval of the members by way of separate Special Resolutions for (a) appointment of Ms. Roopa Patel (DIN: 00090105) as an Independent Director of the Company; and (b) Appointment of M/s. Haribhakti & Co. LLP, Chartered Accountants, (Firm Registration Number: 103523W/ W100048) as Statutory Auditors of the Company and to fix their remuneration; through postal ballot vide notice dated 15<sup>th</sup> September, 2022. The same were approved by the members with requisite majority and the voting were announced on

## PAUSHAK LIMITED

31<sup>st</sup> October, 2022. M/s. Samdani Shah & Kabra, Practising Company Secretaries, was appointed as the Scrutinizer to scrutinize the postal ballot process in a fair and transparent manner. The details of voting pattern are as under:

- (a) appointment of Ms. Roopa Patel (DIN: 00090105) as an Independent Director of the Company:

Voting Description	No. of Members	No. of valid votes cast by them	% of total number of valid votes cast
Voted in Favour	146	20,76,815	100.00
Voted Against	2	6	0.00
<b>Total</b>	<b>148</b>	<b>20,76,821</b>	<b>100.00</b>
Invalid Votes	0	0	0

- (b) Appointment of M/s. Haribhakti & Co. LLP, Chartered Accountants, (Firm Registration Number: 103523W/W100048) as Statutory Auditors of the Company and to fix their remuneration:

Voting Description	No. of Members	No. of valid votes cast by them	% of total number of valid votes cast
Voted in Favour	141	20,76,816	100.00
Voted Against	1	5	0.00
<b>Total</b>	<b>148</b>	<b>20,76,821</b>	<b>100.00</b>
Invalid Votes	0	0	0

**Procedure for postal ballot:** The postal ballot was conducted through electronic means (“remote e-voting”) as per the provisions of Section 110 and other applicable provisions, if any of the Companies Act, 2013 read with Rule 22 of the Companies (Management and Administration) Rules, 2014, General Circular Nos. 14/2020 dated 8<sup>th</sup> April, 2020, 17/2020 dated 13<sup>th</sup> April, 2020, 22/2020 dated 15<sup>th</sup> June, 2020, 33/2020 dated 28<sup>th</sup> September, 2020, 39/2020 dated 31<sup>st</sup> December, 2020, 10/2021 dated 23<sup>rd</sup> June, 2021 and 20/2021 dated 8<sup>th</sup> December, 2021 issued by the Ministry of Corporate Affairs, Regulation 44 of the SEBI Listing Regulations, 2015, Secretarial Standard on General Meetings and other applicable laws, rules and regulations.

**\*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, 1 <sup>st</sup> August, 2023 at 4:00 p.m. IST The meeting will be held through VC / OAVM.
b)	Financial Year	2022-23
c)	Dividend Payment Date	on or from 5 <sup>th</sup> August, 2023
d)	Listing on Stock Exchanges	BSE Limited (BSE) Phiroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai - 400 001 The Company confirms that the annual listing fees to the stock exchange for the F.Y. 2023-24 has been paid.
e)	Stock Code	The equity shares of the Company are listed on BSE Limited with Scrip Code: 532742 I 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 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, 2023	Please see Annexure 'III'
l)	Dematerialization of Shares and Liquidity	As on 31 <sup>st</sup> March, 2023, 29,25,716 shares (94.93%) 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. : +91-265-6637300 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 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:



<b>Instrument</b>	<b>Amount ₹ Cr.</b>	<b>Rating Agency</b>	<b>Rating &amp; Outlook</b>
Bank Loan Facility	10	CRISIL Limited	CRISIL A-/Positive (Re-affirmed)
Working Capital Facility	10	CRISIL Limited	CRISIL A-/Positive (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) Vigil Mechanism/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, 2015 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) Policy for determining 'material' subsidiaries':**

Not Applicable

**(vi) 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 No. 32(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, 2015:**

The Company has complied with the requirements specified in Regulation 17 to 27 and Regulation 46(2)(b) to (i) of SEBI Listing Regulations, 2015.

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 4<sup>th</sup> May, 2023 to carry out the evaluation for the financial year 2022-23 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 2022-23, the Independent Directors meeting was held on 6<sup>th</sup> May, 2022.

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 material subsidiaries of the listed entity; including the date and place of incorporation and the name and date of appointment of the statutory auditors of such subsidiaries:**

Not Applicable

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

Disclosure pertaining to Unclaimed Suspense Account as required under Schedule V of the SEBI Listing Regulations, 2015, 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.

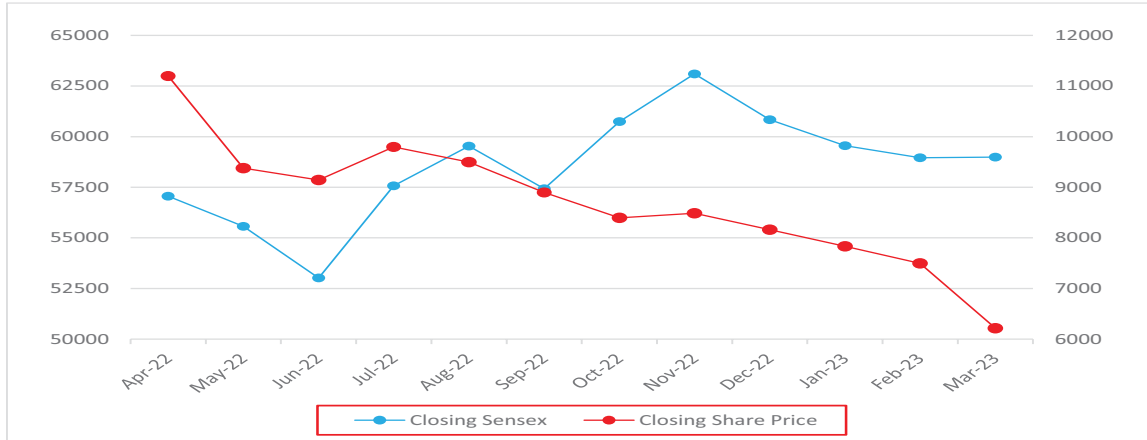
**Market price data of the Company’s shares traded on BSE Limited (BSE) during the financial year 2022-23:**

(Amount in ₹)

Month – Year	BSE	
	High Price	Low Price
April – 2022	12400.00	10250.00
May – 2022	11320.00	8803.80
June – 2022	9600.05	8600.00
July – 2022	9899.80	9144.60
August – 2022	10379.00	9248.00
September – 2022	9693.95	8390.00
October – 2022	8984.70	8379.00
November – 2022	8982.00	8329.00
December – 2022	8700.00	7900.00
January – 2023	8250.00	7627.30
February – 2023	7997.00	7350.05
March – 2023	7700.00	6180.05

On 31<sup>st</sup> March, 2023, the closing price of the shares of the Company on BSE was ₹ 6,217.10.

**Share Performance of the Company in comparison to BSE Sensex:**



The distribution of shareholding as on 31<sup>st</sup> March, 2023 is as under:

Number of Shares	Number of Shareholders	% of total Shareholders	Number of Shares	% of total Shares
1-500	19,665	98.90	4,73,019	15.35
501-1000	128	0.64	9,50,18	3.08
1001-2000	41	0.21	59,481	1.93
2001-3000	8	0.04	20,049	0.62
3001-4000	10	0.05	37,429	1.10
4001-5000	4	0.02	13,642	0.60
5001-10000	7	0.04	68,837	1.61
10001 and above	20	0.10	23,42,598	75.71
<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, 2023

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	349	0.01
(2)	Non-institutions	10,17,696	33.02
	<b>Total Public Shareholding</b>	<b>10,18,128</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>

Details of Unclaimed Suspense Account as per the provisions of Schedule V of the SEBI Listing Regulations, 2015:

Particulars	No. of shareholders	No. of shares
Aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year	78	3,463
Number of shareholders who approached the Company for transfer of shares from suspense account during the year	-	-
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	17	1,179
Aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year	61	2,284

On behalf of the Board of Directors,

Sd/-

**Chirayu Amin**

Chairman

DIN: 00242549

Date: 4<sup>th</sup> May, 2023

Place: London

**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, 2023 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: 4<sup>th</sup> May, 2023

Place: Vadodara

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**Corporate Governance Compliance Certificate**

*[For the Financial Year ended March 31, 2023 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, 2023 ("review period"), as per the relevant provisions of Securities and Exchange Board of India ("SEBI") (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

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.

Sd/-

**S. Samdani**

Partner

**Samdani Shah & Kabra**

Company Secretaries

FCS No. 3677 | CP No. 2863

**ICSI Peer Review # 1079/2021**

**ICSI UDIN: F003677E000255381**

**Place: Vadodara | Date: May 04, 2023**

## BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT

### SECTION A: GENERAL DISCLOSURES

#### I. Details of the listed entity

1. Corporate Identity Number (CIN) of the Listed Entity: L51909GJ1972PLC044638
2. Name of the Listed Entity: Paushak Limited
3. Year of incorporation: 1972
4. Registered office address: Alembic Road, Vadodara – 390 003
5. Corporate address: Alembic Road, Vadodara – 390 003
6. E-mail: investors@paushak.com
7. Telephone: 0265 6637300
8. Website: www.paushak.com
9. Financial year for which reporting is being done: 1<sup>st</sup> April, 2022 to 31<sup>st</sup> March, 2023
10. Name of the Stock Exchange(s) where shares are listed: BSE Limited
11. Paid-up Capital: Rs. 3,08,21,140/- (30,82,114 Equity shares of Rs.10/- each)
12. Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report:  
DIN: 06568584  
Mr. Abhijit Joshi,  
Whole-time Director & CEO  
Telephone: +91 265-6637300  
E-mail id: investors@paushak.com
13. Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together): The disclosures under this report are made on a standalone basis.

#### II. Products/services

14. Details of business activities (*accounting for 90% of the turnover*): Speciality Chemicals and intermediates

S. No.	Description of Main Activity	Description of Business Activity	% of Turnover of the entity
1	Manufacturing of Speciality Chemicals and Intermediates	Chemical and chemical products	99.58

15. Products/Services sold by the entity (*accounting for 90% of the entity's Turnover*):

S. No.	Product/Service	NIC Code	% of Turnover of the entity
1	Speciality Chemicals	201	99.58

#### III. Operations

16. Number of locations where plants and/or operations/offices of the entity are situated:

Location	Number of plants	Number of offices	Total
National	1	2	3
International	Not Applicable	Not Applicable	Not Applicable

17. Markets served by the entity:

a. Number of locations

Locations	Number
National (No. of States)	10
International (No. of Countries)	12

b. What is the contribution of exports as a percentage of the total turnover of the entity?

The contribution of exports was 22.24% of the total turnover of the Company for the financial year ended 31<sup>st</sup> March, 2023.

c. A brief on types of customers

The company is engaged in the business of manufacturing phosgene based speciality chemicals. Phosgene is a versatile molecule and its derivatives have applications in diverse fields like pharmaceuticals, agrochemicals, etc. Our major customers are industries engaged in pharmaceuticals, agrochemicals, performance and custom synthesis.

IV. Employees

18. Details as at the end of Financial Year:

a. Employees and workers (including differently abled):

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
<b>EMPLOYEES</b>						
1.	Permanent (D)	297	294	99%	3	1%
2.	Other than Permanent (E)	-	-	-	-	-
3.	<b>Total employees (D + E)</b>	<b>297</b>	<b>294</b>	<b>99%</b>	<b>3</b>	<b>1%</b>
<b>WORKERS</b>						
4.	Permanent (F)	38	38	100%	-	-
5.	Other than Permanent (G)	405	405	100%	-	-
6.	<b>Total workers (F + G)</b>	<b>443</b>	<b>443</b>	<b>100%</b>	-	-

b. Differently abled Employees and workers:

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
<b>DIFFERENTLY ABLED EMPLOYEES</b>						
1.	Permanent (D)	-	-	-	-	-
2.	Other than Permanent (E)	-	-	-	-	-
3.	<b>Total differently abled employees (D + E)</b>	-	-	-	-	-
<b>DIFFERENTLY ABLED WORKERS</b>						
4.	Permanent (F)	-	-	-	-	-
5.	Other than permanent (G)	5	5	100%	-	-
6.	<b>Total differently abled workers (F + G)</b>	<b>5</b>	<b>5</b>	<b>100%</b>	-	-

19. Participation/Inclusion/Representation of women

	Total (A)	No. and percentage of Females	
		No. (B)	% (B / A)
Board of Directors	7*	1	14.28 %
Key Management Personnel	3*	2	66.67 %

\* Mr. Abhijit Joshi, Whole-time Director & CEO is considered in both the categories.

20. Turnover rate for permanent employees and workers

(Disclose trends for the past 3 years)

	FY 2022-23 (Turnover rate in current FY)			FY 2021-22 (Turnover rate in previous FY)			FY 2020-21 (Turnover rate in the year prior to the previous FY)		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
<b>Permanent Employees</b>	25.91%	33.33%	26.01%	25%	-	25%	17%	18%	16.9%
<b>Permanent Workers</b>	2.6%	-	2.6%	-	-	-	1.90%	-	1.90%

V. Holding, Subsidiary and Associate Companies (including joint ventures)

21. (a) Names of holding / subsidiary / associate companies / joint ventures

S. No.	Name of the holding / Subsidiary / associate companies / Joint ventures(A)	Indicate whether holding/ Subsidiary/ Associate / Joint Venture	% of equity shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1	Nirayu Limited	Holding Company	0.58%	No

VI. CSR Details

22. (i) Whether CSR is applicable as per section 135 of Companies Act, 2013: Yes

(ii) Turnover 2022-23: ₹ 212.35 Cr.

(iii) Net worth 2022-23: ₹ 267.73 Cr.

VII. Transparency and Disclosures Compliances

23. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No)	FY 2022-23 Current Financial Year			FY 2021-22 Previous Financial Year		
		Number of complaints filed during theyear	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during theyear	Number of complaints pending resolution at close of the year	Remarks
Communities	Yes* <sup>s</sup>	-	-	NA	-	-	NA
Investors (other than shareholders)	NA	-	-	NA	-	-	NA
Shareholders	Yes#	22	22	NA	10	10	NA
Employees and workers	Yes@	-	-	NA	-	-	NA
Customers	Yes <sup>s</sup>	5	-	NA	9	-	NA
Value Chain Partners	Yes <sup>s</sup>	-	-	NA	-	-	NA
Other (please specify)	NA	-	-	NA	-	-	NA

\* We maintain register of complaints for communities at our manufacturing location.



# The policies guiding Paushak’s conduct with all its stakeholders including grievance mechanism are available on the company’s website. Please refer link: <https://www.paushak.com/policy.aspx>. Further, the shareholders can raise their complaints through the grievance redressal mechanism provided by SEBI under its SCORES Portal. Please refer link: <https://scores.gov.in/scores/Welcome.html>

@ For employees we have grievance redressal mechanism called “MeriAwaaz” which is available on Company’s intranet.

§ No web-link available.

25. Overview of the entity’s material responsible business conduct issues

Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications, as per the following format

<b>S. No.</b>	<b>Material issue identified</b>	<b>Indicate whether risk or opportunity (R/O)</b>	<b>Rationale for identifying the risk /opportunity</b>	<b>In case of risk, approach to adapt or mitigate</b>	<b>Financial implications of the risk or opportunity (Indicate positive or negative implications)</b>
1.	Climate sustainability	Opportunity	i) Water scarcity may impact to our routine business. ii) Improper disposition of Effluent may increase Land pollution.	We have reduced the use of fresh water across operations and use recycled water wherever possible.	Positive
2.	Operational EHS considerations	Risk	Chances of leak of hazardous gas.	Plants are equipped with automated protection systems. Periodic mock drills are carried out to face any emergency. Increasing awareness on Health & Safety	Negative
3.	Occupational Health & Safety	Opportunity	Our consistent performance on No reportable accident and nil severity rate	We have EHS policy and required mechanisms in place which help us to maintain safe and healthy workplace.	Positive
4.	Human Resource attrition	Risk	High attrition may lead to lower productivity and impact morale	We have policies procedures in place which strengthen our relationships with our employees and keep them engaged	Negative

**SECTION B: MANAGEMENT AND PROCESS DISCLOSURES**

This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the NGRBC Principles and Core Elements.

Disclosure Questions	P	P	P	P	P	P	P	P	P
	1	2	3	4	5	6	7	8	9
<b>Policy and management processes</b>									
1. a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
b. Has the policy been approved by the Board? (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
c. Web Link of the Policies, if available	<a href="https://www.paushak.com/policy.aspx">https://www.paushak.com/policy.aspx</a>								
2. Whether the entity has translated the policy into procedures. (Yes / No)	Yes. The policies have been translated into procedures wherever required.								
3. Do the enlisted policies extend to your value chain partners? (Yes/No)	No								
4. Name of the national and international codes/certifications/ labels/ standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	We are practicing following Standards: <ol style="list-style-type: none"> <li>1. ISO 9001 – Quality Management System.</li> <li>2. ISO 14001 – Environment Management System.</li> <li>3. ISO 45001 – Occupational Health &amp; Safety Management System.</li> <li>4. Responsible Care.</li> </ol>								
5. Specific commitments, goals and targets set by the entity with defined timelines, if any.	<ol style="list-style-type: none"> <li>1. Improving safety protection by upgrading plant design with DCS controls having multiple layers of safety protection through different interlocks and logic control, resulting into consistent quality and reduced consumption of raw materials.</li> <li>2. Initiated water positivity at site where 40% of water requirement is being met by recycled water.</li> <li>3. Reducing effluent generation by enhanced scrubber system stages to reduce caustic consumption, effluent generation resulting in steam and power saving as well.</li> <li>4. Increased EHS training by 49% (From 5668 hours in 2021-22 to 8422 hours in FY 2022-23).</li> </ol>								
6. Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.	The goals and targets are monitored and audited internally.								

<b>Governance, leadership and oversight</b>																		
7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements ( <i>listed entity has flexibility regarding the placement of this disclosure</i> ) The Company is committed to integrating environmental, social and governance (ESG) principles into its businesses which is central to improving the quality of life of the communities it serves. It adheres to the principles of product stewardship by enhancing health, safety and environmental impacts of products and services across their lifecycles. The environmental impacts cover Climate, Resources (Energy & Water), Waste Management and Nature & Biodiversity. The Company is committed to conducting beneficial and fair business practices to the labour, human capital and to the community. It provides employees and business associates with working conditions that are clean, safe, healthy and fair. It strives to be neighbor of choice in the communities in which it operates and contributes to their equitable and inclusive development. To deliver these commitments, the Company has separate CSR Policy, and also has well defined governance practices in line with the "Paushak Code of Conduct".																		
8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).											Mr. Abhijit Joshi Whole-time Director & CEO DIN: 06568584 Email id: investors@paushak.com							
9. Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.											Yes. The Whole-time Director & CEO of the Company is responsible to oversee implementation of the policies.							
10. Details of Review of NGRBCs by the Company:																		
Subject for Review	Indicate whether review was undertaken by Director /Committee of the Board/ Any other Committee									Frequency (Annually/ Half yearly/ Quarterly/ Any other - please specify)								
	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
Performance against above policies and follow up action	Y	Y	Y	Y	Y	Y	Y	Y	Y	Annually								
Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances	Y	Y	Y	Y	Y	Y	Y	Y	Y	Event / Need based								
11. Has the entity carried out independent assessment / evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency.											No							

12. If answer to question (1) above is "No" i.e. not all Principles are covered by a policy, reasons to be stated:

Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
The entity does not consider the Principles material to its business (Yes/No)	Not Applicable								
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)									
The entity does not have the financial or/human and technical resources available for the task (Yes/No)									
It is planned to be done in the next financial year (Yes/No)									
Any other reason (please specify)									

**SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE**

This section is aimed at helping entities demonstrate their performance in integrating the Principles and Core Elements with key processes and decisions. The information sought is categorized as “Essential” and “Leadership”. While the essential indicators are expected to be disclosed by every entity that is mandated to file this report, the leadership indicators may be voluntarily disclosed by entities which aspire to progress to a higher level in their quest to besocially, environmentally and ethically responsible.

**PRINCIPLE 1 Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.**

**Essential Indicators**

1. Percentage coverage by training and awareness programmes on any of the Principles during the financial year:

Segment	Total number of training and awareness programmes held	Topics / principles covered under the training and its impact	% age of persons in respective category covered by the awareness programmes
Board of Directors	1	Organizational structure of company, COC, Corporate governance.	100%
Key Managerial Personnel	2	Cyber security, Code of Conduct & POSH	100%
Employees other than BoD and KMPs	200	Code of Conduct, POSH, Company Values, Competency	80%
Workers			

2. Details of fines / penalties /punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year, in the following format (Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as disclosed on the entity’s website):

Monetary					
	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Amount (In INR)	Brief of the Case	Has an appeal been preferred? (Yes/No)
Penalty/ Fine	Nil	Nil	Nil	Nil	Nil
Settlement	Nil	Nil	Nil	Nil	Nil
Compounding fee	Nil	Nil	Nil	Nil	Nil
Non-Monetary					
	NGRBC Principle	Name of theregulatory/ enforcement agencies/ judicial institutions	Brief of the Case	Has an appeal beenpreferred? (Yes/No)	
Imprisonment	Nil	Nil	Nil	Nil	
Punishment	Nil	Nil	Nil	Nil	

3. Of the instances disclosed in Question 2 above, details of the Appeal/ Revision preferred in cases where monetary or non-monetary action has been appealed.

Case Details	Name of the regulatory/ enforcement agencies/ judicial institutions
Nil	Nil

4. Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.

Yes, the Company has an Anti-Corruption and Anti-Bribery Policy, which provides safeguards to prevent the Company in the event of any activity related to bribery, corruption, facilitation payments or kickbacks. The policy is not available in public-domain, however, it is circulated internally through the Company’s intranet portal. Additionally, Anti-corruption aspects are also covered in our BRR policy which can be accessed.

<https://www.paushak.com/pdf/Business%20Responsibility%20Policies.pdf>

5. Number of Directors/KMPs/employees/workers against whom disciplinary action wastaken by any law enforcement agency for the charges of bribery/ corruption:

	<b>FY 2022-23 Current Financial Year</b>	<b>FY 2021-22 Previous Financial Year</b>
Directors	Nil	Nil
KMPs	Nil	Nil
Employees	Nil	Nil
Workers	Nil	Nil

6. Details of complaints with regard to conflict of interest:

	<b>FY 2022-23 Current Financial Year</b>		<b>FY 2021-22 Previous Financial Year</b>	
	<b>Number</b>	<b>Remarks</b>	<b>Number</b>	<b>Remarks</b>
Number of complaints received in relation to issues of Conflict of Interestof the Directors	Nil	NA	Nil	NA
Number of complaints received in relation to issues of Conflict of Interestof the KMPs	Nil	NA	Nil	NA

7. Provide details of any corrective action taken or underway on issues related to fines / penalties / action taken by regulators/ law enforcement agencies/ judicial institutions,on cases of corruption and conflicts of interest:

Not applicable

**PRINCIPLE 2 Businesses should provide goods and services in a manner that is sustainable and safe**

**Essential Indicators**

1. Percentage of R&D and capital expenditure (capex) investments in specific technologiesto improve the environmental and social impacts of product and processes to total R&Dand capex investments made by the entity, respectively.

	<b>FY 2022-23 Current Financial Year</b>	<b>FY 2021-22 Previous Financial Year</b>	<b>Details of improvements in environmental and social impacts</b>
R&D	Rs. 269.85 Lac.	Rs. 257.84 Lac.	We have invested in the environmentally friendly technologies.
Capex	Rs. 45.50 Lac.	Rs. 22.88 Lac.	

2. a. Does the entity have procedures in place for sustainable sourcing? (Yes/No)

Yes. The SOP is in place. Also for sustainability validation in terms of material supplies as per the Company's quality requirements in timely manner, we take feedback from a cross functional team which handles operations, planning & management for measuring loss of production for the want of raw material at each review. The quality assurance team also tracks the quality of all KRMs.

- b. If yes, what percentage of inputs were sourced sustainably?

100 % of key inputs are sourced sustainably.

3. Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging), (b) E-waste, (c) Hazardous waste; (d) other waste:

The Company's manufacturing sites are governed by the Consents to Operate and authorization under the applicable processes laid down by the regulatory authorities. Under these rules / regulations, the Company declares all its waste, including plastic packaging. All the wastes generated are handed over to authorized waste disposal service providers. This ensures that the waste is properly disposed of. Plastic containers are shredded / cut / made non-useable and then given to the processors for recycling.

4. Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.

Not Applicable

**PRINCIPLE 3** Businesses should respect and promote the well-being of all employees, including those in their value chains

**Essential Indicators**

1. a. Details of measures for the well-being of employees:

Category	% of employees covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B / A)	Number (C)	% (C / A)	Number (D)	% (D / A)	Number (E)	% (E / A)	Number (F)	% (F / A)
<b>Permanent employees</b>											
Male	294	294	100	294	100	NA	NA	NA	NA	NA	NA
Female	03	03	100	03	100	03	100	NA	NA	NA	NA
<b>Total</b>	<b>297</b>	<b>297</b>	<b>100</b>	<b>297</b>	<b>100</b>	<b>03</b>	<b>100</b>	<b>NA</b>	<b>NA</b>	<b>NA</b>	<b>NA</b>
<b>Other than Permanent employees</b>											
Male	0	0	0	0	0	0	0	NA	NA	NA	NA
Female	0	0	0	0	0	0	0	NA	NA	NA	NA
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>NA</b>	<b>NA</b>	<b>NA</b>	<b>NA</b>

b. Details of measures for the well-being of workers:

Category	% of workers covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B / A)	Number (C)	% (C / A)	Number (D)	% (D / A)	Number (E)	% (E / A)	Number (F)	% (F / A)
<b>Permanent workers</b>											
Male	38	38	100%	38	100%	NA	NA	NA	NA	NA	NA
Female	0	0	0	0	0	NA	NA	NA	NA	NA	NA
<b>Total</b>	<b>38</b>	<b>38</b>	<b>100%</b>	<b>38</b>	<b>100%</b>	<b>NA</b>	<b>NA</b>	<b>NA</b>	<b>NA</b>	<b>NA</b>	<b>NA</b>
<b>Other than Permanent workers</b>											
Male	405	405	100%	405	100%	NA	NA	NA	NA	NA	NA
Female	0	0	0	0	0	NA	NA	NA	NA	NA	NA
<b>Total</b>	<b>405</b>	<b>405</b>	<b>100%</b>	<b>405</b>	<b>100%</b>	<b>NA</b>	<b>NA</b>	<b>NA</b>	<b>NA</b>	<b>NA</b>	<b>NA</b>

2. Details of retirement benefits, for Current Financial Year and Previous Financial Year.

Benefits	FY 2022-23 Current Financial Year			FY 2021-22 Previous Financial Year		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	100%	100%	YES	100%	100%	YES
Gratuity	100%	100%	YES	100%	100%	YES
ESI	NA	NA	NA	NA	NA	NA
Others - please specify	-	-	-	-	-	-

**3. Accessibility of workplaces**

Are the premises / offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.

Yes, the premises and offices of the Company are accessible to differently abled employees and workers, in accordance with the Rights of Persons with Disabilities Act, 2016. The Company ensures that the facilities are friendly to people with special needs and has provided ramps and requisite infrastructure for the differently abled.

**4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.**

Yes, the Company has an equal opportunity policy in place as a part of its BRSR policy which highlights on providing equal opportunities to every competent applicant in jobs/promotions, skill up gradation and does not discriminate based on one's race, caste, religion, color, ancestry, marital status, gender, sexual orientation, age, and nationality.

**5. Return to work and Retention rates of permanent employees and workers that took parental leave.**

Gender	Permanent Employees		Permanent Workers	
	Return to workrate	Retention rate	Return to workrate	Retention rate
Male	NA	NA	NA	NA
Female	NA	NA	NA	NA
<b>Total</b>	<b>NA</b>	<b>NA</b>	<b>NA</b>	<b>NA</b>

**6. Is there a mechanism available to receive and redress grievances for the following categories of employees and worker? If yes, give details of the mechanism in brief.**

Yes, we have grievance mechanism in place where one can approach the concerned department as per the procedure prescribed. If the person is not satisfied with the resolution then we have an online grievance reporting opportunity on intranet (Meri Aawaz) through which any employees including workers can approach the Human Resources department directly for any type of grievance.'

	<b>Yes/No (If Yes, then give details of the mechanism in brief)</b>
Permanent Workers	Yes, through Meri Aawaz
Other than Permanent Workers	Yes, through suggestion box
Permanent Employees	Yes, through Meri Aawaz
Other than Permanent Employees	Yes, through suggestion box

**7. Membership of employees and worker in association(s) or Unions recognised by the listed entity:**

No employee or worker of the Company is registered with any association or unions.

Category	FY 2022-23 Current Financial Year			FY 2021-22 Previous Financial Year		
	Total employees /workers in respective category (A)	No. of employees / workers in respective category, who are part of association(s) or Union (B)	% (B/A)	Total employees /workers in respective category (C)	No. of Employees / workers in respective category, who are part of association(s) or Union (D)	% (D/C)
<b>Total Permanent Employees</b>						
- Male	Nil	Nil	Nil	Nil	Nil	Nil
- Female	Nil	Nil	Nil	Nil	Nil	Nil
<b>Total Permanent Workers</b>						
- Male	Nil	Nil	Nil	Nil	Nil	Nil
- Female	Nil	Nil	Nil	Nil	Nil	Nil

8. Details of training given to employees and workers:

Category	FY 2022-23 Current Financial Year					FY 2021-22 Previous Financial Year				
	Total (A)	On Health and safety measures		On Skill upgradation		Total (D)	On Health and safety measures		On Skill upgradation	
		No. (B)	% (B / A)	No. (C)	% (C / A)		No. (E)	% (E / D)	No. (F)	% (F / D)
<b>Employees</b>										
Male	294	235	80	221	75	266	204	77	188	71
Female	03	2	75	2	75	04	3	75	3	75
<b>Total</b>	<b>297</b>	<b>237</b>	<b>80</b>	<b>223</b>	<b>75</b>	<b>270</b>	<b>207</b>	<b>76</b>	<b>191</b>	<b>70</b>
<b>Workers</b>										
Male	38	31	82	31	82	41	30	75	28	70
Female	0	0	0	0	0	0	0	0	0	0
<b>Total</b>	<b>38</b>	<b>31</b>	<b>82</b>	<b>31</b>	<b>82</b>	<b>41</b>	<b>30</b>	<b>75</b>	<b>28</b>	<b>70</b>

9. Details of performance and career development reviews of employees and worker:

Category	FY 2022-23 Current Financial Year			FY 2021-22 Previous Financial Year		
	Total(A)	No. (B)	% (B / A)	Total(C)	No. (D)	% (D / C)
<b>Employees</b>						
Male	294	294	100	266	266	100
Female	03	03	100	04	04	100
<b>Total</b>	<b>297</b>	<b>297</b>	<b>100</b>	<b>270</b>	<b>270</b>	<b>100</b>
<b>Workers</b>						
Male	38	NA	NA	41	NA	NA
Female	0	NA	NA	0	NA	NA
<b>Total</b>	<b>38</b>	<b>NA</b>	<b>NA</b>	<b>41</b>	<b>NA</b>	<b>NA</b>

10. Health and safety management system:

- a. Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No).  
If yes, the coverage such system?  
Paushak has ISO 45001:2018 (Occupational health and safety) and Responsible Care® certifications.
- b. What are the processes used to identify work-related hazards and assess risks on routine and non-routine basis by the entity?
  1. We have implemented Hazard identification and Hazard assessment methodologies in place which help us to identify work related hazards which includes routine and non-routine activities. We are using Hazard operability (HAZOP) for process related hazards, Hazard Identification and Risk assessment (HIRA) for routine and non-routine activities and Health Risk Assessment (HRA), QRA (Quantitative risk assessment), JSA (Job safety analysis), Work permit system, PSSR (Pre-start-up safety review), Inspection and Audit, Plant EHS Checklist, Near miss reporting system, etc., for identifying exposure related activities.
  2. We conduct tool box talk (TBT) on daily basis in each shift which is helping us in maintaining our work place free from hazards.
  3. Regular site review, inspections and audits to assess safety preparedness.
  4. Regular training on occupational health & safety training along with training calendar.
  5. Induction training to employee and contractor workers during joining.
- c. Whether you have processes for workers to report the work related hazards and to remove themselves from such risks. (Yes/ No) - Yes



d. Do the employees/ worker of the entity have access to non-occupational medical and healthcare services? (Yes/ No) - Yes

11. Details of safety related incidents, in the following format:

<b>Safety Incident/Number</b>	<b>Category</b>	<b>FY 2022-23 Current Financial Year</b>	<b>FY 2021-22 Previous Financial Year</b>
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	Nil	Nil
	Workers	Nil	Nil
Total recordable work-related injuries	Employees	Nil	Nil
	Workers	Nil	Nil
No. of fatalities	Employees	Nil	Nil
	Workers	Nil	Nil
High consequence work-related injury or ill-health (excluding fatalities)	Employees	Nil	Nil
	Workers	Nil	Nil

12. Describe the measures taken by the entity to ensure a safe and healthy work place.

The Company has implemented Responsible Care® Management System to ensure compliance of EHS standards across the organization. A well-defined and documented Hazard Identification and Risk assessment is practiced for routine activities and non-routine activities with a detailed Permit to work system. Accident Incident Management System is in place wherein employees are expected to report all accidents, incidents, near miss and even unsafe conditions/unsafe acts at workplace. All such cases are adequately investigated and preventive/corrective actions are implemented. Training of all categories of employees is an essential element of our safety system. Best practices like risk assessment, workplace exposure measurement, regular medical checkups, accident/incident reporting etc., along with process safety practices like Safety Health and Environment reviews and Pre-Safety Start up Reviews (PSSR) always keeps our employees safe and healthy at workplace. Adequate emergency preparedness is also put in place to mitigate any unforeseen eventualities.

13. Number of Complaints on the following made by employees and workers:

	<b>FY 2022-23 Current Financial Year</b>			<b>FY 2021-22 Previous Financial Year</b>		
	<b>Filed during the year</b>	<b>Pending resolution at the end of year</b>	<b>Remarks</b>	<b>Filed during the year</b>	<b>Pending resolution at the end of year</b>	<b>Remarks</b>
Working Conditions	NIL	NIL	NA	NIL	NIL	NA
Health & Safety	NIL	NIL	NA	NIL	NIL	NA

14. Assessments for the year:

	<b>% of your plants and offices that were assessed (by entity or statutory authorities or third parties)</b>
Health and safety practices	100%
Working Conditions	100%

15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health & safety practices and working conditions:

- No major and reportable safety related incidents have occurred in past financial year.
- There were minor first-aid related injuries during the year, which have been investigated and closed with necessary corrective and preventive actions to avoid re-occurrence.

**PRINCIPLE 4 Businesses should respect the interests of and be responsive to all its stakeholders**

**Essential Indicators**

- Describe the processes for identifying key stakeholder groups of the entity.

Internal and external group of stakeholders are identified through need-assessment, business impact-assessment and engagement with local communities around the Company's manufacturing site.

- List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of Engagement (Annually/ Half yearly/ Quarterly/ Others – please specify)	Purpose and scope of engagement Including key topics and concerns raised during such engagement
Shareholders	No	<ul style="list-style-type: none"> <li>Annual reports</li> <li>Quarterly Results</li> <li>Company's Website</li> <li>Information to Stock Exchange</li> </ul>	As per statutory requirement or as and when required	<ul style="list-style-type: none"> <li>Long term value creation</li> <li>Transparency</li> <li>Good Governance</li> <li>High Reputation &amp; Brand image</li> </ul>
Employees	No	<ul style="list-style-type: none"> <li>Telephone</li> <li>E-Mails</li> <li>Personal Meeting</li> <li>Notice Board</li> </ul>	As and when required	<ul style="list-style-type: none"> <li>Employee feedback</li> </ul>
Customers	No	<ul style="list-style-type: none"> <li>Video Conferencing</li> <li>Emails</li> <li>Site visit</li> </ul>	Need basis	<ul style="list-style-type: none"> <li>Quality &amp; Timely Delivery</li> <li>Competitive Cost</li> <li>Transparency in disclosure</li> </ul>
Suppliers / Value chain partners	No	<ul style="list-style-type: none"> <li>Supplier assessment</li> <li>MoU Agreements</li> <li>Contract discussion meetings</li> </ul>	Need basis	<ul style="list-style-type: none"> <li>Product Quality</li> <li>Cost</li> <li>Timely delivery</li> <li>On time payment</li> <li>Ethical behavior</li> <li>Upcoming technologies or equipment</li> </ul>
Government	No	<ul style="list-style-type: none"> <li>E-Mail &amp; Personal Meetings</li> </ul>	Need basis	<ul style="list-style-type: none"> <li>Information &amp; Statutory Approvals.</li> </ul>
Communities	No	<ul style="list-style-type: none"> <li>Meetings &amp; Visits</li> </ul>	Need basis	<ul style="list-style-type: none"> <li>Education, Empowerment etc.</li> </ul>

**PRINCIPLE 5 Businesses should respect and promote human rights**

**Essential Indicators**

- Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:

Category	FY 2022-23 Current Financial Year			FY 2021-22 Previous Financial Year		
	Total (A)	No. of employees / workers covered (B)	% (B / A)	Total (C)	No. of employees / workers covered (D)	% (D / C)
<b>Employees</b>						
Permanent	297	61	20	270	0	0
Other permanent than	NA	NA	NA	NA	NA	NA
<b>Total Employees</b>	<b>297</b>	<b>61</b>	<b>20</b>	<b>270</b>	<b>0</b>	<b>0</b>

<b>Workers</b>						
Permanent	38	5	13	41	0	0
Other permanent than	405	21	5.2	450	0	0
<b>Total Workers</b>	<b>443</b>	<b>26</b>	<b>5.87</b>	<b>491</b>	<b>0</b>	<b>0</b>

2. Details of minimum wages paid to employees and workers, in the following format:

Category	FY 2022-23 Current Financial Year					FY 2021-22 Previous Financial Year				
	Total(A)	Equal to MinimumWage		More than MinimumWage		Total(D)	Equal to MinimumWage		More than MinimumWage	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
<b>Employees</b>										
<b>Permanent</b>										
Male	294	NA	NA	294	100	266	NA	NA	266	100
Female	3	NA	NA	3	100	4	NA	NA	4	100
<b>Other than Permanent</b>										
Male	-	-	-	-	-	-	-	-	-	-
Female	-	-	-	-	-	-	-	-	-	-
<b>Workers</b>										
<b>Permanent</b>										
Male	38	NA	NA	38	100	41	NA	NA	41	100
Female	-	-	-	-	-	-	-	-	-	-
<b>Other than Permanent</b>										
Male	405	NA	NA	405	100	450	NA	NA	450	100
Female	-	-	-	-	-	-	-	-	-	-

3. Details of remuneration/salary/wages, in the following format:

	Male		Female	
	Number	Median remuneration/ salary/wages of respective category	Number	Median remuneration/ salary/wages of respective category
Board of Directors(BoD) (Executive Director)	1	Rs. 75.91 LPA	0	-
Key Managerial Personnel (Excluding Executive Director)	0	-	2	Rs. 24.28 LPA
Employees other than BoD and KMP	294	Rs. 4.65 LPA	3	Rs. 4.65 LPA
Workers	38	Rs. 3.08 LPA	-	-

**Note:** Commission and sitting fees of non-executive director is not included in the above figures.

4. Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? - Yes
5. Describe the internal mechanisms in place to redress grievances related to human rights issues.

Grievance mechanism in place wherein one can approach the concerned department as per process and procedure prescribed and if he is not satisfied with the resolution then the person can use the online grievance submission through intranet (Meri Aawaz).

The Company works with agility by continuously reviewing their practices, policies and programs to build a robust system of redressal of grievances related to human rights by keeping the details of concerned individuals confidential.

6. Number of Complaints on the following made by employees and workers:

	FY 2022-23 Current Financial Year			FY 2021-22 Previous Financial Year		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	Nil	NA	NA	Nil	NA	NA
Discrimination at workplace	Nil	NA	NA	Nil	NA	NA
Child Labour	Nil	NA	NA	Nil	NA	NA
Forced Labour/ Involuntary Labour	Nil	NA	NA	Nil	NA	NA
Wages	Nil	NA	NA	Nil	NA	NA
Other human rights related issues	Nil	NA	NA	Nil	NA	NA

7. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.

We have a policy in place which prevents adverse consequences to the complainant in discrimination and harassment cases.

8. Do human rights requirements form part of your business agreements and contracts?

Yes, adherence to human rights forms a part of major business agreements and contracts.

9. Assessments for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child labour	100%
Forced/involuntary labour	100%
Sexual harassment	100%
Discrimination at workplace	100%
Wages	100%
Others – please specify	NA

10. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 9 above.

There are no significant risks / concerns arising from the assessment carried out, as referred above.

**PRINCIPLE 6 Businesses should respect and make efforts to protect and restore the environment**

**Essential Indicators**

1. Details of total energy consumption and energy intensity, in the following format:

Parameter	FY 2022-23 Current Financial Year	FY 2021-22 Previous Financial Year
Total electricity consumption (A) (in Gigajoules)	44,616.636	37,372.428
Total fuel consumption (B) (in Gigajoules)	66,541.268	63,199.334
Energy consumption through other sources (C)	Nil	Nil
<b>Total energy consumption (A+B+C)</b> (in Gigajoules)	1,00,375.099	92,187.144
Energy intensity per rupee of turnover ( <i>Total energy consumption / turnover in rupee per lac</i> )	4.7268 GJ/rupee per lac	5.9384 GJ/rupee per lac

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. No

2. Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.

Not Applicable

3. Provide details of the following disclosures related to water, in the following format:

<b>Parameter</b>	<b>FY 2022-23 Current Financial Year</b>	<b>FY 2021-22 Previous Financial Year</b>
<b>Water withdrawal by source (in kilolitres)</b>		
(i) Surface water	-	-
(ii) Groundwater	-	-
(iii) Third party water (In KL)	91,132	79,022
(iv) Seawater / desalinated water	-	-
(v) Others	-	-
<b>Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v) (In KL)</b>	91,132	79,022
<b>Total volume of water consumption (in kilolitres) (In KL)</b>	91,132	79,022
<b>Water intensity per rupee of turnover (Water consumed / turnover in rupee per lac)</b>	4.2915 KL/rupee per lac	5.0903 KL/rupee per lac

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes, the Company's manufacturing sites are certified and audited for ISO 14001 (by Bureau Verities) & Responsible Care (by the Indian Chemical Council). Further, Environment audit report submitted to GPCB audited by approved auditor.

4. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.

We have facility of primary treatment and secondary effluent treatment plant. We are member of Common Effluent Treatment Plants (CETP) and we discharge effluents to such CETP as per their norms.

5. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:

<b>Parameter</b>	<b>Please specify unit</b>	<b>FY 2022-23 Current Financial Year</b>	<b>FY 2021-22 Previous Financial Year</b>
NOx	ppm	27.36	24.87
SOx	ppm	66.14	69.22
Particulate matter (PM)	mg/Nm <sup>3</sup>	80.47	96.28
Persistent organic pollutants (POP)	N.A.	N.A.	N.A.
Volatile organic compounds (VOC)	N.A.	N.A.	N.A.
Hazardous air pollutants (HAP)	N.A.	N.A.	N.A.
Others – Phosgene	ppm	Nil	Nil

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes, the Company's manufacturing sites are certified and audited for ISO 14001 (by Bureau Verities) & Responsible Care (by the Indian Chemical Council). Further, Environment audit report submitted to GPCB audited by approved auditor.

6. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:

<b>Parameter</b>	<b>Unit</b>	<b>FY 2022-23 Current Financial Year</b>	<b>FY 2021-22 Previous Financial Year</b>
<b>Total Scope 1 emissions</b> (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available)	<i>Metric tonnes of CO<sub>2</sub> equivalent</i>	6,516.3	5,510.7
<b>Total Scope 2 emissions</b> (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available)	<i>Metric tonnes of CO<sub>2</sub> equivalent</i>	6,703.2	4,730.1
<b>Total Scope 1 and Scope 2 emissions turnover in rupee per lac</b>		0.6225 MT Co <sub>2</sub> /rupee per lac	0.6596 MT Co <sub>2</sub> /rupee per lac

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes, the Company's manufacturing sites are certified and audited for ISO 14001 (by Bureau Verities) & Responsible Care (by the Indian Chemical Council). Further, Environment audit report submitted to GPCB audited by approved auditor.

7. Does the entity have any project related to reducing Green House Gas emission? If Yes, then provide details: No
8. Provide details related to waste management by the entity, in the following format:

<b>Parameter</b>	<b>FY 2022-23 Current Financial Year</b>	<b>FY 2021-22 Previous Financial Year</b>
<b>Total Waste generated (in metric tonnes)</b>		
Plastic waste <b>(A)</b>	-	-
E-waste <b>(B)</b>	8.10	17.69
Bio-medical waste <b>(C)</b>	0.001385	0.001634
Construction and demolition waste <b>(D)</b>	113	30
Battery waste <b>(E)</b>	Not generate	0.43
Radioactive waste <b>(F)</b>	Not applicable	Not applicable
Other Hazardous waste. Please specify, if any. <b>(G)</b>	-	-
<b>G1:</b> Landfill waste	106.99	154.816
<b>G2:</b> Residue	66.28	52.058
<b>G3:</b> Disposed to Recycling waste end user (HCL, Drum, Oil)	12,017.93	7,171.79
Other Non-hazardous waste generated <b>(H)</b> . Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector)	153.35	262.07
<b>Total (A + B + C + D + E + F + G + H) (In Metric Tonnes)</b>	<b>12,465.65</b>	<b>7,688.86</b>
<b>For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)</b>		
<b>Category of waste</b>		
(i) Recycled *	12,055.74	6,994.33
(ii) Re-used **	243.35	292.07
(iii) Other recovery operations	0	0
<b>Total</b>	<b>12,299.09</b>	<b>7,286.4</b>
<b>For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)</b>		
<b>Category of waste</b>		
(i) Incineration	56.46	61.45
(ii) Landfilling	107.90	201.92
(iii) Other disposal operations	0	0
<b>Total</b>	<b>164.36</b>	<b>263.37</b>

\* Sale to Pollution Control Board authorized agency for recycling and reuse.

\*\* Reuse for civil activity and brick manufacturing.

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes, the Company's manufacturing sites are certified and audited for ISO 14001 (by Bureau Verities) & Responsible Care (by the Indian Chemical Council). Further, Environment audit report submitted to GPCB audited by approved auditor.

9. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.

The Company, being a Responsible Care® certified organization, manages its waste in a legally compliant and sustainable method. All the waste is handled as required by Consent to Operate / Hazardous Waste authorization. The Company adopts the strategy of Reduce, Reuse, Recycle, Recovery and Disposal methodology by optimizing and modifying the process from time to time. Continuous improvements in manufacturing process and technology is the key to reduce the generation of hazardous waste at our site. Substitution with less hazardous chemicals, also contribute positively.

10. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details in the following format:

None of the Company's operations / offices is falling in or around ecologically sensitive areas.

11. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year: Nil

12. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format:

Yes, we are compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment Protection Act and rules thereunder.

**PRINCIPLE 7 Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent**

**Essential Indicators**

1. a. Number of affiliations with trade and industry chambers/ associations.  
Currently we are associated with 5 trade and industry chambers / associations.
- b. List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of/affiliated to.

S. No.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/National)
1	Indian Chemical Council	National
2	National Safety Council	National
3	Chemexcil	National
4	Gujarat Employers' Organization	State
5	Federation of Gujarat Industries	State

2. Corrective action taken or underway on any issue related to anti-competitive conduct, based on adverse orders from regulatory authorities:

During FY 2022-23, no such cases were reported against the Company related to anti-competitive conduct.

**PRINCIPLE 8 Businesses should promote inclusive growth and equitable development**

**Essential Indicators**

1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year:

During FY 2022-23, none of the Company' projects were under ambit of mandated SIA exercise.

2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format: Not applicable.

3. Describe the mechanisms to receive and redress grievances of the community:

The Company has a process to receive and redress concerns received from the community. We maintain register of complaints for communities at our manufacturing location. The site representatives works closely with the community to redress grievances, if any, in a cordial manner.

4. Percentage of input material (inputs to total inputs by value) sourced from suppliers:

	<b>FY 2022-23 Current Financial Year</b>	<b>FY 2021-22 Previous Financial Year</b>
Directly sourced from MSMEs/ small producers	19%	15%
Sourced directly from within the district and neighboring districts	75%	78%

**PRINCIPLE 9 Businesses should engage with and provide value to their consumers in a responsible manner**

**Essential Indicators**

1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.

The Company has a mechanism to receive and respond to customer complaints. All complaints are acknowledged within 24 working hours and investigation is completed within 30 working days.

All customer complaints are logged into a 'customer complaint log' and are categorized into major or minor. Complaints related to product not meeting its predetermined critical attributes or damage to primary packaging are classified as major complaints. Whereas, complaints which pertain to matters not impacting the product's quality like damage to secondary packaging, document related observations, etc. are classified as minor complaints.

Outcome of root cause investigation and corrective and preventive actions undertaken by the Company are conveyed to the customers. The complaint is closed after receiving feedback from the customer. If no adverse comments are received within 45 days after sharing the corrective and preventive actions undertaken by the Company, then the complaint is deemed considered as closed.

2. Turnover of products and/ services as a percentage of turnover from all products/service that carry information about:

	<b>As a percentage to total turnover</b>
Environmental and social parameters relevant to the product	100%
Safe and responsible usage	100%
Recycling and/or safe disposal	Not applicable



3. Number of consumer complaints in respect of the following:

	FY 2022-23 Current Financial Year		Remarks	FY 2021-22 Previous Financial Year		Remarks
	Received during the year	Pending resolution at end of year		Received during the year	Pending resolution at end of year	
Data privacy	Nil	Nil	Nil	Nil	Nil	Nil
Advertising	Nil	Nil	Nil	Nil	Nil	Nil
Cyber-security	Nil	Nil	Nil	Nil	Nil	Nil
Delivery of essential services	Nil	Nil	Nil	Nil	Nil	Nil
Restrictive Trade Practices	Nil	Nil	Nil	Nil	Nil	Nil
Unfair Trade Practices	Nil	Nil	Nil	Nil	Nil	Nil
Other	5	-	Nil	9	-	Nil

4. Details of instances of product recalls on account of safety issues:

	Number	Reasons for recall
Voluntary recalls	Nil	NA
Forced recalls	Nil	NA

5. Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy.

Yes, the Company has an "Information Security Policy" in place which includes provisions for cyber security and data privacy. The same is placed on the intranet of the Company.

6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services.

There were no issues relating to advertising, delivery of essential services, cyber security and data privacy of customers. There was no re-occurrence of product recall. No penalty was levied or action was taken by any regulatory authority on account of any deficiency relating to safety of products / services in the financial year.

On behalf of the Board of Directors,

Sd/-

**Abhijit Joshi**

Whole-time Director & CEO and BR Head

DIN: 06568584

Date: 4<sup>th</sup> May, 2023

Place: Vadodara

## INDEPENDENT AUDITOR'S REPORT

**To the Members of Paushak Limited**

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

### Opinion

We have audited the accompanying Ind AS financial statements of Paushak Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2023, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the Ind AS financial statements including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "Ind AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS 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 including the Indian Accounting Standards ("Ind AS") prescribed under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, of the state of affairs of the Company as at March 31, 2023, its profit (including other comprehensive income), its changes in equity and its cash flows for the year ended on that date.

### Basis for Opinion

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

### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Ind AS financial statements of the current year. These matters were addressed in the context of our audit of the Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sr. No.	Key audit matter(s)	How our audit addressed the key audit matter
1.	<p><b>Valuation of Investments</b></p> <p>The Company has investments amounting to INR 18,166.21 lakhs in quoted shares, unquoted shares, AIF and Mutual Funds valued on 'Fair Value through Other Comprehensive Income' or 'Fair Value through P&amp;L', as applicable, in accordance with related Accounting Standard. The Company measures fair values using the fair value hierarchy (Level 1, Level 2 and Level 3), which reflects the significance of the inputs used in making the measurements.</p> <p>In measuring valuation of unquoted shares, valuation methods are used based on inputs that are not directly observable from market information and certain other unobservable inputs. The Management has also used the services of independent professionals in this regard.</p> <p>Key inputs used in the valuation of above investments <i>inter alia</i> are cash flow projections, growth rate, terminal value, discount rate, quoted market rate of such investee entities investments, etc.</p>	<p><b>Our key audit procedures included, but not limited to, the following:</b></p> <ul style="list-style-type: none"> <li>• We assessed the design and implementation of controls over valuation and existence of investments.</li> <li>• For the fair valuation models, we understood and assessed the methodology used.</li> <li>• We tested the underlying data and assumptions used in the determination of the fair value.</li> <li>• Testing the mathematical accuracy of the discounted cash flow projections.</li> <li>• Evaluated the appropriateness of the disclosure in the financial statements including key assumptions and sensitivities.</li> </ul>

Sr. No.	Key audit matter(s)	How our audit addressed the key audit matter
	The valuation of these unquoted shares is important to our audit as it is highly dependent on estimates (various assumptions and techniques used) which contain assumptions that are not directly observable in the market. Given the inherent subjectivity in the valuation of the above investments, relative significance of these investments to the financial statements and the nature and extent of audit procedures involved, we determined this to be a key audit matter.	

**Other Information**

The Company’s Board of Directors is responsible for 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 Ind AS financial statements and our auditor’s report thereon.

Our opinion on the Ind AS 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 Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Ind AS financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

**Responsibilities of Management and Those Charged with Governance for the Ind AS Financial Statements**

The Company’s Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Ind AS financial statements that give a true and fair view of the financial position, 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 Ind AS prescribed under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. 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 Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

The Board of Directors are also responsible for overseeing the Company’s financial reporting process.

**Auditor’s Responsibilities for the Audit of the Ind AS Financial Statements**

Our objectives are to obtain reasonable assurance about whether the Ind AS 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 this Ind AS 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 Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from

fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements 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 Ind AS 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 Ind AS financial statements, including the disclosures, and whether the Ind AS 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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Ind AS financial statements of the current year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

#### **Other Matter**

The audit of Ind AS financial statements for the year ended March 31, 2022, was carried out and reported by the predecessor auditor, vide their unmodified audit report dated May 6, 2022 whose report has been furnished to us by the management and which has been relied upon by us for the purpose of our audit of the Ind AS financial statements.

Our opinion is not modified in respect of this matter.

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

- (1) As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of section 143(11) of the Act, we report in "Annexure 1", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
- (2) 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 (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows dealt with by this report are in agreement with the books of account;
  - d. In our opinion, the aforesaid Ind AS financial statements comply with the Ind AS prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended;
  - e. On the basis of the written representations received from the directors as on March 31, 2023, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023 from being appointed as a director in terms of section 164(2) of the Act;
  - f. With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure 2";

- g. With respect to the other matter 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 and to the best of our information and according to the explanations given to us, the remuneration paid/ provided 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, as amended, in our opinion and to the best of our information and according to the explanations given to us:

- (i) The Company has disclosed the impact of pending litigations on its financial position in its Ind AS financial statements – Refer Note 32B on Contingent Liabilities to the Ind AS 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, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
  - (b) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
  - (c) Based on the audit procedures that are 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) As stated in Note 32T to the Ind AS financial statements:
  - (a) 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 Act, as applicable.
  - (b) The Company has not declare or paid any interim dividend during the year and until the date of this report.
  - (c) 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 compliance with section 123 of the Act, as applicable.
- (vi) As proviso to rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable for the company only w.e.f. April 1, 2023, reporting under this clause is not applicable.

**For Haribhakti & Co. LLP**

Chartered Accountants  
ICAI Firm Registration No.103523W / W100048

**Purushottam Nyati**

Partner

Membership No. 118970

UDIN: 23118970BGWTML7669

Place: Vadodara

Date: 4<sup>th</sup> May, 2023

## ANNEXURE 1 TO THE INDEPENDENT AUDITOR'S REPORT

[Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section in the Independent Auditor's Report of even date to the members of Paushak Limited ("the Company") on the Ind AS financial statements for the year ended 31<sup>st</sup> March 2023]

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

- (i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
- (B) The Company has maintained proper records showing full particulars of Intangible Assets.
- (b) The Company has a program of physical verification of Property, Plant and Equipment to cover all the items in a phased manner over a period of three years, which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain Property, Plant and Equipment were due for verification during the year and were physically verified by the management during the year. No material discrepancies were noticed on such verification.
- (c) The title deeds of all the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of lessee), disclosed in the Ind AS financial statements 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. Accordingly, reporting under clause (i)(d) of paragraph 3 of the Order is not applicable.
- (e) No proceedings have been initiated or are pending against the Company as at March 31, 2023 for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- (ii) (a) The management has conducted physical verification of inventory at reasonable intervals during the year. In our opinion, the coverage and procedure of such verification by the management is appropriate.
- (b) The Company has not obtained any sanctioned working capital limit during the year, from banks or financial institutions, on the basis of security of current assets. Therefore, reporting under clause (ii) (b) of paragraph 3 of the Order is not applicable.
- (iii) (a) During the year, the Company has not provided any guarantee or security or granted any loans and advances in the nature of loans, secured or unsecured to companies, firms, Limited Liability Partnerships or any other parties. Hence sub-clauses (a), (c), (d), (e),(f) and relevant provision of sub-clause (b) of clause (iii) of paragraph 3 of the Order are not applicable.
- (b) The Company made investments in Mutual Funds, Bonds and AIF's during the year. The terms and conditions of these investments are not prejudicial to the company's interest.
- (iv) The Company has not granted any loans or provided any guarantees or security to the parties covered under section 185 of the Act. Hence the provisions of section 185 of the Act is not applicable on the Company. Further, the Company has complied with the provisions of section 186 of the Act in respect of the Investments made.
- (v) In our opinion, the Company has not accepted any deposits or amounts which are deemed to be deposits. Accordingly, reporting under clause (v) of paragraph 3 of the Order is not applicable.
- (vi) The maintenance of cost records has been specified by the Central Government under sub-section (1) of section 148 of the Act and rules thereunder. We have broadly reviewed such records and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- (vii) (a) The Company is regular in depositing with the appropriate authorities, undisputed statutory dues including Goods and Services tax (GST), provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other material statutory dues applicable to it, in all cases during the year.

AND

No undisputed amounts payable in respect of provident fund, employees' state insurance, income tax, GST, customs duty, cess and any other material statutory dues applicable to it, were outstanding, at the year end, for a period of more than six months from the date they became payable.

- (b) The dues outstanding with respect to provident fund, employees' state insurance, income tax, GST, sales tax, service tax, value added tax, customs duty, excise duty and cess, on account of any dispute, are as follows:

**Statement of Disputed Dues**

Name of the statute	Nature of the dues	Amount ₹ (in Lacs)	Period to which the amount relates	Forum where dispute is pending
Gujarat VAT Act, 2003	VAT demand	2.55	FY 2006-07	Commissioner, Commercial Taxes, Vadodara, Gujarat

- (viii) We have not come across any transaction which were previously not recorded in the books of account of the Company that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.
- (ix) (a) The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.
- (b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (c) The Company did not obtain any money by way of term loans during the year and there were no outstanding term loans at the beginning of the year. Accordingly, reporting under clause (ix) (c) of paragraph 3 of the Order is not applicable.
- (d) On an overall examination of the Ind AS financial statements of the Company, no funds raised on short-term basis have, been used for long-term purposes by the Company.
- (e) The Company does not have any subsidiary, associate or joint venture as defined under the Act. Hence reporting under clause (ix)(e) and (f) of the Order is not applicable.
- (x) (a) The Company has not raised money by way of initial public issue offer / further public offer (including debt instruments) during the year. Therefore, reporting under clause (x)(a) of paragraph 3 of the Order is not applicable.
- (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. Therefore, reporting under clause (x)(b) of paragraph 3 of the Order is not applicable.
- (xi) (a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and accordingly to the information and explanations given to us, we have neither come across any instance of fraud by the Company nor any fraud on the Company has been noticed or reported during the year, nor have we been informed of any such instance by the management.
- (b) No report under section 143(12) of the Act has been filed with the Central Government by the auditors of the Company in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014, during the year or upto the date of this report.
- (c) There are no whistle blower complaints received by the Company during the year and upto the date of this report.
- (xii) In our opinion, the Company is not a Nidhi Company. Therefore, reporting under clause (xii) of paragraph 3 of the Order is not applicable.
- (xiii) All transactions entered into by the Company with the related parties are in compliance with sections 177 and 188 of the Act, where applicable and the details have been disclosed in the Ind AS financial statements as required by the applicable accounting standards.
- (xiv) (a) In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
- (b) We have considered the Internal Audit Reports of the Company issued till date, for the period under audit.
- (xv) The Company has not entered into any non-cash transactions with its directors or persons connected with them during the year and hence, provisions of section 192 of the Act are not applicable to the Company.
- (xvi) (a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Therefore, reporting under clause (xvi)(a) and (b) of paragraph 3 of the Order are not applicable.
- (b) The Company has not conducted any Non-Banking Financial or Housing Finance activities without having a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934.

- (c) The Company is not a Core Investment Company (CIC) as defined in Core Investment Companies (Reserve Bank) Directions, 2016 ("Directions") by the Reserve Bank of India. Accordingly, reporting under clause (xvi)(c) and (d) of paragraph 3 of the Order are not applicable.
- (xvii) The Company has not incurred cash losses in the current and the immediately preceding financial year.
- (xviii) There has been resignation of the statutory auditors during the year, however, no issues, objections or concerns were raised by the outgoing auditors.
- (xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the Ind AS financial statements and our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which cause us to believe that any material uncertainty exists as on the date of this audit report and that the Company is not 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 up to date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- (xx) There are no unspent amount towards Corporate Social Responsibility (CSR) requiring a transfer to a Fund specified in Schedule VII to the Act in compliance with second proviso to section 135(5) of the said Act. Hence, reporting under clause (xx) of paragraph 3 of the Order is not applicable.
- (xxi) Since the Company is not required to prepare Consolidated financial statements, clause 3 (xxi) is not applicable.

**For Haribhakti & Co. LLP**

Chartered Accountants

ICAI Firm Registration No. 103523W / W100048

**Purushottam Nyati**

Partner

Membership No. 118970

UDIN: 23118970BGWTML7669

Place: Vadodara

Date: 4<sup>th</sup> May, 2023



## ANNEXURE 2 TO THE INDEPENDENT AUDITOR'S REPORT

[Referred to in paragraph 2(i) under 'Report on Other Legal and Regulatory Requirements' section in our Independent Auditor's Report of even date to the members of Paushak Limited on the Ind AS financial statements for the year ended 31<sup>st</sup> March, 2023]

### **Report on the Internal Financial Controls with reference to Financial Statements under clause (i) of sub-section 3 of section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls with reference to financial statements of Paushak Limited ("the Company") as of March 31, 2023, in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

#### **Management's Responsibility for Internal Financial Controls**

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of 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.

#### **Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing specified under section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness.

Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal controls based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to financial statements.

#### **Meaning of Internal Financial Controls with reference to Financial Statements**

A company's internal financial control with reference to financial statements 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 with reference to financial statements 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 with reference to Financial Statements**

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

**Opinion**

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2023, based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal controls stated in the Guidance Note issued by the ICAI.

**For Haribhakti & Co. LLP**

Chartered Accountants

ICAI Firm Registration No. 103523W / W100048

**Purushottam Nyati**

Partner

Membership No. 118970

UDIN: 23118970BGWTML7669

Place: Vadodara

Date: 4<sup>th</sup> May, 2023

**BALANCE SHEET**

Particulars	Notes	₹ in Lacs	
		As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
<b>I. ASSETS</b>			
<b>(1) Non-Current Assets</b>			
(a) Property, Plant and Equipment	2	14,871.06	14,673.02
(b) Capital Work-in-progress	2	659.29	758.82
(c) Other Intangible Assets	2	8.67	13.03
(d) Financial Assets			
- Investments	3	11,163.12	10,850.77
- Other Financial Assets	4	0.77	1.01
(e) Other Non-Current Assets	5	46.17	5.45
<b>Total Non Current Assets</b>		<b>26,749.10</b>	<b>26,302.10</b>
<b>(2) Current Assets</b>			
(a) Inventories	6	2,273.68	1,897.84
(b) Financial Assets			
- Investments	7	7,003.09	4,284.22
- Trade Receivables	8	5,247.83	3,973.08
- Cash and Cash Equivalents	9	52.23	6.06
- Bank Balance other than cash and cash equivalents	10	42.60	39.19
- Other Financial Assets	11	2.26	2.00
(c) Current Tax Assets (Net)	12	-	37.11
(d) Other Current Assets	13	103.50	110.68
<b>Total Current Assets</b>		<b>14,725.18</b>	<b>10,350.17</b>
<b>TOTAL ASSETS</b>		<b>41,474.28</b>	<b>36,652.28</b>
<b>II. EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity Share Capital	14	308.21	308.21
Other Equity	15	35,061.07	30,247.99
<b>Total Equity</b>		<b>35,369.28</b>	<b>30,556.20</b>
<b>Liabilities</b>			
<b>(1) Non-Current Liabilities</b>			
(a) Provisions	16	100.98	89.34
(b) Deferred Tax Liabilities (Net)	17	3,772.39	3,305.55
<b>Total Non-Current Liabilities</b>		<b>3,873.37</b>	<b>3,394.89</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		75.20	177.97
- Total outstanding dues of creditors other than micro enterprises and small enterprises		1,460.73	1,671.03
- Other Financial Liabilities	20	477.63	615.46
(b) Other Current Liabilities	21	88.44	186.89
(c) Provisions	22	36.40	37.71
(d) Current Tax Liabilities (Net)	23	93.23	-
<b>Total Current Liabilities</b>		<b>2,231.63</b>	<b>2,701.19</b>
<b>Total Liabilities</b>		<b>6,105.00</b>	<b>6,096.08</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>41,474.28</b>	<b>36,652.28</b>
<b>Significant Accounting Policies and Other Explanatory Notes and Information</b>	1 - 32		

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

As per our report of even date

**For Haribhakti & Co LLP**

Chartered Accountants

Firm Registration No. 103523W / W1000048

For and on behalf of the Board

**Chirayu Amin\***

Chairman

DIN: 00242549

**Amit Goradia**

Director

DIN: 00074478

**Abhijit Joshi**

Whole-time Director & CEO

DIN: 06568584

**Purushottam Nyati**

Partner

Membership No. 118970

Vadodara, 4<sup>th</sup> May, 2023

**Sagar Gandhi**

Company Secretary

**Kirti Shah**

CFO

London\*/ Vadodara, 4<sup>th</sup> May, 2023

## STATEMENT OF PROFIT AND LOSS

₹ in Lacs

Particulars	Notes	For the Year ended 31 <sup>st</sup> March, 2023	For the Year ended 31 <sup>st</sup> March, 2022
<b>I. INCOME</b>			
Revenue from operations	24	21,234.61	15,009.76
Other income	25	905.06	514.12
<b>Total income</b>		<b>22,139.67</b>	<b>15,523.88</b>
<b>II. EXPENSES</b>			
Cost of materials consumed	26	4,824.18	3,331.34
Changes in inventories of Finished Goods, Semi-Finished Goods and Work in progress	27	(219.36)	(354.09)
Employee benefits expense	28	2,676.69	2,153.14
Finance costs	29	31.10	6.15
Depreciation and amortisation expense	2	1,341.72	902.50
Other expenses	30	6,433.44	4,457.07
<b>Total Expenses</b>		<b>15,087.75</b>	<b>10,496.11</b>
<b>III. Profit before Exceptional Items and Tax (I - II)</b>		<b>7,051.92</b>	<b>5,027.77</b>
<b>IV. Exceptional Items:</b>			
Profit on Sale of Land		170.41	-
<b>V. Profit before Tax (III + IV)</b>		<b>7,222.33</b>	<b>5,027.77</b>
<b>VI. Tax expense:</b>			
Current Tax		1,400.00	897.76
Less: Excess Provision of Income Tax for earlier years		10.74	27.52
Current Tax		1,389.26	870.24
Deferred Tax		432.52	396.34
<b>VII. Profit/(Loss) for the year (V - VI)</b>		<b>5,400.55</b>	<b>3,761.19</b>
<b>VIII. Other Comprehensive Income</b>	31		
A (i) Item that will not be reclassified to profit or loss		(43.81)	(231.65)
(ii) Income tax relating to item that will not be reclassified to profit or loss		9.77	51.64
B (i) Item that will be reclassified to profit or loss		(139.49)	53.05
(ii) Income tax relating to item that will be reclassified to profit or loss		(44.09)	(59.57)
<b>IX. Total Other Comprehensive Income</b>		<b>(217.62)</b>	<b>(186.53)</b>
<b>X. Total Comprehensive Income for the period (VII + IX)</b>		<b>5,182.93</b>	<b>3,574.65</b>
<b>XI. Earning per equity share: (FV ₹ 10/- each)</b>			
- Basic & Diluted (in ₹) [Refer Note 32H.]		175.22	122.03

**Significant Accounting Policies and Other Explanatory Notes and Information 1 - 32**

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

As per our report of even date

**For Haribhakti & Co LLP**

Chartered Accountants

Firm Registration No. 103523W / W1000048

For and on behalf of the Board

**Chirayu Amin\***

Chairman

DIN: 00242549

**Amit Goradia**

Director

DIN: 00074478

**Abhijit Joshi**

Whole-time Director &amp; CEO

DIN: 06568584

**Purushottam Nyati**

Partner

Membership No. 118970

Vadodara, 4<sup>th</sup> May, 2023**Sagar Gandhi**

Company Secretary

**Kirti Shah**

CFO

London\* / Vadodara, 4<sup>th</sup> May, 2023

## 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 1st April, 2021</b>	30,82,114	308.21
Change in equity share capital during the year	-	-
<b>Balance as at 31st March, 2022</b>	30,82,114	308.21

<b>Equity Shares of ₹ 10/- each issued, subscribed and fully paid</b>		
<b>Balance as at 1st April, 2022</b>	30,82,114	308.21
Change in equity share capital during the year	-	-
<b>Balance as at 31st March, 2023</b>	<b>30,82,114</b>	<b>308.21</b>

As there are no changes in equity share capital due to prior period errors in FY 2022-23 or FY 2021-22, related disclosures are not provided.

**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 1st April, 2021 (I)</b>	4.25	313.66	5,534.08	12,306.86	4,263.85	4,435.56	26,858.26
Profit for the year	-	-	-	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>	-	-	1,000.00	(1,184.93)	-	-	(184.93)
<b>Balance as at 31st March, 2022 (I + II + III)</b>	4.25	313.66	6,534.08	14,889.97	4,077.00	4,429.04	30,247.99

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 1st April, 2022 (I)</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>
Profit for the year	-	-	-	5,400.55	-	-	5,400.55
Re-measurement of post employment benefit obligation (net of tax)	-	-	-	9.62	-	-	9.62
Other Comprehensive Income for the year *	-	-	-	-	(43.67)	(183.58)	(227.24)
<b>Total Comprehensive Income for the year (II)</b>	-	-	-	5,410.17	(43.67)	(183.58)	5,182.93
Dividend paid	-	-	-	(369.85)	-	-	(369.85)
<b>Transaction for the year (III)</b>	-	-	-	<b>(369.85)</b>	-	-	<b>(369.85)</b>
<b>Balance as at 31st March, 2023 (I + II + III)</b>	<b>4.25</b>	<b>313.66</b>	<b>6,534.08</b>	<b>19,930.29</b>	<b>4,033.33</b>	<b>4,245.46</b>	<b>35,061.07</b>

\* Includes ₹ 166.82 Lacs on account of redemption of preference shares and consequent transfer from FVOCI - Debt Investment Reserve to statement of Profit & Loss.

As per our report of even date  
**For Haribhakti & Co LLP**  
 Chartered Accountants  
 Firm Registration No. 103523W / W1000048

For and on behalf of the Board

**Chirayu Amin\***  
 Chairman  
 DIN: 00242549

**Amit Goradia**  
 Director  
 DIN: 00074478

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

**Purushottam Nyati**  
 Partner  
 Membership No. 118970

**Sagar Gandhi**  
 Company Secretary

**Kirti Shah**  
 CFO

Vadodara, 4<sup>th</sup> May, 2023

London\* / Vadodara, 4<sup>th</sup> May, 2023

## CASH FLOW STATEMENT

₹ in Lacs

Particulars	For the Year ended 31 <sup>st</sup> March, 2023	For the Year ended 31 <sup>st</sup> March, 2022
<b>A CASH FLOW FROM OPERATING ACTIVITIES:</b>		
Net Profit before tax	7,222.33	5,027.77
Adjustments for:		
1 Depreciation	1,341.72	902.50
2 Interest Charged	26.13	2.65
3 Interest Income	(39.47)	(30.07)
4 Dividend Income	(374.91)	(294.71)
5 Unrealised Foreign Exchange Loss (Net)	5.04	(4.61)
6 Loss/(Profit) on Sales of Property, Plant & Equipment	(163.01)	7.97
7 Sundry Balance written back	-	(8.35)
8 Profit on Redemption of Investments	(327.30)	(160.50)
9 Fair value change of Financial Investments	(143.39)	(5.95)
10 Rent Income	(0.44)	(0.44)
<b>Operating profit before change in working capital</b>	<b>7,546.71</b>	<b>5,436.27</b>
<b>Adjustments for (Increase)/Decrease in Operating Assets:</b>		
Inventories	(361.76)	(519.08)
Trade Receivables	(1,279.61)	(677.77)
Other Current Assets	3.52	269.04
Other Non Current Assets	0.24	0.29
<b>Adjustments for (Increase)/Decrease in Operating Liabilities:</b>		
Trade Payables	(313.25)	753.49
Other Current Financial Liabilities	8.72	(2.13)
Other Current Liabilities	(98.45)	41.67
Current Provisions	12.26	5.01
Non Current Provisions	11.65	1.01
<b>Cash generated from operations</b>	<b>5,530.01</b>	<b>5,307.80</b>
Income Tax Paid	(1,258.92)	(908.99)
<b>NET CASH INFLOW FROM OPERATING ACTIVITIES</b>	<b>A 4,271.09</b>	<b>4,398.81</b>
<b>B CASH FLOW FROM INVESTING ACTIVITIES:</b>		
1 Purchase of Property, Plant & Equipment / CWIP	(1,714.07)	(4,825.45)
2 Sale of Property, Plant & Equipment	236.46	4.48
3 Net Proceeds from Investments	(2,757.41)	258.27
4 Interest received	39.47	32.49
5 Dividend Received	374.91	294.71
6 Rent Income	0.44	0.44
<b>NET CASH UTILISED IN INVESTING ACTIVITIES</b>	<b>B (3,820.21)</b>	<b>(4,235.05)</b>

₹ in Lacs

Particulars		For the Year ended 31 <sup>st</sup> March, 2023	For the Year ended 31 <sup>st</sup> March, 2022
<b>C CASH FLOW FROM FINANCIAL ACTIVITIES:</b>			
1 Proceeds/ (Repayment) from Current Borrowings (Net)		(12.14)	12.14
2 Interest Paid		(26.13)	(2.65)
3 Dividend Paid		(366.44)	(185.24)
<b>NET CASH UTILISED IN FINANCIAL ACTIVITIES</b>	<b>C</b>	<b>(404.71)</b>	<b>(175.76)</b>
<b>I Net Increase / (Decrease) in Cash and Cash Equivalents</b>	<b>A+B+C</b>	<b>46.17</b>	<b>(11.99)</b>
<b>II Cash &amp; Cash equivalents as at the beginning of the Year</b>		<b>6.06</b>	<b>18.04</b>
<b>III Cash &amp; Cash equivalents as at the end of the Reporting Period (I+II)</b>		<b>52.23</b>	<b>6.06</b>
<b>IV Cash &amp; Cash equivalents as at the end of the Reporting Period</b>			
Balances with Bank		50.48	5.26
Cash on Hand		1.75	0.80
<b>Cash and Cash Equivalents</b>		<b>52.23</b>	<b>6.06</b>

As per our report of even date  
**For Haribhakti & Co LLP**  
 Chartered Accountants  
 Firm Registration No. 103523W / W1000048

For and on behalf of the Board

**Chirayu Amin\***  
 Chairman  
 DIN: 00242549

**Amit Goradia**  
 Director  
 DIN: 00074478

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

**Purushottam Nyati**  
 Partner  
 Membership No. 118970  
 Vadodara, 4<sup>th</sup> May, 2023

**Sagar Gandhi**      **Kirti Shah**  
 Company Secretary      CFO

London\* / Vadodara, 4<sup>th</sup> May, 2023



## **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.

All amounts disclosed in the financial statement and notes have been rounded off to the nearest lacs, unless otherwise stated. Transactions and balances with values below the rounding off norm adopted by the company have been reflected as '0' in the relevant notes in these financial statements.

#### **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.

##### **Critical judgements, estimates and assumptions in applying accounting policies**

In particular, information about significant areas of estimates and judgments in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements includes valuation of financial instruments, useful lives of property, plant and equipment and intangible assets, valuation of inventories including classification of slow moving and non moving inventory, measurement of defined benefit obligations and actuarial assumptions, provisions and other accruals, recoverability/ recognition of tax assets/liabilities, assessment of functional currency and contingent liabilities.

#### **1.5 Significant accounting policies and other explanatory notes**

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

Sales are disclosed net of sales returns and GST.

Revenue from contracts with customers is recognised on satisfaction of performance obligation, when control of the goods is passed to customer. The point at which control passes is determined based on terms of agreement with customer or as per general industry / market practice.

Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price net of variable considerations on account of various discounts and schemes offered by the Company as part of the contract allocated to that performance obligation.

## NOTES TO FINANCIAL STATEMENTS

Transaction price is the amount of consideration to which the Company expects it to be entitled in exchange for transferring goods or services to a customer.

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.

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

### 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 be encashed. Remaining accumulated leave liability 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.

#### ii) Defined contribution plan

The contribution to 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 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.

NOTES TO FINANCIAL STATEMENTS

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.

**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 intangible assets**

Depreciation / Amortisation on Property, Plant & Equipment and Intangible Assets (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 & Equipment	03 - 20 Years
Windmill	22 Years
Furniture & Fixtures	03 - 10 Years
Office Equipment	03 - 15 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

## NOTES TO FINANCIAL STATEMENTS

(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.

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 Materials 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 is 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 that do not contain a significant financing component, are measured and carried at its transaction price i.e. 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

Except for Trade Receivables that do not contain a significant financing component, 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.

##### c. Impairment of financial assets

The Company applies the expected credit loss model for recognising impairment loss on financial assets measured at amortised cost, lease receivables, trade receivables, other contractual rights to receive cash or other financial asset. For trade receivables, the Company measures the loss allowance at an amount equal to lifetime expected credit losses. Further, for the purpose of measuring lifetime

## NOTES TO FINANCIAL STATEMENTS

expected credit loss allowance for trade receivables, the Company has used practical expedience as permitted under Ind AS 109. This expected credit loss allowance is computed based on a provision matrix which takes into account historical credit loss experience and adjusted for forward-looking information.

### d. De-recognition of financial assets

A financial asset is primarily derecognised when:

1. the right to receive cash flows from the asset has expired, or
2. the Company has transferred its rights to receive cash flows from the asset; and
  - (a) the Company has transferred substantially all the risks and rewards of the asset, or
  - (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

On derecognition of a financial asset in its entirety (other than investments in equity instruments at FVOCI), the differences between the carrying amounts measured at the date of derecognition and the consideration received is recognised in the Statement of Profit and 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.

### 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.

### c. De-recognition of financial liabilities

A financial liability (or a part of a financial liability) is derecognized from the company's balance sheet when the obligation specified in the contract is discharged or cancelled or expires.

## 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.

## NOTES TO FINANCIAL STATEMENTS

### 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

On March 31, 2023, the Ministry of Corporate Affairs (MCA) has notified Companies (Indian Accounting Standards) Amendment Rules, 2023. This notification has resulted into following amendments in the existing Accounting Standards which are applicable from April 1, 2023.

- a) **Ind AS 107, Ind AS 1, Ind AS 34** – Modification relating to disclosure of material accounting policies including information about basis of measurement of financial instruments.
- b) **Ind AS 8** – Modification of definition of 'accounting estimate' and application of changes in accounting estimates.
- c) **Ind AS 12** – Modification relating to recognition of deferred tax liabilities and deferred tax assets.

The Company is evaluating the amendments and the expected impact, if any, on the Company's financial statements on application of the amendments for annual reporting periods beginning on or after 1 April 2023.

## 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 & Equipment	Windmill	R&D Equipment	Furniture & Fixtures	Office Equipment	Vehicles	Total	Capital work in progress	Intangible Assets
<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	0.00	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	-
As at 31 <sup>st</sup> March, 2022	30.60	2,785.23	12,712.36	1,450.40	210.73	107.43	176.35	19.29	17,492.39	758.82	24.68
<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	-	-
As at 31 <sup>st</sup> March, 2022	-	157.43	2,149.61	360.17	81.06	25.01	41.41	4.68	2,819.37	-	11.65
<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
As at 31 <sup>st</sup> March, 2022	30.60	2,627.80	10,562.75	1,090.23	129.67	82.42	134.95	14.61	14,673.02	758.82	13.03
<b>Gross Carrying amount</b>											
As at 1 <sup>st</sup> April, 2022	30.60	2,785.23	12,712.36	1,450.40	210.73	107.43	176.35	19.29	17,492.39	758.82	24.68
Additions	33.53	130.92	1,338.82	-	45.50	58.53	14.28	-	1,621.57	1,523.39	1.35
Disposals	15.43	-	111.12	-	4.78	0.07	0.32	-	131.73	-	-
Transfer	-	-	16.53	-	-	-	-	-	16.53	1,622.92	-
As at 31 <sup>st</sup> March, 2023	48.69	2,916.15	13,923.52	1,450.40	251.45	165.88	190.31	19.29	18,965.70	659.29	26.03
<b>Accumulated Depreciation</b>											
As at 1 <sup>st</sup> April, 2022	-	157.43	2,149.61	360.17	81.06	25.01	41.41	4.68	2,819.37	-	11.65
Depreciation charge for the year	-	121.88	1,095.36	62.63	20.14	13.18	20.53	2.29	1,336.01	-	5.70
Disposals	-	-	55.57	-	2.47	-	0.25	-	58.29	-	-
Transfer	-	-	2.46	-	-	-	-	-	2.46	-	-
As at 31 <sup>st</sup> March, 2023	-	279.32	3,186.94	422.80	98.73	38.19	61.68	6.97	4,094.64	-	17.35
<b>Net Carrying amount</b>											
As at 31 <sup>st</sup> March, 2022	30.60	2,627.80	10,562.75	1,090.23	129.67	82.42	134.95	14.61	14,673.02	758.82	13.03
As at 31 <sup>st</sup> March, 2023	48.69	2,636.83	10,736.57	1,027.60	152.72	127.70	128.63	12.32	14,871.06	659.29	8.67

**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 i.e. 1<sup>st</sup> April, 2016.

For Capital work in progress ageing, please refer note 32L.



NOTES TO FINANCIAL STATEMENTS

3 Non-Current Investments:	₹ in Lacs	
Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
<b>Investments at fair value through other comprehensive income</b>		
<b>Investment in Equity Instruments (Quoted)</b>		
1,525 (31 <sup>st</sup> March, 22: 1,525) equity shares of ₹2/- each fully paid up in Alembic Limited.	0.90	1.10
855 (31 <sup>st</sup> March, 22: 855) equity shares of ₹2/- each fully paid up in Alembic Pharmaceuticals Limited.	4.24	6.34
<b>Investment in Equity Instruments (Unquoted)</b>		
1,433 (31 <sup>st</sup> March, 22: 1,433) equity shares of ₹100/- each fully paid up in Nirayu Limited.	1,868.59	2,640.93
1,33,332 (31 <sup>st</sup> March, 22: 1,33,332) equity shares of ₹100/- each fully paid up in Shreno Limited.	3,390.57	2,673.31
10 (31 <sup>st</sup> March, 22: 10) equity shares of ₹100/- each fully paid up in Gujarat Urban Housing Co.	0.01	0.01
25,030 (31 <sup>st</sup> March, 22: 25,030) equity shares of ₹10/- each fully paid up in Pragati Sahakari Bank Limited.	2.50	2.50
1 (31 <sup>st</sup> March, 22: 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, 22: 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>		
1,20,000 (31 <sup>st</sup> March, 22: 1,37,053) 7% Non-Convertible Cumulative Redeemable Preference Shares of ₹100/- each fully paid up in Nirayu Limited. (17,053 Preference Shares redeemed during the year)	1,184.41	1,348.55
1,525 (31 <sup>st</sup> March, 22: 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, 22: 1,33,332) 7% Non-Convertible Cumulative Redeemable Preference Shares of ₹ 100/-each fully paid up in Nirayu Limited.	4,172.20	4,148.52
2,92,500 (31 <sup>st</sup> March, 22: 2,92,500) 1% Redeemable Cumulative Preference Shares of ₹10/- each fully paid up in Enviro Infrastructure Co. Limited.	29.25	29.25
<b>Investments at fair value (market value) through Profit and Loss</b>		
Investment in Alternative Investment Fund (Quoted)	510.20	-
<b>Total</b>	<b>11,163.12</b>	<b>10,850.77</b>
Aggregate value of quoted investments - At cost	500.02	0.02
Aggregate value of quoted investments - At market value	515.34	7.44
Aggregate value of unquoted investments - At cost	86.39	87.36
Aggregate value of unquoted investments - At market value	10,647.78	10,843.33

## NOTES TO FINANCIAL STATEMENTS

4 Other Financial Assets:		₹ in Lacs	
Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022	
Bank Deposits with more than 12 months maturity	0.77	1.01	
<b>Total</b>	<b>0.77</b>	<b>1.01</b>	

5 Other Non Current Assets:		₹ in Lacs	
Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022	
Capital Advances	46.17	5.45	
<b>Total</b>	<b>46.17</b>	<b>5.45</b>	

6 Inventories: [Basis of Valuation - Refer Note 1.5 (k)]		₹ in Lacs	
Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022	
Raw materials	416.00	594.41	
Work-in-progress	136.23	113.97	
Finished goods*	-	117.59	
Semi Finished goods	888.26	573.57	
Stores, Spares & Packing Materials	833.19	498.31	
<b>Total</b>	<b>2,273.68</b>	<b>1,897.84</b>	

\* Includes finished goods in transit for ₹ Nil as on 31.03.2023 (P.Y. ₹107.03 Lacs).

7 Current Investments:		₹ in Lacs	
Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022	
<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	7,003.09	2,074.09	
<b>Total</b>	<b>7,003.09</b>	<b>4,284.22</b>	

NOTES TO FINANCIAL STATEMENTS

8	Trade Receivables (Current / Unsecured):	₹ in Lacs	
	Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
	Considered good	5,247.83	3,973.08
		<u>5,247.83</u>	<u>3,973.08</u>
	Trade Receivables which have significant increase in Credit Risk	35.16	-
	Less : Allowance for doubtful debts (expected credit loss allowance)	35.16	-
	<b>Total</b>	<u><u>5,247.83</u></u>	<u><u>3,973.08</u></u>
	For ageing, please refer note no. 32M.		
9	Cash and Cash Equivalents:	₹ in Lacs	
	Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
	Balances with Bank		
	In current account	50.48	5.26
	Cash on hand	1.75	0.80
	<b>Total</b>	<u><u>52.23</u></u>	<u><u>6.06</u></u>
10	Bank Balance other than Cash and Cash Equivalents:	₹ in Lacs	
	Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
	In earmarked accounts		
	Balances held in unpaid dividend accounts	42.60	39.19
	<b>Total</b>	<u><u>42.60</u></u>	<u><u>39.19</u></u>
11	Other Financial Assets:	₹ in Lacs	
	Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
	Security Deposits	2.26	2.00
	<b>Total</b>	<u><u>2.26</u></u>	<u><u>2.00</u></u>
12	Current Tax Assets (Net):	₹ in Lacs	
	Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
	Income Taxes paid (Advance Tax and TDS) net of Provision	-	37.11
	<b>Total</b>	<u><u>-</u></u>	<u><u>37.11</u></u>
13	Other Current Assets:	₹ in Lacs	
	Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
	Advance given to Trade Creditors	6.10	1.46
	Balances with Government Authorities	24.61	26.32
	Prepaid Expenses	62.67	49.09
	Export Benefits	9.71	28.83
	Others	0.40	4.98
	<b>Total</b>	<u><u>103.50</u></u>	<u><u>110.68</u></u>

NOTES TO FINANCIAL STATEMENTS

14 Equity Share Capital:

₹ in Lacs

Particulars	As at	
	31 <sup>st</sup> March, 2023	31 <sup>st</sup> March, 2022
<b>(a) Shares Authorized:</b>		
90,00,000 (PY: 90,00,000) Equity shares of ₹10/- each	900.00	900.00
11,00,000 (PY: 11,00,000) Redeemable Cumulative Preference Shares of ₹100/- each	1,100.00	1,100.00
<b>Total</b>	<b>2,000.00</b>	<b>2,000.00</b>
<b>(b) Shares issued, subscribed and fully paid:</b>		
30,82,114 (PY 30,82,114) Equity Shares of ₹10/- each	308.21	308.21
<b>Total</b>	<b>308.21</b>	<b>308.21</b>

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

Particulars	2022-23		2021-22	
	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, 2023		31 <sup>st</sup> March, 2022		% change during the year
	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, 2023		31 <sup>st</sup> March, 2022		% 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%	-

\*15,722 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:	Particulars	₹ in Lacs	
		As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
	Capital Reserve	4.25	4.25
	Capital Redemption Reserve	313.66	313.66
	General Reserve	6,534.08	6,534.08
	Retained Earnings	19,930.29	14,889.97
	FVOCI - Equity Investment Reserve	4,033.33	4,077.00
	FVOCI - Debt Investment Reserve	4,245.46	4,429.04
	<b>Total</b>	<b>35,061.06</b>	<b>30,247.99</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:	Particulars	₹ in Lacs	
		As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
	Provision for employee benefits [Refer Note 32C]		
	Provision for Leave benefits	93.17	84.66
	Provision for Gratuity benefits	7.81	4.68
	<b>Total</b>	<b>100.98</b>	<b>89.34</b>

17 Deferred Tax Liabilities (Net) :	Particulars	₹ in Lacs	
		As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
	<b>Deferred Tax Liabilities on:</b>		
	Difference Between Book & Tax Depreciation	1,507.86	1,095.03
	Fair value changes through P&L	38.78	1.73
	Fair value changes through OCI	2,287.73	2,257.36
		<b>3,834.37</b>	<b>3,354.12</b>
	<b>Less: Deferred Tax Assets on:</b>		
	Unused tax credit	-	8.02
	Disallowances under Income Tax Act	61.98	40.55
		<b>61.98</b>	<b>48.57</b>
	<b>Total</b>	<b>3,772.39</b>	<b>3,305.55</b>

NOTES TO FINANCIAL STATEMENTS

18 Borrowings - Current:		₹ in Lacs	
Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022	
From Banks (Unsecured)			
Working Capital facilities	-		12.14
<b>Total</b>	<b>-</b>		<b>12.14</b>

19 Trade Payable:		₹ in Lacs	
Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022	
Due to Micro & Small enterprises [Refer Note 32E]	75.20		177.97
Others	1,460.73		1,671.03
<b>Total</b>	<b>1,535.93</b>		<b>1,849.00</b>

For ageing, please refer note no. 32N.

20 Other Financial Liabilities - Current:		₹ in Lacs	
Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022	
Unpaid Dividends	42.60		39.19
Trade Deposits	29.40		26.90
Payables for Employee Benefits	161.06		154.84
Payables on Purchase of Property, Plant & Equipment	244.56		394.52
<b>Total</b>	<b>477.63</b>		<b>615.46</b>

21 Other Current Liabilities:		₹ in Lacs	
Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022	
Statutory Liabilities	87.79		180.15
Advance from Customers	0.65		6.74
<b>Total</b>	<b>88.44</b>		<b>186.89</b>

22 Provisions - Current:		₹ in Lacs	
Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022	
Provision for employee benefits [Refer Note 32C]			
Provision for Leave benefits	21.40		21.83
Provision for Gratuity benefits	15.00		15.88
<b>Total</b>	<b>36.40</b>		<b>37.71</b>

23 Current Tax Liabilities (Net) :		₹ in Lacs	
Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022	
Provision for Income Tax (net of advance tax and TDS)	93.23		-
<b>Total</b>	<b>93.23</b>		<b>-</b>

NOTES TO FINANCIAL STATEMENTS

24 Revenue from Operations:	₹ in Lacs	
Particulars	For the Year ended 31 <sup>st</sup> March, 2023	For the Year ended 31 <sup>st</sup> March, 2022
<b>Sale of products</b>		
Domestic	16,422.75	11,618.14
Exports	4,654.57	3,233.73
	<b>21,077.32</b>	<b>14,851.87</b>
<b>Other Operating Revenues</b>		
Disposal Sales	76.90	95.37
Export Incentives	67.16	40.89
Service Income	13.23	21.64
	<b>157.28</b>	<b>157.90</b>
<b>Total</b>	<b>21,234.61</b>	<b>15,009.76</b>
<b>25 Other Income :</b>	₹ in Lacs	
Particulars	For the Year ended 31 <sup>st</sup> March, 2023	For the Year ended 31 <sup>st</sup> March, 2022
Dividend from Financial Assets - Investments	374.91	294.71
Sundry Balance written back	-	8.35
Interest Income	39.47	30.07
Profit on Sale / Redemption of Investment (Net)	327.30	160.50
Sale of Power	-	0.44
Exchange Fluctuation Gain (Net)	19.55	13.63
Fair Value change of investment held for trading	143.39	5.95
Rent Received	0.45	0.47
<b>Total</b>	<b>905.06</b>	<b>514.12</b>
<b>26 Cost of Raw Material Consumed:</b>	₹ in Lacs	
Particulars	For the Year ended 31 <sup>st</sup> March, 2023	For the Year ended 31 <sup>st</sup> March, 2022
Inventory at the beginning of the year	594.41	541.71
Add : Purchases	4,645.77	3,384.03
	<b>5,240.17</b>	<b>3,925.74</b>
Less : Inventory at the end of the year	416.00	594.41
<b>Total</b>	<b>4,824.18</b>	<b>3,331.34</b>
<b>27 Change in inventories of finished goods, semi-finished goods and work-in-progress:</b>	₹ in Lacs	
Particulars	For the Year ended 31 <sup>st</sup> March, 2023	For the Year ended 31 <sup>st</sup> March, 2022
<b>Inventory at the end of the year</b>		
Work in Process	136.23	113.97
Semi Finished Goods	888.26	573.57
Finished Goods	-	117.59
	<b>1,024.49</b>	<b>805.12</b>
<b>Inventory at the beginning 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>Total</b>	<b>(219.36)</b>	<b>(354.09)</b>

## NOTES TO FINANCIAL STATEMENTS

28 Employee benefits expense:	₹ in Lacs	
Particulars	For the Year ended 31 <sup>st</sup> March, 2023	For the Year ended 31 <sup>st</sup> March, 2022
Salaries, Wages, Bonus and Others etc.	2,342.05	1,858.93
Contribution to Provident and other funds	139.55	133.65
Staff welfare	195.09	160.55
<b>Total</b>	<b>2,676.69</b>	<b>2,153.14</b>
29 Finance Cost :	₹ in Lacs	
Particulars	For the Year ended 31 <sup>st</sup> March, 2023	For the Year ended 31 <sup>st</sup> March, 2022
Interest & Discounting Charges	26.13	2.65
Bank Charges	4.96	3.49
<b>Total</b>	<b>31.10</b>	<b>6.15</b>
30 Other Expenses :	₹ in Lacs	
Particulars	For the Year ended 31 <sup>st</sup> March, 2023	For the Year ended 31 <sup>st</sup> March, 2022
Repairs and Maintenance	806.92	383.99
Freight and Forwarding Expense	288.23	189.66
Waste Disposal Expense	609.79	224.74
Packing Material Consumed	487.95	293.10
Stores, Spares Consumed	736.74	693.09
Power, Fuel & Utilities	1,533.29	1,005.15
Contract Labour Expense	476.54	414.98
Other Manufacturing Expenses	108.74	122.05
Selling, Distribution & Advertisement Expense	166.62	82.84
Rent	52.37	49.22
Rates and Taxes	21.53	35.81
Insurance	60.61	41.82
Travelling Expense	246.14	227.49
Legal & Professional Expense	448.83	415.65
Payment to Auditor [Refer Note 32J]	7.76	7.45
Directors' Sitting fees	11.65	9.40
Provision for Doubtful Debts	35.16	-
Loss on Sale of Property, Plant and Equipment	7.40	7.97
CSR Expense [Refer Note 32I]	87.59	81.97
Miscellaneous Expenses	239.58	170.69
<b>Total</b>	<b>6,433.44</b>	<b>4,457.07</b>



NOTES TO FINANCIAL STATEMENTS

31 Other Comprehensive Income:	₹ in Lacs	
Particulars	For the Year ended 31 <sup>st</sup> March, 2023	For the Year ended 31 <sup>st</sup> March, 2022
<b>Item that will not be reclassified to Profit and Loss</b>		
Gain and losses on re-measurement of Financial Asset routed through OCI	(57.39)	(244.47)
Income Tax Relating to this item	13.72	57.61
	<b>(43.67)</b>	(186.86)
Remeasurements of post-employment benefit obligations	13.57	12.82
Income Tax Relating to this item	(3.95)	(5.97)
	<b>9.62</b>	6.85
	<b>(34.04)</b>	(180.01)
<b>Item that will be reclassified to Profit and Loss</b>		
Gain and losses on re-measurement of Financial Asset routed through OCI	(139.49)	53.05
Income Tax Relating to this item	(44.09)	(59.57)
	<b>(183.58)</b>	(6.52)
<b>Total</b>	<b>(217.62)</b>	(186.53)

## NOTES TO FINANCIAL STATEMENTS

## 32 Other Explanatory Notes and Information:

## A. Capital &amp; Other Commitment

Estimated amount of contracts remaining to be executed on capital accounts and not provided for (net of advances) ₹ 1,460.69 lacs (Previous year ₹ 405.61 lacs).

## B. Contingent Liabilities

Contingent liabilities not provided for:

Sr. No.	Particulars	₹ in Lacs	
		As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
a)	Disputed claims for Excise Duty & Service Tax	20.18	26.87
b)	Disputed claims for Income Tax	-	27.33
c)	Disputed claims for VAT & CST	2.55	2.55
d)	Civil Suit	-	4.00
e)	Bank Guarantee	183.89	183.89

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

Particulars	₹ in Lacs			
	31.03.2023	31.03.2022	31.03.2023	31.03.2022
	Gratuity Funded		Leave Encashment	
<b>Expense recognised in the Statement of Profit &amp; Loss</b>				
Current Service cost	36.27	32.01	14.73	14.10
Interest Cost	1.33	2.74	7.88	6.22
Net Actuarial (Gains) / Losses	-	-	2.91	3.99
<b>Total expense</b>	<b>37.60</b>	<b>34.75</b>	<b>25.52</b>	<b>24.31</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	(1.91)	1.03	-	-
Due to Experience Adjustments	(17.41)	(14.10)	-	-
Return on plan assets excluding amounts included in Interest Income	5.75	0.25	-	-
<b>Total amount recognized in Other Comprehensive Income</b>	<b>(13.57)</b>	<b>(12.82)</b>	<b>-</b>	<b>-</b>
<b>Net Asset / (Liability) recognised in the Balance Sheet</b>				
Present value of Defined Benefit Obligation	287.40	267.25	114.57	106.49
Fair value of plan assets	264.59	246.69	-	-
Funded status [Surplus / (Deficit)]	(22.81)	(20.56)	(114.57)	(106.49)
<b>Net Asset / (Liability)</b>	<b>(22.81)</b>	<b>(20.56)</b>	<b>(114.57)</b>	<b>(106.49)</b>
<b>Change in Obligation during the year ended</b>				
<b>Present value of Defined Benefit Obligation at beginning of the year</b>	<b>267.25</b>	<b>269.59</b>	<b>106.49</b>	<b>91.52</b>
Current Service cost	36.27	32.00	14.73	14.10
Interest Cost	19.78	18.33	7.88	6.22
Actuarial (Gains) / Losses	(19.32)	(13.07)	2.91	3.99
Benefits Payments	(16.58)	(39.61)	(17.44)	(9.34)
<b>Present value of Defined Benefit Obligation at the end of the year</b>	<b>287.40</b>	<b>267.25</b>	<b>114.57</b>	<b>106.49</b>

NOTES TO FINANCIAL STATEMENTS

₹ in Lacs

Particulars	31.03.2023	31.03.2022	31.03.2023	31.03.2022
	Gratuity Funded		Leave Encashment	
<b>Change in Assets during the year</b>				
Plan assets at the beginning of the year	246.69	227.27	-	-
Interest Income	18.45	15.59	-	-
Contributions by Employer	21.78	43.69	-	-
Benefits paid from Fund	(16.58)	(39.61)	-	-
Actuarial (Gains) / Losses	(5.75)	(0.25)	-	-
Plan assets at the end of the year	264.59	246.69	-	-
<b>Expected Cash flow based on the past service liability for year ended</b>				
Year 1 Cash flow	66.75	52.08	21.40	21.83
Distribution (%)	20.8%	18.3%	16.2%	18.8%
Year 2 Cash flow	15.47	15.06	4.25	4.81
Distribution (%)	4.8%	5.3%	3.2%	4.1%
Year 3 Cash flow	18.38	12.85	5.25	3.48
Distribution (%)	5.7%	4.5%	4.0%	3.0%
Year 4 Cash flow	20.78	21.57	5.43	5.28
Distribution (%)	6.5%	7.6%	4.1%	4.5%
Year 5 Cash flow	22.28	13.47	9.18	3.86
Distribution (%)	7.0%	4.7%	6.9%	3.3%
Year 6 - Year 10 Cash flow	81.73	65.99	14.46	11.72
Distribution (%)	25.5%	23.2%	10.9%	10.1%
<b>Actuarial Assumptions</b>				
Discount Rate	7.40%	6.80%	7.40%	6.80%
Expected rate of return on plan assets	7.40%	6.80%	7.40%	6.80%
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	277.13	257.28	109.11	101.01
-0.5% Change in Rate of Discounting	298.43	277.99	120.49	112.48
+0.5% Change in Rate of Salary Increase	298.52	278.02	120.54	112.49
-0.5% Change in Rate of Salary Increase	276.95	257.16	109.02	100.95
+10% Change in Rate of Withdrawal Rate	288.47	267.85	115.24	106.90
-10% Change in Rate of Withdrawal Rate	286.27	266.63	113.86	106.04

**NOTES TO FINANCIAL STATEMENTS**

**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.

- 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 expense in the year of incurring the same. Shortfall of ₹ 10.10 Lacs has been provided in the F.Y. 2022-23 (P.Y. ₹ 23.00 Lacs)

The details of fund and plan assets position for Provident Fund are given below:

Sr no	Particulars	₹ in Lacs	
		As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
a)	Fair Value of Plan Assets at the end of the year	1,343.27	1,171.03
	Less: Present value of obligation	1,297.69	1,163.73
	Amount recognised in the Statement of Profit & Loss	-	-
b)	Assumptions used in determining present value of obligation		
	Discount Rate	7.40%	6.50%
	Guaranteed Rate of Return	8.15%	8.10%
	Expected Rate of Return	8.30%	8.40%

**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:

Sr. No.	Particulars	₹ in Lacs	
		As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
a)	(i) The Principal amount remaining unpaid to any supplier at the end of accounting year	75.20	177.97
	(ii) The interest due on above	-	-
	Total of (i) & (ii) above	75.20	177.97
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.

NOTES TO FINANCIAL STATEMENTS

b) Secondary Segment (By Geographical Segment)

Particulars	₹ in Lacs	
	For the Year ended 31 <sup>st</sup> March, 2023	For the Year ended 31 <sup>st</sup> March, 2022
India	16,422.75	11,618.14
Outside India	4,654.57	3,233.73
<b>Total Sales</b>	<b>21,077.32</b>	<b>14,851.87</b>

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

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. EGGs

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 (upto 01<sup>st</sup> July, 2022)
- 7 Ms. Roopa Patel - Independent Director (w.e.f. 15<sup>th</sup> September, 2022)
- 8 Mr. Abhijit Joshi - Whole Time Director & CEO
- 9 Ms. Kirti Shah - Chief Financial Officer
- 10 Ms. Manisha Saraf - Company Secretary (upto 31<sup>st</sup> March, 2023)
- 11 Mr. Sagar Gandhi - Company Secretary (w.e.f. 01<sup>st</sup> April, 2023)

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, 2023	For the Year ended 31 <sup>st</sup> March, 2022
1	<b>Purchase of Goods</b>		
	<b>Other Related Parties</b>		
	Alembic Ltd.	7.65	11.13
	Shreno Publications Ltd.	0.08	-
	Shreno Engineering Ltd.	2.12	-
2	<b>Sale of Goods/Services</b>		
	<b>Other Related Parties</b>		
	Alembic Pharmaceuticals Ltd.	196.58	179.67
	Alembic Ltd.	7.09	6.80
3	<b>Receiving of Services</b>		
	<b>Other Related Parties</b>		
	Alembic Ltd.	71.50	71.50
	Alembic City Ltd.	16.25	16.25
	Enviro Infrastructure Co. Ltd.	7.72	10.10
	Shreno Publications Ltd.	-	0.35
	<b>Close Member of KMP / Promoters / Directors</b>		
	Ms. Yera Amin	35.40	34.81
	Ms. Shreya Mukharji	11.80	9.83
4	<b>Reimbursement of Expenses</b>		
	<b>Other Related Parties</b>		
	Alembic City Ltd.	6.59	6.98
	Alembic Pharmaceuticals Ltd.	58.37	32.01
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
	<b>Other Related Parties</b>		
	Shreno Engineering Ltd.	102.20	4.26
	Alembic Ltd.	38.26	10.62
7	<b>Sale of Property, Plant &amp; Equipment</b>		
	<b>Other Related Parties</b>		
	Alembic Pharmaceuticals Ltd.	186.42	3.03
	Shreno Engineering Ltd.	-	0.50
8	<b>Redemption of Preference Shares</b>		
	<b>Controlling Company</b>		
	Nirayu Ltd.	170.53	-

NOTES TO FINANCIAL STATEMENTS

Sr. No.	Particulars	₹ in Lacs	
		For the Year ended 31 <sup>st</sup> March, 2023	For the Year ended 31 <sup>st</sup> March, 2022
<b>9</b>	<b>Remuneration</b>		
	<b>Key Management Personnel</b>		
	Short Term Benefits	<b>111.98</b>	101.36
	Post Employment Benefits	<b>12.48</b>	11.25
	Others	<b>211.65</b>	154.40
<b>10</b>	<b>CSR contribution</b>		
	<b>Other Related Parties</b>		
	Alembic CSR Foundation	<b>87.59</b>	81.97
<b>11</b>	<b>Post Employment Benefit Plans</b>		
	<b>Other Related Parties</b>		
	Paushak Ltd PF Trust	<b>229.31</b>	188.11
	Paushak Ltd. EGGS	<b>20.00</b>	42.00
<b>12</b>	<b>Dividend Received</b>		
	<b>Controlling Company</b>		
	Nirayu Ltd.	<b>374.20</b>	294.00
	<b>Other Related Parties</b>		
	Alembic Ltd. (*Amount Less than ₹ 1,000)	<b>0.03</b>	0.00*
	Alembic Pharmaceuticals Ltd.	<b>0.09</b>	0.12
	Enviro Infrastructure Co. Ltd.	<b>0.29</b>	0.29
<b>13</b>	<b>Dividend Paid</b>		
	<b>Controlling Company</b>		
	Nirayu Ltd.	<b>152.20</b>	76.10
	<b>Other Related Parties</b>		
	Alembic Ltd.	<b>70.54</b>	35.27
	Others	<b>0.01</b>	0.00
	<b>KMP &amp; Close Members of KMP</b>	<b>25.43</b>	12.70

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

NOTES TO FINANCIAL STATEMENTS

c) Balances outstanding as at the end of the year

₹ in Lacs			
Sr. No.	Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
1	<b>Controlling Company</b>		
	Investments	7,225.20	8,138.01
2	<b>KMP, Promoters, Directors &amp; Close Members of KMP / Promoters / Directors</b>		
	Remuneration Payable	200.00	145.00
3	<b>Other related parties</b>		
	Trade / Other Payable	2.69	24.37
	Trade / Other Receivable	41.55	14.74
	Investments	3,425.21	2,710.25

H. Earnings Per Share

Sr. No.	Particulars	For the Year ended 31 <sup>st</sup> March, 2023	For the Year ended 31 <sup>st</sup> March, 2022
a)	Profit after Tax (₹ in Lacs)	5,400.55	3,761.19
b)	Weighted Average Number of Equity Shares	30,82,114	30,82,114
c)	Basic and Diluted Earning per Share (in ₹) (Face value ₹10/- per share)	175.22	122.03

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 ₹ 87.59 Lacs during the year. Please refer to Annexure – B in the Board's Report.

Sr. No	Particulars	For the Year ended 31 <sup>st</sup> March, 2023	For the Year ended 31 <sup>st</sup> March, 2022
a)	Gross amount required to be spent by the Company	87.59	81.97
b)	Amount spent during the year on:		
	1. Construction / Acquisition of Assets		
	- In cash	-	-
	- Yet to be paid in cash	-	-
	2. On purpose other than (i) above		
	- In cash	87.59	81.97
	- Yet to be paid in cash	-	-
c)	Shortfall at the end of the year	-	-
d)	Total of previous year shortfall	-	-
e)	Provision of CSR		
	Opening Balance	-	-
	Addition	-	-
	Withdrawal	-	-
	Closing Balance	-	-
f)	Nature of CSR activity - The Company through Alembic CSR Foundation, implementing agency has spent the amount referred in (b) above on CSR activities such as Healthcare including Preventive Healthcare and Education.		
g)	Related party transaction - Refer note 32G to the notes to the Financial Statements.		



NOTES TO FINANCIAL STATEMENTS

J. Payment to Auditors

₹ in Lacs			
Sr. No.	Particulars	For the Year ended 31 <sup>st</sup> March, 2023	For the Year ended 31 <sup>st</sup> March, 2022
a)	<b>Statutory Auditors</b>		
	For Statutory Audit	3.50	3.50
	For Tax Audit	1.00	1.25
	Other services	0.05	0.12
		<b>4.55</b>	4.87
b)	<b>Cost Auditors</b>	<b>0.36</b>	0.48
c)	<b>Secretarial Auditor</b>		
	Secretarial Audit, Corporate Governance, Annual Return & other services	<b>2.85</b>	2.10
	<b>Total</b>	<b>7.76</b>	7.45

K. Research and Development Expenses

₹ in Lacs			
Sr. No.	Particulars	For the Year ended 31 <sup>st</sup> March, 2023	For the Year ended 31 <sup>st</sup> March, 2022
a)	Material Consumption	30.04	32.16
b)	Employees' Cost	157.23	149.12
c)	Utilities	33.25	32.97
d)	Depreciation and Amortisation	22.59	19.60
e)	Others	26.73	24.00
	<b>Total Expenses (included in Statement Profit and Loss)</b>	<b>269.85</b>	257.84

L. Capital Work in Progress ageing

₹ in Lacs					
Particulars	As at 31 <sup>st</sup> March, 2023 for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in Progress	659.18	0.11	-	-	659.29
Projects temporarily suspended	-	-	-	-	-
<b>Total</b>	<b>659.18</b>	<b>0.11</b>	-	-	<b>659.29</b>

₹ 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>758.82</b>

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

## NOTES TO FINANCIAL STATEMENTS

## M. Trade Receivables ageing

₹ in Lacs

Particulars	As at 31 <sup>st</sup> March, 2023			
	Not due	Overdue for		Total
		Less than 6 Months	6 Months - 1 year	
<b>Undisputed Trade Receivables</b>				
Considered good	4,721.11	526.70	0.03	5,247.83
Which have significant increase in credit risk	-	-	35.16	35.16
	4,721.11	526.70	35.19	5,283.00
Less: Expected credit loss allowance	-	-	-	(35.16)
<b>Total</b>	<b>4,721.11</b>	<b>526.70</b>	<b>35.19</b>	<b>5,247.83</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, 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
Total	3,566.09	406.98	-	3,973.08

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

General payment terms include advance or payments with a credit period ranging from 7 to 120 days. There are no contract terms with customers having significant financing component.

## N. Trade Payables ageing

₹ in Lacs

Particulars	As at 31 <sup>st</sup> March, 2023				
	Not due	Overdue for			Total
		Less than 1 year	1-2 years	2-3 years	
Undisputed dues - Micro & Small Enterprises	75.20	-	-	-	75.20
Undisputed dues - Others	1,146.64	313.55	0.45	0.08	1,460.73
<b>Total</b>	<b>1,221.85</b>	<b>313.55</b>	<b>0.45</b>	<b>0.08</b>	<b>1,535.93</b>

₹ 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 - Micro & Small Enterprises	177.97	-	-	-	177.97
Undisputed dues - Others	1,416.06	254.82	0.15	-	1,671.03
Total	1,594.03	254.82	0.15	-	1,849.00

NOTES TO FINANCIAL STATEMENTS

O. Financial instruments

a) Fair value measurement hierarchy

Particulars	₹ in Lacs			
	As at 31 <sup>st</sup> March, 2023			
	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	7,003.09	7,003.09	-	-
Alternative Investment Fund	510.20	510.20	-	-
<b>At FVTOCI</b>				
Investment in Equity instruments	5,266.82	5.14	5,259.15	2.52
Investment in Debt instruments	5,386.11	-	-	5,386.11
<b>At Amortised Cost</b>				
Bonds & Debentures	-	-	-	-
Deposits	3.03	-	-	-
Trade Receivables	5,247.83	-	-	-
Cash and cash equivalents	52.23	-	-	-
Bank balances other than above	42.60	-	-	-
<b>Financial Liabilities</b>				
<b>At Amortised Cost</b>				
Trade Payables	1,535.93	-	-	-
Trade Deposits	29.40	-	-	-
Borrowings	-	-	-	-
Other Financial Liabilities	448.23	-	-	-

Particulars	₹ in Lacs			
	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>				
<b>At Amortised Cost</b>				
Trade Payables	1,849.00	-	-	-
Trade Deposits	26.90	-	-	-
Borrowings	12.14	-	-	-
Other Financial Liabilities	588.56	-	-	-

**Level 1:** Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments, mutual funds and alternative investment fund that have quoted price. The fair value of all

## NOTES TO FINANCIAL STATEMENTS

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.

### b) Valuation technique used to determine fair value

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

- i) The fair values of investments in mutual fund units & alterative investment fund is based on the net asset value ('NAV') as stated by the issuers of these fund units in the published statements as at Balance Sheet date.
- ii) 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.
- iii) 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 of investee in mutual funds, NAV of the mutual funds as on Balance sheet date is considered.
  - For valuation of any land and property of investee, fair market value of the asset based on reports of experts is considered.
  - For valuation of property purchased during current financial year, the stamp duty value is considered.
  - 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.
  - For valuation of real estate development segment of the investee, capital work in process as per books is considered.
- iv) 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.

### c) 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, 2023.

Particulars	₹ in Lacs
As on April 1, 2022	5,529.09
Addition / (Reduction)	(167.80)
Gains / (Losses) recognized in Other Comprehensive Income	27.33
<b>As on March 31, 2023</b>	<b>5,388.63</b>

NOTES TO FINANCIAL STATEMENTS

d) Valuation inputs and relationships to fair value (Level 3)

₹ in Lacs

Particulars	Fair value		Significant Unobservable Inputs	Probable - weighted range	
	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022		As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
i) Unquoted Equity Instruments*	2.52	2.52	-	-	-
ii) Unquoted Debt Instruments	5,386.11	5,526.57	Effective Interest Rate Income	Ranging around 7%	Ranging around 7%
			Cash Flows	7%	Ranging from 5% to 7%
			Free Cash Discount Rate	10%	10%

\* Since the impact of fair valuation of these instruments is considered as insignificant, carrying value and fair value are considered as same.

e) Sensitivity Disclosure for Level 3 fair value measurement

₹ in Lacs

Particulars	Unobservable Input	Sensitivity	Impact of Change in Rates on Total Comprehensive Income		
			Impact	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
Unquoted Debt Instruments	Discount Rate	1%	Favourable	6.48	7.65
			Unfavourable	6.48	7.62

f) Valuation Processes

Valuation of certain unquoted equity shares & unquoted preference 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.

a) 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 overdues.

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.

## NOTES TO FINANCIAL STATEMENTS

**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 and is adjusted for forward looking estimates.

Particulars	₹ in Lacs	
	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
Trade Receivables	5,283.00	3,973.08
Allowance for Doubtful Debts (expected credit loss allowance)	35.16	-
Percentage	0.67%	0.00%

**Reconciliation of Expected Credit Loss Allowance - Trade Receivables**

Particulars	₹ in Lacs
Expected Credit Loss Allowance on 1st April, 2021	-
Change in Expected Credit Loss Allowance	-
<b>Expected Credit Loss Allowance on 31st March, 2022</b>	-
Change in Expected Credit Loss Allowance	35.16
<b>Expected Credit Loss Allowance on 31st March, 2023</b>	<b>35.16</b>

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

**b) 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, 2023</b>			
<b>Non-derivatives</b>			
Other Financial Liabilities	477.63	-	477.63
Borrowings	-	-	-
Trade payables	1,535.93	-	1,535.93
<b>Total Non-derivative liabilities</b>	<b>2,013.56</b>	<b>-</b>	<b>2,013.56</b>

NOTES TO FINANCIAL STATEMENTS

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

c) **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.

The Company's exposure to foreign currency risk at the end of the reporting period expressed in INR is as under:

Particulars			₹ in Lacs
	USD	EURO	Total
<b>As at 31<sup>st</sup> March, 2023</b>			
Trade Receivables (net of advance, if any)	734.14	155.02	889.16
Trade Payables (net of advance, if any)	(1.63)	-	(1.63)
<b>As at 31<sup>st</sup> March, 2022</b>			
Trade Receivables (net of advance, if any)	115.86	-	115.86
Trade Payables (net of advance, if any)	82.50	-	82.50

**Sensitivity Analysis**

For the year ended 31st March, 2023 every 5% weakening of Indian Rupee as compared to the respective major currencies for the above mentioned financial assets/liabilities would increase Company's profit and equity by approximately ₹ 44.30 Lacs (PY ₹ 1.77 Lacs). A 5% strengthening of the Indian Rupee as compared to the respective major currencies would lead to an equal but opposite effect.

**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, 2023	As at 31 <sup>st</sup> March, 2022
Debt (includes non-current, current borrowings and current maturities of long term debt)	-	12.14
Less: Cash and cash equivalents	52.23	6.06
<b>Net Debt</b>	-	6.08
<b>Total Equity excluding Revaluation Reserves</b>	<b>27,090.49</b>	22,050.17
<b>Net debt to total equity ratio</b>	-	0.00

## NOTES TO FINANCIAL STATEMENTS

### R. Details of Hypothecation of Assets

No assets of the Company are hypothecated.

### S. SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015

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

### T. 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 Directors is not recognised as a liability at the balance sheet date. The Board of Directors recommended final dividend of ₹ 17.50/- per equity share for the financial year ended on 31<sup>st</sup> March, 2023. The payment is subject to approval of shareholder in ensuing Annual General Meeting of the Company. (Previous year ₹ 12.00/- per equity share).

### U. 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
Vulcan Capital Services (P) Ltd	Shares held by struck off Company	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.

### V. Other statutory information

- The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- The Company has not traded or invested in Crypto currency or Virtual currency during the year.
- 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.
- 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.
- 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).
- The Company holds all the title deeds of immovable property in its name.
- There is no Scheme of Arrangements approved by the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013.
- The Company is not declared as wilful defaulter by any bank or financial Institution or other lender.
- The Company does not have any subsidiaries and hence compliance with number of layers of companies is not applicable.



NOTES TO FINANCIAL STATEMENTS

W. Ratios

Particulars	2022-23	2021-22	% Variance
<b>Current Ratio (in times) (refer note 1 below)</b> Current Assets except Investments / Current Liabilities	3.46	2.25	54%
<b>Debt-Equity Ratio (in times) (refer note 2 below)</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 below)</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)	7.22	6.40	13%
<b>Inventory Turnover (in days)</b> 365 / Inventory Turnover Ratio (in times)	51	57	-11%
<b>Trade Receivables turnover Ratio (in times)</b> Income from operations / Average debtors (Income from Operations: Revenue from Operations + GST- Export Incentive )	5.25	4.71	12%
<b>Trade Receivable Turnover (in days)</b> 365 / Trade Receivable Turnover Ratio (in times)	69	78	-10%
<b>Trade Payable turnover Ratio (in times)</b> Purchases / Average trade payables	6.48	5.29	22%
<b>Net Capital Turnover Ratio (in times)</b> Revenue from operations / Working Capital (Working Capital: Current assets except Investments - Current liabilities)	3.87	4.46	-13%
<b>Net Profit Ratio (in %)</b> Net Profit after taxes / Total Income	24%	24%	1%
<b>Operating Profit Margin (in %)</b> (Profit Before Tax - Other Income) / Revenue from Operations	30%	30%	-1%
<b>Return on Equity Ratio (in %)</b> Profit after tax / Average Shareholder's Equity (Shareholder's Equity: Share Capital + General Reserves + Retained Earnings)	22%	19%	18%
<b>Return on Capital Employed (in %)</b> PBIT / Capital Employed (Capital Employed: Net Worth + Borrowing + Deferred Tax Liability)	24%	20%	18%
<b>Return on Investment (in %) (refer note 3 below)</b> Profit before tax / Total Assets	17%	14%	27%
<b>Return on Net Worth (in %)</b> Profit after tax / Net Worth	20%	17%	17%
<b>Earning Per Share (₹) (refer note 4 below)</b> Profit After Tax / Number of ordinary shares	175.22	122.03	44%

Notes:

- Increase in net current assets on account of capacity expansion, higher year-end inventory and trade receivables resulted in higher current ratio.
- The Company doesn't have long term debt hence this ratio is not applicable.
- In FY 2021-22 the enhanced capacity had impact on revenue only for couple of months as new capacity got partially stabilised in second half of the said year. In FY 2022-23, the impact on revenue from enhanced capacity was for the full year resulting in higher RoI.
- Increase in Profit after Tax on account of capacity expansion resulted in higher EPS.

## NOTES TO FINANCIAL STATEMENTS

## X. Taxes Reconciliation

## (a) Income tax expense

₹ in Lacs

Sr. No.	Particulars	31 <sup>st</sup> March, 2023	31 <sup>st</sup> March, 2022
i)	<b>Current Tax</b>		
	Current tax expense	1,408.02	897.76
	Less: MAT Credit utilised	8.02	-
	<b>Net Current Tax</b>	<b>1,400.00</b>	897.76
ii)	<b>Deferred Tax</b>		
	Decrease / (Increase) in deferred tax assets	(13.41)	(4.97)
	(Decrease) / Increase in deferred tax liabilities	445.93	401.31
	<b>Total Deferred tax expenses (Benefits)</b>	<b>432.52</b>	396.34
iii)	<b>Short/(Excess) income tax provisions of earlier years</b>	<b>(10.74)</b>	(27.52)
	<b>Total Income tax expenses (a+b+c) *</b>	<b>1,821.78</b>	1,266.58
	* Excludes below tax impact on Other comprehensive income		
	Tax Benefit / (Expense) on Actuarial	(3.95)	(5.97)
	Tax Benefit / (Expenses) due to Fair Value of Investments	(30.37)	(1.96)

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

₹ in Lacs

Sr. No.	Particulars	31 <sup>st</sup> March, 2023	31 <sup>st</sup> March, 2022
i)	<b>Profit before Income tax expense</b>	7,222.33	5,027.77
ii)	<b>Tax at the Indian Tax Rate *</b>	2,103.14	878.45
iii)	<b>Tax effect of amounts which are not deductible (taxable) in calculating taxable income</b>		
	Tax impact on tax loss	(96.32)	-
	Tax impact on deduction available under Chapter VIA and R&D	(174.73)	-
	Deferred Tax	-	396.34
	Others	0.43	19.31
iv)	<b>Short/(Excess) income tax provisions of earlier years</b>	<b>(10.74)</b>	(27.52)
	<b>Income Tax Expense</b>	<b>1,821.78</b>	1,266.58

\*For FY 2022-23, the Company falls under normal provisions of Income Tax Act, 1961 and applicable Indian statutory tax rate for year ended March 31, 2023 is 29.12%. For FY 2021-22, the Company was falling under the provisions of MAT and the applicable Indian statutory tax rate for year ended March 31, 2022 was 17.472%.

## (c) Current Tax (Liabilities) / assets

₹ in Lacs

Sr. No.	Particulars	31 <sup>st</sup> March, 2023	31 <sup>st</sup> March, 2022
i)	Opening balance	<b>37.11</b>	0.60
ii)	Income Tax Paid	1,258.92	908.99
iii)	Current income tax / wealth tax payable for the year	(1,400.00)	(900.00)
iv)	Current income tax provision for earlier year	10.74	27.52
v)	Net current income tax asset/ (liability) at the end	<b>(93.23)</b>	37.11

## PAUSHAK LIMITED

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- Y. Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.

Sr No.	Regrouped from	Regrouped to	Period ended	Amount (Rs. in Lacs)	Reason
a)	Freight and Forwarding Expense	Waste Disposal Expense	March 31, 2022	224.74	The expense heads have been moved within the schedule to provide better presentation
b)	Other Manufacturing Expenses	Stores, Spares Consumed		52.54	
c)	Bank Charges	Interest & Discounting Charges		2.24	

- Z. These Financial Statements were authorised for issue in accordance with the resolution of the Board of Directors at its meeting held on 4<sup>th</sup> May, 2023.

As per our report of even date

**For Haribhakti & Co LLP**

Chartered Accountants

Firm Registration No. 103523W / W1000048

For and on behalf of the Board

**Chirayu Amin\***

Chairman

DIN: 00242549

**Amit Goradia**

Director

DIN: 00074478

**Abhijit Joshi**

Whole-time Director & CEO

DIN: 06568584

**Purushottam Nyati**

Partner

Membership No. 118970

Vadodara, 4<sup>th</sup> May, 2023

**Sagar Gandhi**

Company Secretary

**Kirti Shah**

CFO

London\* / Vadodara, 4<sup>th</sup> May, 2023



*If undelivered please return to:*

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