



1st September, 2020

To, Department of Corporate Services BSE Ltd. Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001.	To, The Manager, Listing Department, National Stock Exchange of India Ltd. “Exchange Plaza”, C-1, Block G, Bandra-Kurla Complex, Bandra (E), Mumbai – 400 051.
Ref.: Scrip Code No. : 540701	Ref. : (i) Symbol – DCAL (ii) Series – EQ

SUB.: SUBMISSION OF NOTICE OF 13TH ANNUAL GENERAL MEETING ALONGWITH ANNUAL REPORT FOR THE FINANCIAL YEAR 2019-2020 AS PER REGULATION 34 OF SEBI (LODR) REGULATIONS, 2015

Dear Sir,

With reference to the captioned subject, please find enclosed herewith the copy of Notice of 13th Annual General Meeting of the Company scheduled to be held on **Monday, the 28th September, 2020 at 01:00 p.m. IST through Video Conferencing (“VC”) or Other Audio Visual Means (“OAVM”)**, in compliance with General Circular numbers 20/2020; 14/2020 and 17/2020 issued on 5th May, 2020, 8th April, 2020 and 13th April, 2020 respectively issued by Ministry of Corporate Affairs read with Circular number SEBI/HO/CFD/CMD1/CIR/P/2020/79 issued by the Securities and Exchange Board of India (SEBI) on 12th May, 2020 ("Circulars") alongwith the Annual Report for the financial year 2019-2020. The said Annual Report also contains the Corporate Governance Report, Management Discussion & Analysis Report, Business Responsibility Report as per the relevant provisions of the Companies Act, 2013 and SEBI (LODR) Regulation, 2015.

Pursuant to the provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2015 read with Regulation 44 of SEBI (LODR) Regulations, 2015 and Circulars, the shareholders of the Company are being provided the facility for voting through remote e-voting, for participation in the AGM through VC/OAVM facility and e-voting during the AGM through CDSL e-voting platform.

Dishman Carbogen Amcis Limited

Regd. Off.: DISHMAN CORPORATE HOUSE
Iscon-Bopal Road, Ambli, Ahmedabad-380 058, Gujarat, India.
Phone : +91 (0) 2717 420102 / 2717 420124

E-mail : dc@dishmangroup.com
Website : www.dishmangroup.com



Government Recognised Export House
CIN No. : L74900GJ2007PLC051338



The procedure for participating/joining in the meeting through VC/OAVM and e-voting are provided in Notice of AGM.

The e-voting period commence on, **Friday, 25th September, 2020 at 9:00 a.m. and ends on Sunday, 27th September, 2020 at 5:00 p.m.** During this period, shareholders holding shares either in physical form or in dematerialised mode as on **Monday, 21st September, 2020 (cut-off date)** may cast their vote electronically.

Notice of the 13th Annual General Meeting alongwith the Annual Report for the financial year 2019-2020 is also available on the Company's website: www.dishmangroup.com.

Kindly take this on your record.

Thanking you.

Yours faithfully,
For, Dishman Carbogen Amcis Limited

S. G. Dave
Shrima Dave
Company Secretary



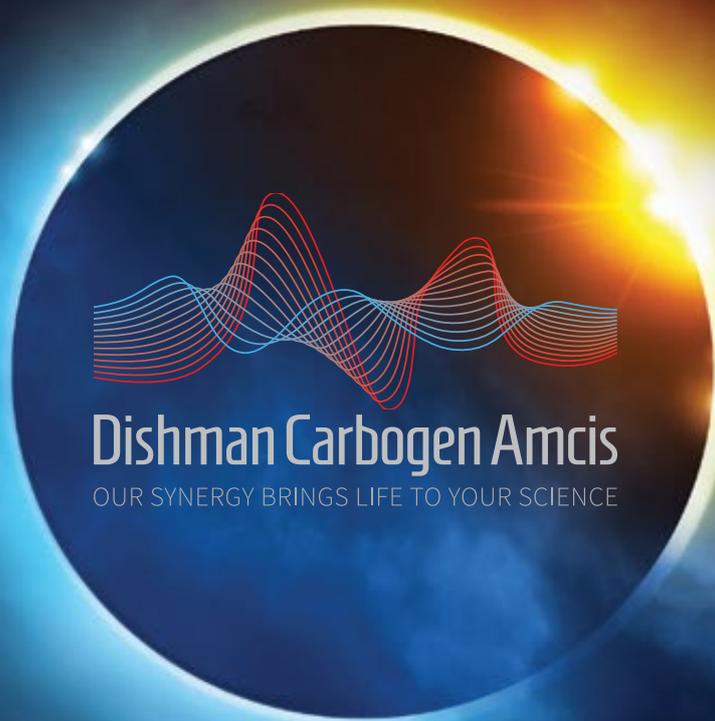
Encl.: As above

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13th Annual Report 2019-20

Dishman Carbogen Amcis Limited

Contents

Strategic Review

- 01 Introduction to Dishman
- 03 Presence Across Value Chain
- 05 A Closer Look at Our Performance
- 07 Dishman's Robust Infrastructure
- 11 Making a Mark Globally
- 13 Core Business Segments
- 15 Growth Enablers for Dishman
- 17 Our Esteemed Board of Directors
- 20 Competent Leadership Team
- 21 Letter to Shareholders
- 27 Giving Back to the Society
- 29 Management Discussion and Analysis

Statutory Report

- 47 Corporate Information
- 48 Notice
- 60 Directors' Report
- 97 Business Responsibility Report (BRR)
- 109 Corporate Governance Report

Financial Statements

- 136 Standalone Financial Statements
- 205 Consolidated Financial Statements

Forward Looking Statement

This document contains statements about expected future events, financial and operating results of Dishman Carbogen Amcis Limited, which are forward-looking. By their nature, forward-looking statements require the Company to make assumptions and are subject to inherent risks and uncertainties. There is significant risk that the assumptions, predictions and other forward-looking statements will not prove to be accurate. Readers are cautioned not to place undue reliance on forward-looking statements as a number of factors could cause assumptions, actual future results and events to differ materially from those expressed in the forward-looking statements. Accordingly, this document is subject to the disclaimer and qualified in its entirety by the assumptions, qualifications and risk factors referred to in the management's discussion and analysis of Dishman Carbogen Amcis Limited's Annual Report, FY2020.

FY2020 Highlights:

₹20,435.9

USD 288.2 Mn
Revenue from Operations
(in Mn)

₹5,224.4

USD 73.6 Mn
EBITDA (in Mn)

25.6%

EBITDA Margin

₹57,376.8

USD 809.4 Mn
Net Worth (in Mn)

₹26.5

CEPS

4

Additional Products
Commercialised

18

Cumulative Phase III
Molecules

Our Synergy Brings Life to your Science

Year after year, we are improving our productivity and focusing on efficient resource utilisation to remain competitive and enhance our profitability. We have invested in world-class facilities and advanced infrastructure, which unceasingly provides us with exceptional analytical support for research, development, and commercial production of late-stage intermediates and APIs. Powered by our intense research and manufacturing processes, we have established strong customer relationships, while scaling up our CRAMS business in the last few years.

Going forward, we are directing our energies towards high-growth opportunities with a keen focus on segments with better margins.

OUR PURPOSE IS TO DELIVER SUPERIOR PRODUCTS by having the right people, expertise, and knowledge.

As we move ahead, we are looking towards higher-value opportunities in CRAMS and optimising our product line in the marketable molecules business. Our expanded capacities and technical know-how, firmly place us to serve the strong growth in the global CRAMS industry.

We aim to develop a more extensive product portfolio to cater to our diverse customer base and generate enhanced revenues.

OUR KEY OBJECTIVE is to help our customers develop new medicines that cure diseases and efficiently bring their science to life.

Enablers for Value Creation

CUSTOMER CENTRIC APPROACH

- Help our customers create drugs to treat diseases
- Help our customers get ahead in the game

PROBLEM SOLVING ATTITUDE

- Here to solve complex problems and execute difficult projects
- Does not intend to be a me-too generics company

QUALITY RESOURCES

- Highest-quality people, equipped with best-in-class infrastructure
- Put together custom solutions for our customers

INNOVATION & SUSTAINABILITY

- Consistent Innovation
- Perpetual Sustainability

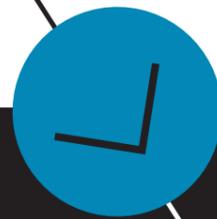
Our Mission

Help our customers create a better world by being the partner of choice for the development and manufacturing of complex and challenging substances, highly potent active ingredients, and drug products.

Our Vision

Our products and services contribute to a safe food and medicine supply. We differentiate ourselves through the deployment of experienced, creative, disciplined, and motivated staff who have an absolute passion for communication & transparency, and focus on every task we perform for the Dishman Carbogen Amcis Group, our partners, regulators, and our customers.

Unceasing Innovation



Perpetual

Sustainability

For us at Dishman, the concept of innovation has always had a symbiotic relationship with sustainability. **Our commitment to sustainability is innovative, and our innovations are always sustainable.**

Inspired by a futuristic vision and empowered by actions, we are steadfast on our objective of sustainably delivering value to our customers. Our intent now is to catapult Dishman to a path of perpetual innovation and sustainability. Being a pharmaceutical company that serves customers across the globe, we touch people's lives

every day; hence it becomes all the more essential that our pursuit of innovation benefits people and our ecosystem and is not just limited to profitability.

As a part of our deepened vision for innovation, we want to see innovation go all-pervasive at our company, touching every function and changing the day-to-day work life of all our team members. This approach will guide us in unearthing concepts, anchor new products, and devise solutions for the emerging needs of our customers. Our loyalty

towards being sustainable is intrinsic to our business. Our interpretation of sustainability is multidimensional that encompasses respecting the environment, engaging with our team to build a culture of openness, conservation of resources, and contributing to communities around us.

As we continue to build on our legacy of making a difference in the lives of patients, we have embarked on a journey that will help us explore new horizons of innovation and sustainability.

Introduction to Dishman

We are a fully integrated CRAMS player working with global pharmaceutical innovators. We have a global presence with development and manufacturing facilities across Europe, India, and China. We provide end-to-end, integrated, high-value, niche CRAMS offering, right from process research & development to late-stage clinical and commercial manufacturing facilities along with the supply of Active Pharmaceutical Ingredients (API) to innovator pharmaceutical companies.

Dishman in a Nutshell

4 decades

of Long-Standing Track Record in

CRAMS,
APIS AND
SPECIALTY CHEMICALS

State of the art

**HiPo
Capabilities**

Team Strength of

2,200+

*Committed Members Embracing
our Culture of Innovation &
Sustainability*

Dedicated Team/Scientist Working
in R&D - 950+

50% of Technical Staff holding
Ph.D

Approved & Recognised by

**Global Health
Authorities**

including

USFDA, MEB, SWISS MEDIC,
ANSM, WHO, MFDS, PMDA

Solving Complex Problems for

250+ clients

25

Multi-Purpose MANUFACTURING
FACILITIES Globally

USD 160 M

BUSINESS PIPELINE /
ORDER-BOOK

28

RESEARCH & DEVELOPMENT
and HIPO LABS

4

Successful IN-ORGANIC
GROWTH TRANSACTIONS

Background

Incorporated in 1983, Dishman Carbogen Amcis Limited (DCAL) started out as a manufacturer of quaternary ammonium and phosphate compounds. Having ventured into the CRAMS space in India, the company soon became one of the fastest-growing companies. Today, we are a leading global outsourcing partner for the pharmaceutical industry, offering a portfolio of development, scale-up, and manufacturing services.

We aid drug innovators for development and process optimisation for novel drug molecules in various stages of the development process. Once the innovative molecules are approved, we further explore the possibility of large scale commercial supply tie-ups. We are generating a healthy pipeline of contract manufacturing opportunities commensurate to the growing revenue base of manufacturing. Our robust business model is capable of sustaining growth, with CRAMS being the focal point of all our strategic efforts.



1983

Incorporation of
Dishman Pharmaceutical and
Chemicals Limited

1989

Commencing production of
Phase Transfer Catalysts at
Naroda facility

1995

Entered into a JV with Schütz
& Co. for manufacturing
Chlorhexidine and Derivatives
for European market.

1996

Commencement of Bavla
facility for Bulk Intermediates

2001

First commercial contract
manufacturing agreement
signed with a major western
pharmaceutical company.

2004

Came out with an IPO
on Indian stock exchanges

2005

Acquisition of
Synprotec - DCR (now
known as CARBOGEN
AMCIS Ltd, UK)

2006

Acquisition of CARBOGEN
AMCIS - a Swiss based
CRAMS player.

2007

Acquisition of Solvay
Pharmaceuticals' Vitamins
and Chemicals business
(now known as CARBOGEN
AMCIS BV.)

2010

Commenced Dishman
Shanghai manufacturing
facility

2012

Acquisition of Riom (France)
- CARBOGEN AMCIS SAS

2014

Acquisition of Vionnaz (CH)
site - CARBOGEN AMCIS

2017

Change of name of the
parent to Dishman Carbogen
Amcis Limited, reinforcing the
synergies between Dishman
and Carbogen Amcis brands

2020

Global Reorganization of
Roles and Responsibilities of
the Management Team

Presence across the Value Chain

COMMERCIAL SUPPLY

Phase 3 Market Process and cost optimisation, FDA audit and cGMP manufacturing.

LATE STAGE

Phase 2 Phase 3 Process development and scale-up of development activities.

EARLY STAGE

Pre-clinical Phase 1 Process research and API supply to support early phase clinical trials.



INTEGRATED GRAMS OFFERING with Strong Capabilities across the Value Chain

CARBOGEN AMCIS (CA)

Strong Research Capabilities

- A** Focused on supporting the development process - from bench to market.
- B** Process research and development to the supply of pre-clinical studies, clinical trials and commercial use.

Process R&D
API supply to support clinical requirements
Niche scale, commercial manufacturing

DISHMAN INDIA

Strong Manufacturing Capabilities

- A** Large dedicated R&D center with multiple shift R&D operations
- B** Multi-purpose and dedicated production facilities for APIs, intermediates (India, Europe and China)
- C** Dedicated API manufacturing capacities

Process Development & Scale-Up
Process Optimisation
Large scale, commercial manufacturing

Operations in
INDIA, SWITZERLAND, UK, FRANCE AND THE NETHERLANDS

TOGETHER WE ARE ONE FORMIDABLE FORCE IN THE GLOBAL GRAMS SPACE

working towards making a healthy difference in the lives of patients.

OUR HOLISTIC PRODUCT PORTFOLIO

Active Pharmaceutical Ingredients

Dishman offers unparalleled capability in scale-up, development and commercial manufacture of New Chemical Entities (NCEs). The company has state-of-the-art containment services, with all facilities adhering to current Good Manufacturing Practice (cGMP) to produce material for preclinical testing, clinical trials, and commercial use. We are certified by various healthcare authorities across the globe. Our facilities are well-equipped for safe handling of highly-potent compounds of all categories including cytostatics and cytotoxics.

High Potent APIs

Focused on the development and manufacturing of niche generic APIs, to capture a larger market share of lucrative generic APIs where the company has filed the Drug Master Filing (DMF) or other regulatory filings. The company will continue to file such molecules in the future as well, to skew the proportion of these molecules in the marketable molecules' business segment.

Quaternary Compounds and Intermediates

As part of our Specialty Chemicals portfolio, we manufacture pharmaceutical intermediates and phase transfer catalysts, which are crucial inputs in the pharmaceutical value chain.

Phase Transfer Catalysts and Generic APIs

The company has significant expertise in providing tailor-made solutions, these products are manufactured at our Naroda facility in compliance with GMP.

Vitamin D

The company is a critical player in the manufacturing of Vitamin D and its analogues. We are developing a broad spectrum of products for the pharmaceutical, nutraceutical, and holistic animal nutrition verticals of Vitamin D3.

Vitamin D Analogues

These products are used in pharmaceuticals, cosmetics, feed, food, shrimp farming and industrial applications.

Cholesterol

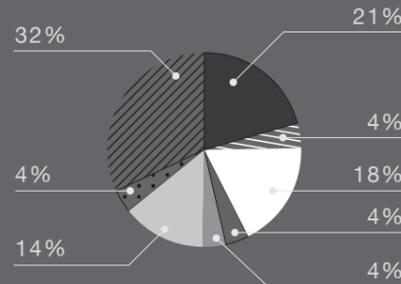
Cholesterol acts as a precursor to Vitamin D & its analogues. We ensure the extraction of this cholesterol from sheep wool, making it a vegan source, required to form a strong base for the formulations.

Lanolin-Related Products

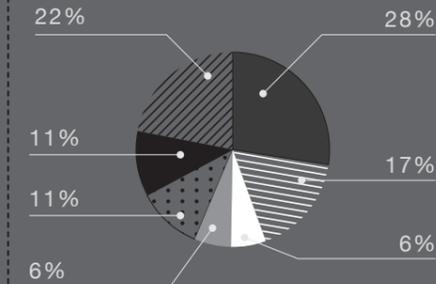
Disinfectant Formulations

We offer a range of Antiseptics and Disinfectants for application in healthcare and related industries. We shall have a deep portfolio of 'next generation' innovative antiseptic and disinfectant formulations.

Therapeutic-Split of Commercialised Products



Therapeutic-Split of Products under Development



Legend: Cancer, ADC-Warhead / ADC, Eyes, Antibiotic, Blood / Immunology, Hormone / Metabolism, Pain / Nerves, Various APIs, Non-APIs / Intermediates

18 Phase III molecules

04 New Products Commercialized
(April 2019-June 2020)

20 Total Commercialised Molecules

A Closer Look at our Performance

REVENUE FROM OPERATIONS

(in ₹ crores)



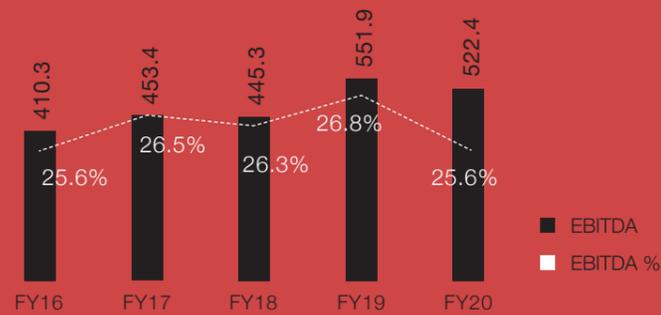
REVENUE BREAK-UP

(in ₹ crores)



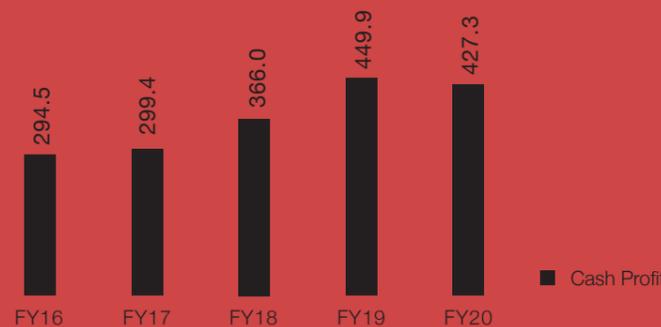
EBITDA AND EBITDA %

(in ₹ crores)



CASH PROFIT

(in ₹ crores)



For the Company, the Board of Directors, and the Management Team, the measure of business progress means looking **Beyond the financial performance** of any given year. While long-term financial performance is the ultimate measure of success for any company, at Dishman, we acknowledge and embrace non-linearity in quarterly and yearly numbers.

Our ultimate focus lies on solving problems for our customers, enlarging our product portfolio and molecule commercialisation, growing our footprint and expanding our clientele, this we believe is the yardstick to measure our performance while financials are end-results of the process.

As of March 31, 2020, the company has:

New Product Development Pipeline of 86 Million CHF

Total FTE 580 personnel in March 2020, up from 402 in March 2016, in Carbogen Amcis

18 products in Late Phase 3 and Validation stage

Next phase of Vitamin D Analogues underway, with

2 patent applications and plans for Phase 1/2 trials in Obesity.

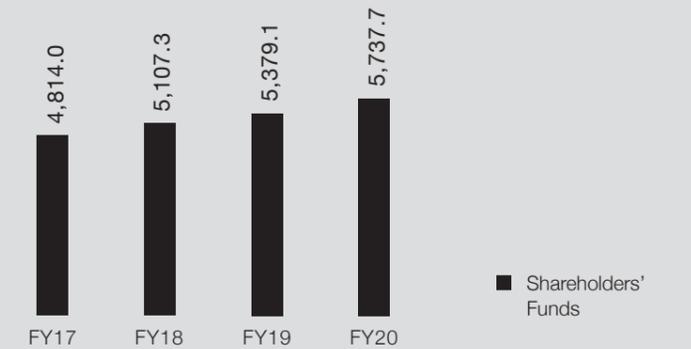
CASH EARNINGS PER SHARE

(in ₹ crores)



SHAREHOLDERS' FUNDS

(in ₹ crores)



PERFORMANCE HIGHLIGHTS FY2020

1. The company delivered a resilient performance in FY2020 despite a challenging external environment.
2. Net Debt reduced to US\$ 100 million as of 31st March 2020 from US\$ 112 million in the previous year.
3. CAPEX of approximately US\$ 42 million was incurred in FY2020, largely on account of maintenance across all of our plants and growth-CAPEX for the new building in Switzerland and the soft-gel capsule plant in India.
4. During the year, four NCEs got various regulatory approvals, where we were the development partner. The company continues to have a strong basket of about 18 APIs in Phase III development.
5. The company maintains high capacity utilisation at its manufacturing facilities by focusing on small and mid-sized global biotech companies and diversifying across new geographies. The company will continue to focus on low-volume, high-value orders, which will expand margins and drive profitability.
6. Among other highlights, Dishman announced buyback to the tune of ₹72 crores during the fourth quarter of the year.

Dishman's Robust Infrastructure

Our state-of-the-art manufacturing facilities help us gain better development orders and greater momentum in commercial orders.

28 *dedicated R&D Labs, including HIPO labs*

25 *multi-purpose facilities globally*

Facilities approved & recognised by

Global Health Agencies and Authorities

including USFDA, MEB, SWISS MEDIC, ANSM, WHO, MFDS, PMDA

Strong capability to handle Highly Potent Compounds

7,500 m²
| of cumulative R&D floor space

1,043 m³
| of cumulative reactor capacity

Dishman's Robust Infrastructure

MANUFACTURING FACILITIES

Domestic

Bavla, Gujarat Unit 1 – 13

- Dedicated and Multi-purpose API facility.
- Three multi-purpose development pilot plants.
- Dedicated and Multi-purpose starting material plant.
- Intermediate manufacturing facility.
- Solvent distillation facility.
- HiPo API facility with DCS controlled automated glovebox technology.
- Disinfectant formulation plant for Aerosols, and hard surface disinfectants.
- Dedicated staff for manufacturing, QC, QA and Engineering support.

Naroda, Gujarat

- Facility for APIs, quaternary biocides & fine chemicals. Approximately 20 major products manufactured (Bisacodyl, CPC, and Cetrimide)
- KiloLab reaction capacity 4 X 30 – 100 L reactors.
- GMP pilot plant 10 x 250-1000L.

Global

CARBOGEN AMCIS AG

Site & Headquarters - Bubendorf, Switzerland

- Lab, administration and containment facilities with 352 employees.
- A clean room dedicated for Antibody Drug Conjugates.
- A multi-purpose clean room dedicated for purification of high-potent by HPLC process.
- Process optimisation and supply of late-phase and commercial APIs.
- Inspected by FDA, SwissMedic, and Korean Health Authority MFDS.
- Holds accreditation as a foreign manufacturer for Japan.
- In 2008, extension of operations with a new building (Hauptstrasse 145), including state-of-the-art high-potency laboratory.

CARBOGEN AMCIS AG

Site - Vionnaz, Switzerland

- Development and manufacturing of highly potent APIs & Intermediates.
- From gram to kilogram scale; Categories 3 and 4.
- Fully GMP and Swissmedic compliant.
- Combination of the initial team knowledge and CARBOGEN AMCIS expertise.
- Total Employees - 17.

CARBOGEN AMCIS AG

Site - Aarau, Switzerland

- Primary focus on process-research and early-phase API supply, with a total of 132 employees.
- Primary location for chromatography and product-handling facilities.
- SwissMedic inspected.
- US FDA inspected.

CARBOGEN AMCIS AG

Site - Neuland, Switzerland

- Primary location for ICH stability studies and solid state services, with a total of 117 employees.
- Inspected by the SwissMedic and Korean Health Authority - MFDS.
- US FDA inspected.

CARBOGEN AMCIS LTD.

Site - Manchester, UK

- Specialises in process-research and non-GMP custom synthesis of pharmaceutical intermediates.
- Total employees - 86.
- Larger capacity (up to 4,500 L) facilitates the production of early-phase APIs and large-scale intermediates.

CARBOGEN AMCIS SAS

Site - Riom, France

- 10,000 m² site with 41 highly-qualified specialists.
- Primary focus on formulation of new products and aseptic drug products of preclinical and clinical batches of injectables in liquid or freeze-dried form.
- 400 m² production area with clean rooms and separate laboratories for formulation development and quality control (micro-biological and analytical controls).
- Inspected by French Health Authority - ANSM.
- ISO 22716 Cosmetics GMP Standard Accreditation.

CARBOGEN AMCIS B.V.

Site - Veenendaal, The Netherlands

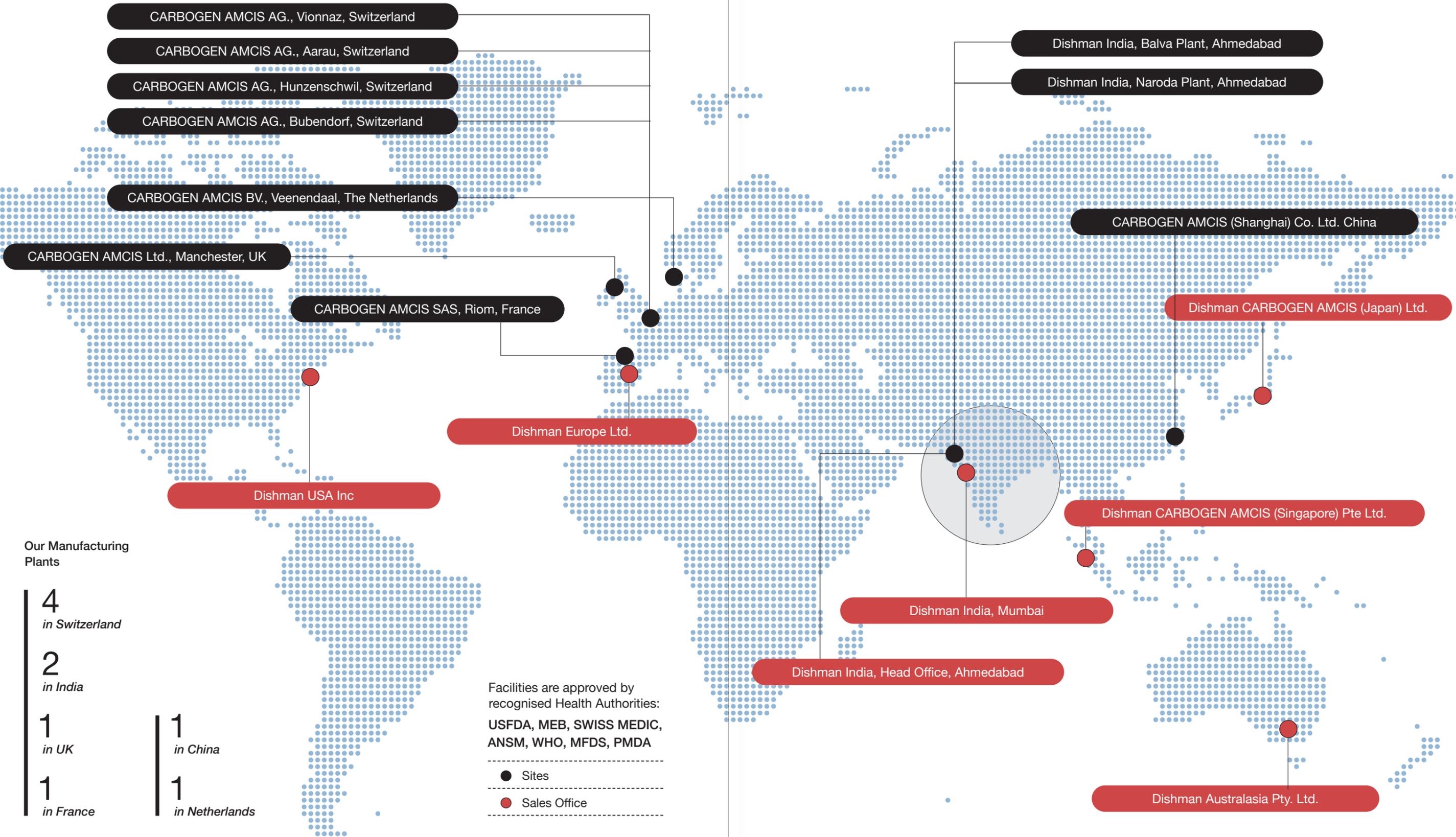
- Primary location for manufacture and marketing of Vitamin D analogues, Vitamin D3, Cholesterol and Lanolin related products.
- Total of 77 employees.
- Operates under cGMP; ISO 9001 and 14001 certified.
- FDA inspected; Holds Certificate of Suitability by EDQM and DMFs.

CARBOGEN AMCIS (SHANGHAI) CO. LTD.

Site - Shanghai, China

- Production and supply of pharma intermediates and APIs under cGMP, with a total of 108 employees.
- 13 reactors from 2500L to 6300L scale.
- Allows larger production of nominal batch sizes of 150kg to 630kg.
- Dedicated analytical and QC capability.
- Fully qualified process control and monitoring systems.
- On-site bulk solvent storage and waste treatment facilities.

Making a Mark Globally



Our Manufacturing Plants

- 4
in Switzerland
- 2
in India
- 1
in UK
- 1
in France
- 1
in China
- 1
in Netherlands

Facilities are approved by recognised Health Authorities:
 USFDA, MEB, SWISS MEDIC,
 ANSM, WHO, MFDS, PMDA

- Sites
- Sales Office

Core Business Segments

CRAMS - Our Mainstay Growth Driver

Overview

Contract Research and Manufacturing (CRAMS) is the forte and core competence of the company. Being an integrated CRAMS company, we have a presence across the entire value chain, right from early-stage process research to late-stage clinical & commercial manufacturing.

Our customer-centric approach revolves around deploying high-quality people and superior infrastructure & resources to solve complex problems encountered in various stages of drug development, and offer customised solutions for the same.

Objective

Through our CRAMS offering, we aim to help drug innovators across the globe, in research, development and commercialisation of novel drug molecules in various stages of their development process.

As an organisation we aim to collaborate with global pharmaceutical leaders in curing diseases.

Performance Discussion of CRAMS Segment

The business profile of our CRAMS business has been staunch and sustainable over the years. CRAMS continues to drive the overall business at the company.

For FY2020, the consolidated CRAMS business segment grew by 2.7%, contributing 76.5% of the total operating revenue. For the same period, CRAMS - Switzerland & France and CRAMS - UK grew by 4.0% and 6.5% respectively, while CRAMS - India reported a decline of 2.4%.

During the year, the company commenced utilization of the new building in Switzerland. It had shifted development capacities from the earlier rented building and added HIPO development capacities. Additional scientists were also

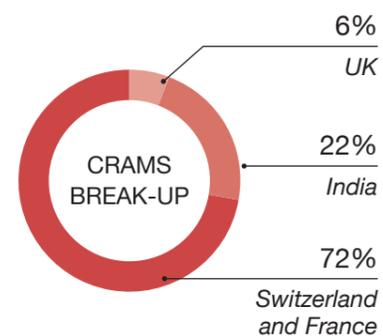
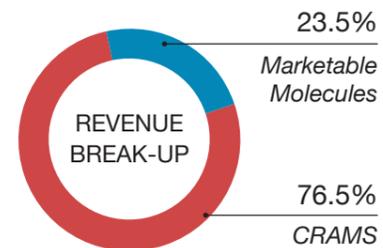
recruited to undertake further development projects in both the existing buildings. The company continues commercial manufacturing for products and clients where it has entered into long term contracts.

With 18 molecules in late Phase III and 4 customer molecules receiving approval, the company is at a very promising stage. Further, the company plans to expand the finished dosage parenteral contract manufacturing in France. Both the expansions mentioned above would require a significant amount of CAPEX to be incurred over the next 3 years. This will fuel the next phase of incremental growth for the company.

We utilised more than ~25% of our Chinese manufacturing facility in FY2020, which majorly supports the Carbogen Amcis operations for production volumes.

Conclusion

We are confident that our CRAMS business will continue to act as the key revenue growth driver for Dishman in the times ahead. The global pharmaceutical and bio-pharmaceutical CRAMS market has been growing year on year. With an expanded capacity in place, we are strongly positioned to benefit from a revival in the global CRAMS industry.



GROWTH DRIVERS FOR CRAMS

The performance of this segment will be driven by factors such as:

- 1 **Number of niche APIs for development projects.**
- 2 **Phase 3 pipeline getting commercialised.**
- 3 **Additional contracts for Oncology and other highly potent compounds.**
- 4 **Better capacity utilisation of plants – especially Shanghai.**
- 5 **A shift to high margin contracts.**

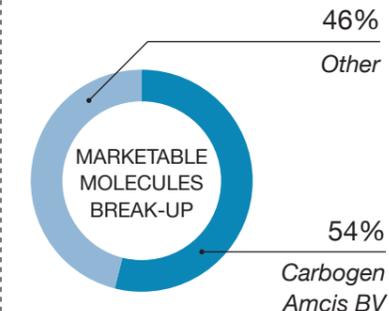
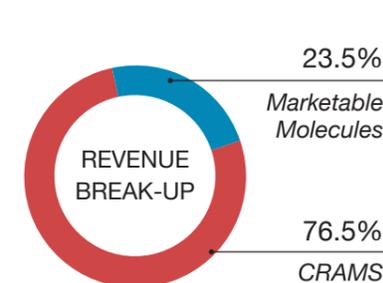
Vitamin D - Shift in Business Profile



Overview

We have gradually migrated from the formulation of low-margin Vitamin D products to formulating analogues with superior margins within this category. The final drug is a highly concentrated Vitamin D analogue with a considerably more diverse range of applications.

Our marketable molecules business will grow on the back of increased demand for Vitamin D analogues. The strategic decision to shift from Vitamin D3 500 to focusing on margin accretive Vitamin D analogues has bolstered our blended operating margins.



Performance Discussion of Vitamin D business

The company's subsidiary Carbogen Amcis BV has been consistently performing well over the last 5 years owing to its continued focus on the high margin Vitamin D analogues business and cholesterol sales. In FY2020, the Vitamin D business reported EBITDA margins of 32.0% as compared to 40.9% in the previous financial year. In terms of sales Carbogen Amcis BV recorded total revenue of ₹249.8 crores in FY2020 as compared to ₹271.7 crores in the previous financial year, a decline of 8.1%. This was principally on account of a higher share of cholesterol sales compared to Vitamin D analogues in FY2020; hence the blended margins were lower than those in FY2019.

The company expects to file certain patents for the processes to manufacture analogues globally. It has also tied up with a professor at Boston University to undertake trials on evaluating the efficacy of the analogues on certain patients suffering from specific ailments. Additionally, the company is also on the verge of commissioning its manufacturing plant for producing softgel capsules, which can also be utilized for formulating analogues into soft gel capsules, that can prove to be a significant opportunity in the future.

The strategic shift towards margin-accretive molecules has led to a substantial shift in the trajectory of EBITDA margins from 20% in FY2015 to 32% in FY2020. The growth of this segment will be driven by a) the introduction of new products and b) entry into different markets.

Growth Enablers for Dishman

1

NICHE MOLECULES UNDER DEVELOPMENT

The company is focused on the niche and sustainable new chemical entities for development, which would cater to the unmet demand for such drugs. Enhancing our technical capabilities within the group and working on complex, difficult to manufacture molecules is critical for success in this arena.

2

FOCUS ON NICHE THERAPEUTIC AREAS

The company is actively pursuing the development of molecules in its core therapeutic areas such as oncology, cardiovascular, central nervous system, ophthalmology, and drugs under the orphan category.

3

CUSTOMER DIVERSIFICATION

The company is pursuing small and mid-sized global innovators, aside from the large pharmaceutical companies, thus reducing the overall customer concentration. The intention is to de-risk the company's business model from being dependent upon select few large pharmaceutical companies. At present, our customer base comprises 80% small and mid-sized global pharmaceutical companies and we are working on further widening and diversifying it.

4

ADDRESSING THE GROWING VITAMIN D OPPORTUNITY

The company perceives Vitamin D to be a huge opportunity. To leverage this, the company continues to take strategic decisions like:

- A. Forward integrating the existing Vitamin D segment into finished formulations for animal and human usage
- B. Focus on margin accretive Vitamin D Analogues and
- C. Introducing new products and tapping new markets.

5

COMMERCIALISATION OF DEVELOPED MOLECULES

The company is entering into long-term supply agreements with customers for the molecules approved by regulatory agencies and working towards commercialisation of said molecules.

6

CONTINUING TO SEEK SUPERIOR MARGINS

All our key strategic decisions connect back to the objective of achieving superior profitability margins on the consolidated level. The company continues to pursue agendas that will prove to margin accretive, like -

Product Portfolio

Right from focusing on niche and complex molecules, to sustainable therapeutic areas.

Scale of Operations

Increasing commercial and development orders for the aforementioned products, that further helps us in optimising capacity utilisation of our facilities and bodes well for profitability.



Our Esteemed Board of Directors



Mr. Janmejy R. Vyas
Chairman

Mr. Vyas is the founding Chairman of the erstwhile parent company Dishman Pharmaceuticals and Chemicals Ltd (DPCL), incorporated in 1983 with 16 subsidiaries worldwide. In 1987, he set up the Naroda facility, and later in 1996, initiated the expansion of the Bavla facility.

He heads the R&D and production functions of the company for over 30 years. He is also engaged in the marketing of in-house technologies, products, research, and production capabilities domestically and internationally. He has been leading globalisation activities for more than 30 years and has successfully negotiated several contract research proposals with clients. He has led several long-term manufacturing and supply contracts with companies in Japan, the USA and Europe.

His emphasis on quality and adherence to international manufacturing standards ensured all Dishman facilities are set up and developed as per international standards. He has been engaged in the acquisition of several research-oriented companies, including Carbogen Amcis and Vitamin D business in the Netherlands.



Mrs. Deohooti J. Vyas
Whole-time Director

Mrs. Vyas holds a Bachelor's Degree in Science. She has vast experience in the field of Administration and Human Resource Development.

She has been associated with the company for a long time and has been instrumental in strategic decision making in the company's HR policies.



Mr. Arpit J. Vyas
Global Managing Director

Mr. Vyas has completed his Chemical Engineering degree from the University of Aston, Birmingham. He has vast experience in the field of Marketing. He was first appointed as Additional Director of the erstwhile DPCL; and after that as the Whole-time Director on 1st June 2009. Mr. Vyas was promoted as the Managing Director on 28th May 2013 and also held the office of CFO momentarily. He has been acting as the Global Managing Director from 26th November 2018.

He has been instrumental in the strategic decision-making processes, marketing policies, and the overall operation of the company's plants worldwide. He is entirely in charge of corporate functions such as finance, legal, IT, marketing, sales, etc.



Mr. Mark Griffiths
Director (Global Marketing & Strategy)

Mr. Griffiths holds a Master's Degree in Science (Mechanical Engineering) from the University of Bristol. He has an extensive background in the Pharmaceutical industry and strong leadership skills. Mr. Griffiths has over 35 years of experience in Strategy, Business Operation, Facility & Plant Engineering Design for pharmaceutical and chemical plants.

Before joining the Dishman Group as Global CEO, he was the co-founder and joint owner of COSAM Developments Ltd., a multi-disciplinary pharmaceutical consultancy firm. He serves as a member of the Board since August 2014.



Mr. Sanjay S. Majmudar
Independent Director

Mr. Majmudar has a rich experience of over 30 years as a Practicing Chartered Accountant. He is the Proprietor of the firm M/s. Sanjay Majmudar and Associates and also a Partner with M/s. Parikh & Majmudar.

He has been the Chairman of the Editorial Committee of the Ahmedabad Chartered Accountants Association Journal in 1994-95. He has also been a Chairman of the NRRC Committee of the Chartered Accountants Association, Ahmedabad, during 2000-01 and 2002-03.

He has extensive experience in the areas of Finance, Corporate Law, Direct Tax, and Auditing & Accounting.



Mr. Ashok C. Gandhi
Independent Director

Mr. Gandhi has broad and rich experience as a Senior Advocate. He is also a Partner with M/s. C. C. Gandhi & Co., Advocates, which is an eminent and reputed firm based in Gujarat. He has extensive experience and expertise in the field of Corporate Law. Currently, he holds the position of Trustee in various Trusts having benevolent objects. He is also a Member and President of multiple Societies and Committees.

Our Esteemed Board of Directors



Mr. Rajendra S. Shah
Independent Director

Mr. Shah is a Mechanical Engineer and the Chairman of Harsha Engineers Limited, which commenced operations in 1972 and manufactures bearing cages of any material and auto components.

He is recognised as the “Best Entrepreneur 2001” by the Ahmedabad Management Association, Ahmedabad. He is serving as a President of the Society for The Welfare of The Mentally Retarded, a parent organisation working for Welfare of Mentally Challenged Children, and running under the name “AASTHA” - a vocational rehabilitation center for mentally challenged persons having age above 21 years.



Mr. Subir Kumar Das
Independent Director

Mr. Das has over 36 years of commercial banking experience, superannuated as Chief General Manager (HRM) from Bank of Baroda (BOB). He was also Advisor (HR) to CMD, BOB.

Mr. Das is an Advisor and Faculty with Mckinsey & Company in HR and BPR areas. He is visiting faculty in NIBM, Pune, and various management institutes. He conducts sessions on Managing Change, Innovation, HR Management, Leadership, etc. Mr. Das is Director in Smemavens Foundation, a not for profit organisation, responsible for imparting training and mentorship to small and medium enterprises in areas like management of finance, managing growth, expansion, emerging opportunities, etc. Mr. Das is an MBA (Finance), MSc (Chemistry), and CAIIB.



Ms. Maitri K. Mehta
Independent Director

Ms. Maitri Mehta serves as an Independent Director of the Company from 1st April, 2019.

A Cost Accountant by profession, she also holds a Master’s Degree in Business Administration specializing in Finance. She has experience of over 15 years as a Practicing Cost Accountant. She is also a partner of the firm M/s. Kiran J Mehta & Co., Cost Accountants. She is also a fellow member of the Insurance Institute of India (FIII-Life). She is proficient in the field of Cost and Management Accountancy.

Our Competent Leadership Team



1. Mr. Mark Griffiths
Director (Global Marketing & Strategy)

2. Mr. Harshil Dalal
Global CFO

3. Mr. Paolo Armanino
COO (India Operations)

4. Dr. Alan Fischer
Global Chief Information Officer

5. Dr. Stephan Fritschi
VP (Operations)

6. Mr. Pascal Villemagne
VP (Commercial)



7. Mr. Martin Schneider
Global Chief Quality Officer

8. Mr. Dieter Thueer
Global Head - Human Resources



Letter to Shareholders



We have been focusing on the high value added sustainable therapeutic areas in line with our strategy to chase high growth opportunities with a focus on high margin businesses.



Dear Shareholders,

I am delighted to present to you the FY2020 Annual Report of your Company. The year was marked by resilient performance amid a challenging economic environment. Our performance demonstrates the inherent strength of our strategy and world class manufacturing capabilities along with our resolve to remain at the forefront of innovation and maintain high level of quality standards. We are confident of achieving much better growth and profitability in the long term. In doing so, Dishman continues to focus on inculcating innovation into every aspect of our business and deliver added value to our customers.

The COVID-19 pandemic has induced economic uncertainty globally and caused concerns for individuals, businesses, and establishments worldwide. However, we remain well placed to adjust and overcome these challenges and this has only reinforced our resolve to continue working towards making the company stronger and agile.

Over time, we have evolved into a fully integrated CRAMS player with strong capabilities across the value chain ranging from process research and development to late-stage clinical and commercial manufacturing. Our unmatched R&D skills and expertise along with our state-of-the-art manufacturing facilities have enabled us to become the preferred outsourcing partner across several continents and countries including US, Europe, and Asia. These are significant accomplishment which would enable us to work towards building a powerful legacy.

We continue to leverage our key capabilities such as strong chemistry skills, technological know-how and flexible manufacturing processes to help our customers in their effort to develop new medicines which continues to be our key objective. We have been focusing on the high value added sustainable therapeutic areas in line with our strategy to chase high growth opportunities with a focus on high margin businesses. This will help us in scaling our business and in achieving higher profitability.

We have built a strong product pipeline across various development phases which would ensure sustainability in long term growth prospects for the company. During the year, four NCEs got various regulatory approvals where we were the development partner. As of today, we have a strong basket of about 18 APIs in Phase III development.

Moving Ahead

Going forward, we shall continue to focus on efficiently utilizing our existing resources and improving our operational efficiency with an aim to increase our overall profitability. Accordingly, our strategy would be to look out for higher value opportunities in CRAMS and optimise our product line in the marketable molecules business. Our expanded capacities and technical know-how strongly place us to benefit from the strong growth in the global CRAMS industry. We remain optimistic on future growth prospects and are well placed to capitalize on the upcoming opportunities and scale greater heights.

I would like to express my gratitude towards our Board Members for their constant guidance and support in our pursuit of maximizing long-term shareholder value. I would also like to acknowledge the significant contribution of our employees, customers, and all stakeholders in helping us accomplish this journey.

As I close, I would like to take this opportunity to thank you all for your continuous support and faith in the company. We shall endeavour to scale newer heights and accomplishment as we continue on our journey ahead.

Sincerely,

Janmejay R. Vyas
Chairman



Letter to Shareholders



We have built a very strong pipeline of APIs, across various development phases and more significantly in late Phase III, which gives us a tremendous visibility for the next 3-5 years.



Dear Shareholders,

It is my pleasure to share with you key updates and developments for the financial year 2019-20. Before I share my thoughts on the key developments and future prospects, I wish you all good health and hope you and your families have not been affected by this COVID-19 pandemic.

During the year, both CRAMS and Marketable Molecules business witnessed healthy traction. We have built a very strong pipeline of APIs, across various development phases and more significantly in late Phase III, which gives us a tremendous visibility for the next 3-5 years. As such, we are pretty excited about the potential to unlock market opportunity in the future which gives us confidence in terms of attaining sustainable growth in revenues and profitability.

Following the recent observation from the EDQM, we conducted massive reorganization in the company and created a global task force comprising of competent quality officer from each location. The aim is to not just come out better and stronger from such crisis but also to raise the bar in terms of quality standards. We have also been promoting deserving talent who are going to help us in taking the Company to the next phase of growth and help us in achieving our vision of transforming the company into one of the top pharmaceutical companies in the country.

Financial Profile

During FY2020, the CRAMS segment contributed 77% of our total revenue, while 23% of the revenue was contributed by the marketable molecules segment.

Our Revenue from Operations stood at ₹2,043.60 crore and EBITDA stood at ₹522.44 crore. The EBITDA margin for the year was 25.6%. We reported a Profit After Tax (PAT) of ₹180.30 crore and the PAT margin stood at 8.8% for the year under consideration. In the CRAMS business, Carbogen Amcis AG demonstrated strong performance with a revenue of ₹1,081.53

crore as against ₹1,039.62 crore, registering an increase of 4.0% compared to the previous year. In the Marketable Molecules business, Carbogen Amcis BV accounted for sales of ₹249.88 crore.

Outlook

Despite the COVID-19 impact and the EDQM observations, the CRAMS segment which comprise majority of our business remains unaffected. The Dishman Carbogen Amcis Group has a pipeline of orders exceeding US\$ 160 million, as on March 31, 2020 for FY2020.

We have made significant strides led by our expertise in R&D, innovation in our manufacturing processes and deep understanding of customer needs which would keep us in the forefront. We are confident of the business going forward on the back of strong order pipeline and continue to focus and invest in innovation which we believe can generate substantial value for the company.

To conclude, I remain optimistic that your Company will continue to strengthen its positioning and deliver superior performance in the coming years. It has been a privilege to lead this promising organization, supported by extremely capable management team that remains driven by their passion to innovate a better world. I take this opportunity to thank all my fellow board members for their valued guidance and contributions. I express my deep gratitude to all our shareholders, employees and partners for their faith and support in our Company.

Let us continue to make the most of our cutting-edge technological knowhow and excellent R&D capabilities and deploy it towards creating a healthier and happy world!

Regards,

Arpit Vyas

Global Managing Director

“ The Dishman Carbogen Amcis Group has a pipeline of orders exceeding US\$ 160 million, as on March 31, 2020 for FY2020. ”



Letter to Shareholders



18 more projects are close to approaching commercialisation. We are very satisfied with the fact that we managed to transition from development into validation and through to commercial stage at a rate we had envisaged.



Dear Shareholders,

It gives me immense pleasure to share your Company's performance for the fiscal year 2019-20. First, I sincerely hope that all of you are safe and in good health. The COVID-19 pandemic has affected every company and every country in some way or the other. However, we made necessary arrangements and ensured the same level of business continuity as earlier which gives us the confidence to maintain our growth momentum.

The year under review has seen resilient performance despite challenging external environment. We continued to expand our product pipeline with four new molecules approved during the year under review, while 18 more projects are close to approaching commercialisation. We are very satisfied with the fact that we managed to transition from development into validation and through to commercial stage at a rate we had envisaged. We continued to invest in R&D to generate new products and solutions and pursued our strategic goal of focusing on high margin niche products for future profitable growth. As an innovation driven Company, we have been working towards incorporating new practices and processes and streamlining our operations to deliver better value to customers in terms of timely delivery of high-quality products.

Our relentless focus on enhancing our competencies and capabilities has transformed your Company into a leading integrated player in the CRAMS space driven by its cutting-edge R&D capabilities. Your Company continues to introduce several new processes and technologies bringing innovation to the forefront of everything we do. Strategic focus, technology innovation, customer focus and efficient capacity utilization will lay the foundation for stable and sustainable growth for the Company.

Immense opportunities in CRAMS and Vitamin D analogues Businesses

As a leading fully integrated CRAMS player present across the value chain, we have been leveraging our capabilities to help our customers in the development and optimisation

of processes for novel drug molecules in various stages of the development process. In our constant endeavour to serve our customers better, we have now become the natural choice of drug innovators globally. With our expanded capacities in the CRAMS space, we are strongly placed to benefit from the significant growth that we are seeing in the global CRAMS industry.

The Vitamin D analogues business is witnessing healthy growth and our focus has been to increase our Vitamin business by way of researching novel applications of our Vitamin D analogues. We continue to invest, innovate, and channelize our efforts in developing new analogues while also efficiently utilizing our existing assets. We are working on a portfolio of R&D projects between Holland and India. Simultaneously, we are in the process of conducting clinical trials in the US and the Middle East on certain Vitamin D analogues to treat Vitamin D deficiency. We are also looking to stimulate R&D activities in India for new product development in areas of sanitization and hygiene.

Dishman promotes an environment where innovation is nurtured, and individual talents are respected. As our organisation grows to better reflect the diverse nature of the markets we serve, we continue to build strong systems and infuse talent into our organisation, both in the areas of operations and R&D to help us in our growth path in the future.

As we look ahead, I would like to take this opportunity to thank all our past and present colleagues who worked tirelessly to shape our vision into reality. I would also like to thank our esteemed board members for their constant support and guidance and our shareholders and customers for believing in us and supporting us throughout our journey.

Let me assure you that we will continue to uphold and strengthen our core value in our pursuit of growth and profitability and unlock value for all our stakeholders.

Regards,

Mark Griffiths

Director (Global Marketing & Strategy)

“ The Vitamin D analogues business is witnessing healthy growth and our focus has been to increase our Vitamin business by way of researching novel applications of our Vitamin D analogues. ”



Giving Back to the Society

At Dishman, our aim is to serve humanity in several ways. We aim to make the lives of the weaker and underprivileged sections of society more sustainable. We believe that their betterment will lead to a brighter future for us as an organisation. Our CSR activities reflect our on-going commitment to innovation and sound business practices. Our motive is to help the socially and economically backward groups, the underprivileged and marginalised; and society at large.



We have always stayed strong on our commitment to positively impact communities at large. We see Corporate Social Responsibility (CSR) as a creative opportunity to fundamentally strengthen our business while contributing to society and creating a significant social, environmental, and economic impact.



Our Key CSR Activities

Combating Novel Coronavirus

The company has implemented a set of measures to combat the risks associated with COVID-19, limiting any risk to the company's employees, customers, and patients.

In this pandemic, the company has also been distributing sanitizers, for free to financially weaker sections of the society, policemen who have

been instrumental in monitoring the traffic flow for the safety of people and health workers who have been serving the patients relentlessly.

Collaboration with "Shri Harihar Maharaj Charitable Trust"

We extended support to "Shri Harihar Maharaj Charitable Trust". The said charitable trust is introducing a new project, especially for the general public, which gives medical

services at highly affordable rates. They have developed hospital viz. K D Hospital to provide the best in medical services to reach out to a major chunk of the society especially middle and lower socio-economic strata of the society. All available services in the hospital will be state of the art and will be affordable for even the lowest economic strata of society.

Collaboration with "YUVA Unstoppable"

The charitable trust introduced a new project called "Digitising School Project and Smart Class Development Project" for developing smart classes in all municipal schools across India. With smart class education, the students can experience a transformation from holding the slate and chalk to pen and paper to now a whole new concept of digitalisation. This product is developed as per the government's guidelines and curriculum. It uses highly interactive graphical content delivered to the user through devices such as mobile phones, tablets, and computers.

Sanitation, Clean Water and Mid-Day Meal

With the children spending long hours in school, the physical environment and cleanliness of the educational facility significantly determines their health and well-being. We provide better sanitation to about 50 schools, with clean water access, better infrastructure, library, sports equipment and mid-day meal shades.

Collaboration with "Shree Rajput Kelvani Sahayak Mandal, Palanpur"

Shree Rajput Kelvani Sahayak Mandal is an NGO, which is working towards educational, social and monetary growth of the youth. It also aims to create awareness of the importance of education for females. The company contributed for "Constructing School and Hostels in Tribal Area".



Management Discussion and Analysis

ECONOMIC OVERVIEW

Global Economy

The global economy continued to face headwinds due to weakening manufacturing activity and trade on the back of rising trade and geopolitical tensions resulting in the decline of GDP growth rate to 2.9%¹ in 2019. Business and consumer confidence declined owing to heightened uncertainty and weak expected growth. As such, household demand for durable goods weakened and business turned cautious on capital expenditure and scaled back industrial production. Aggregate investment growth in the G20 economies (excluding China) slowed from an annual rate of 5% early in 2018 to only 1% in 2019². Faced with a slowing economy, the US Federal Reserve, the European Central Bank (ECB), and other large emerging market central banks cut interest rates, while the ECB also restarted asset purchases to avert a deeper slowdown.

According to IMF estimates, the global economy is expected to shrink by 4.9% in 2020 which represent the deepest recession since the Second World War owing to the negative impact of Covid-19 pandemic which has disrupted economic activity across the world. Against a backdrop of already weak GDP growth, the pandemic could trigger economic recession and a surge in unemployment globally. As such, governments across the world proactively announced supportive monetary and fiscal policy stimulus to counter the downturn and provide temporary income support to businesses and households. Such supportive macroeconomic policies along with structural reforms are likely to help in restoring consumer and business confidence and help in demand recovery as the impact of the pandemic fade gradually.

Indian Economy

India's gross domestic product (GDP) expanded at the slowest pace in 11 years since the financial crisis to 4.2%³ as the fourth quarter was marred by the outbreak of Covid-19 pandemic which brought the economy to a standstill and added further pressures on an already slowing economy. Global uncertainties amidst increasing trade tensions along with Non-Banking Financial Companies (NBFC) crisis led to decline in private consumption and fixed investment. Amidst slowing economy, government announced various measures such as sharp cut in corporate tax rates, stressed assets funds

for the housing sector, infrastructure investment funds, enactment of the Insolvency and Bankruptcy Code (IBC), implementation of a fully electronic GST refund system and funds for export guarantee to strengthen domestic demand and kickstart the capex cycle. In view of declining credit growth due to NBFC crisis, government announced merger as well as recapitalisation of public sector banks to stimulate credit flows and revive private investment activity. The Government also tried to address rural stress and laid out action plan to revive agriculture and link it with allied sector to double the income of farmers by 2022.

The outbreak of Covid-19 pandemic has severely disrupted economic activity. According to IMF estimates, the Indian economy is expected to contract by 4.5% in FY21 owing to supply disruption and demand compression amid Covid-19 imposed lockdown. The government unveiled ₹21 trillion relief package which largely focussed on subsidised credit to small businesses and farmers to counter the impact of the lockdown. The RBI cut rates to record lows besides providing liquidity support to revitalize the credit cycle and spur demand and announced loan moratorium scheme to help individuals and

corporates to tide over the unprecedented disruptions due to Covid-19.

¹ IMF World Economic Outlook Update, June 2020

² OECD Interim Economic Assessment Report – 2nd March 2020

³ Central Statistics Office (CSO)

INDUSTRY OVERVIEW

Global Pharma Sector

Global pharmaceutical spending is predicted to outpace overall health care spending as it enters an exciting new era in medicines development. Worldwide prescription drug sales are expected to rise from US\$ 900 billion in 2019 to US\$ 1.2 trillion by 2024 on the back of increased access to medicines and launch of novel therapies that address key unmet needs. By 2024,

the orphan drugs sector is expected to almost double and account for 20% of prescription sales. Companies in the pharmaceutical sector globally continue to adopt innovative business models focused on novel strategies that can significantly improve patient outcomes. The digital revolution and the availability of newer and improved biotechnological

technologies is going to change profoundly the way medicine is practiced. Next generation biotherapeutics, prescription digital therapeutics, neglected diseases, artificial intelligence, and new roles within the pharma industry represent emerging trends in the pharmaceutical market. Immuno-oncology line extensions and emergence of novel technologies such as cell

and gene therapy mark an inflection point in the evolution of the sector.

Source: 2019 Global life sciences outlook | Focus and transform | Accelerating change in life sciences – Deloitte

Global Oncology Market

According to research by Allied Market Research, the global cancer therapeutics market size was valued at US\$ 98,900 million in 2018 and is expected to reach US\$ 180,193 million by 2026 registering a CAGR of 7.7% from 2019 to 2026 on the back of development of novel cancer therapeutics and surge in cancer awareness & availability of oncology drugs in the developing markets. Recent progress in biological therapies have widened the scale of therapeutic targets for treatment of cancer. Immunotherapies/biologics are emerging as the potential therapies to find a permanent cure for various cancer types

among various cancer therapeutics. Surge in incidence of cancer across the globe, increase in aging population, and favourable government regulations for cancer therapeutics have been the key factors influencing the cancer drugs market. Rise in the number of collaborations and partnerships between pharmaceutical companies to facilitate drug development, increase in number of pipeline drugs on the back of increased investment in R&D activities and untapped potential in emerging geographies are driving the market for oncology drugs.

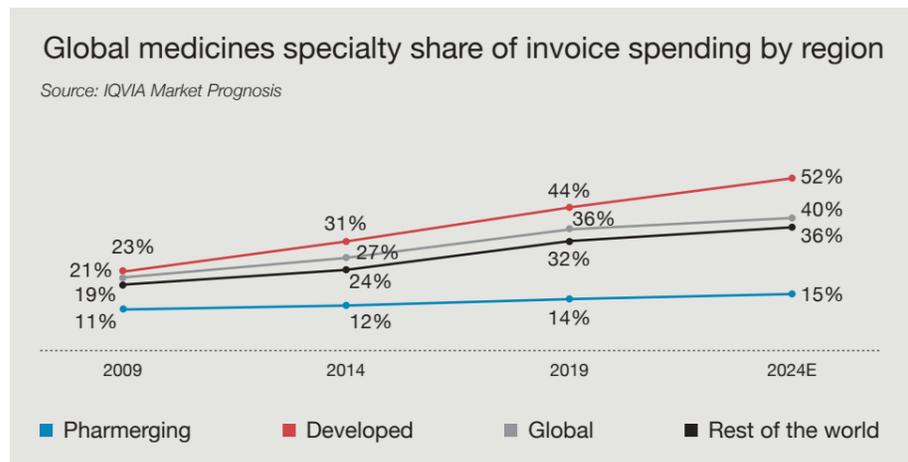
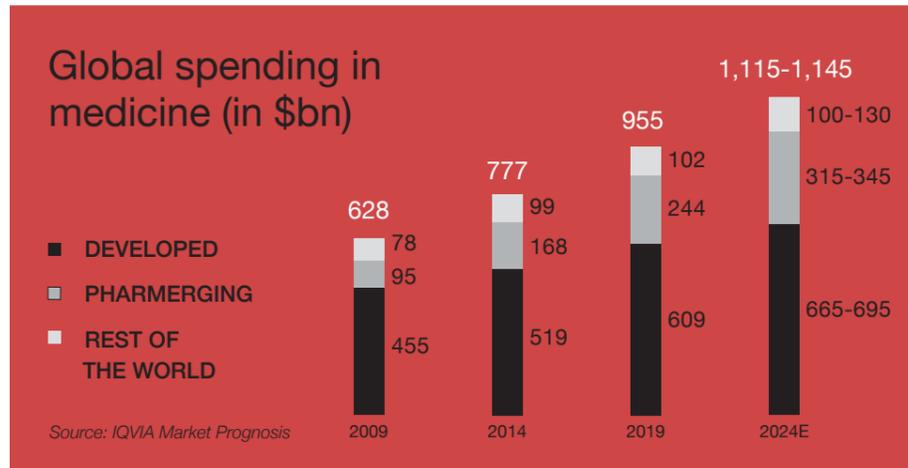
North America led the market with more than half of the total market share and was the highest revenue contributor to the global market in 2018 owing to high adoption rate of cancer therapeutics. Going forward, Asia-Pacific is expected to grow at the highest CAGR of 10.4% from 2019 to 2026, owing to increase in disposable income; surge in research, development, & innovation activities; and growth in awareness of cancer therapeutics.

Source: Cancer Therapeutics Market by Application and Top Selling Drugs: Global Opportunity Analysis and Industry Forecast, 2019–2026

Global Medicine Expenditure

Global use of medicine has considerably increased in the last decade in areas of high priority including the treatment of non-communicable diseases and is outpacing population and economic growth. Global spending in medicine has increased at a 4% compound annual growth rate (CAGR) since 2014 to \$955 bn in 2019 led by diabetes, respiratory, cancer treatments and cardiovascular diseases. Global medicine spending is projected to exceed US\$ 1.1 trillion in 2024.

Increased adoption of expensive specialty drugs is expected to be the main driver of higher drug spending. Pharmerging markets are expected to experience the highest growth with a 5-8% CAGR through 2024 on the back of increasing healthcare expenditure, increase in chronic diseases, and adoption of more novel therapies. The adoption of innovative specialty products is driven by oncology and autoimmune therapies in both developed and pharmerging markets. Oncology spending is expected to remain the



largest contributor to specialty spending, with a projected increase of 51% through 2024. Specialty drugs are expected to account for 40% of global drug spending in 2024, as compared to 36% in 2019.

According to IQVIA Institute estimates, new product growth is projected to contribute US\$ 165 billion over the next five years. New brand spending growth will be largely driven by oncology, autoimmune, other immunology treatments and many other niche and orphan treatments. As a result, specialty spending is expected to comprise a greater proportion of new brand spending.

Regional Prescription Drug Sales - Developed Markets

United States of America

The US dominates the pharmaceutical market and pharmaceutical trends, both in consumption and development and is expected to retain its leading position in the global pharmaceuticals market in the coming years. According to research report by IQVIA, drug spending in the nation is estimated to increase to US\$ 605-635 billion by

2024, up from an estimated US\$ 510 billion in 2019 owing to the growing development of advanced prescription drugs to cater to the demand of the consumers.

This growth has been primarily fuelled by the growing and ageing population. Apart from ageing and rising population, the improvements in purchasing power and access to quality healthcare

and pharmaceuticals is driving the growth of U.S. pharma industry. The increasing prevalence of chronic diseases, such as cancer, cardiovascular diseases and diabetes will spur sales opportunities for the prescription drugs market revenue in the coming years. The growing cases of orphan diseases will also have a tremendous impact on the prescription drugs market share.

Europe

According to research report by IQVIA, drug sales in European Union Five (EU5) is expected to increase to US\$ 210-240 mn by 2024 from US\$ 174 mn in 2019 owing to increasing incidence of diseases, mergers & acquisitions and increasing strategic

partnerships between manufactures to enhance their presence in the market.

Key players in the market are focused on adopting expansion strategies such as partnerships and acquisitions to expand their product portfolio and geographical position in the market. Branded segment category is

expected to continue its dominance in the market owing to increasing prevalence of chronic diseases and increasing strategic collaboration. Among application type, the oncology segment is expected to occupy a dominant position owing to increasing patient population.

CRAMS Industry – Global & India

According to a report by Technavio, the global pharmaceutical contract research and manufacturing (CRAM) market is expected to post a CAGR of more than 9% during the period 2019-2023 owing to increased drug innovation happening in the biotech space and scale up in prescription medication demand across the globe. The fastest growth is happening in the development phase which is followed by high commercialization demand as new molecular entities approved by FDA continues to grow at a healthy rate. Additionally, proliferation in commercially marketed products have resulted in increased contract manufacturing and outsourcing opportunities in the CRAMS industry.

There has been increasing tendency among pharmaceutical companies globally to outsource their research and manufacturing operations to CRAMS players in developing countries such as India, China, Mexico, and Brazil owing to their superior healthcare infrastructure and technological innovations in their drug development processes which comes at a much lower price. Further, rising number of US FDA-approved manufacturing plants in developing countries have added to the increased attractiveness of these destinations as preferred choice as outsourcing partners. However, the CRAMS industry is facing challenges related to stringent requirements laid down by regulatory

bodies and their enforcement actions to monitor plant quality and operational standards resulting in higher investment in systems, facilities, and talent. Moreover, price controls and other policy prerogatives likely to be introduced in the U.S. and EU countries continue to be major headwinds.

Indian CRAMS Industry – Key Trends & Opportunities

India has become the preferred destinations for outsourcing of research as well as manufacturing activities as it is able to offer high-end research services, biologics, and complex technology services, at a low cost. Presence of large number of US FDA approved manufacturing facilities along with high skilled labour possessing expertise in pharmaceuticals manufacturing has

support the growing R&D through several tax benefits have allowed the country to be on the forefront of contract research and manufacturing services.

been the key drivers of growth. As such, Indian CRAMS companies continue to enjoy competitive edge in being the preferred partners for drug development and manufacturing. Moreover, the Indian government policies to encourage exports and

The contract research organisation landscape is witnessing increased activity with many pharma players increasingly outsourcing their early drug development activities covering pre-clinical and early phase research to some of the leading Contract Research Organization (CRO) players in the market as a strategy to stay competitive, flexible and profitable against all odds. Technologically, the industry has started upgrading and investing in artificial intelligence (AI),

data mining and big data technologies to innovate drug discovery and optimize R&D productivity Increased technology adoption in the form of eClinical solutions and innovative trial designs is expected to transform the CRO landscape.

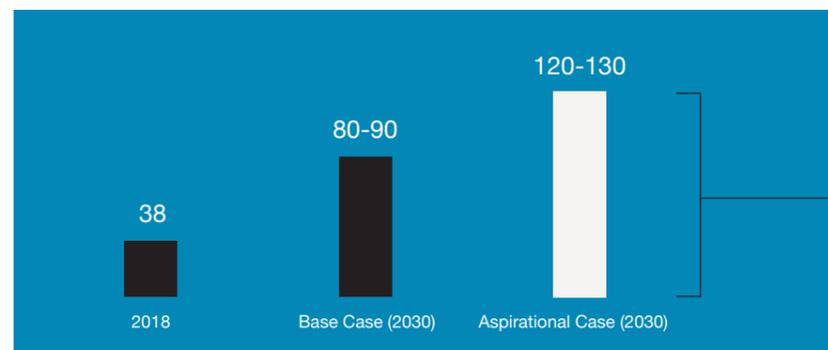
Indian Pharma – Growth Outlook

India is among the leading global producers of cost-effective generic medicines and vaccines and a leader in the bulk drug manufacturing market dominated by generics and biosimilars. The Indian pharmaceutical industry has the largest number of

US Food and Drug Administration (USFDA) approved manufacturing facilities outside the US, and over 1,300 manufacturing plants compliant with World Health Organization (WHO) Good Manufacturing Practices (GMP). According to Indian Pharmaceutical

Alliance (IPA), concerted efforts by the pharmaceutical companies and the government’s intervention in the form of enabling policies and a supportive ecosystem can help the Indian pharmaceutical sector to touch \$120-130 billion by 2030.

Projected size of the Indian pharma industry (\$ bn)



Key drivers of growth

- Increasing spending, improving accessibility, and growing exports
- New launches and market share gains for existing products
- Potential breakthroughs in next-generation innovative products
- Abatement in pricing pressure for the US market

However, the sector will be up against headwinds of increased costs related to regulatory compliances, particularly for the US market, and price controls across markets and compulsory genericisation for domestic market. Balancing sustainability, improving quality, and value creation would be the top priorities for the sector.

Drug Discovery – Emerging Trends

Technology is playing a progressively bigger role in areas such as research and development and manufacturing. Technologies like Artificial Intelligence, Machine Learning, AR-VR,

Digital Apps, Internet of Things, Blockchain, 3D printers, Organ-on-Chips are among the innovations that are starting to transform the pharmaceutical industry in a big

way. Advances in technology areas such as automation and robotics, miniaturization and Artificial Intelligence show great promise to speed the drug discovery and development process.

BUSINESS OVERVIEW

About Dishman Carbogen Amcis Limited

The Dishman Group is a global and integrated CRAMS player with strong capabilities across the value chain – from research and development, to late stage clinical and commercial manufacturing. Dishman Carbogen Amcis Limited, the flagship company, includes its Indian and foreign subsidiaries, joint ventures, and associate companies across the globe. We are the preferred global outsourcing partner present across multiple continents and countries, including the United States, Switzerland, UK, France, Netherlands, China, Japan, and India. We service customers from all the key advanced markets including US, Europe, and Asia.

We are equipped with strong chemistry skills and large-scale multi-purpose manufacturing capacities. We have a wide range of research competencies and 10 manufacturing capacities and a global presence with manufacturing sites in Europe, India, and China. Of these, 4 are in Switzerland; 2 in India; and one each in UK, France, Netherlands, and China. Our HiPo facility at Bavla, India, is one of the largest facilities in Asia, which enables us to gain from the high margin HiPo opportunity in the oncology space and other highly potent compounds.

Although we started out as a manufacturer of quaternary ammonium and phosphate compounds, we became one of the fastest-expanding companies in the CRAMS space in India in a short span of time. We ventured into the CRAMS business with a contract to develop and manufacture an Active Pharmaceutical Ingredient for the innovator. We were one of the first companies in India to bring a new chemical entity into India for successful development and commercial manufacturing. Since then, we have entered into multiple contracts with innovator companies. Our growth by way of acquisitions and greenfield projects over the last 14 years has yielded us rich dividends in terms of the exceptional talent pool and unparalleled operational excellence.

Global and integrated

CRAMS players

with strong capabilities across the value chain – from research and development, to late stage clinical and commercial manufacturing

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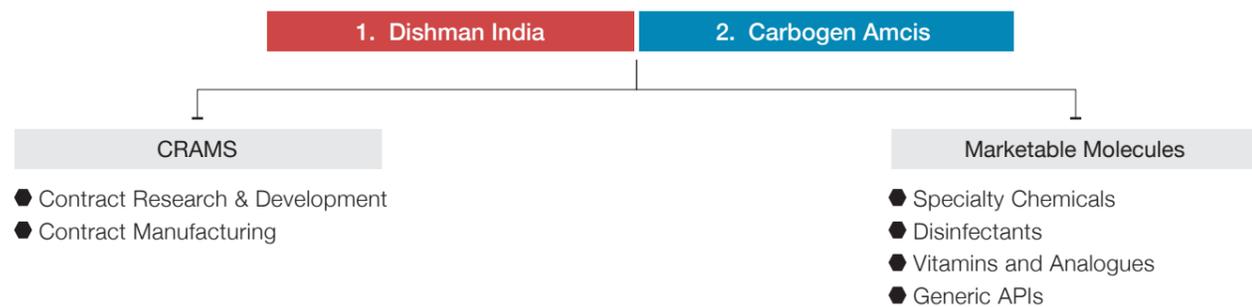
Our Key Segments

Our key segments include CRAMS (Contract Research and Manufacturing Services) and Marketable Molecules. The CRAMS segment is further broken down into Contract Research Services and Contract Manufacturing Services, which we offer to our customers.

OUR PRODUCT PORTFOLIO

- Active Pharmaceutical Ingredients
- Phase Transfer Catalysts
- Lanolin-Related Products
- High Potent APIs
- Vitamin D
- Cholesterol
- Intermediates
- Vitamin D analogues
- Disinfectant Formulations

Our Business Verticals



1. Contract Research And Manufacturing Services (CRAMS)

Our principal line of business is Contract Research and Manufacturing Services (CRAMS). We are an integrated CRAMS player with strong capabilities across the value chain. Through our CRAMS business, we assist drug innovators in development and optimisation of processes for novel drug molecules in various stages of the development process.

Once the innovative molecules are approved, this segment explores the possibility of possible largescale commercial supply tie-ups. We provide end-to-end high-value CRAMS offerings right from process research and development to late-stage clinical and commercial manufacturing. CRAMS segment contributes nearly 77% to our total revenues. Given our vast experience and high-end capabilities, we are comfortably placed to reap the benefits of strong growth and emerging opportunities in the global CRAMS industry.

A. Carbogen Amcis

Carbogen Amcis is a specialized service provider offering a portfolio of drug development and commercialisation services to the pharmaceutical and biopharmaceutical industries at all stages of drug development. Our integrated and tailored services for Drug Substances (DS) and Drug Products (DP) provide innovative solutions to support timely and safe drug development. We perform our custom synthesis

operations within the Dishman Group which include two facilities in India and the Netherlands, as well as the seven facilities under the Carbogen Amcis brand: four in Switzerland, one in the UK, one in China, and one in France.

Carbogen Amcis provides services for the development and manufacturing of both non-potent and highly potent drug substances (APIs) and drug products applying state-of-the-art containment technologies. All facilities operate under current Good Manufacturing Practices (cGMP) and can produce material for preclinical testing, clinical trials, and commercial use. Our manufacturing sites are regularly inspected by the US Food and Drug Administration (FDA) and local regulatory authorities. The large-scale production capacities (up to 8,000 L) allow the efficient production of non-GMP intermediates that can be further processed at the Carbogen Amcis Swiss facilities.

Our well-equipped facilities in Riom (France) offers aseptic cGMP manufacturing for liquid or freeze-dried products including drug delivery, highly potent and antibody drug conjugates (ADC). A wide range of filling volumes and packaging components (vials or syringes) are applied to support pre-clinical and clinical studies all over the world. Formulation, process development and upscaling services for liquid and frozen-dried products are also part of our service offering.

We have successfully completed numerous drug linker projects. Since the first ADC project in 2005, many customers, ranging from small biotech to large pharmaceutical companies,

expressed growing interest in our ADC and bio-conjugation abilities. We have handled projects ranging from payload/warhead manufacturing to drug-linker, then to conjugation and final drug product all inhouse. Our clean room suites are fully qualified for cGMP manufacturing dedicated to bio-conjugation. This is in conjunction with our state-of-the-art purification technologies and exceptional analytical/fill-and finish capabilities.

B. Dishman India

Dishman India is a global outsourcing partner for the pharmaceutical industry offering a portfolio of development, scale-up and manufacturing services. Dishman assists and empowers its customers businesses by providing a range of development and manufacturing solutions at locations in Europe and India. Our commitment is to deliver high added value solutions with technical excellence and to be a reliable partner to our customers, protecting their interests as if they were our own.

Dishman offers specialised research and development services in developing processes that are truly scalable through to commercialisation, be it through process research, process development or optimisation. We have a dedicated pool of highly skilled staff operating in three continuous shifts on a daily basis in state-of-the-art R&D centres. Our promise is safe, efficient scale-up and problem solving delivering robust, economic processes. Dishman enforces strict IP protection policies. We protect our customers' interests as if they were our own.

2. Marketable Molecules

A. Specialty Chemicals

Dishman Specialty Chemicals manufactures and supplies high-quality intermediates, fine chemicals, and various products for pharmaceutical, cosmetic and related industries. The Company had a long association with the manufacture and supply of Quaternary ammonium compounds (Quats) for use as phase transfer catalysts. Our domain expertise in solids handling technology has helped us to expand our offerings to include ammonium and phosphonium high-purity solid Quats, Phosphoranes and Wittig reagents. These products find applications as phase transfer catalysts, personal care ingredients, fine chemicals, pharma intermediates and disinfectants. A number of our products are made under GMP manufacturing conditions at our Naroda facility in India. Furthermore, we maintain local stocks of select products in Europe and in the US.

We have significant expertise in providing tailor made solutions. We are well equipped to supply our customers with our quality products or provide them assistance on the next project with our world class manufacturing expertise, logistics and competitive pricing.

B. Vitamins and Analogues

Vitamin D play a vital role in brain development, muscle function, maintaining a healthy respiratory and immune system, and optimal cardiac function. It also strengthens our bodies against illnesses such as diabetes, asthma, chronic pains, cancer, infections, multiple sclerosis, psoriasis, depression, etc. However, if there is a Vitamin D deficiency, then it leads to bone disorders such as rickets, osteomalacia and osteoporosis.

Vitamin D is present in inactive form in the human body and gets activated in the presence of sunlight to process the release of Calcifediol. This Calcifediol is then metabolised in

the kidney to release Calcitriol which is further absorbed by the intestine, kidney and bones. The bones mobilise the secretion of Calcium and Phosphate in the parathyroid gland to maintain the optimum balance of these elements which is a prerequisite for strong bones.

Functioning as the global outsourcing partner for other pharmaceutical companies; aiding them in development and scale-up production via its high potency supply of compounds; Dishman first realized the need of the hour with Vitamin D because of its elaborate research on its therapeutic uses that covers wide range of medical conditions. Keeping wellness as our primary objective, we acquired Solvay Pharmaceuticals' Veenendaal, Netherlands plant which focused on manufacturing cholesterol, serving as a precursor to vitamin D & its analogues.

As a multifaceted organisation with a high degree groundwork, we established greener processes to manufacture in a budgeted environment. Hence, we ensure the extraction of this cholesterol from sheep wool, making it a vegan source required to form a strong base for the formulations. Gradually, with a steadfast strategy, entrepreneurial spirit and a rising demand for the application of this raw material in various sectors: as a natural course towards the extension of existing and acquired business, we forayed into developing a wide spectrum of products for the pharmaceutical, nutraceutical and holistic animal nutrition verticals of Vitamin D3. This derivative if taken in the right quantity, can cure to the roots of many diseases, resulting in complete wellbeing.

In the pursuit of developing a world-wide circuit in the supply of Vitamins and its analogues, Dishman has initiated the establishment of WHO-cGMP compliant fully integrated manufacturing unit, at Bavla, based in Gujarat, India, which will also be a ISO 9001:2015 certified. Its core lies

in its CRAMS model capabilities that umbrellas an entire gamut of services from production of raw materials to developing the final products as well as market the same. This has enabled us to be in the forefront with the capacity to manufacture 1000 MT annually and simultaneously catering to specifically engineered requirements of our clients, all at one place.

C. Disinfectants

Dishman Care has a range of hand and body wash, sanitisers, and antiseptics, apart from its active pharmaceutical ingredients and formulations businesses. We offer a range of antiseptics and disinfectants for application in healthcare and related industries. Our aim is to build a deep portfolio of 'next generation' innovative antiseptic and disinfectant formulations. Our product pipeline specialises in high quality, cost effective, proven anti-microbial products based on Chlorhexidine Gluconate (CHG) and Octenidine dihydrochloride (OCT). We shall provide specialist products for environmental decontamination based on hydrogen peroxide disinfectant.

D. Generic APIs

Dishman plans to develop and manufacture niche generic APIs. The Company is working on development of certain generic molecules, which could have huge potential in terms of profitability. We are working towards capturing a larger market share of the profitable generic APIs where we have filed the Drug Master Filings or other regulatory filings. The Company will continue to file for such molecules in the future as well and strive to increase the proportion of these molecules in the marketable molecules business segment.

Our Competitive Strengths

A. Capabilities across the entire CRAMS value chain

Today, the Dishman brand is perceived by global customers as a preferred global outsourcing partner with capabilities across the entire CRAMS value chain, with services

ranging from process R&D and pilot supply, to full scale and commercial manufacturing from purpose built and dedicated facilities. The Group's India and Chinese facilities possess strong chemistry skill sets: a large dedicated multiple shift R&D operation; and 26 dedicated production facilities for

APIs, intermediates (India, China) with dedicated API manufacturing capacity at India and China.



B. High Potency API Capability

The Dishman Group has invested in world class capabilities to address the oncology and other highly potent compound therapy markets. Coupled with 14 years of HiPo API experience, the High Potency API business represents a significant opportunity for step change in the Group's top-line and bottom-line growth. The Group has a strongly differentiated set of capabilities in the HiPo API arena with pre-clinical API, phase 1/phase 2/phase 3 and commercial API and up to clinical Ph2 parenteral dosage form capabilities. All these capabilities remain in house and underwritten by a consolidated project management capability to take customers from pre-clinical stages through to commercial manufacturing of APIs, right through to formulated products.

C. Scientific Advancements

Successful drug development is a balance between speed, quality and costs. We aim to offer our customers a choice of state-of-the-art tools combined with qualified and experienced staff to best meet these often-changing priorities. Carbogen

Amcis has built up a portfolio of specialist services to give customers the highest degree of flexibility possible.

Chromatography - Chromatography often forms part of a fast route to producing initial quantities of material. We offer customised chromatography solutions for the separation and purification of APIs and intermediates, including highly active APIs and impurity isolation. Our dedicated group of chemists have more than 50 years' experience in the group expertise in method development and scale-up in a variety of different chromatographic techniques, all in accordance with current Good Manufacturing Practice (cGMP) environment. Cost-effective largescale chromatography is also possible given the correct infrastructure. Carbogen Amcis offers Flash Chromatography (Biotage), SMB and HPLC to effectively produce clinical trial quantities of APIs and commercial products.

Crystallization Services - Defining the best crystalline form of an Active Pharmaceutical Ingredient (API) is crucial in drug development, since it has a significant impact on

its bioavailability and formulation properties. Carbogen Amcis has established a service supporting our customers with crystallisation investigations including solubility tests, salt screening, and optimisation of the crystallisation process and the solid/liquid separation in the API isolation process. Polymorphism screening complements the service portfolio. We offer online monitoring of critical parameters such as particle size, turbidity, temperature, and pH value, as well as analytical services dedicated to solid phase characterisation including hot stage microscopy, differential scanning calorimetry, Dynamic Vapor Sorption (DVS) and x-ray powder diffraction.

D. World Class Manufacturing Facilities

Our state-of-the-art infrastructure includes process research and development (PR&D) laboratories and, one laboratory dedicated to conjugation of small and large molecules and manufacturing capabilities. Carbogen Amcis delivers leading process research services that support the drug development process. Early Active Pharmaceutical

Ingredient (API) manufacture centres on the rapid synthesis of supplies necessary to perform both toxicology and early phase clinical trials. Typical batch sizes here range from 1 gram to 50 kg scale and are prepared as per the highest standard of current Good Manufacturing Practices (cGMP).

We internally optimise each site with all the equipment necessary to help your project to become a success. We provide unparalleled analytical support for research, development and commercial production of late stage intermediates and APIs, including pre-formulation studies to support drug product development. In addition to pre-formulation services, solid state and crystallisation services, and analytical support for physicochemical characterisation and method validation, Carbogen Amcis offers a complete range of

drug product development and manufacturing services at our Riom site in France. Our specialty is the injectable space and the handling of complex compounds such as highly potent APIs, biological products and drug delivery. This site is exclusively dedicated to the development and the cGMP manufacturing to the fast supply of batches for clinical studies.

Carbogen Amcis utilises the Shanghai manufacturing facility for manufacturing the intermediates for the final API, which gets manufactured in the Swiss facility. This facility is also cGMP approved and the plan is to make it equipped to manufacture the final API as well, which would act as a good alternate manufacturing site for the APIs manufacturing. Carbogen Amcis utilises its UK facility as the one for manufacturing non-GMP intermediates and starting material,

which again feeds into the Swiss facility for manufacturing the final API or gets shipped to the customer. Dishman Carbogen Amcis facilities in India equips the Group with large-scale development and manufacturing capabilities, which ensures that the customer does not have to move outside the Dishman Group to get the large volume products developed and manufactured. Thus, the group acts like a one-stop shop for the development and manufacturing of APIs for all types of molecules. Moreover, the HiPo capabilities are unique to the group and differentiates it from its peers.

Key Highlights – FY20 & Outlook

The Company delivered resilient performance in the year ended March 31, 2020 despite challenging external environment. Revenue for the company stood at ₹2,044 crore as compared to ₹2,058 crore in the previous year. The EBITDA for the year was ₹522 crore as compared to ₹552 crore in the previous year. If we exclude the realized foreign exchange gain (~₹70 crore), the EBITDA actually grew this year as compared to the last financial year on a like to like basis. Profit After Tax was ₹180 crore as compared to ₹210 crore in the previous year on account

of higher depreciation and finance cost. Net Debt reduced to US\$ 100 million as of 31st March 2020 from US\$ 112 million in the previous year. The capital expenditure incurred in the last financial year was around US\$ 42 million which was largely on account of the maintenance CAPEX across all of our plants as well as growth CAPEX for the new building in Switzerland and the soft-gel capsule plant in India.

During the year, four NCEs got various regulatory approvals where we were the development partner. We continue to have a strong basket of about 18

APIs in Phase III development. Among other highlights, Dishman announced buyback to the tune of ₹72 crore during the fourth quarter of the year.

The company continues to maintain high capacity utilisation at its manufacturing facilities by focussing on small and mid-sized global biotech companies and diversifying across new geographies. We will continue to maintain our focus on low-volume, high-value orders which will help in expanding margins, driving profitability and increasing utilisation at most of the manufacturing plants.

Research and Development

Dishman has strong Research and Development capabilities with innovation being our driving factor in all activities undertaken; be it processes, technologies or products. We continue to harness our cutting edge scientific and technological

knowhow towards achieving breakthrough in tomorrow's innovative therapies. We have ensured that our processes comply with the latest stricter regulations from various regulatory agencies and we continue to make them more efficient and environment friendly.

We continue to make significant progress in our focus areas such as vitamins, disinfectants, oncology products, MRI agents and catalysts. We are gradually making headway in the range of products related to irradiation chemistry owing to our

unwavering focus since the last few years. We have successfully optimized the upstream chemistry which has helped us to improve the mass balance as well as reduce wastes. New irradiation equipment has been installed for niche vitamin D analogues.

We continue to invest in our R&D and analytical capabilities. This has helped us to win new CRAMS projects as customers get full service under one roof. In the last few years, Dishman has developed new disinfectant actives which have showed excellent antimicrobial efficacy. Additional trials

are underway at globally reputed centres. With the expanded capacity of disinfectant products, Dishman has been focusing on institutional business for these disinfectant products.

Financial Overview

Business Highlights (Standalone)

(₹ in crores)

Particulars	FY2020	FY2019
Income		
Net Sales & Operating Income	580.74	549.47
Other Income	69.55	71.68
Total Income	650.29	621.15
EBITDA (without other income)	173.58	193.79
Depreciation	140.65	136.31
PBIT	102.48	129.16
Interest & other Finance charges	47.02	47.43
Profit Before Tax	55.46	81.73
Tax Expense	16.94	25.72
Profit after Tax	38.52	56.01
Cash Profit	179.17	192.31

Business Highlights (Consolidated)

(₹ in crores)

Particulars	FY2020	FY2019
Income		
Net Sales & Operating Income	2,043.60	2,058.60
Other Income	44.46	53.82
Total Income	2,088.06	2,112.42
EBITDA (without other income)	522.44	551.90
Depreciation	282.87	240.38
PBIT	284.03	365.34
Interest & other Finance charges	61.95	56.55
Profit Before Tax	222.08	308.79
Tax Expense	41.78	98.46
Profit after Tax	180.30	210.33
Cash Profit*	427.30	449.90

* Cash profit is calculated after adjusting depreciation, amortization of goodwill and normalized tax rate at 25%.

During the year, the revenue of the company has declined marginally by 0.73% to ₹ 2,043.60 crore as compared to ₹ 2058.60 crore, on account of a reduction in operating income realised from forex exchange hedges. CRAMS segment registered a turnover of ₹ 1510.33 crore during the year as compared to ₹ 1470.76 crore during the previous year. Marketable molecules segment registered growth at ₹ 462.93 crore, against ₹ 449.19 crore in the previous year. Other operating income for the year was ₹ 70.33 crores as compared to ₹ 138.66 crores in the previous year

CRAMS is our largest business segment which caters to the requirements of multi-national pharmaceutical companies internationally. We develop intermediates/APIs based on our customer's request. This business involves significant R&D efforts to develop the products, processes. Our wholly owned subsidiary CARBOGEN AMCIS located in Switzerland is spearheading our R&D efforts. Around 1510.33 crores of our consolidated turnover is generated from CRAMS segment.

Others segment Marketable molecules contributed around ₹ 462.93 crores of consolidated turnover in 2019-2020. Out of total revenue from operation of ₹ 2,043.60 crore (previous year ₹ 2058.60 crore), CARBOGEN AMCIS has accounted for sales of ₹ 1046.53 crore (previous year ₹ 1039.62 crore), Vitamin D analogues and speciality chemicals business has accounted for sales of ₹ 204.88 crore (previous year ₹ 271.76 crore) and CARBOGEN AMCIS UK Ltd. accounted for revenue from operation of ₹ 96.45 crore (previous year ₹ 90.55 crore). Remaining revenue from operation of ₹ 695.74 crore (previous year ₹ 656.67 crore) was accounted by Dishman Carbogen Amcis Ltd. and its marketing subsidiaries

Material Costs

- Raw material consumption for the year was ₹ 433.84 Crore, as against ₹ 403.78 crore in the previous year.
- Inventory of raw materials increased by ₹ 27.48 crore during the year as compared to previous year
- Work in process increased by ₹ 1.23 crore and finished goods increased by ₹ 29.34 crore during the year as compared to previous year.

Manufacturing Expenses

- Manufacturing expenses mainly comprise Power & Fuel ₹ 59.71 crore and Repairs & Maintenance ₹ 90.38 crore. This was against ₹ 56.14 crore and ₹ 86.92 crore, respectively, in the previous year.
- Our Manufacturing Expenses accounted for 9.01% of sales during the year, as against 8.91% during the previous year.

Administrative, Selling and Other Expenses

- Our major components of administrative, selling and other expenses include rent, rates & taxes, legal & professional charges, clearing & forwarding, travelling & conveyance, and insurance premium, among others.
- Administrative, selling and other expenses for the year amounted to ₹ 146.74 crore as against ₹ 217.20 crore during the previous year. These expenses accounted for 7.47% of sales during the year, as against 11.31% during the previous year.

Employee Emoluments

- Employee emoluments increased to ₹ 762.27 crore during the year, as against ₹ 714.64 crore during the previous year.

Interest and Finance Charges

- Interest and Finance charges during the year increased to ₹ 61.95 crore, as against ₹ 56.55 crore during the previous year.

Depreciation

- Depreciation charges for the current year amounted to ₹ 183.78 crore, as against ₹ 139.42 crore during the previous year.
- Amortisation charges for the Current Year stood at ₹ 99.09 Crores, as against ₹ 100.96 Crores in the previous year
- Addition to fixed assets during the year was ₹ 522.00 crore, as against ₹ 258.18 crore during the previous year. Out of total addition of ₹ 522.00 crores, The addition of ₹ 222.02 crore during the year was on account of implementation of new accounting standard of IndAs 116 pertaining to lease accounting.

Provision for Tax

- ₹ 41.78 crore (net of MAT entitlement) was provided during the year towards current tax, as against ₹ 98.48 crore during the previous year. The Company has provided provision for deferred tax of ₹ 14.82 crores during the year, as against deferred tax of ₹ 9.40 crore during the previous year.

Profit After Tax

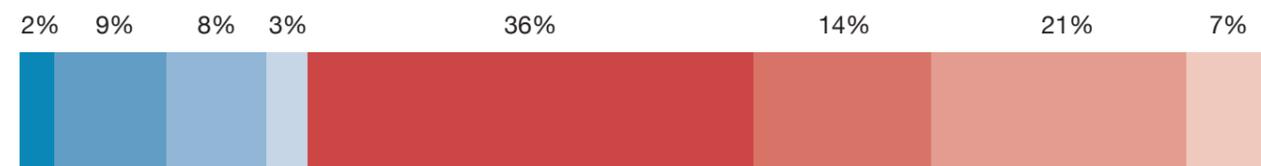
- Net Profit after Tax for the current year was ₹ 180.30 crore, as against ₹ 210.33 crore during the previous year.
- Cash Profit After Tax for the current year works out of ₹ 427.30 Crores, as against ₹ 449.90 Crores during the previous year.

Earnings Per Share

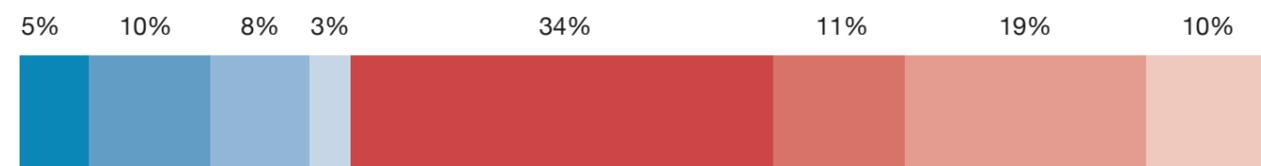
- Basic Earnings Per Share for the current year works out to ₹ 11.20, as against ₹ 13.03 during the previous year.
- Cash Earnings Per Share for the current year works out to ₹ 26.54 as against ₹ 27.88 in the previous year.

Composition of Expenses and Profit (% to total consolidated revenue)

2019-20:



2018-19:



Financial Condition

(i) Secured Loans:

Secured loans stood at ₹ 915.50 crore as at 31st March, 2020, as against ₹ 936.97 crore as at 31st March 2019

(ii) Unsecured Loans:

Unsecured loans as on 31st March 2020 were at ₹ 140.66 crore, as against ₹ 105.20 crore as on 31st March 2019.

(iii) Inventories:

Major items of inventories as of 31st March 2020 are as under:

Particulars	(₹ in crores)	
	March 31, 2020	March 31, 2019
Raw Materials	201.22	173.75
Work in process	219.35	218.12
Finished goods	180.93	151.59

iv) Debtors:

Debtors as of 31st March 2020 amounted to ₹ 577.43 crore, as against ₹ 445.30 crore during the previous year.

(v) Cash & Bank Balance:

Cash and Bank Balance as on 31st March 2020 is ₹ 160.98 crores, as against ₹ 95.67 crores as on 31st March 2019.

(vi) Investment in Marketable Securities:

Investment in Marketable Securities as on 31st March 2020 is ₹ 139.39 crores, as against ₹ 117.58 crores as on 31st March 2019.

(vii) Creditors:

Creditors as of 31st March 2020 is ₹ 283.53 crores as compared to ₹ 194.57 crores as at 31st March 2019.

Segment-wise or Product-wise Performance

The business segments of the Company comprise the following:

Segment	Description of the activity
CRAMS	Contract Research and Manufacturing Segment under long term supply agreements
Marketable Molecules	Bulk Drugs, Vitamin D Analogues, Intermediates, Quats and Specialty Chemicals

The break-up of Company's total income from the product segments viz. "CRAMS Segment" and "Other Segments" for the last three years is as under:

Product Segment	(₹ in crores)		
	March 31, 2020	March 31, 2019	March 31, 2018
CRAMS	1,510.33	1,470.76	1,251.61
Marketable Molecules	462.93	449.18	401.10
Total Sales	1,973.27	1,919.94	1,652.71
Other Operating Revenue	70.33	138.66	42.08
Total Revenue from Operation	2,043.60	2,058.60	1,694.79

Key Financial Ratios

On Standalone Basis:

Particulars	FY2020	FY2019
Debtors turnover	3.73	3.78
Inventory turnover	2.26	2.52
Interest coverage ratio	2.94	3.48
Current ratio*	1.23	1.40
Debt equity ratio #	0.09	0.09
Operating profit margin (%)	29.89%	35.27%
Net profit margin (%) **	6.63%	10.19%
Return on Net Worth (%)^	2.54%	3.05%

*Current ratio has declined mainly because of Mark to Market loss on forward contracts on account of restatement of Forex hedges at closing exchange rate as on March 31, 2020.

Debt is calculated after deducting cash and cash equivalent, bank balance and investments in marketable securities from gross debt.

** Profit has declined mainly because of lesser dividend received from overseas subsidiaries and increase in depreciation due to implementation of IndAS 116 pertaining to lease accounting.

^ Networth is calculated after excluding Goodwill on account of Merger from total network.

^ Amortisation on goodwill has been added back net off effective tax to PAT for calculating net income.

There is no significant change (i.e. change of 25% or more as compared to the immediately previous financial year) in the key financial ratios except Net Profit margin.

On Consolidated Basis:

Particulars	FY2020	FY2019
Debtors turnover	3.86	4.32
Inventory turnover	2.98	2.96
Interest coverage ratio*	5.82	7.67
Current ratio**	1.15	1.30
Debt equity ratio#	0.18	0.15
Operating profit margin (%)	25.56%	26.81%
Net profit margin (%)	8.82%	10.22%
Return on Net Worth (%) ^	17.75%	17.73%

*Interest coverage ratio declined due to lower Forex Income in FY20 as compared to previous year.

**Current ratio has declined because of Mark to Market loss on forward contracts on account of restatement of Forex hedges at closing exchange rate as on March 31, 2020.

Debt is calculated after deducting cash and cash equivalent, bank balance and investments in marketable securities from gross debt.

^ Networth is calculated after excluding Goodwill on account of Merger from total network.

^ Amortisation on goodwill has been added back net off effective tax to PAT for calculating net income.

^ Reserve and surplus is adjusted for 'Foreign Currency Translation Reserve'.

^ Goodwill and other intangible asset is adjusted for the impact of the Foreign Exchange Revaluation.

There is no significant change (i.e. change of 25% or more as compared to the immediately previous financial year) in the key financial ratios.

Internal Control Systems

Your Company has a well-established system of internal control and internal audit, commensurate with its size and complexity of the business and considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ("the Guidance Note") issued by the Institute of Chartered Accountants of India ("the ICAI"). Your Company has appropriate internal control systems for business processes with regards to efficiency of operations, financial reporting, compliance with applicable laws and regulations, among others and with the objective of safeguarding the Company's assets, ensuring that

transactions are properly recorded and authorised and providing significant assurance at reasonable cost, of the integrity, objectivity and reliability of financial information. The Company continually upgrades internal control system by adding better process control, various audit trails and use of external management assurance services, whenever required. The internal control system is supplemented by extensive internal audits, conducted by independent firms of chartered accountants in close coordination with finance and account department. The findings of Audit Team are discussed internally as well as in audit committee meetings. The Audit Committee of the Board

of Directors reviews the adequacy and effectiveness of internal control systems and suggests improvement for strengthening them. The company has established controls department to ensure new controls implementation where necessary. With upgrade of S4 HANA platform, company is establishing robust system controls. Company is focusing on business process re-engineering with support of new technologies. Automated controls are being introduced to ensure robust control environment. New modules in SAP implemented for better control over end to end processes and financial reporting.

Risk Management

Global operations and product development for regulated markets pose significant challenges and risks for the organisation. Such risks, if not identified and addressed properly in a timely manner could adversely impact accomplishment of the overall objectives of the organisation and its sustainability. An effective risk management framework enhances the organisation's ability to proactively address its risks and opportunities by determining a risk mitigation strategy and monitoring its progress on continuous basis. Our Enterprise Risk Management (ERM) framework encompasses practices relating to identification, assessment, monitoring

and mitigating of various risks to key business objectives. ERM at Dishman seeks to minimise adverse impact of risks on our key business objectives and enable the Company to leverage the market opportunity effectively. Our risk management framework is intended to ensure that risks are identified in a timely manner. We have implemented an integrated risk management framework to identify, assess, prioritise, manage/mitigate, monitor and communicate the risk across the Company. Senior management personnel are part of our risk management structure. Plant level committees headed by senior management personnel meet

at regular intervals to identify various risks, assess, prioritise the risks. After due deliberation, appropriate strategies are made for managing/mitigating the risks. The Company takes the help of independent professional firms to review the risk management structure and implementation of risk management policies. Audit Committee, on a quarterly basis, reviews the adequacy and effectiveness of the risk management strategies, implementation of risk management/mitigation policies. Audit Committee advises the Board on matters of significant concerns for redressal.

Opportunities and Threats

Most of the innovator companies are facing challenge of depleting research pipeline and losing patent protection for their blockbuster drugs in the next few years. The new drug discovery process is also becoming more difficult with reducing success probabilities and increasing research and development costs. This has opened up opportunities to CRAMS players from low cost destinations like India. Dishman has identified this opportunity very early and started working with innovators with customs synthesis projects and contract manufacturing of APIs, which result into overall growth in the turnover. In view of the huge potential the CRAMS segment offers to Indian companies,

many of the big pharmaceutical companies in India started exploring opportunities for a share in CRAMS segment with big investments. This may result in increased competition in the long run. However, with the research and innovation capabilities that Dishman has developed over the years across the globe, the technical know-how is unparalleled. In addition to the above, another major development has been on the New Molecule Entities (NMEs) front. Most of the recent innovation in this segment is from “small to mid-sized” bio-pharmaceutical organisations. This has changed the dynamics of this business, as large pharmaceutical players

are increasingly becoming mainly marketing and “finished dose form” organisations. The Company believes that it can manufacture various APIs/ intermediates and speciality chemicals of best quality at a low cost. Many of innovator companies are outsourcing their products to our Company. Recognising this opportunity, the Company continued to take initiatives in reducing its costs by employing lean manufacturing techniques and resource management initiatives and broadening the product base.

Information Technology

The Company's goal is to make all business processes as much automated as possible thus increasing the efficiency and accuracy of all processes. Dishman has developed a framework to harness the opportunities presented by prevalence of new-age digital technologies, and transform to become a digitally savvy pharmaceutical company. In analytics and automation, the Company's strategy has been to capitalise on the latest advancements in technology for improving the business performance.

As a part of digital reinvention journey we have done:

SAP S4 HANA implementation:
During this implementation we not only

upgrade our system technically and functionally but also make substantial improvements in lots of processes related to Production, Quality, Costing, Inventory Management and Procurement. We also enable mobility in our business process through Fiori apps.

SAP SuccessFactors phase one implementation: During this implementation phase we have structure all the process related to HR which include Recruitment, On boarding, Performance Management and Goal Management. In the next phase we are going to launch employee portal where we can track entire life cycle of employee. All the

policies and documents will also be available on the same. We will also enable mobility through its native app.

Network and Server Security : We have done a tremendous job in front of Server and End point security. In order to secure our on physical, virtual and cloud server, we have implemented Deep Security solution, it protects our application and data from breaches and business disruption. In front of End point protection we have implemented Apex One which offers advance automated threat detection and response against variety of threats including virus and ransomware.

Industrial Relations and Human Resource Management

The Company has continued with its drive to institutionalise and upgrade its HR processes. The diversified skill sets of our employees add significant worth to the Company. Every organisation

which values and appreciates its Human Resource succeeds in its goals and receives positive results. At Dishman, we always believe in the concept of human empowerment.

We firmly believe that human resource is the most important assets of the organisation, as it influences growth, progress, profits and shareholders' values. During the year, we continued

our efforts aimed at improving the HR policies and processes to enhance our performance. Our mission is to create a value system and behavioural skills to ensure achievement of our

short and long-term objectives. The Company, as on March 31, 2020, had 1280 employees on its rolls. We continue to attract excellent talent both from within and outside India

to further our business interests. Industrial Relations continue to be cordial.

Cautionary Statement

This document contains statements about expected future events, financial and operating results of Dishman Carbogen Amcis Limited, which are forward-looking. By their nature, forward-looking statements require the Company to make assumptions and are subject to inherent risks and uncertainties. There is significant risk that the assumptions, predictions, and

other forward-looking statements will not prove to be accurate. Readers are cautioned not to place undue reliance on forward-looking statements as a number of factors could cause assumptions, actual future results and events to differ materially from those expressed in the forward-looking statements. Accordingly, this document is subject to the

disclaimer and qualified in its entirety by the assumptions, qualifications and risk factors referred to in the management's discussion and analysis of Dishman Carbogen Amcis Limited's Annual Report, FY2020.

Corporate Information

Board Of Directors

Mr. Janmejy R. Vyas

Chairman (DIN 00004730)

Mrs. Deohooti J. Vyas

Whole time Director (DIN 00004876)

Mr. Arpit J. Vyas

Global Managing Director

(DIN 01540057)

Mr. Mark C. Griffiths

Director (Global Marketing and Strategy)

(DIN 06981744)

Mr. Sanjay S. Majmudar

Director (DIN 00091305)

Mr. Ashok C. Gandhi

Director (DIN 00022507)

Mr. Subir Kumar Das

Director (DIN 02237356)

Mr. Rajendra S. Shah

Director (DIN 00061922)

Ms. Maitri K. Mehta

Director (DIN 07549243)

Board Committees

Audit Committee

Mr. Sanjay S. Majmudar, Chairman

Mr. Ashok C. Gandhi

Mr. Subir Kumar Das

Nomination and Remuneration Committee

Mr. Sanjay S. Majmudar, Chairman

Mr. Ashok C. Gandhi

Mr. Subir Kumar Das

Stakeholders Relationship Committee

Mr. Sanjay S. Majmudar, Chairman

Mr. Janmejy R. Vyas

Mr. Ashok C. Gandhi

Corporate Social Responsibility Committee

Mr. Janmejy R. Vyas, Chairman

Mr. Arpit J. Vyas

Mr. Sanjay S. Majmudar

Risk Management Committee

Mr. Janmejy R. Vyas, Chairman

Mr. Arpit J. Vyas

Mr. Harshil R. Dalal

Management Committee

Mr. Janmejy R. Vyas, Chairman

Mr. Arpit J. Vyas

Mrs. Deohooti J. Vyas

Global Chief Financial Officer

Mr. Harshil R. Dalal

Company Secretary & Compliance Officer

Ms. Shrima Dave

Statutory Auditors

V. D. Shukla & Co.

Chartered Accountants

B-213, Gopal Palace,

Nr. Shiromani Flats,

Opp. Ocean Park, Shivranjani-

Nehrunagar Road, Nehrunagar,

Ahmedabad – 380015.

Haribhakti & Co., LLP

Chartered Accountants

701, Leela Business Park, Andheri Kurla

Road, Andheri (E), Mumbai – 400059.

Internal Auditors

Shah & Shah Associates

Chartered Accountants

702, Aniket, Nr. Municipal Market,

Navrangpura, Ahmedabad – 380009.

Registrar & Transfer Agent

Link Intime India Pvt. Ltd.

C-101, 247 Park, LBS Marg, Vikhroli

West, Mumbai – 400 083.

Tel. No.: 91-22-4918 6000

Fax No.: 91-22-4918 6060

Email: mumbai@linkintime.co.in

Registered Office

Dishman Corporate House, Iscon-Bopal

Road, Ambli, Ahmedabad - 380 058.

Tel. No.: 91-2717-420102/124

Works

Phase-IV, 1216/20, GIDC Estate,

Naroda, Ahmedabad - 382 330.

(Also other plots in Phase - I and IV)

Survey No. 47, Paiki Sub Plot No. 1,

Village – Lodariyal, Taluka Sanand,

District - Ahmedabad - 382 220.

(Also various adjacent plots)

Bankers

» State Bank of India

» Bank of Baroda

» Corporation Bank

» Doha Bank QPSC

» IDFC First Bank Ltd.

» HDFC Bank Ltd.

CIN NO.

L74900GJ2007PLC051338

Subsidiary Companies

» CARBOGEN AMCIS AG

» CARBOGEN AMCIS (Shanghai) Co. Ltd.

» CARBOGEN AMCIS B. V. (formerly known as Dishman Netherlands B. V.)

» CARBOGEN AMCIS Ltd. (U. K.)

» CARBOGEN AMCIS SAS, France

» CARBOGEN AMCIS Holding AG

» Dishman Europe Ltd.

» Dishman USA Inc.

» Dishman CARBOGEN AMCIS (Singapore) Pte. Ltd.

» Dishman Australasia Pty. Ltd.

» Dishman CARBOGEN AMCIS (Japan) Ltd. (formerly known as Dishman Japan Ltd.)

» Dishman International Trade (Shanghai) Co. Ltd.

» Dishman Middle East (FZE)

» Shanghai Yiqian International Trade Co. Ltd.

» CARBOGEN AMCIS Specialities AG

» CARBOGEN AMCIS Innovations AG

» Dishman CARBOGEN AMCIS AG

» Dishman IT Xellence Private Limited

» Dishman Engineering Xellence Pvt Ltd.

» Dishman Biotech Ltd.

Notice

NOTICE is hereby given that the **13th Annual General Meeting** of the Members of **DISHMAN CARBOGEN AMCIS LIMITED** will be held on **Monday, the 28th September, 2020 at 1:00 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:

(a) the Audited Standalone Financial Statement of the Company for the financial year ended 31st March, 2020 and the Reports of the Board of Directors and Auditors thereon; and

(b) the Audited Consolidated Financial Statement of the Company for the financial year ended 31st March, 2020 and the Report of the Auditors thereon.

2. To appoint a Director in place of Mr. Janmejay R. Vyas (DIN 00004730) who retires by rotation and being eligible, offer himself for re-appointment.

SPECIAL BUSINESS

3. To consider and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution**, to re-appoint Mrs. Deohooti J. Vyas (DIN 00004876) as a Whole-time Director:

“**RESOLVED THAT** pursuant to provisions of Sections 196, 197, 203 read with Schedule V and all other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and relevant Schedules thereto and on recommendation made by the Nomination & Remuneration Committee and Board, approval of the members

be and is hereby accorded to the re-appointment of Mrs. Deohooti J. Vyas (DIN: 00004876) (Mrs. D. J. Vyas) as a Whole-time Director of the Company, for a further period of 5 (Five) years, on expiry of her present term of office, i.e. with effect from 3rd September, 2021, on the terms and conditions including remuneration as set out hereunder with liberty to Board of Directors (hereinafter referred to as “the Board” which term shall be deemed to include Nomination & Remuneration Committee and/ or any other Committee which the Board may constitute to exercise its powers, including the powers conferred by this resolution) to alter and vary the terms and conditions of the said re-appointment and/or remuneration within the parameters of the applicable laws or any amendments thereto.

Tenure: 5 (Five) years with effect from 3rd September, 2021. The period of office of Mrs. D. J. Vyas shall be liable to determination by retirement of Director by rotation.

Function: Mrs. D. J. Vyas, shall have substantial powers of management subject to direction, control and superintendence of the Board of Directors.

Remuneration: Subject to overall limit on remuneration payable to all Managerial Personnel taken together, as laid down in the Companies Act, 2013, read with Schedule V thereto, Mrs. D. J. Vyas shall be paid ₹ 15.00 lacs (Rupees Fifteen Lacs only) per month and the above remuneration payable to her may comprise salary, allowances, perquisites etc. as may be determined by the Board of Directors from time to time and may be payable monthly or otherwise provided that the perquisites shall be evaluated as per Income Tax Act and Rules wherever applicable. The

remuneration for a part of the year shall be computed on pro rata basis.

Sitting Fees: Mrs. D. J. Vyas shall not be entitled to any sitting fees.

RESOLVED FURTHER THAT wherein a financial year during the currency of her tenure, the Company has no profits or its profits are inadequate the remuneration payable to her shall not exceed the ceiling limit prescribed in Section II of Part II of Schedule V to the Companies Act, 2013, for that year, which will be payable to her as minimum remuneration for that year.

RESOLVED FURTHER THAT the Board be and is hereby also authorised to increase or revise the remuneration of Mrs. D. J. Vyas subject to maximum remuneration of ₹ 20.00 lacs (Rupees Twenty Lacs only) per month, from time to time during the tenure of the said five years AND THAT the said increase or revision shall also be subject to overall limit on remuneration payable to all the then Managerial Personnel taken together, as laid down in the Companies Act, 2013, read with Schedule V thereto.”

4. To consider and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution**, for payment of remuneration to Mr. Janmejay R. Vyas (DIN 00004730), Director of the Company for rendering professional service to the Company:

“**RESOLVED THAT** pursuant to Regulation 17(6)(ca) of SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018 and other applicable provisions, if any of the Companies Act, 2013, the approval of the members be and is hereby accorded for the payment of annual remuneration not exceeding ₹ 2.00 crores (Rupees Two Crores

only) [excluding any tax incidence applicable upon the Company under the applicable tax laws and the payment of sitting fees, if any] to Mr. Janmejy R. Vyas (DIN 00004730) (Mr. J. R. Vyas), Director of the Company, in such manner and on such terms as the Board of Directors may determine in consultation with

Mr. J. R. Vyas, for the professional services availed/to be availed by the Company, for the financial year 2020-21, being an amount exceeding 50% (fifty percent) of the total annual remuneration payable to all the Non-Executive Directors of the Company.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

Registered Office

Dishman Corporate House,
Iscon-Bopal Road, Ambli,
Ahmedabad-380 058

By Order of the Board of Directors

Shrima Dave
Company Secretary

Date : 3rd June, 2020

Notes

1. In view of the Continuing COVID-19 pandemic, Ministry of Corporate Affairs (MCA) has vide its General Circular numbers 20/2020; 14/2020 and 17/2020 issued on 5th May, 2020, 8th April, 2020 and 13th April, 2020 respectively read with Circular number SEBI/HO/CFD/CMD1/CIR/P/2020/79 issued by the Securities and Exchange Board of India (SEBI) on 12th May, 2020 (hereinafter collectively referred to as "the Circulars"), allowed companies to hold Annual General Meeting (AGM) through Video Conferencing (VC) or Other Audio Visual Means (OAVM), without the physical presence of members at a common venue. Hence, in compliance with provisions of the Companies Act, 2013 ("Act"), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and the Circulars, the AGM of the Company is being held through VC/OAVM. The deemed venue for the AGM shall be the Registered Office of the Company.

Central Depository Services (India) Limited ("CDSL") will be providing facility for voting through remote e-voting, for participation in the AGM through VC/OAVM facility and e-voting during the AGM. The procedure for participating/joining in the meeting through VC/OAVM is explained hereunder at Note No.11 below.

2. The relevant Explanatory Statement and reasons in respect of proposed special business pursuant to Section 102(1) of the Companies Act, 2013 are annexed hereto.

3. As the AGM shall be conducted through VC/OAVM, the facility for appointment of proxies by the members will not be available for this AGM and hence the Proxy Form and Attendance Slip including Route Map are not annexed to this Notice.

4. Participation of members through VC/OAVM will be reckoned for the purpose of quorum for the AGM as per section 103 of the Act.

5. Institutional/ Corporate members are required to send a scanned copy (PDF/JPG format) of its Board or Governing Body Resolution/ Authorization, authorizing its representative to attend the AGM through VC/ OAVM on its behalf and to vote through remote e-voting. The said Resolution/Authorization shall be sent through its registered email address to the Scrutinizer at the email address viz. csashokppathak@gmail.com or to the Company at grievance@dishmangroup.com.

6. At the ensuing AGM, Mr. Janmejy R. Vyas retires by rotation and being eligible, offers himself for reappointment. The information or details required as per Regulation 26(4) & 36(3) of SEBI Listing Regulations and Secretarial Standard on General Meetings ("SS-2") issued by the Institute of Company Secretaries of India, pertaining to him (brief Resume) are as under:

Name of the Director	Mr. Janmejy R. Vyas
Age	69 years
Date of first Appointment on the Board of the Company	17th July, 2007 (before merger of erstwhile Dishman Pharmaceuticals and Chemicals Limited into the Company).
Qualification	He has a bachelor's degree in Chemistry from St. Xavier's College, Ahmedabad and a bachelor's degree in Pharma & Fine Chemical Technology from the UDCT, Mumbai.
Experience (including expertise in specific functional area)	He is a Technocrat having more than 40 years wide experience in Pharma Technology. He was acting as a consultant to various pharmaceutical companies during 1974 to 1983. In 1983, he promoted the parent Company namely erstwhile M/s. Dishman Pharmaceuticals and Chemicals Ltd. ("DPCL"). Thereafter, DPCL has been merged into the Company w.e.f. 17th March, 2017 vide order of Hon'ble High Court of Gujarat dated 16th December, 2016 [Now after merger of DPCL into the Company herein after referred as "DCAL"]. He was managing the affairs of the DCAL since its inception. He has been the head of the research and development division of the DCAL since last 31 years. In 1987, he set-up the Naroda facility of DCAL. Based on his understanding of the potential international outsourcing opportunity developing in the global pharmaceutical industry, he initiated the expansion of DCAL at Bavla in 1996.

His emphasis on quality and adhering to international manufacturing standards ensured that Bavla facility was set-up and developed as per internationally accepted standards. He has successfully marketed the DCAL's in-house technologies and products, research and production capabilities both domestically and internationally. He has been felicitated with (i) the 'Bharatiya Udyog Ratan Award' in September 2000 by the Indian Economic Development & Research Association, New Delhi; (ii) the 'Outstanding Entrepreneur' 1999 by the Federation of Gujarat Industries, Baroda and (iii) the "AMA-Atlas Dy-Chem Outstanding Entrepreneur of the Year Award 2008" from Ahmedabad Management Association (AMA).

Disclosure of Relationship	He is husband of Mrs. Deohooti J. Vyas, Whole Time Director and father of Mr. Arpit J. Vyas, Global Managing Director of the Company.
No. of Shares held in the Company	1000 Equity shares of ₹ 2/- each.
Terms and Conditions of Re-appointment	In terms of Section 152 of the Companies Act, 2013, he retires by rotation at the ensuing Annual General Meeting and being eligible offer himself for re-appointment.
Remuneration last drawn (including sitting fees, if any)	₹1,41,11,112/-
Remuneration proposed to be paid	Maximum of ₹ 2.00 Crores (Rupees Two Crores only) per annum (excluding any tax incidence applicable upon the Company under the applicable tax laws and the payment of sitting fees, if any) as approved by the Members of the Company at its meeting held on 24th September, 2019 subject to approval under regulation 17(6) (ca) of SEBI (LODR) Regulation, 2015, if any required.
Number of meetings of the Board attended during the financial year	Pl. refer Corporate Governance Report section of the Annual Report 2019-20.
Directorship held in other Companies	
Chairmanship/Membership of Committees of other Boards	None

Further, at the ensuing Annual General Meeting, Mrs. Deohooti J. Vyas is proposed to be re-appointed as Whole-time Director of the Company w.e.f. 3rd September, 2021. The required information and details as stipulated under Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meetings ("SS-2") issued by the Institute of Company Secretaries of India, pertaining to her are given in the relevant Explanatory Statement of this Notice.

7. Members holding shares in demat form are requested to intimate any change in their address and / or bank details immediately to their Depository Participants and to Registrar & Share Transfer Agent of the Company in case shares are held in physical form.

8. To support 'Green Initiative' shareholders who hold shares in electronic mode and who have not registered their email addresses, so far, are requested to register their email address and changes therein from time to time, with their concerned Depository Participant. Shareholders who holds share in physical mode are requested to register their email addresses with the Company/ Registrar.

ELECTRONIC DISPATCH OF ANNUAL REPORT AND PROCESS FOR REGISTRATION OF EMAIL ID FOR OBTAINING COPY OF ANNUAL REPORT:

9. In compliance with, the General Circular No.20/2020 dated 5th May, 2020 issued by Ministry of Corporate Affairs and Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated 12th May, 2020 issued by the Securities and Exchange Board

of India, Notice of the Meeting along with the Annual Report for FY 2019-20 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depositories. Members may note that the Notice and Annual Report for FY 2019-20 will also be available on website of the Company, i.e. www.dishmangroup.com; website of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively, and on the website of the CDSL www.evotingindia.com.

10. Members holding shares in physical mode and who have not registered/ updated their email addresses with the Company are requested to register/ update their email addresses by writing to the Company with details of folio number

along with self-attested copy of PAN card at grievance@dishmangroup.com.

Members holding shares in dematerialized mode are requested to register/ update their email addresses with the relevant Depository Participant.

PROCEDURE AND INSTRUCTIONS FOR JOINING THE AGM THROUGH VC/OAVM:

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

12. The Members can join the AGM in the VC/OAVM mode 30 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of joining the AGM through VC/OAVM will be available for Members on first come first served basis.

13. Members are encouraged to join the Meeting through Laptops / IPads for better experience.

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

15. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.

16. For ease of conduct, members who would like to express their views/ask questions during the meeting may register themselves as

a speaker by sending their request in advance at least 7 (seven) days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at grievance@dishmangroup.com. The members who do not wish to speak during the AGM but have queries may send their queries in advance 7 (seven) days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at grievance@dishmangroup.com. These queries will be replied by the Company suitably by email. Those Members who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.

17. Members of the Company under the category of Institutional Investors are encouraged to attend and vote at the AGM through VC/OAVM.

18. Members who need assistance before or during the AGM, can send a request at helpdesk.evoting@cdslindia.com or contact Mr. Nitin Kunder (022- 23058738) or Mr. Mehboob Lakhani (022-23058543) or Mr. Rakesh Dalvi (022-23058542).

19. E-Voting

In terms of Section 108 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014 ("Rules"), as amended, Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Circulars, the Company is pleased to provide the e-voting facility through Central Depository Services Limited (CDSL) to its Members holding shares in physical or dematerialized form, as on the cut-off date to exercise their right to vote by electronic means on any or all of the business specified in the accompanying Notice (the "Remote e-voting").

The facility for voting during the AGM will also be made available. Members present in the AGM through VC/OAVM and who have

not cast their vote on the resolutions through Remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through the e-voting system during the AGM.

The information with respect to Voting Process and other instructions regarding Remote e-voting are detailed hereinafter under "INSTRUCTION FOR E-VOTING".

20. Voting rights shall be reckoned on the paid-up value of shares registered in the name of the member / beneficial owner as on the **cut-off date i.e. Monday, 21st September, 2020**. Members holding shares either in physical form or dematerialized form, as on cut-off date only shall be entitled to vote on the Resolutions set forth in the Notice. A person who is not a Member as on the cut-off date should treat this Notice of AGM for information purpose only.

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

22. General information on E-voting

(i) The e-voting period commence on, **Friday, 25th September, 2020 at 9.00 a.m. and ends on Sunday, 27th September, 2020 at 5.00 p.m.** During this period, shareholders holding shares either in physical form or in dematerialised mode as on **Monday, 21st September, 2020 (cut-off date)** may cast their vote electronically. The e-voting module will be disabled by CDSL for voting thereafter. Once the vote on resolution is casted by the shareholder, he shall not be allowed to change it subsequently.

(ii) Mr. Ashok P. Pathak, Practicing Company Secretary (Membership No. ACS: 9939; CP No: 2662) (Address: F-904, Titanium City Centre, 100 ft. Anand Nagar Road, Near Indian Oil Petrol Pump, Satellite, Ahmedabad-380015) has been appointed as the Scrutinizer to

scrutinize the voting during the AGM and the Remote e-voting process in a fair and transparent manner.

(iii) The Scrutinizer shall first count the votes cast at the meeting, thereafter, unblock the votes cast through Remote e-voting in the presence of at least two witnesses not in employment of the Company.

(iv) The Scrutinizer shall within a period not exceeding 48 hours from the conclusion of the AGM make a Consolidated Scrutinizer's Report of the votes cast in favour or against, if any, and submit the same to the Chairman of the meeting or a person so authorised by him in writing, who shall countersign the same.

(v) The results shall be declared forthwith by the Chairman or a person so authorised by him in writing on receipt of consolidated report from the Scrutinizer. The Results declared along with Scrutinizer's Report will be displayed on the:

- i. Notice Board of the Company at its Registered Office;
- ii. Company's website <http://www.dishmangroup.com/investor-relations.asp>;
- iii. CDSL website www.evotingindia.com and
- iv. Stock exchanges' website www.nseindia.com and www.bseindia.com.

23. Members desiring any relevant information with regard to the Accounts or any other matter at the Annual General Meeting are requested to write to the Company at least 7 (seven) days before the date of the meeting through email at grievance@dishmangroup.com to enable the management to keep the required information available at the meeting.

24. The Securities and Exchange Board of India ("SEBI") vide its circular dated 20th April, 2018 has mandated registration of Permanent

Account Number (PAN) and Bank Account Details for all physical securities holders. Members holding shares in physical form are therefore, requested to submit their PAN and Bank Account Details to Link Intime India Pvt. Ltd./ the Company. Members holding shares in demat form are requested to submit their PAN and update Bank Details and e-mail ID, with their respective Depository Participant.

25. Securities and Exchange Board of India ("SEBI") has mandated that securities of listed companies can be transferred only in dematerialised form w.e.f. April 1, 2019.

Accordingly, the Company/Link Intime India Pvt. Ltd. has stopped accepting any fresh lodgment of transfer of shares in physical form. Members holding shares in physical form are advised to avail of the facility of dematerialisation. Members can contact the Company or Company's Registrar and Transfer Agent for assistance in this regard.

26. (a) Pursuant to the provisions of Section 124(5) and 125 of the Companies Act, 2013, the Company has transferred the unpaid or unclaimed dividend upto and for the financial year 2011-2012, to the Investor Education and Protection Fund (IEPF) established by the Central Government.

As per the notification issued by Ministry of Corporate Affairs (MCA), details of unclaimed dividend amounts as referred to sub section (2) of Section 125 of the Companies Act, 2013, is available on the Company's website: www.dishmangroup.com

(b) Adhering to the various requirements set out in the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended, the Company has during financial year 2019-20, transferred to the IEPF Authority all shares in respect of which dividend had remained unpaid or unclaimed for seven consecutive years or more

as on the due date of transfer, i.e. October 25, 2019. Details of shares transferred to the IEPF Authority are available on the website of the Company and the same can be accessed through the link <http://www.dishmangroup.com/investor-relations.asp>. The said details have also been uploaded on the website of the IEPF Authority and the same can be accessed through the link www.iepf.gov.in.

(c) Members may note that shares as well as unclaimed dividends transferred to IEPF Authority can be claimed back from them. Concerned members/investors are advised to visit the weblink <http://www.iepf.gov.in/IEPF/corporates.html> or contact Link Intime India Private Limited for lodging claim for refund of shares and/or dividend from the IEPF Authority.

27. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Act, and the Register of Contracts or Arrangements in which the directors are interested, maintained under Section 189 of the Act, will be available electronically for inspection by the members during the AGM. All documents referred to in the accompanying Notice will also be available for electronic inspection without any fee by the members from the date of circulation of this Notice up to the date of AGM, i.e. 28th September, 2020. Members seeking to inspect such documents can send an email at grievance@dishmangroup.com

28. Members are entitled to make nomination in respect of shares held by them. Members desirous of making nominations are requested to send the prescribed Form (SH-13) duly filled in and signed by them to the Depository Participants in case the shares are held in electronic form and to Registrar & Share Transfer Agent of the Company in case shares are held in physical form.

INSTRUCTION FOR E-VOTING

Instructions and Procedure for Remote e-voting and e-voting during the AGM

- (i) The voting period begins on **Friday, 25th September, 2020 at 9.00 a.m. and ends on Sunday, 27th September, 2020 at 5.00 p.m.** During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the **cut-off date** i.e. **Monday, 21st September, 2020** may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting.

- (iii) The shareholders should log on to the e-voting website www.evotingindia.com.
- (iv) Click on Shareholders module.
- (v) Now Enter your User ID
- For CDSL: 16 digits beneficiary ID,
 - For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - Members holding shares in Physical Form should enter Folio Number registered with the Company.
- OR
- Alternatively, if you are registered for **CDSL's EASI/EASIEST** e-services,

- you can log-in at <https://www.cdslindia.com> from **Login - Myeasi** using your login credentials. Once you successfully log-in to CDSL's **EASI/EASIEST** e-services, click on **e-Voting** option and proceed directly to cast your vote electronically.
- (vi) Next enter the Image Verification as displayed and Click on Login.
- (vii) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (viii) If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form	
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> Members who have not updated their PAN with the Company/ Depository Participant are requested to use the sequence number which is mentioned in Email sent.
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. <ul style="list-style-type: none"> If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).

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

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

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

(xii) Click on the **EVSN 200822011** for the relevant **"Dishman Carbogen Amcis Limited"** on which you choose to vote.

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

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

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

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

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

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

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

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

- a. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAAR (self attested scanned copy of Aadhaar Card) by email to **Company at grievance@dishmangroup.com**.
- b. For Demat shareholders -, please provide Demat account details (CDSL-16 digit beneficiary ID or NSDL-16 digit DPID + CLID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAAR (self attested scanned copy of Aadhaar Card) by email to **Company at grievance@dishmangroup.com**.

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

- a. The procedure for e-voting on the day of the AGM is same as the instructions mentioned above for Remote e-voting.
- b. Only those shareholders, who are present in the AGM through VC/ OAVM facility and have not casted their vote on the Resolutions through Remote e-voting and are otherwise not barred from doing so, shall be eligible to vote

through e-Voting system available during the AGM.

- c. If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility , then the votes cast by such shareholders shall be considered invalid as the facility of e-Voting during the meeting is available only to the shareholders attending the meeting.
- d. Shareholders who have voted through Remote e-voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.

(xxii) Note for Non – Individual Shareholders and Custodians

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves in the “Corporates” module.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the Scrutinizer to verify the same.

- Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer at the email address viz. csashokppathak@gmail.com and to the Company at the email address viz grievance@dishmangroup.com, if they have voted from individual tab & not uploaded same in the CDSL e-Voting system for the Scrutinizer to verify the same.

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

Contact Details:

Company	Dishman Carbogen Amcis Limited. e-mail ID: grievance@dishmangroup.com Phone No.: 02717-420102/124
Registrar & Transfer Agent Ahmedabad Office	Link Intime India Pvt. Ltd. 506-508, Amarnath Business Centre-1, (ABC-1), Besides Gala Business Centre, Near St. Xavier's College Corner, Off C G Road , Ellisebridge, Ahmedabad - 380 006 Email: ahmedabad@linkintime.co.in Phone No.: 079-2646 5179
e-Voting Agency	Central Depository Services (India) Limited Name of Official – Mr. Rakesh Dalvi Designation – Manager Address - 25th Floor, A Wing, Marathon Futurex, Mafatlal Mills Compound, NM Joshi Marg, Lower Parel (E), Mumbai - 400 013 E Mail ID - helpdesk.evoting@cdslindia.com Phone No. 022-23058542; Helpline No. - 1800225533
Scrutinizer	Mr. Ashok P. Pathak, Practicing Company Secretary Email: csashokppathak@gmail.com

Explanatory Statement as required under Section 102(1) of the Companies Act, 2013

The following Explanatory Statement sets out all material facts relating to the special business mentioned in the accompanying Notice dated 3rd June, 2020.

ITEM NO. 3

Mrs. Deohooti J. Vyas (DIN: 00004876) (Mrs. D. J. Vyas) was appointed as Whole-time Director by the Board of Directors of erstwhile Dishman Pharmaceuticals and Chemicals Limited. ("DPCL") at its meeting held on 28th May, 2015, for a period of five years w.e.f. 3rd September, 2016 upon the recommendation of Nomination and Remuneration Committee of erstwhile DPCL at its meeting held on 28th May, 2015. Her appointment as such was made with the remuneration of ₹15.00 lacs per month with a power to the Board to increase or revise the remuneration subject to maximum of ₹ 20.00 lacs per month during the tenure of said five years. Her appointment as such and the remuneration payable to her were approved by the members of erstwhile DPCL by passing a special resolution at their Annual General Meeting held on 29th September, 2015.

Upon Scheme of Merger between erstwhile DPCL and Company became effective, she has been appointed as Whole-time Director of the Company w.e.f. 17/03/2017 with the existing terms and conditions as approved by the Board and Shareholders of erstwhile DPCL.

The existing term of Mrs. D. J. Vyas as Whole-time Director of the Company will expire on 2nd September, 2021.

Mrs. D. J. Vyas holds a bachelor degree in Science. She has very rich experience in the field of Administration and Human Resource

development. She is associated with the Company since 1st December, 1997 and day by day her work and responsibilities has been also increased with the rapid growth of the Company. She is instrumental in the strategic decision making in HR Policy. It is in the interest of the Company to continue to avail her services for the growth and conduction of affairs and business of the Company and take advantage of her wide and rich experience, by re-appointing her as a Whole-time Director of the Company for a further period of five years with effect from 3rd September, 2021.

Taking into consideration the existing remuneration and responsibility of Mrs. D. J. Vyas and improved performance of HR and Administration Department under her able guidance & control and based on recommendation of the Nomination and Remuneration Committee, the Board of Directors of the Company at its meeting held on 3rd June, 2020 approved the re-appointment of Mrs. D. J. Vyas as Whole-time Director for a further period of 5 years w.e.f. 3rd September, 2021 with existing remuneration of ₹ 15 lacs per month with a power to increase or revise her remuneration subject to maximum remuneration of ₹ 20.00 lacs per month, from time to time during the tenure of said five years, subject to approval of the members. There is no other variation in terms of her re-appointment.

This may be treated as an abstract of the terms of the draft resolution for the re-appointment of Mrs. D. J. Vyas as Whole-time Director of the Company, pursuant to Section 190 of the Companies Act, 2013. ("Act")

Mrs. D. J. Vyas satisfies all the conditions set out in Part-I of

Schedule V to the Act and she is also not disqualified from being appointed as Director in terms of Section 164 of the Act.

As per Section 196(3) of the Act, appointment of a person who has attained the age of seventy years may be made by passing a special resolution. Since, Mrs. D. J. Vyas will attain age of 70 years during her further term of 5 years of re-appointment, it is required to obtain approval of shareholder by way of special resolution.

Relevant details as stipulated under Regulation 36(3) of SEBI (LODR) Regulations, 2015 and Secretarial Standard on General Meetings ("SS-2") issued by the Institute of Company Secretaries of India, in respect of Mrs. D. J. Vyas are as under:

Name of the Director	Mrs. Deohooti J. Vyas
Age	69 years
Date of first Appointment on the Board of the Company	01/12/1997 of erstwhile Dishman Pharmaceuticals and Chemicals Limited ("DPCL"). Upon Scheme of Merger between erstwhile DPCL and Company became effective, She has been appointed as a Whole-time Director of the Company w.e.f. 17/03/2017 with the existing terms and conditions as approved by the Board and Shareholders of erstwhile DPCL.
Qualification	Mentioned herein above. Pl. refer this explanatory statement
Experience (including expertise in specific functional area)	
Disclosure of Relationship	She is wife of Mr. Janmejy R. Vyas, Chairman and mother of Mr. Arpit J. Vyas, Global Managing Director of the Company.
No. of Shares held in the Company	1000 equity shares of ₹2/- each.
Terms and Conditions of Re-appointment	As per the resolution at item No.3 of the Notice convening this Annual General Meeting read with explanatory statement thereto, Mrs. D. J. Vyas is proposed to be re-appointed as Whole-time Director of the Company.
Remuneration last drawn (including sitting fees, if any)	₹1.20 crores during FY 2019-20
Remuneration proposed to be paid	As per the resolution at item No.3 of the Notice convening this Annual General Meeting.
Number of meetings of the Board attended during the financial year	Pl. refer Corporate Governance Report section of the Annual Report 2019-20.
Directorship held in other Companies	
Chairmanship/Membership of Committees of other Boards	

Her re-appointment as Whole-time Director and payment of remuneration is permissible in accordance with the provisions of the Companies Act, 2013 read with Schedule V of the Act without the approval of Central Government, if her re-appointment is approved by the Members in General Meeting.

Your Directors, therefore, recommend a Special Resolution at Item No.3 of the accompanying Notice, for your approval.

Mr. J. R. Vyas, Chairman and Mr. Arpit J. Vyas, Global Managing Director of the Company may be considered as concerned and interested as being relatives of Mrs. D. J. Vyas and Mrs. D. J. Vyas may also be considered as concerned and interested as the resolution pertains to herself. The other relatives of Mrs. D. J. Vyas may be

deemed to be interested in the said resolution of the Notice, to the extent of their shareholding interest, if any, in the Company. Save and except the above, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution.

ITEM NO. 4

As per Regulation 17(6)(ca) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended by the SEBI (LODR) (Amendment) Regulations, 2018 ("Listing Regulations"), the approval of the members of the Company by way of special resolution, giving details of remuneration, is required every year for payment of annual remuneration to single non-executive Director exceeding 50% (fifty percent) of the total

annual remuneration payable to all non-executive Directors of the Company.

In the 12 th Annual General Meeting held on 24 th September, 2019, the members of the Company had granted their approval for payment of remuneration to Mr. Janmejy R. Vyas (DIN 00004730) (Mr. J. R. Vyas), Director of the Company, for the professional services availed/ to be availed by the Company w.e.f. 1 st April, 2019, in such manner and on such other terms, as the Board of Directors (with liberty to the Board of Directors to delegate this power) may, from time to time determine in consultation with Mr. J. R. Vyas, subject to maximum of ₹2.00 crores (Rupees Two Crores only) per annum (excluding any tax incidence applicable upon the Company under the applicable tax laws and the payment of sitting fees, if any). The said approval has been given by the members is ongoing basis i.e. without any reference to specific duration subject to limit of remuneration of ₹2.00 corers per annum and subject to regulation 17(6)(ca) of Listing Regulations.

It is likely that in some or all of the years, the remuneration payable to Mr. J.R. Vyas may exceed 50% of the total remuneration payable to all non-executive Directors for any particular financial year. Accordingly, the approval of members of the Company is sought under Regulation 17(6)(ca) of the Listing Regulations for the payment of remuneration not exceeding ₹2.00 crores (Rupees Two Crores only) [excluding any tax incidence applicable upon the Company under the applicable tax laws and the payment of sitting fees, if any] for the professional

services availed/to be availed by the Company, for the financial year 2020-21, being an amount exceeding 50% (fifty percent) of the total annual remuneration payable to all the Non-Executive Directors of the Company.

Your Directors, therefore, recommend a Special Resolution at item No.4 for your approval. Mrs. Deohooti J. Vyas, Whole-time Director and Mr. Arpit J. Vyas, Global Managing Director of the Company may be considered as concerned and interested as being

relatives of Mr. J. R. Vyas and Mr. J. R. Vyas may also be considered as concerned and interested as the resolution pertains to himself. The other relatives of Mr. J. R. Vyas may be deemed to be interested in the said resolution of the Notice, to the extent of their shareholding interest, if any, in the Company. Save and except the above, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution.

Registered Office

Dishman Corporate House,
Iscon-Bopal Road, Ambli,
Ahmedabad-380 058

Date : 3rd June, 2020

By Order of the Board of Directors

Shrima Dave
Company Secretary

DIRECTORS' REPORT

To

The Shareholders of

Dishman Carbogen Amcis Limited

Your Directors have pleasure in presenting their Report along with the Audited Accounts (Standalone as well as Consolidated) of your Company for the year ended March 31, 2020.

FINANCIAL RESULTS

(₹ in crores)

Particulars	Standalone		Consolidated	
	2019-2020	2018-2019	2019-2020	2018-2019
Revenue from Operations	580.74	549.47	2043.60	2058.60
Earning Before Interest Tax Depreciation and Amortisation (EBITDA)	173.58	193.79	522.44	551.90
Other Income	69.55	71.68	44.46	53.82
Depreciation & Amortisation (other than Goodwill)	52.19	47.85	194.41	151.92
Amortisation of Goodwill	88.46	88.46	88.46	88.46
Profit Before Interest and Tax	102.48	129.16	284.03	365.34
Finance Costs	47.02	47.43	61.95	56.55
Profit Before Tax	55.46	81.73	222.08	308.79
Tax Expense	16.94	25.42	41.78	98.47
Profit After Tax	38.52	56.01	180.30	210.32

PERFORMANCE AND OPERATION REVIEW

Standalone Financial Results

In FY 2019-20, your Company achieved revenue of ₹580.74 crores as compared to ₹ 549.47 crores in FY 2018-19. Profit before tax stood at ₹55.46 crores in FY 2019-20 as against ₹ 81.73 crores in FY 2018-19. Profit after tax for the year remained at ₹38.52 crores in FY 2019-20 as compared to ₹56.01 crores in FY 2018-19.

Earning per share for the FY 2019-20 remained at ₹2.46 per share as against ₹3.47 per share in FY 2018-19.

Consolidated Financial Results

In FY 2019-20, your Company achieved revenue of ₹ 2043.60 crores as compared to ₹ 2058.60 crores in FY 2018-19. Profit before tax stood at ₹ 222.08 crores in FY 2019-20 as against ₹ 308.79 crores in FY 2018-19. Profit for the year remained at ₹ 180.30 crores in FY

2019-20 as compared to ₹ 210.32 crores in FY2018-19.

Earning per share for the FY 2019-20 remained at ₹11.20 per share as against ₹13.03 per share in FY 2018-19. Cash Earning per share for the current year works out to ₹ 26.54 as against ₹ 27.88 in the previous year.

A detail analysis of the performance of your company, its subsidiaries and financial results is given in the Management Discussion and Analysis Report, which forms part of this report.

IMPACT OF COVID-19

Your company has taken the risks associated with COVID-19 very seriously, and has implemented a set of measures aimed at limiting any risk to Company's employees, customers and associates.

Even though, manufacturing of pharmaceutical products was exempted in lockdown situation in India, there were certain

obstacles which your company was encountering, namely limited movement of goods and people. Your company is continuously reviewing and reassessing new and rapidly evolving risks and taking appropriate actions keeping safety of people as the foremost priority. Below is a summary of all actions implemented:

1. Placing employees' health, customers' protection and patient safety first

- Employees receive regular updates and clear guidelines, especially hygiene requirements.
- Your company has already taken measures to protect its employees at all its different locations, including limitation of contact (e.g. handshakes and other forms of physical greetings, etc.), quarantine of people coming back from high-risk areas, and installing disinfectant dispensers at site entrances.

- Sick employees are not permitted to come on site. They must also inform HR of the state of their health.
- Your company has followed all local authorities' recommendations and instructions to fight against virus propagation at all sites.
- In the case of external visitors or third party contractors, the host/internal contact person is responsible for clarifying (in advance) whether the people stayed in or were in contact with persons from crisis areas in the last 14 days. In the event of suspected cases, the visit will be postponed. This procedure is under evaluation on a weekly basis and can be adjusted if the situation requires it.
- All customer visits have been cancelled.

2. A secure supply chain

Now as the pandemic status has been declared by the WHO the situation is considered as a Force Majeure situation. We do every effort to keep our supply chain channels open. Our supply chain has been assessed and we do not see any short-term risk of product shortage, because a large part of it is integrated within our group of companies.

3. Avoiding unnecessary risks

- All meetings are to be conducted over teleconferences to limit face-to-face assemblies (e.g., restriction of travel between sites excepted for emergencies.)
- Business trips are not permitted.
- Your company has adopted policy of home office work for employees who were able to do so in order to minimize direct close personal contact with colleagues for a period of 30 days. Any colleagues in contact with the crisis area or suspected of being infected are

required to remain at home and self-isolate.

Further, among other products, Company manufactures disinfectants, including sanitizers, for institutional and retail sale. Due to the current COVID-19 situation, your company is experiencing an increased demand in this business segment. In India, your company has also been distributing these products, especially sanitizers, for free to financially weaker sections of the society, policemen who have been instrumental in monitoring the traffic flow for the safety of people and health workers who have been serving the patients relentlessly.

Further, your company has been facing certain logistic issues on the importation of raw materials and exportation of finished products to be supplied to its customers due to the COVID-19 situation in India. This has been resulting in delay of supply of goods to customers from India as majority of company's revenues in India comes from exports.

However, your company has not faced any major operational challenges due to COVID-19 situation in its overseas subsidiaries till date and these are functioning with all necessary precautionary steps. However, in India, since the operations are more labour intensive, your company has been taking extra precautions, for the workforce at the plants.

Your company continues to monitor the impact of Covid-19 on its business, including its impact on customers, supply-chain, employees and logistics. Due care has been exercised, in concluding on significant accounting judgements and estimates, including in relation to recoverability of receivables, investments and inventory, based on the information available to date, while preparing your company's financial results as of and for the year ended March 31, 2020.

EDQM AUDIT

During the month February, 2020, your company's Bavla Site was jointly inspected by the Swissmedic and European Directorate for the Quality of Medicines & HealthCare (EDQM) for your company's product Dihydrotachysterol, which resulted in certain observations deficient to EU GMP Part II and other relevant Annexes for the site. Certain Certificate of Suitability (CEPs) belonging to your company were also suspended.

Your company has already formed an internal task force staffed by team members from around our global group. Due to the difficulties of people movement around the globe with regard to COVID-19, currently your company has appointed consultants to supplement your company's team in India in order to rectify these deficiencies. As a consequence of the EDQM Audit observations, your company is also performing risk analysis on other products as well, according to the customer requirements, due to which there is an impact on production of other products as well at the Bavla site. Your company should be able to manufacture products other than the ones where the standalone CEPs were suspended by putting in interim controls to the satisfaction of the customers. However, this will have an impact on the standalone revenues of your company for the financial year 2021. Your company remains committed to maintaining highest standards of compliance and will work closely with the Swissmedic and EDQM to comprehensively address all the observations.

DIVIDEND

Your Directors have considered it financially prudent in the long term interest of your company to reinvest the profits into the business of your company and therefore no dividend has been recommended for the financial year ended March 31, 2020. However, your company declared a buyback of its equity shares amounting to ₹ 72 crores in January, 2020.

TRANSFER TO RESERVES

Due to amortization of Goodwill on account of merger, your company has not transferred any amount to the General Reserves.

DEPOSIT

Your company has neither accepted nor invited any deposit from public, falling within the ambit of Section 73 of the Companies Act, 2013 and The Companies (Acceptance of Deposits) Rules, 2014.

OPERATIONS

One of the most important metrics that your company tracks is the number of new molecules under development for your company at a group level, especially in Phase III, and the ones that have moved from development stage to product approval stage for your customers. The last year was extremely significant in this aspect as your company was successful in developing many molecules, which moved into late Phase III and also some of them receiving regulatory approvals. Your company is witnessing an increasing demand for development of new molecules, even during the pandemic time that is being witnessed globally. Your employees have worked relentlessly and have proven yet again that they are the biggest assets of your company.

In the last quarter of the financial year 2020, the world witnessed one of the possibly worst pandemics ever, which started having an impact on the global operations of most organizations. Your manufacturing plant in Shanghai remained closed for a week in the month of February, 2020 due to the outbreak of the corona virus and the operations in India got impacted in March, 2020 and has remained impacted in the first two months of the current financial year due to the lockdown imposed by the government. Majority part of your operations in the Europe remained largely unaffected and your company was able to continue its production for almost 75% of

the consolidated business without any major issues. Your company was able to take timely action for protection of its employees as well as communicate with its customers about the possible impact of the pandemic event on the shipment of their products. Moreover, your company's manufacturing plant located in Bavla, India, underwent a joint inspection from the SwissMedic and EDQM authorities in February, 2020, due to which there were certain observations that were issued and the site was found to be non-compliant with EU GMP guidelines. This, along with the COVID situation, has been impacting the production at this site. Your company has formed a global task force to address all observations and ensure that the Bavla site is in compliance with all GMP requirements and production can again be carried out at optimal levels.

Your company expects the impact of the COVID-19 and EDQM to weigh on the financial performance atleast till the end of the first half of the current financial year. Your company expects to make up for the lost revenue in the first half in India by way of increased production in the second half of the financial year as well as in the next year.

CRAMS

Your company has been increasing its focus on CRAMS segment of the business as it has been receiving great attention from all major pharmaceutical companies as well as the small to mid-sized biotech companies. Because of the targeted focus on the niche therapeutic segment, your company has been able to continuously fill the development pipeline with novel molecules.

During the year, your company commenced utilization of the new building in Switzerland where it had shifted development capacities from the earlier rented building as well as added HIPO development

capacities. Additional scientists were also recruited for undertaking new development projects in this building as well as the existing buildings. Your company continues to commercially manufacture products for the clients where it has entered into long term contracts.

With 18 molecules in late Phase III and 4 customer molecules receiving approval, your company is at a very promising stage where the next phase of growth can be exponential. Moreover, your company plans to expand in the area of finished dosage parenteral contract manufacturing in France. Both the above expansions would require significant amount of capex linked to growth to be incurred over the next 3 years' time. This will fuel the next phase of incremental growth for your company.

Your company's continued focus on developing niche molecules to cater to the unmet needs of the society is yielding very good dividends to the stakeholders. Your diverse geographical presence as well as talent deployed from various ethnicities is working very well for your company.

Vitamin D Analogues and Cholesterol

Your company's subsidiary Carbogen Amcis BV has been consistently performing well over the last 4-5 years owing to its continued focus on the high margin Vitamin D analogues business and cholesterol sales. Due to higher share of sales of cholesterol as compared to Vitamin D analogues in FY2020, the combined margins were lower as compared to those in FY2019. However, your company expects the analogues business along with cholesterol to increase in the future due to the increased demand for Vitamin D globally. Your company expects to file certain patents for the processes to manufacture analogues globally. It has also tied up with a professor at Boston University to undertake trials on evaluating the

efficacy of the analogues on certain patients suffering from certain ailments.

Your company is also on the verge of completing its manufacturing plant for producing softgel capsules, which can also be utilized for formulating analogues into soft gel capsules, which could be significant opportunity in the future.

Generic API and Disinfectant Business

Your company's disinfectant business is expected to show good growth in the current financial year due to the COVID-19 situation globally. Your company has been manufacturing sanitizers and disinfectant products for distribution for free to the weaker sections of the society, policemen and other social servants so that cleanliness can be spread and thus chances of contracting COVID gets reduced.

Your company has been and would continue to focus on niche generic APIs where the margins are high and discontinue manufacturing of the low margin generic APIs/intermediates. Your company had 8 Certificate of Suitability (CEPs) suspended on account of the EDQM inspection observations, which would be restored after implementation of corrective actions and inspection by the EDQM authorities, which might take 12-18 months. Your company may even decide to discontinue some of these products due to the lower margin realizations.

Performance of Major Subsidiary Associates

The major subsidiary companies have performed quite well during the year under review. CARBOGEN AMCIS AG., Switzerland has performed quite satisfactorily as it reported a healthy revenue of ₹1042.32 crores and operating profit of ₹357.76 Crores.

CARBOGEN AMCIS BV., performed well during the year, reported revenue of ₹ 271.22 crores and operating profit of ₹ 82.25 crores.

CARBOGEN AMCIS Ltd. (UK) reported a revenue of around ₹95.15 Crores and operating profit of ₹4.79 Crores. CARBOGEN AMCIS SAS (RIOM) also perform well, it was reported revenue of ₹ 34.99 crores and operating profit of ₹ 10.92 crores. CARBOGEN AMCIS (Shanghai) Co. Ltd. has reported revenue of ₹ 57.58 crores and operating profit of ₹ (4.51) crores due to its underutilized capacities. Other subsidiaries have performed reasonably well during the year under review.

The other marketing subsidiaries viz. Dishman USA Inc. reported revenue of ₹142.07 crores and operating profit of ₹12.44 Crores. Dishman Europe Ltd reported revenue of ₹273.82 crores and operating profit of ₹8.66 Crores during the year under review.

SEARCH CONDUCTED BY THE INCOME TAX DEPARTMENT

The Income tax authorities conducted a search operation at the various locations of company premises from 19th December 2019 to 25th December 2019. As a law abiding corporate, your company has extended full co-operation to the officials during the search and provided all the information sought. All the operations of your company during this period continued as usual and there was no impact whatsoever on the business at all.

As of the date of the annual report, your company has not received any official notice, letter or communication demanding it to pay any taxes on account of the search conducted at its premises.

BUY-BACK OF SHARES

The Board of Directors of your company, at its meeting held on January 16, 2020 has approved the Buy-back of fully paid up equity shares by your company having face value of ₹ 2/- each ("Equity Share(s)") from open market through stock exchange mechanism prescribed under the Buy-back

Regulations from the equity shareholders/beneficial owners of the Equity Shares of your company other than the Promoters, members of Promoter Group and persons in control of the Company, for an amount not exceeding ₹ 72,00,00,000/- (Rupees Seventy Two Crores Only) excluding transaction costs viz. fees, brokerage, applicable taxes such as securities transaction tax, goods and services tax, income tax, stamp duty, etc. ("Transaction Costs") ("Maximum Buy-back Size") at a price not exceeding ₹ 150/- (Rupees One Hundred and Fifty Only) per Equity Share ("Maximum Buy-back Price") payable in cash which represents 1.48% and 1.38% of the total paid-up equity share capital and free reserves (including securities premium account) as per the audited standalone financial statements and the audited consolidated financial statements respectively of your company for the financial year ended on March 31, 2019 ("Buy-back"). Since the Maximum Buy-back Size is not more than 10% of the total paid-up equity share capital and free reserves (including securities premium account) of the Company, the approval of shareholders of the Company is not required in terms of Section 68(2)(b) of the Act and Regulation 5(i)(b) of the Buy-back Regulations.

In respect of the Buy-back, Company has published Public Announcement on 20th January, 2020 and pursuant the said Public Announcement, Company has commenced buy-back of its shares from Monday, January 27, 2020.

Your company has bought back 45,31,177 Equity Shares of ₹2/- each till 31st March, 2020 at an aggregate consideration of ₹ 33,99,47,125.50/-, resulting in reduction of the paid-up share capital of your company to 15,68,63,095 Equity Shares of ₹2/- each. Hence, the paid-up share capital of your company as on 31st March, 2020 is reduced from

₹ 32,27,88,544/- to ₹ 31,37,26,190/- divided into 15,68,63,095 equity shares of ₹2/- each. In this regard, after executing necessary Corporate Action by the Company for the shares purchased under buy-back during the month of March, 2020, on 10th April, 2020, NSDL & CDSL has extinguished the said shares by debiting the same in their system. After that, your company has bought back further 80,000 Equity Shares of the face value of ₹ 2/- each till the date of this report. All the Equity Shares bought back under the Buy-back are extinguished in accordance with the provisions of the Buy-back Regulations.

RESEARCH AND DEVELOPMENT

Your company's sole focus is to treat disease in all therapeutic areas. Your company does this using the vehicles of science, technology and a passion for solving problems. At the core of your Company's capabilities are your world class Global R&D teams who strive to solve complex technical challenges for Company's clients and then ensure that through to manufacture of API's, complex starting materials and intermediates that the products we deliver meet the industries stringent standards and advance our customers New Therapies towards market launch.

Your Company's CRAMS pipeline continues to be healthy across the DCAL platform both in terms of number of projects but also importantly in diversity of client base.

Your Company's Product R&D teams also have a pivotal role to play in the growth of our business by developing new Quaternary compounds, Phase transfer catalysts, disinfectants and Vitamin D analogues to keep DCAL at the forefront of innovation in these markets.

New Chemical Entities are becoming more and more complex and as

such it is vital that we continue to innovate and evolve our services and capabilities in areas such as Highly Potent API, to continue the war against cancer and our Antibody Drug Conjugates (ADC) capability has now started to bear fruit. Areas such as chromatography, high pressure, low temperature, irradiation and containment technology will continue to keep us at the forefront in the CRAMS sector globally.

Looking ahead to the coming year our focus in CRAMS R&D will be to better leverage the skills that exist across our Global R&D platform in India, Switzerland, Holland, China and Manchester in a more co-ordinated way to further support our customers changing and diverse needs.

In our Product R&D groups we have an exciting and challenging target list of new and improved products that we will begin to develop to both ensure sustainability of our Product business and to introduce new products to the market especially in response to the ongoing challenges of disinfecting surfaces and spaces under the dark shadow of the Global pandemic our world is gripped with.

QUALITY, HEALTH, SAFETY & ENVIRONMENT (QHSE)

Your Company is committed to ensuring that those working with the Company are safe at work and that everyone takes responsibility for achieving this. We include EHS and climate change-related considerations in our business decisions and strive to minimize the environmental impact of our operations on the environment. Measuring, appraising and reporting on environmental, health and safety performance is an important part of continuous improvement in our EHS performance. Dishman's Environment, Health and Safety (EHS) organization conducts strategic planning to establish long-term EHS goals, assess resources required to achieve specific goals,

and ensure critical business alignment.

Dishman considers feedback from internal and external stakeholders in proposing and establishing its long-term goals in manufacturing operations. Dishman's products and processes are developed in accordance with strictly defined local and international rules to ensure safety and Health of workers as well as the environment. This is achieved by conducting the Risk Assessment, Process Hazard Assessment, Identification of significant environmental aspects, Safety Audits, customer audits, HAZOP study and Environment audits. Safety & Environment Management Program are being taken to reduce the Significant Risk & Environment Aspects.

Your company's QHSE policy is being implemented, among others, through (i) Maintaining the "Zero Discharge" of waste water by series of treatment; (ii) Stripper system, Multiple effect evaporator and ATFD for concentrated effluent stream; (iii) Biological Effluent Treatment System, Tertiary treatment, Two Stage R.O. System and Multiple Effect Evaporator for Dilute Stream Effluent; (iv) Practicing On-site emergency plan by conducting mock-drills; (v) Replacement of hazardous process / chemical to non-hazardous process for converting to low hazards; (vi) Fire detection and protection system available at site; (vii) Conducting intensive QHSE Training programs including contractor employees and monitoring the effectiveness of the same; (viii) Participation of employees in Safety committee meetings at all levels and celebrating the National Safety Day / Week and World Environment Day as well as observing Fire Service Day; (ix) Tree plantation to increase the green cover at site; (x) Independent safety and environment audits at regular intervals by third party and also in-house by cross functional team; (xi) In-house medical and health facility at site for pre-

employment & periodical medical check-up of all employees including contract employees; (xii) Additional health checkup for employees based on their occupational needs; (xiii) Blood Donation Camp at site in association with the Ahmedabad Red Cross Society for social cause; (xiv) Rain water Harvesting System to conserve rain water and improve ground water level.

Your Company continues to pursue world class operational excellence on Process Safety Management (PSM). Dishman has established the capabilities within the Company and developed in-house experts in various facets of PSM. Process Hazard Analysis (PHA) at various plants is being carried out to reduce process safety risks.

Dishman, in its pursuit of excellence towards sustainable development and to go beyond compliance, integrated its ISO 14001:2015 for EMS, ISO 9001:2015 for QMS and BS ISO 45001:2018 for Occupational, Health and Safety Management systems. Your company is also certified EN/ISO 13485:2016 for Medical Device Quality Management System for Disinfectant Products. The adopted systems are being monitored for continual improvements.

CREDIT RATING

India Ratings & Research Pvt. Ltd. ("Ind-Ra") has changed Credit Rating Outlook from "Stable" to "Rating Watch Evolving" ("RWE"). Ind-Ra has assigned both the Long Term Loan and Short Term Loan rating of your company as IND A+ (RWE) and IND A1+ (RWE), respectively.

The RWE considers the search operations conducted by income tax authorities at your company's head office and manufacturing sites on 19 December 2019. The rating outlook shall be monitored and resolved within six months. Ind-Ra has evaluated your company's rating during January, 2020.

INVESTOR EDUCATION AND PROTECTION FUND (IEPF)

Pursuant to the provisions of Section 124(5) and 125 of the Companies Act, 2013, your company has transferred the unpaid or unclaimed dividend upto and for the financial year 2011-2012, to the Investor Education and Protection Fund (IEPF) established by the Central Government.

Year wise amount of unpaid/unclaimed dividend lying in the unpaid account upto the Year and the corresponding shares, which are liable to be transferred to the IEPF, and the due dates for such transfer are given in details in the report on Corporate Governance which forms part of this Annual Report.

ACCOUNTING IMPACT PURSUANT TO SCHEME OF ARRANGEMENT AND AMALGAMATION

As the members are aware that the Hon'ble High Court of Gujarat, vide its order dated 16th December, 2016 sanctioned a Scheme of Arrangement and Amalgamation amongst the Company; Dishman Pharmaceuticals and Chemicals Limited (DPCL); Dishman Care Limited (DCL) and their respective shareholders and Creditors ("Scheme") in terms of the provisions of Section 391 to 394 of the Companies Act, 1956. The appointed date for the Scheme was 1st January, 2015. The Scheme has become effective upon filing of certified copy of said order of Hon'ble High Court with the Office of Registrar of Companies, Gujarat/MCA on 17th March, 2017. Accordingly, DPCL as a going concern, stands amalgamated with your company with effect from the Appointed Date i.e. 1st January, 2015.

Accounting Impact

The amalgamation has been accounted under the "Purchase Method" as per the then prevailing Accounting Standard 14 – Accounting for Amalgamations,

as referred to in the Scheme of Amalgamation approved by the Hon'ble High Court, Gujarat, which is different from Ind AS 103 "Business Combinations". Accordingly, the assets and liabilities of DPCL and DCL have been recorded of their fair value as on Appointed Date. The purchase consideration of ₹4810 crores has been paid by way of issue of shares of the Company. The excess of consideration payable over net assets acquired has been recorded as goodwill amounting ₹1326.86 crores, represented by underlying intangible assets acquired on amalgamation and is being amortized over the period of 15 years from the Appointed Date. Had the goodwill not been amortized as required under Ind AS 103, the Depreciation and Amortization expense for the year ended March 31, 2020 would have been lower by ₹88.46 crores and the Profit Before Tax for the year ended March 31, 2020 would have been higher by an equivalent amount.

LISTING

The equity shares of your company are listed on the National Stock Exchange of India Ltd., Mumbai (NSE) and BSE Ltd., Mumbai. Annual listing fees for the FY 2020-2021, as applicable, have been paid before due date to the concerned Stock Exchanges.

FORMATION OF VARIOUS COMMITTEES

Your Company has several Committees which have been established as part of the best Corporate Governance practices and are in compliance with the requirements of the relevant provisions of applicable laws and statutes.

Your company has following Committees of the Board:

- Audit Committee
- Stakeholders Relationship Committee
- Nomination and Remuneration Committee

- Corporate Social Responsibility Committee
- Risk Management Committee
- Management Committee
- Internal Complaints Committee (Sexual Harassment Committee)

During the year, the Board has accepted all the recommendations made by various committees including Audit Committee. The details with respect to the compositions, powers, terms of reference, number and dates of meetings of such committees held during the year are given in details in the report on Corporate Governance which forms part of this Annual Report.

DISCLOSURES UNDER THE COMPANIES ACT, 2013

i) Extract of Annual Return

The extracts of Annual Return pursuant to the provisions of sub-section 3(a) of Section 134 and sub-section (3) of Section 92 of the Companies Act, 2013 read with Rule 12 of the Companies (Management and Administration) Rules, 2014 is annexed herewith as **Annexure A** to this Report.

ii) Board Meetings

Regular meetings of the Board are held, *inter-alia*, to review the financial result of the Company. Additional Board Meetings are convened to discuss and decide on various business policies, strategies and other businesses. Due to business exigencies, certain business decisions are taken by the board through circulation from time to time.

During the FY 2019-20, the Board met Six (6) times i.e. on 15th May, 2019, 13th August, 2019, 30th September, 2019, 23rd October, 2019, 16th January, 2020 and 23rd January, 2020. Detailed information on the meetings of the Board is included in the report on Corporate Governance, which forms part of this Annual Report.

iii) Related Party Transactions

All Related Party Transactions are placed before the Audit Committee and also the Board for approval. All the related party transactions entered into during the financial year were on an arm's length basis and were in the ordinary course of business. Particulars of contracts or arrangements with related parties referred to in Section 188(1) of the Companies Act, 2013, in the prescribed Form AOC-2, is appended as **Annexure B** to this Board's report. The policy on Related Party Transactions has been approved by the Board and uploaded on the website of your company. The details of the transactions with Related Party are provided in the accompanying financial statements vide note no.31 of notes on financial statement as per requirement of Ind AS 24 -related party disclosure. These transactions are not likely to conflict with the interest of your company at large. All significant transaction with related parties is placed before audit committee periodically.

iv) Particulars of Loans, Guarantees or Investments under Section 186

During the year under review, your company has made investments, Loan, guarantee in compliance of Section 186 of the Companies Act, 2013, the said details are given in the notes to the financial statements.

v) Material Changes and Commitments affecting the Financial Position of the Company occurred after the end of Financial Year

There are no material changes and commitments affecting the Financial Position of your company occurred after the end of financial year.

vi) Subsidiaries, Joint Ventures and Associate Companies

During the year following changes happened in Subsidiary, Joint Ventures and Associate Companies:

- During the year, your company has acquired 100% shareholding of its group Company viz. Dishman Biotech Ltd. (DBL), as a part of strategic investment. Your company has acquired 15,00,000 equity shares of face value of ₹10/- each @ premium of ₹20/- per share aggregating to ₹4.50 crores, constituting 100% equity of DBL. Accordingly, DBL becomes wholly owned subsidiary of the Company. DBL is engaged in the business of manufacturing of Bulk Drugs, Drug formulations and performance Chemicals in India for export markets. DBL is growing entity and its manufacturing facility is situated adjacent to your company's Bavla facility.
- On 26th September, 2019, a new step-down subsidiary company namely "CARBOGEN AMCIS SPECIALITIES AG" has been incorporated in Switzerland. The said subsidiary is wholly-owned subsidiary of Company's one of the wholly-owned subsidiaries viz. CARBOGEN AMCIS Holding AG.
- On 26th September, 2019, a new step-down subsidiary company namely "CARBOGEN AMCIS INNOVATIONS AG" has been incorporated in Switzerland. The said subsidiary is wholly-owned subsidiary of Company's one of the wholly-owned subsidiaries viz. CARBOGEN AMCIS Holding AG.
- On 22nd November, 2019, a new step-down subsidiary company namely "DISHMAN CARBOGEN AMCIS AG" has been incorporated in Switzerland. The said subsidiary is wholly-owned subsidiary of Company's one of the wholly-owned subsidiaries viz. Dishman CARBOGEN AMCIS (Singapore) Pte. Ltd.

In view of the above, the total number of subsidiaries including step down subsidiaries as on 31st March, 2020 was Twenty (20).

CONSOLIDATED FINANCIAL STATEMENT

Pursuant to the provisions of Section 129, 134 and 136 of the Companies Act, 2013 read with rules framed thereunder and pursuant to Regulation 33 of SEBI (LODR) Regulations, 2015, your Company had prepared consolidated financial statements of your company and its subsidiaries and a separate statement containing the salient features of financial statement of subsidiaries, joint ventures and associates in Form AOC-1 forms part of the Annual Report.

The annual financial statements and related detailed information of the subsidiary companies will be provided on specific request made by any shareholders and the said financial statements and information of subsidiary companies are open for inspection at the registered office of your company during office hours on all working day except Saturdays, Sunday and Public holidays between 2 p.m. to 4 p.m. The separate audited financial statement in respect of each of the subsidiary companies is also available on the website of your company at www.dishmangroup.com.

As required under Regulation 33 of SEBI (LODR) Regulations, 2015 and in accordance with the requirements of Ind AS 110, your company has prepared Consolidated Financial Statements of the Company and its subsidiaries and is included in the Annual Report.

GENERAL DISCLOSURE

i) Issue of Equity Shares with differential rights as to dividend, voting or otherwise:

During the year 2019-2020, your company has not issue any of Equity Shares including sweat equity with differential rights as to dividend, voting or otherwise.

ii) Issue of shares (including sweat equity shares) to employees of the Company under any scheme save and ESOS :

During the year, your company has not issued any shares under Employee Stock Option Scheme.

iii) Whether the Managing Director or the Whole-time Directors of the Company receive any remuneration or commission from any of its holding /subsidiary companies :

Mr. Arpit J. Vyas, Global Managing Director of your company has received remuneration as a Director from one foreign wholly owned subsidiary company namely CARBOGEN AMCIS AG., Switzerland apart from your company, which is in compliance with the provisions of the Companies Act, 2013. He is being a Partner of Adimans Technologies LLP, a holding LLP of your company, has right to receive profit in the ratio of 20% from the said LLP.

Mrs. Deohooti J. Vyas, Whole-time Director, being a Partner of Adimans Technologies LLP, a holding LLP of your company, has right to receive profit in the ratio of 40% from the said LLP.

Details of remuneration received by Mr. Arpit J. Vyas and Mrs. Deohooti J. Vyas have been disclosed in report on Corporate Governance.

iv) Any significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future:

There are no significant and material orders passed by the Regulators or Courts or Tribunals which could impact the going concern status and your company's future operations.

v) Secretarial Standards

Secretarial Standards issued by the Institute of Company Secretaries of India as applicable to your company were followed and complied with during 2019-20. Your company has devised proper systems to ensure compliance with the provisions of all applicable Secretarial Standards issued by the Institute of Company

Secretaries of India and that such systems are adequate and operating effectively.

DIRECTORS & KMPs

Retire by Rotation

Mr. Janmejay R. Vyas, Director of your company retire by rotation at the forthcoming Annual General Meeting and being eligible offers himself for re-appointment. A resolution seeking shareholders' approval for his re-appointment forms part of the Notice.

Appointment

Independent Director

During the year, the Board of Directors appointed Ms. Maitri K. Mehta as an Additional Director designated as an Independent Director w.e.f. 1st April, 2019 and her appointment was approved by the shareholder in the last Annual General Meeting held on 24th September, 2019. Ms. Maitri K. Mehta has been appointed as a regular Director in Independent Director category, not liable to retire by rotation, for a first term of five (5) consecutive years i.e. from 1st April, 2019 to 31st March, 2024.

The Board also opine that Ms. Maitri K. Mehta is a person of integrity and possesses wide experience and expertise beneficial to your company and she also registered herself with Independent Director's data bank maintained by Indian Institute of Corporate Affairs and holds valid registration certificate.

Whole-time Director

The Board of Directors on recommendation of Nomination and Remuneration Committee has re-appointed Mrs. Deohooti J. Vyas as Whole-time Director of your company for a further period of 5 (five) years with effect from 3rd September, 2021, subject to approval of shareholders, as her current term of office is upto 2nd September, 2021. The approval of members for her re-appointment as Whole-time Director alongwith rationale for such

re-appointment is being sought vide item no.3 in Notice of the Annual Report.

Key Managerial Personnel

Pursuant to the provisions of Section 203 of the Act, the Key Managerial Personnel of the Company as on March 31, 2020 are i) Mr. Arpit J. Vyas, Global Managing Director; ii) Mr. Harshil R. Dalal, Global Chief Financial Officer and iii) Ms. Shrima Dave, Company Secretary.

Statement of Declaration by Independent Directors

The Company has received the necessary declaration from each Independent Director in accordance with Section 149(7) of the Companies Act, 2013, read with Regulation 25(8) of the SEBI (LODR) Regulation, 2015 ("Listing Regulations") that he/she meets the criteria of independence as laid out in the Companies Act, 2013 and the Listing Regulations.

Also, Independent Directors affirmed that they have complied with the Code for Independent Directors prescribed in Schedule IV to the Act as well as Code of Conduct for Directors and senior management personnel formulated by the Company.

Board Evaluation & Criteria

Pursuant to the provisions of the Companies Act, 2013 and Regulation 17 of SEBI (LODR) Regulations, 2015, a structured questionnaire was prepared after taking into consideration the various aspects of the Board's functioning, composition, effectiveness of processes & information etc. of the Board and its committees. The Board has carried out an annual performance evaluation of its own performance, the directors individually as well as the evaluation of the working of its Committees and Independent Directors after seeking inputs from all the members of the Board and its committees. The Board of Directors expressed their satisfaction with the evaluation process.

Nomination and Remuneration Committee also reviewed the performance of individual directors on the basis of criteria such as the contribution of the individual director to the board and committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings, etc.

Independent Directors' Meeting

A Separate meeting of Independent Directors held on 23rd January, 2020 without the attendance of Non-Independent Directors and members of the Management. In the said meeting, Independent Directors reviewed the followings:

- Performance evaluation of Non Independent Directors and Board of Directors as a whole;
- Performance evaluation of the Chairperson of the Company taking into account the views of executive directors and nonexecutive directors;
- Evaluation of the quality of flow of information between the Management and Board for effective performance by the Board.

The Independent Directors expressed their satisfaction with the evaluation process.

Board Diversity

The Company recognizes and embraces the importance of a diverse board in its success. We believe that a truly diverse board will leverage differences in thought, perspective, knowledge, skill, regional and industry experience, cultural and geographical background, age, ethnicity, race and gender, which will help to retain our competitive advantage. The Board has adopted the Board Diversity Policy which sets out the approach to diversity of the Board of Directors. The Board Diversity Policy is available on our website www.dishmangroup.com.

Policy on Director's appointment and remuneration

The salient features of the Policy on Directors' appointment and remuneration of Directors, KMP & senior employees and other related matters as provided under Section 178(3) of the Companies Act, 2013 is stated in the report on Corporate Governance which is a Part of the Board's Report. The detailed Policy is placed on the website of the Company at <https://www.dishmangroup.com/Files/DishmanGroup/Investor-Relations/Policy%20on%20Remuneration%20of%20Directors,%20Key%20Managerial%20Personnel%20&%20%20Senior%20Employees%20AND%20Succession%20Policy.pdf>

DISCLOSURE UNDER RULE 5 OF THE COMPANIES (APPOINTMENT & REMUNERATION) RULES, 2014

The information required under Section 197 of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are provided in separate annexure forming part of this Report as **Annexure C**.

The statement containing particulars of employees as required under Section 197 of the Companies Act, 2013 read with Rule 5(2) & (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, forms part of this report as **Annexure D**.

FAMILIARIZATION PROGRAMME FOR INDEPENDENT DIRECTOR

The Independent Directors are provided with necessary documents, brochures, reports and internal policies to enable them to familiarize with the Company's procedures and practices. The Company undertook various steps to make the Independent Directors have full understanding about the Company. The Company has through presentations at regular intervals, familiarized and updated the Independent Directors with

the strategy, operations and functions of the Company and Pharma Industry as a Whole. Site visits to various plant locations are organized for the Directors to enable them to understand the operations of the Company. The details of such familiarisation programmes have been disclosed on the Company's website at <https://www.dishmangroup.com/Files/DishmanGroup/Investor-Relations/Familiarisation%20Programme.pdf>.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134(5) of the Companies Act, 2013, the Board of Directors, to the best of their knowledge and ability, state that :

- in the preparation of the annual accounts for the financial year ended 31st March, 2020, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for that period;
- the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- the directors have prepared the annual accounts on a going concern basis;
- the directors, have laid down internal financial controls to be followed by the Company and that such internal financial controls

are adequate and were operating effectively.

- the director have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

INTERNAL FINANCIAL CONTROL SYSTEM

The details in respect of internal financial control system and their adequacy are included in Management Discussion and Analysis Report, which forms part of this report.

INSURANCE

Assets of your Company are adequately insured against various perils.

RISK MANAGEMENT

The Board of Directors has constituted a Risk Management Committee on 23rd January, 2019 in compliance with the provisions of SEBI (LODR) Regulations, 2015. The details of Committee and its terms of reference are set out in the Corporate Governance Report forming part of the Director's Report.

Risk management is an integral part of business practices of the Company. The framework of risk management concentrates on formalising a system to deal with the most relevant risks, building on Existing management practices, knowledge and structures.

The Company has framed formal Risk Management framework to identify, evaluate business risks and opportunities. Corporate Risk Evaluation and Management is an ongoing process within the Organization. The Company's Risk Management framework is well-defined to identify, monitor and minimizing/mitigating risks. While defining and developing the formalized risk management system, leading standards and practices have been considered. The risk management system is relevant

to business reality, pragmatic and simple.

The Risk Management framework has been developed and approved by the senior management in accordance with the business strategy. Risk Management and Risks & concerns have also been discussed in the Management Discussion and Analysis, which forms part of this report.

The key elements of the framework include: Risk Structure; Risk Portfolio and Risk Measuring & Monitoring and Risk Optimising. The implementation of the framework is supported through criteria for Risk assessment, Risk forms & MIS.

The objectives and scope of Risk Management Committee broadly comprises of:

- Oversight of risk management performed by the executive management;
- Reviewing the Corporate Risk Management Policy and framework within the local legal requirements and SEBI (LODR) Regulations;
- Reviewing risks and evaluate treatment including initiating mitigation actions and ownerships as per a predefined cycle;
- Defining framework for identification, assessment, monitoring, mitigation and reporting of risks.

Risk Management Policy

As per Regulation 17(9) of SEBI (LODR) Regulations, 2015, the Company has framed formal Risk Management framework for risk assessment and risk minimization for Indian operation which is periodically reviewed by the Board of Directors to ensure smooth operations and effective management control. The Audit Committee has additional oversight in the area of financial risks and control.

VIGIL MECHANISM

The Company has adopted a Whistle Blower Policy pursuant to the requirements of the Companies Act, 2013 and the SEBI (LODR) Regulations, 2015. The Policy empowers all the stakeholders to raise concerns by making protected disclosures as defined in the Policy.

The policy also provides for adequate safeguards against victimization of whistle blower who avail of such mechanism and also provides for direct access to the Chairman of the Audit Committee, in exceptional cases. The details of the Whistle Blower Policy are explained in the Report on Corporate Governance and the Policy is available on the website of the Company at www.dishmangroup.com.

SEXUAL HARASSMENT OF WOMEN AT WORKPLACE

The Company has in place an Anti-Sexual Harassment Policy in line with the requirements of Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013. Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy. The company has complied with provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

There were no incidences of sexual harassment reported during the year under review, in terms of the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

AUDITORS AND AUDITORS' REPORT

Statutory Auditors

M/s. V. D. Shukla & Co., Chartered Accountants, Ahmedabad, (Firm Registration No. 110240W) and M/s.

Haribhakti & Co., LLP, Chartered Accountants, Mumbai, (Firm Registration No. 103523W/W100048) were appointed as Joint Statutory Auditors of the Company to hold office until the conclusion of 14th AGM to be held in the year 2021.

In accordance with the Companies Amendment Act, 2017, enforced on 7th May, 2018 by the Ministry of Corporate Affairs, the requirement of ratification of appointment of Statutory Auditors in every AGM subsequent to their appointment has been dispensed.

The Company has received a confirmation from M/s. V. D. Shukla & Co., Chartered Accountants, Ahmedabad, (Firm Registration No. 110240W) and M/s. Haribhakti & Co., LLP, Chartered Accountants, Mumbai, (Firm Registration No. 103523W/W100048) to the effect that they are not disqualified from continuing as Auditors of the Company.

The Notes on Financial Statements referred to in the Auditors' Report are self-explanatory and do not call for any further comments. The Auditor' Report does not contain any qualification or reservation. There is also no fraud has been reported by the Auditors in their Audit Report for the year ended March 31, 2020.

Internal Auditors

M/s. Shah & Shah Associates, Chartered Accountants, Ahmedabad (Firm Registration No. 113742W) has been internal auditor of the Company. Internal auditors are appointed by the Board of Directors of the Company on a yearly basis, based on the recommendation of the Audit Committee. The Internal Auditor's reports and their findings on the internal audit, has been reviewed by the Audit Committee on a quarterly basis. The scope of internal audit is also reviewed and approved by the Audit Committee.

Secretarial Auditors

Pursuant to the provisions of Section 204 of the Companies Act, 2013

and the rules made thereunder, the Company had appointed Mr. Ashok P. Pathak, Practicing Company Secretary (Membership No. ACS: 9939; CP No: 2662), as Secretarial Auditors to undertake the Secretarial Audit of the Company. The Secretarial Audit Report is appended in the **Annexure E** to the Directors' Report. The observations and comments, if any, appearing in the Secretarial Audit Report are self-explanatory and do not call for any further explanation / clarification. The Secretarial Auditors Report does not contain any qualification, reservation or adverse remark and also no fraud has been reported for the year ended March 31, 2020.

Cost Audit

Central Government has notified rules for Cost Audit and as per Companies (Cost Records and Audit) Rules, 2014 issued by Ministry of Corporate Affairs; Company is not falling under the Industries, which will subject to Cost Audit. Therefore, filing of cost audit report for the FY 2019-20 is not applicable to the Company. However, as required under Section 148(1) of the Companies Act, 2013, Company has maintained necessary Cost Records.

CORPORATE GOVERNANCE, MANAGEMENT DISCUSSION ANALYSIS REPORT

As per Regulation 34 of SEBI (LODR) Regulations, 2015, a separate section on corporate governance practices followed by the Company, as well as "Management Discussion and Analysis" confirming compliance, is set out in the Annexure forming an integral part of this Report. A certificate from Practicing Company Secretary regarding compliance with corporate governance norms stipulated in Regulation 34 of SEBI (LODR) Regulations, 2015 is annexed to the report on Corporate Governance.

In compliance with one of the Corporate Governance requirements as per Regulation 34 read with Schedule V of the SEBI (LODR)

Regulations, 2015, the Company has formulated and implemented a Code of Conduct for all Board members and senior management personnel of the Company, who have affirmed compliance thereto.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE

Information of conservation of energy, technology absorption and foreign exchange earnings and outgo as required under Section 134 (3) (m) of the Companies Act, 2013 read with rule 8 of the Companies (Accounts) Rules, 2014, is given in the **Annexure F** and forms part of this Report.

CORPORATE SOCIAL RESPONSIBILITY

As a part of Corporate Social Responsibility (CSR), the Company continued extending help towards social and economic development of the villages and the communities located close to its operations and also providing assistance to improving their quality of life. Company's intention is to ensure that we meet the development needs of the local community. CSR is not just a duty; it is an approach towards existence. The Company see CSR as a creative opportunity to fundamentally strengthen

the Company's business, while contributing to the society and creating social, environmental and economic impact. The Company's motto is to build a sustainable life for the weaker and under-privileged sections of the Society.

The Company has constituted CSR Committee and has framed a CSR Policy. The brief details of CSR Committee and contents of CSR Policy is provided in the report on Corporate Governance. The details of CSR activities carried out by the Company are appended in the **Annexure G** to the Director's Report. The CSR Policy is available on the website of the Company at – www.dishmangroup.com

(URL: <http://www.dishmangroup.com/Files/DishmanGroup/Investor-Relations/Corporate%20Social%20Responsibility%20Policy.pdf>)

BUSINESS RESPONSIBILITY REPORT

In pursuance of Regulation 34 of SEBI (LODR) Regulations, 2015, top 1000 companies based on market capitalization (calculated as on March 31 of every financial year) are required to prepare and enclose with its Annual Report, a Business Responsibility Report describing the initiatives taken by them from an environmental, social

and governance perspectives. A separate report on Business Responsibility is annexed herewith as **Annexure H**.

DIVIDEND DISTRIBUTION POLICY

As per Regulation 43A of SEBI (LODR) Regulations, 2015, top 500 companies based on market capitalization (calculated as on March 31 of every financial year) are required to formulate Dividend Distribution Policy. In this regard, the Board has approved the Dividend Distribution Policy in line with said Regulation. The said policy is available on www.dishmangroup.com. The Policy is annexed as **Annexure I** to the Director's Report.

ACKNOWLEDGEMENT

Your Directors would like to express their appreciation for the assistance and co-operation received from foreign institutions, banks, associates, Government authorities, customers, supplier, vendors and members during the year under review. Your Directors also wish to place on record their deep sense of appreciation for the committed services and teamwork by the executives, staff members and workers of the Company for enthusiastic contribution to the growth of Company's business.

For and on behalf of the Board of Directors

Janmejay R. Vyas
Chairman
DIN - 00004730

Date : 3rd June, 2020
Place : Ahmedabad

Annexure A

Form No. MGT-9

EXTRACT OF ANNUAL RETURN

as on the financial year ended on 31st March, 2020

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. Registration And Other Details:

1. CIN	L74900GJ2007PLC051338
2. Registration Date	17th July, 2007
3. Name of the Company	Dishman Carbogen Amcis Limited
4. Category / Sub-Category of the Company	Public Company Limited by Shares
5. Address of the Registered office and contact details	Dishman Corporate House, Iscon-Bopal Road, Ambli, Ahmedabad - 380058, Gujarat Contact No. : +91 (O) 02717-420102/124 Email: grievance@dishmangroup.com Website: www.dishmangroup.com
6. Whether listed company Yes / No	Yes, Listed Company
7. Name, Address and Contact details of Registrar and Transfer Agent, if any	Link Intime India Pvt. Ltd., 506-508, Amarnath Business Centre-1, (ABC-1), Besides Gala Business Centre, Near St. Xavier's College Corner, Off C G Road, Ellisebridge, Ahmedabad - 380 006 Tel. No. 91-79-2646 5187, Fax No.: 91-79-2646 5179 Email: ahmedabad@linkintime.co.in

II. Principal Business Activities Of The Company

All the business activities contributing 10 % or more of the total turnover of the company shall be stated:-

Sr. No.	Name and Description of main Products / Services	NIC Code of The Product/ Service	% to total turnover of the Company
1	Bulk Drugs & API	21001	100%

III. Particulars Of Holding, Subsidiary And Associate Companies

Sr. No.	Name and address of the company	CIN/GLN	Holding/ Subsidiary / Associate Company	% of shares held	Applicable Section
1	Adimans Technologies LLP Dishman Corporate House, Iscon-Bopal Road, Ambli, Ahmedabad - 380058	AAO-1469	Holding	63.17%	2(46)
2	Dishman Europe Ltd. Suite 4 De Walden Court, 85 New Cavendish Street, London, W1W 6XD United Kingdom	N.A.	Subsidiary	100%	2(87)
3	Dishman USA. Inc. 476, Union Avenue, Second Floor, Middlesex, NJ 08846	N.A.	Subsidiary	100%	2(87)
4	CARBOGEN AMCIS (Shanghai) Co. Ltd.* No. 69 Shungong Road, Shanghai Chemical Industry Park, Shanghai 201507, China	N.A.	Subsidiary	100%	2(87)

5	CARBOGEN AMCIS Holding AG Hauptstrasse 171, CH-4416 Bubendorf, Switzerland	N.A.	Subsidiary	100%	2(87)
6	Dishman International Trade (Shanghai) Co. Ltd. Room 6003, Level 6, 333 Fute West First Road, Free Trade Zone District, Shanghai 200131, China	N.A.	Subsidiary	100%	2(87)
7	CARBOGEN AMCIS AG* Hauptstrasse 171 CH-4416 Bubendorf, Switzerland	N.A.	Subsidiary	100%	2(87)
8	CARBOGEN AMCIS Ltd.* 303 Clayton Lane, Clayton, Manchester, M11 4SX UK	N.A.	Subsidiary	100%	2(87)
9	CARBOGEN AMCIS B. V. (Formerly known as Dishman Netherlands B. V.)* Nieuweweg 2A, 3901BE, Veenendaal, The Netherlands	N.A.	Subsidiary	100%	2(87)
10	Dishman CARBOGEN AMCIS (Japan) Ltd. (Formerly known as Dishman Japan Ltd.) 1-1-8 Hirakawa-cho, Chiyoda-ku Tokyo 102-0093 Japan	N.A.	Subsidiary	100%	2(87)
11	Dishman Australasia Pty. Ltd. Unit 1012 3, Herbert Street, ST LEONARDS, NSW 2065	N.A.	Subsidiary	100%	2(87)
12	Dishman Middle East (FZE) Executive Desk Q1-05- 108/A, P.O.Box No. 122685, Sharjah – U.A.E.	N.A.	Subsidiary	100%	2(87)
13	CARBOGEN AMCIS SAS, France* 10 Rue des Boules, F-63200 Riom, France	N.A.	Subsidiary	100%	2(87)
14	Shanghai YiQian International Trade Co., Ltd. * Room 1101, Building 3, 215 Lianhe Road, Fengxian District, Shanghai 201417, China	N.A.	Subsidiary	100%	2(87)
15	Dishman Carbogen Amcis (Singapore) Pte. Limited 600 North Bridge Road, #05-01, Parkview Square, Singapore 188778	N.A.	Subsidiary	100%	2(87)
16	CARBOGEN AMCIS SPECIALITIES AG* Hauptstrasse 171 CH-4416 Bubendorf, Switzerland	N.A.	Subsidiary	100%	2(87)
17	CARBOGEN AMCIS INNOVATIONS AG* Hauptstrasse 171 CH-4416 Bubendorf, Switzerland	N.A.	Subsidiary	100%	2(87)
18	DISHMAN CARBOGEN AMCIS AG* Seestrasse 70, CH-6354 Vitznau, Switzerland	N.A.	Subsidiary	100%	2(87)

19	Dishman IT Xellence Private Limited Dishman Corporate House, Iscon-Bopal Road, Ambli, Ahmedabad - 380058	U72200GJ2018PTC103267	Subsidiary	100%	2(87)
20	Dishman Engineering Xellence Pvt Ltd Dishman Corporate House, Iscon-Bopal Road, Ambli, Ahmedabad - 380058	U40300GJ2018PTC104059	Subsidiary	100%	2(87)
21	Dishman Biotech Limited Dishman Corporate House, Iscon-Bopal Road, Ambli, Ahmedabad - 380058	U24231GJ1995PLC028060	Subsidiary	100%	2(87)

*Wholly-Owned step-down subsidiary of the Company

IV. Share Holding Pattern (Equity Share Capital Breakup As Percentage Of Total Equity)

i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year	
	Demat	Physical	Total	% of Total Shares@	Demat	Physical	Total	% of Total Shares @@		
A. Promoters										
1. Indian										
a. Individual/ HUF	5,000	0	5,000	0.0031%	5,000	0	5,000	0.0032%	0.0001%	
b. Central Governments	0	0	0	0.00%	0	0	0	0.00%	0.00%	
c. State Governments	0	0	0	0.00%	0	0	0	0.00%	0.00%	
d. Bodies Corporates	0	0	0	0.00%	0	0	0	0.00%	0.00%	
e. Bank/ Fls	0	0	0	0.00%	0	0	0	0.00%	0.00%	
f. Any Other (LLP)	9,90,91,898	0	9,90,91,898	61.3974%	9,90,91,898	0	9,90,91,898	63.1709%	1.7735%	
Sub-Total (A)(1)	9,90,96,898	0	9,90,96,898	61.4005%	9,90,96,898	0	9,90,96,898	63.1741%	1.7736%	
2. Foreign										
a. NRI-Individuals	0	0	0	0.00%	0	0	0	0.00%	0.00%	
b. Other Individuals	0	0	0	0.00%	0	0	0	0.00%	0.00%	
c. Body Corporate	0	0	0	0.00%	0	0	0	0.00%	0.00%	
d. Bank/ Fls	0	0	0	0.00%	0	0	0	0.00%	0.00%	
e. Any Others	0	0	0	0.00%	0	0	0	0.00%	0.00%	
Sub Total- (A)(2)	0	0	0	0.00%	0	0	0	0.00%	0.00%	
Total Shareholder of Promoter (A) = (A) (1)+(A) (2)	9,90,96,898	0	9,90,96,898	61.4005%	9,90,96,898	0	9,90,96,898	63.1741%	1.7736%	
B. Public Shareholding										
1. Institutions										
a. Mutual Funds	1,89,05,908	0	1,89,05,908	11.7141%	1,99,09,241	0	1,99,09,241	12.6921%	0.9780%	
b. Bank/ Fls	2,46,611	0	2,46,611	0.1528%	1,75,437	0	1,75,437	0.1118%	-0.0410%	
c. Central Governments	0	0	0	0.00%	0	0	0	0.00%	0.00%	
d. State Governments	0	0	0	0.00%	0	0	0	0.00%	0.00%	
e. Venture Capital Funds	0	0	0	0.00%	0	0	0	0.00%	0.00%	
f. Insurance Companies	0	0	0	0.00%	0	0	0	0.00%	0.00%	
g. Foreign Institutional Investors	1,15,02,745	0	1,15,02,745	7.1271%	1,53,22,040	0	1,53,22,040	9.7678%	2.6407%	

h. Foreign Venture Capital Investors	0	0	0	0.00%	0	0	0	0.00%	0.00%
i. Others (Alternate Investment Fund)	27,53,352	0	27,53,352	1.7060%	12,95,000	0	12,95,000	0.8256%	-0.8804%
Sub Total- (B)(1)	3,34,08,616	0	3,34,08,616	20.7000%	3,67,01,718	0	3,67,01,718	23.3973%	2.6973%
2. Non - Institutions									
a. Body Corporates									
i) Indian	32,46,344	0	32,46,344	2.0114%	19,44,003	0	19,44,003	1.2393%	-0.7721%
ii) Overseas	0	0	0	0.00%	0	0	0	0.00%	0.00%
b. Individual									
i. Individual Shareholders holding nominal share capital upto ₹ 1 Lakh	2,02,93,676	1181	2,02,94,857	12.5746%	1,49,02,890	856	1,49,03,746	9.5011%	-3.0735%
ii. Individual Shareholders holding nominal share capital in excess of ₹1 Lakh	29,29,955	0	29,29,955	1.8154%	21,88,537	0	21,88,537	1.3952%	-0.4202%
c. Others (specify)									
i) NRI (Rep.)	9,82,817	1	9,82,818	0.6090%	6,17,651	1	6,17,652	0.3937%	-0.2153%
ii) NRI (Non-Rep.)	2,98,919	1	2,98,920	0.1852%	3,31,071	1	3,31,072	0.2110%	0.0258%
iii) IEPF	3,682	0	3,682	0.0023%	4,637	0	4,637	0.0029%	0.0006%
iv) OCB	0	0	0	0.00%	0	0	0	0.00%	0.00%
v) Trust	4,026	0	4,026	0.0025%	100	0	100	0.0001%	-0.0024%
vi) Clearing Member	2,33,899	0	2,33,899	0.1449%	2,65,551	0	2,65,551	0.1693%	0.0244%
vii) Independent Directors & Relatives and their holding	68,863	0	68,863	0.0427%	67,300	0	67,300	0.0429%	0.0002%
viii) HUF	7,73,188	0	7,73,188	0.4791%	7,26,881	0	7,26,881	0.4634%	-0.0157%
ix) NBFCs registered with RBI	52,206	0	52,206	0.0323%	15,000	0	15,000	0.0096%	-0.0227%
Sub Total- (B)(2)	2,88,87,575	1183	2,88,88,758	17.8995%	2,10,63,621	858	2,10,64,479	13.4286%	-4.4709%
Total Public Shareholding (B) = (B)(1) + (B)(2)	6,22,96,191	1183	6,22,97,374	38.5995%	5,77,65,339	858	5,77,66,197	38.5995%	0.00%
C. Shares held by Custodian for GDRs & ADRs									
Promoter and Promoter Group	0	0	0	0.00%	0	0	0	0.00%	0.00%
Public	0	0	0	0.00%	0	0	0	0.00%	0.00%
Net Total	0	0	0	0.00%	0	0	0	0.00%	0.00%
Grand Total (A + B + C)	16,13,93,089	1,183	16,13,94,272#	100.00%	15,68,62,237	858	15,68,63,095#	100.00%	0.00%

@ Percentage calculated on paid up capital before Buy-back i.e. on 16,13,94,272 Equity Share Capital.

@@ Percentage calculated on paid up capital after shares purchased under Buy-back upto 31.03.2020 i.e. on 15,68,63,095 Equity Share Capital.

Change in no. of shares due to Buy-back of 45,31,177 Equity Shares of ₹ 2/- each upto 31.03.2020.

(ii) Shareholding of Promoters/Promoter Group

SN	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company@	% of Shares Pledged/ encumbered to total shares	No. of Shares	% of total Shares of the company @@	% of Shares Pledged / encumbered to total shares	
1	M/S. Adimans Technologies LLP	99091898	61.40%	0.00%	99091898	63.17%	0.00%	1.77%
2	Mr. Janmejy R. Vyas	1000	0.00%	0.00%	1000	0.00%	0.00%	0.00%

3	Mrs. Deohooti J. Vyas	1000	0.00%	0.00%	1000	0.00%	0.00%	0.00%
4	Mr. Arpit J. Vyas	1000	0.00%	0.00%	1000	0.00%	0.00%	0.00%
5	Ms. Aditi J. Vyas	1000	0.00%	0.00%	1000	0.00%	0.00%	0.00%
6	Ms. Mansi J. Vyas	1000	0.00%	0.00%	1000	0.00%	0.00%	0.00%
7	Saloni A. Vyas	0	0.00%	0.00%	0	0.00%	0.00%	0.00%
8	Janmejy Rajnikant Vyas - HUF	0	0.00%	0.00%	0	0.00%	0.00%	0.00%
9	Azafran Innovacion Ltd	0	0.00%	0.00%	0	0.00%	0.00%	0.00%
10	Dishman Biotech Ltd	0	0.00%	0.00%	0	0.00%	0.00%	0.00%
11	Dishman Infrastructure Ltd	0	0.00%	0.00%	0	0.00%	0.00%	0.00%
12	B R Laboratories Limited	0	0.00%	0.00%	0	0.00%	0.00%	0.00%
13	Leon Hospitality Pvt. Ltd	0	0.00%	0.00%	0	0.00%	0.00%	0.00%
14	Aham Brahmasmi Entertainment Pvt. Ltd.	0	0.00%	0.00%	0	0.00%	0.00%	0.00%
15	Discus IT Private Limited	0	0.00%	0.00%	0	0.00%	0.00%	0.00%
16	Azafran Ventures Private Limited*	0	0.00%	0.00%	0	0.00%	0.00%	0.00%
17	Azafran Switzerland AG*	0	0.00%	0.00%	0	0.00%	0.00%	0.00%
18	Aamanya AG*	0	0.00%	0.00%	0	0.00%	0.00%	0.00%
19	Azafran Ventures FZ – LLC*	0	0.00%	0.00%	0	0.00%	0.00%	0.00%
20	Adiman Ventures	0	0.00%	0.00%	0	0.00%	0.00%	0.00%
21	Vyas Family Trust	0	0.00%	0.00%	0	0.00%	0.00%	0.00%
22	Janmejy Vyas Family Trust	0	0.00%	0.00%	0	0.00%	0.00%	0.00%
23	Deohooti Vyas Family Trust	0	0.00%	0.00%	0	0.00%	0.00%	0.00%
24	Arpit Vyas Family Trust	0	0.00%	0.00%	0	0.00%	0.00%	0.00%
25	Aditi Vyas Family Trust	0	0.00%	0.00%	0	0.00%	0.00%	0.00%
26	Mansi Shodhan Family Trust	0	0.00%	0.00%	0	0.00%	0.00%	0.00%
	Total	99091898	61.40%	0.00%	99091898	63.17%	0.00%	1.77%

*They have been included in promoter group during the year.

@ Percentage calculated on paid up capital before Buy-back i.e. on 16,13,94,272 Equity Share Capital.

@@ Percentage calculated on paid up capital after shares purchased under Buy-back upto 31.03.2020 i.e. on 15,68,63,095 Equity Share Capital.

(iii) Change in Promoters' Shareholding (please specify, if there is no change)

SN	Particulars	No. of Shares at the beginning (01-04-2019)	% of total shares of the company@	Date	Increase/ Decrease in Share Holding	Reason#	No. of Shares at the end of the year (31-03-2020)	% of total shares of the company@@
1	Adimans Technologies LLP	99091898	61.40%	NA	NIL	NA	99091898	63.17%

2	Mr. Janmejey R. Vyas	1000	0.00%	NA	NIL	NA	1000	0.00%
3	Mrs. Deohooti J. Vyas	1000	0.00%	NA	NIL	NA	1000	0.00%
4	Mr. Arpit J. Vyas	1000	0.00%	NA	NIL	NA	1000	0.00%
5	Ms. Aditi J. Vyas	1000	0.00%	NA	NIL	NA	1000	0.00%
6	Ms. Mansi J. Vyas	1000	0.00%	NA	NIL	NA	1000	0.00%
7	Saloni A. Vyas	0	0.00%	NA	NIL	NA	0	0.00%
8	Janmejey Rajnikant Vyas - HUF	0	0.00%	NA	NIL	NA	0	0.00%
9	Azafran Innovacion Ltd	0	0.00%	NA	NIL	NA	0	0.00%
10	Dishman Biotech Ltd	0	0.00%	NA	NIL	NA	0	0.00%
11	Dishman Infrastructure Ltd	0	0.00%	NA	NIL	NA	0	0.00%
12	B R Laboratories Limited	0	0.00%	NA	NIL	NA	0	0.00%
13	Leon Hospitality Pvt. Ltd	0	0.00%	NA	NIL	NA	0	0.00%
14	Aham Brahmasmi Entertainment Pvt. Ltd.	0	0.00%	NA	NIL	NA	0	0.00%
15	Discus IT Private Limited	0	0.00%	NA	NIL	NA	0	0.00%
16	Azafran Ventures Private Limited*	0	0.00%	NA	NIL	NA	0	0.00%
17	Azafran Switzerland AG*	0	0.00%	NA	NIL	NA	0	0.00%
18	Aamanya AG*	0	0.00%	NA	NIL	NA	0	0.00%
19	Azafran Ventures FZ – LLC*	0	0.00%	NA	NIL	NA	0	0.00%
20	Adiman Ventures	0	0.00%	NA	NIL	NA	0	0.00%
21	Vyas Family Trust	0	0.00%	NA	NIL	NA	0	0.00%
22	Janmejey Vyas Family Trust	0	0.00%	NA	NIL	NA	0	0.00%
23	Deohooti Vyas Family Trust	0	0.00%	NA	NIL	NA	0	0.00%
24	Arpit Vyas Family Trust	0	0.00%	NA	NIL	NA	0	0.00%
25	Aditi Vyas Family Trust	0	0.00%	NA	NIL	NA	0	0.00%
26	Mansi Shodhan Family Trust	0	0.00%	NA	NIL	NA	0	0.00%

*They have been included in promoter group during the year.

Due to buy-back, the percentage to Promoter's has been increased, however their shares remain the same since as per the SEBI (Buy-back) Regulation, they did not take part in the buy-back.

@ Percentage calculated on paid up capital before Buy-back i.e. on 16,13,94,272 Equity Share Capital.

@@ Percentage calculated on paid up capital after shares purchased under Buy-back upto 31.03.2020 i.e. on 15,68,63,095 Equity Share Capital

(iv) Shareholding Pattern of top ten Shareholders:
(Other than Directors, Promoters and Holders of GDRs and ADRs):

SN	Top 10 Shareholders	Shareholding at the beginning of the year (01-04-2019)		Date	Increase/ Decrease in shareholding	Reason	Cumulative Shareholding during the year (01-04-2019 to 31-03-2020)	
		No. of Shares	% of total Shares of the company@				No. of Shares	% of total Shares of the company@@
1	ICICI Prudential Pharma Healthcare And Diagnostics (P.h.d) Fund	4502572	2.7898%	26 Apr 2019	100000	Transfer	4602572	2.9341%
				17 May 2019	(76920)	Transfer	4525652	2.8851%
				24 May 2019	(20192)	Transfer	4505460	2.8722%
				31 May 2019	(59802)	Transfer	4445658	2.8341%
				07 Jun 2019	(740)	Transfer	4444918	2.8336%
				14 Jun 2019	(8021)	Transfer	4436897	2.8285%
				05 Jul 2019	32	Transfer	4436929	2.8285%
				19 Jul 2019	99074	Transfer	4536003	2.8917%
				26 Jul 2019	400958	Transfer	4936961	3.1473%
				16 Aug 2019	32	Transfer	4936993	3.1473%
				23 Aug 2019	34	Transfer	4937027	3.1473%
				30 Aug 2019	32	Transfer	4937059	3.1474%
				06 Sep 2019	33832	Transfer	4970891	3.1689%
				13 Sep 2019	114	Transfer	4971005	3.1690%
				27 Sep 2019	57	Transfer	4971062	3.1690%
				30 Sep 2019	1253	Transfer	4972315	3.1698%
				04 Oct 2019	64863	Transfer	5037178	3.2112%
				11 Oct 2019	31	Transfer	5037209	3.2112%
				18 Oct 2019	200004	Transfer	5237213	3.3387%
				25 Oct 2019	36639	Transfer	5273852	3.3621%
		01 Nov 2019	150000	Transfer	5423852	3.4577%		
		22 Nov 2019	32	Transfer	5423884	3.4577%		
		13 Dec 2019	16635	Transfer	5440519	3.4683%		
		27 Dec 2019	210000	Transfer	5650519	3.6022%		
		31 Dec 2019	416988	Transfer	6067507	3.8680%		
		03 Jan 2020	1284233	Transfer	7351740	4.6867%		
		31 Jan 2020	162955	Transfer	7514695	4.7906%		
		07 Feb 2020	31	Transfer	7514726	4.7906%		
		06 Mar 2020	80	Transfer	7514806	4.7907%		
		20 Mar 2020	48	Transfer	7514854	4.7907%		
		27 Mar 2020	64	Transfer	7514918	4.7907%		
		31 Mar 2020	7514918	4.7907%	32	Transfer	7514950	4.7908%
2	L And T Mutual Fund Trustee Ltd-L And T Equity Fund	1298919	0.8048%	05 Apr 2019	(67235)	Transfer	1231684	0.7852%
				12 Apr 2019	(160000)	Transfer	1071684	0.6832%
				04 Oct 2019	(3310)	Transfer	1068374	0.6811%
				27 Dec 2019	1900000	Transfer	2968374	1.8923%
				31 Dec 2019	3175087	Transfer	6143461	3.9164%
		31 Mar 2020	6143461	3.9164%			6143461	3.9164%

3	Government Pension Fund Global	1898464	1.1763%	05 Apr 2019	(12269)	Transfer	1886195	1.2024%
				12 Apr 2019	(7006)	Transfer	1879189	1.1980%
				19 Apr 2019	(2685)	Transfer	1876504	1.1963%
				26 Apr 2019	(13071)	Transfer	1863433	1.1879%
				03 May 2019	(1196)	Transfer	1862237	1.1872%
				10 May 2019	(6125)	Transfer	1856112	1.1833%
				24 May 2019	206239	Transfer	2062351	1.3147%
				31 May 2019	80000	Transfer	2142351	1.3657%
				07 Jun 2019	40000	Transfer	2182351	1.3912%
				14 Jun 2019	40000	Transfer	2222351	1.4167%
				29 Jun 2019	31000	Transfer	2253351	1.4365%
				05 Jul 2019	4772	Transfer	2258123	1.4396%
				02 Aug 2019	70405	Transfer	2328528	1.4844%
				09 Aug 2019	127000	Transfer	2455528	1.5654%
				30 Aug 2019	48700	Transfer	2504228	1.5964%
				08 Nov 2019	1425309	Transfer	3929537	2.5051%
				22 Nov 2019	209820	Transfer	4139357	2.6388%
				13 Dec 2019	145225	Transfer	4284582	2.7314%
				20 Dec 2019	188000	Transfer	4472582	2.8513%
				4472582	2.8513%	31 Mar 2020		
4	Aditya Birla Sun Life Trustee Private Limited A/C Aditya Birla Sun Life Equity Fund	2425424	1.5028%	12 Apr 2019	(275000)	Transfer	2150424	1.3709%
				24 May 2019	55371	Transfer	2205795	1.4062%
				31 May 2019	14000	Transfer	2219795	1.4151%
				12 Jul 2019	97848	Transfer	2317643	1.4775%
				19 Jul 2019	26400	Transfer	2344043	1.4943%
				26 Jul 2019	88170	Transfer	2432213	1.5505%
				02 Aug 2019	45500	Transfer	2477713	1.5795%
				09 Aug 2019	62220	Transfer	2539933	1.6192%
				08 Nov 2019	100000	Transfer	2639933	1.6830%
				29 Nov 2019	1333200	Transfer	3973133	2.5329%
				10 Jan 2020	(418648)	Transfer	3554485	2.2660%
				17 Jan 2020	(77500)	Transfer	3476985	2.2166%
				21 Feb 2020	(122500)	Transfer	3354485	2.1385%
				3354485	2.1385%	31 Mar 2020		
5	IDFC Sterling Value Fund	4464891	2.7664%	05 Apr 2019	21999	Transfer	4486890	2.8604%
				19 Apr 2019	10000	Transfer	4496890	2.8668%
				26 Apr 2019	110	Transfer	4497000	2.8668%
				03 May 2019	58000	Transfer	4555000	2.9038%
				10 May 2019	20000	Transfer	4575000	2.9166%
				17 May 2019	20000	Transfer	4595000	2.9293%
				24 May 2019	7063	Transfer	4602063	2.9338%
				31 May 2019	12583	Transfer	4614646	2.9418%
				14 Jun 2019	(27003)	Transfer	4587643	2.9246%
				29 Jun 2019	16402	Transfer	4604045	2.9351%
				12 Jul 2019	(49258)	Transfer	4554787	2.9037%
				06 Sep 2019	21213	Transfer	4576000	2.9172%
				01 Nov 2019	25000	Transfer	4601000	2.9331%
				15 Nov 2019	66247	Transfer	4667247	2.9754%

			22 Nov 2019	13482	Transfer	4680729	2.9840%	
			29 Nov 2019	60271	Transfer	4741000	3.0224%	
			06 Dec 2019	40000	Transfer	4781000	3.0479%	
			20 Dec 2019	(106183)	Transfer	4674817	2.9802%	
			27 Dec 2019	67828	Transfer	4742645	3.0234%	
			03 Jan 2020	(866222)	Transfer	3876423	2.4712%	
			10 Jan 2020	(1107595)	Transfer	2768828	1.7651%	
			28 Feb 2020	102172	Transfer	2871000	1.8303%	
		2871000	1.8303%	31 Mar 2020		2871000	1.8303%	
		0	0.0000%	22 Nov 2019	139391	Transfer	139391	0.0889%
			29 Nov 2019	28812	Transfer	168203	0.1072%	
			27 Dec 2019	176507	Transfer	344710	0.2198%	
			10 Jan 2020	686214	Transfer	1030924	0.6572%	
			17 Jan 2020	182865	Transfer	1213789	0.7738%	
			24 Jan 2020	336303	Transfer	1550092	0.9882%	
			31 Jan 2020	(10485)	Transfer	1539607	0.9815%	
6	Societe Generale - ODI		07 Feb 2020	(78833)	Transfer	1460774	0.9312%	
			14 Feb 2020	(81688)	Transfer	1379086	0.8792%	
			21 Feb 2020	(109790)	Transfer	1269296	0.8092%	
			06 Mar 2020	(66025)	Transfer	1203271	0.7671%	
			13 Mar 2020	(120209)	Transfer	1083062	0.6905%	
			20 Mar 2020	(108249)	Transfer	974813	0.6214%	
			27 Mar 2020	(38280)	Transfer	936533	0.5970%	
		936533	0.5970%	31 Mar 2020	(57764)	Transfer	878769	0.5602%
		1013309	0.6278%	05 Apr 2019	(38948)	Transfer	974361	0.6212%
			12 Apr 2019	(13241)	Transfer	961120	0.6127%	
			26 Apr 2019	(7761)	Transfer	953359	0.6078%	
			03 May 2019	(13961)	Transfer	939398	0.5989%	
			17 May 2019	(7675)	Transfer	931723	0.5940%	
			24 May 2019	(15975)	Transfer	915748	0.5838%	
			31 May 2019	(8361)	Transfer	907387	0.5785%	
7	Dimensional Emerging Markets Value Fund		14 Jun 2019	(4851)	Transfer	902536	0.5754%	
			19 Jul 2019	(18372)	Transfer	884164	0.5637%	
			26 Jul 2019	(3668)	Transfer	880496	0.5613%	
			02 Aug 2019	(3529)	Transfer	876967	0.5591%	
			13 Dec 2019	(7299)	Transfer	869668	0.5544%	
			20 Dec 2019	(25073)	Transfer	844595	0.5384%	
			13 Mar 2020	(18610)	Transfer	825985	0.5266%	
			20 Mar 2020	(12607)	Transfer	813378	0.5185%	
		813378	0.5185%	31 Mar 2020		813378	0.5185%	
		532851	0.3301%	07 Jun 2019	(3200)	Transfer	529651	0.3377%
			01 Nov 2019	45349	Transfer	575000	0.3666%	
8	Ashmore India Opportunities Fund		08 Nov 2019	69840	Transfer	644840	0.4111%	
			22 Nov 2019	78350	Transfer	723190	0.4610%	
			28 Feb 2020	26810	Transfer	750000	0.4781%	
		750000	0.4781%	31 Mar 2020		750000	0.4781%	
9	Gymkhana Partners L.P	107700	0.0667%	20 Sep 2019	21000	Transfer	128700	0.0820%
				27 Sep 2019	17900	Transfer	146600	0.0935%

			30 Sep 2019	11100	Transfer	157700	0.1005%	
			04 Oct 2019	33800	Transfer	191500	0.1221%	
			11 Oct 2019	22700	Transfer	214200	0.1366%	
			18 Oct 2019	23500	Transfer	237700	0.1515%	
			01 Nov 2019	29500	Transfer	267200	0.1703%	
			08 Nov 2019	66100	Transfer	333300	0.2125%	
			15 Nov 2019	31900	Transfer	365200	0.2328%	
			22 Nov 2019	15600	Transfer	380800	0.2428%	
			29 Nov 2019	12191	Transfer	392991	0.2505%	
			06 Dec 2019	610	Transfer	393601	0.2509%	
			13 Dec 2019	13799	Transfer	407400	0.2597%	
			20 Dec 2019	763	Transfer	408163	0.2602%	
			27 Dec 2019	36337	Transfer	444500	0.2834%	
			03 Jan 2020	22500	Transfer	467000	0.2977%	
			10 Jan 2020	51700	Transfer	518700	0.3307%	
			24 Jan 2020	4638	Transfer	523338	0.3336%	
			31 Jan 2020	26662	Transfer	550000	0.3506%	
			07 Feb 2020	31712	Transfer	581712	0.3708%	
			06 Mar 2020	54788	Transfer	636500	0.4058%	
			13 Mar 2020	28000	Transfer	664500	0.4236%	
			20 Mar 2020	77800	Transfer	742300	0.4732%	
		742300	0.4732%	31 Mar 2020		742300	0.4732%	
		1052300	0.6520%	05 Apr 2019	(27600)	Transfer	1024700	0.6532%
				12 Apr 2019	(38232)	Transfer	986468	0.6289%
				19 Apr 2019	(22056)	Transfer	964412	0.6148%
				26 Apr 2019	(71678)	Transfer	892734	0.5691%
				03 May 2019	(19638)	Transfer	873096	0.5566%
				10 May 2019	(12901)	Transfer	860195	0.5484%
				17 May 2019	(22513)	Transfer	837682	0.5340%
				24 May 2019	(36553)	Transfer	801129	0.5107%
				31 May 2019	(24862)	Transfer	776267	0.4949%
				07 Jun 2019	(42792)	Transfer	733475	0.4676%
				14 Jun 2019	(90461)	Transfer	643014	0.4099%
				21 Jun 2019	(13514)	Transfer	629500	0.4013%
				29 Jun 2019	(4649)	Transfer	624851	0.3983%
		624851	0.3983%	31 Mar 2020		624851	0.3983%	
		1000250	0.6197%	05 Apr 2019	(250)	Transfer	1000000	0.6375%
				16 Aug 2019	250	Transfer	1000250	0.6377%
				17 Jan 2020	(454000)	Transfer	546250	0.3482%
				24 Jan 2020	(400000)	Transfer	146250	0.0932%
		146250	0.0932%	31 Mar 2020	(250)	Transfer	146000	0.0931%
12	TATA Mutual Fund - TATA Hybrid Equity Fund	5098857	3.1592%	27 Dec 2019	(5098857)	Transfer	0	0.0000%
		0	0.0000%	31 Mar 2020			0	0.0000%
		858671	0.5320	29 Jun 2019	(9000)	Transfer	849671	0.5417%
				12 Jul 2019	271	Transfer	849942	0.5418%
				18 Oct 2019	(10051)	Transfer	839891	0.5354%
				25 Oct 2019	(19608)	Transfer	820283	0.5229%
				08 Nov 2019	(425517)	Transfer	394766	0.2517%

		20 Dec 2019	(1124)	Transfer	393642	0.2509%
		24 Jan 2020	(90900)	Transfer	302742	0.1930%
		07 Feb 2020	(302742)	Transfer	0	0.0000%
	0	0.0000%	31 Mar 2020		0	0.0000%

@ Percentage calculated on paid up capital before Buy-back i.e. on 16,13,94,272 Equity Share Capital.

@@ Percentage calculated on paid up capital after shares purchased under Buy-back upto 31.03.2020 i.e. on 15,68,63,095 Equity Share Capital.

(v) Shareholding of Directors and Key Managerial Personnel:

Sr. No.	For Each of the Directors and KMP Name of the Director/KMP	Shareholding at the beginning of the year 1st April, 2019		Shareholding at the end of the year 31st March, 2020	
		No. of Shares	% of total Shares of the Company@	No. of Shares	% of total Shares of the Company@@
1	Janmejy R. Vyas	1000	0.00%	1000	0.00%
2	Deohooti J. Vyas	1000	0.00%	1000	0.00%
3	Arpit J. Vyas	1000	0.00%	1000	0.00%
4	Ashok C. Gandhi	0	0.00%	0	0.00%
5	Sanjay S. Majmudar	24700	0.01%	24700	0.02%
6	Subir Kumar Das	0	0.00%	0	0.00%
7	Rajendra S. Shah	0	0.00%	0	0.00%
8	Mark Griffiths	0	0.00%	0	0.00%
9	Maitri K. Mehta*	0	0.00%	0	0.00%
10	Shrima Dave	0	0.00%	0	0.00%
11	Harshil R. Dalal	0	0.00%	0	0.00%

*Appointed as Director of the Company w.e.f. 1st April, 2019

@ Percentage calculated on paid up capital before Buy-back i.e. on 16,13,94,272 Equity Share Capital.

@@ Percentage calculated on paid up capital after shares purchased under Buy-back upto 31.03.2020 i.e. on 15,68,63,095 Equity Share Capital.

V. INDEBTEDNESS -Indebtedness of the Company including interest outstanding/accrued but not due for payment.

(₹ in Crores)

Particulars	Secured Loans Excluding Deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the Beginning of the financial year-01.04.2019				
1) Principal Amount	531.02	53.34	-	584.36
2) Interest due but not paid	-	-	-	-
3) Interest accrued but not due	0.68	-	-	0.68
Total of (1+2+3)	531.70	53.34	-	585.04
Change in Indebtedness during the financial year				
+ Addition	76.33	76.53	-	152.86
-Reduction	(149.11)	(42.27)	-	(191.38)
+ / - Addition/ (Reduction) \$	12.10	-	-	12.10
Net change	(60.68)	34.26	-	(26.42)
Indebtedness at the end of the financial year-31.03.2020				
1) Principal Amount	469.86	87.60	-	557.46
2) Interest due but not paid	-	-	-	-
3) Interest accrued but not due	1.16	-	-	1.16
Total of (1+2+3)	471.02	87.60	-	558.62

\$ Addition / (Reduction) is on account of Foreign Exchange Fluctuation

VI. Remuneration Of Directors And Key Managerial Personnel-

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

(₹ in Lacs)

Sr. No.	Particulars of Remuneration	Name of MD/WTD/Manager		Total Amount
		Mr. Arpit J. Vyas (Global Managing Director)	Mrs. Deohooti J. Vyas (Whole-time Director)	
1	Gross Salary			
	a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961	120.00	120.00	240.00
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	-	-	-
	(c) Profits in lieu of salary under Section 17(3) of the Income Tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission - As % of Profit	-	-	-
	- Others, specify	-	-	-
5	Others, please specify Provident Fund & other Funds	-	-	-
	Performance Bonus			-
	Total (A)	120.00	120.00	240.00
	Ceiling as per the Act	10% of the net profit of the Company		

B. Remuneration to other Directors:

I. Independent Directors:-

(₹ in Lacs)

Particulars of Remuneration	Name of Directors					Total Amount
	Mr. Sanjay S. Majmudar	Mr. Ashok C. Gandhi	Mr. Subir Kumar Das	Mr. Rajendra S. Shah	Ms. Maitri K. Mehta*	
Fee for attending board committee meetings	3.80	3.60	2.40	1.20	1.40	12.40
Commission	15.00	11.00	11.00	8.00	7.00	52.00
Others, please specify						
Total (1)	18.80	14.60	13.40	9.20	8.40	64.40

*Appointed as Director of the Company w.e.f. 1st April, 2019

II. Other Non-Executive Directors:-

(₹ in Lacs)

Particulars of Remuneration	Name of Directors		Total Amount
	Mr. Mark C. Griffiths	Mr. Janmejy R. Vyas	
Fee for attending board committee meetings	0	0	0
Commission	0	0	0
Others, please specify	0	141.11	141.11
Total (2)	0	141.11	141.11
Ceiling as per the Act	11% of the net profits of the Company. The remuneration paid to Mr. J. R. Vyas for professional service availed by the Company will not be consider for determining ceiling limit of 11%.		

C. Remuneration To Key Managerial Personnel Other Than MC/Manager/WTD:

(₹ in Lacs)

Sr. No.	Particulars of Remuneration	Name of KMP		Total Amount
		Ms. Shrima Dave (Company Secretary)	Mr. Harshil R. Dalal (Global CFO)	
1	Gross Salary			
	a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961	7.71	100.47	108.18
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	-		-
	(c) Profits in lieu of salary under Section 17(3) of the Income Tax Act, 1961	-		-
2	Stock Option	-		-
3	Sweat Equity	-		-
4	Commission	-		-
	- As % of Profit			
	- Others, specify	-		-
5	Others, please specify			
	Contribution to Provident Fund	0.21	0.21	0.42
	Total (C)	7.92	100.68	108.60

VII. Penalties / Punishment/ Compounding Of Offences:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
A. Company					
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
B. Directors					
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL
C. Other Officers In Default					
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL

Annexure B

Form No. AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto

1. Details of contracts or arrangements or transactions not at arm's length basis

Sr. No.	Name(s) of the related party and nature of relationship	Nature of contracts / arrangements / transactions	Duration of the contracts / arrangements / transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Justification for entering into such contracts or arrangements or transactions	date(s) of approval by the Board	Amount paid as advances, if any:	Date on which the special resolution was passed in general meeting as required under first proviso to section 188
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	
Not Applicable								

2. Details of material contracts or arrangement or transactions at arm's length basis

Sr. No.	Name(s) of the related party and nature of relationship	Nature of contracts / arrangements / transactions	Duration of the contracts / arrangements / transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Date(s) of approval by the Board and Audit Committee, if any	Amount paid as advances, if any:	Date on which the special resolution was passed in general meeting u/s 188(1)	Amount involved during the year (₹ in Crores)
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	
1.	Dishman Europe Ltd. (Wholly owned subsidiary)	Sale of Goods/ Export of Services	On going	Based on transfer pricing guidelines	As per Companies Act, 2013 and Regulation 23 of SEBI (LODR)	Advance paid have been adjusted against billings/ invoice/ debit note, etc. wherever applicable	As the transactions were with wholly owned subsidiary companies are being exempt under Companies Act, 2013 and SEBI (LODR) Regulations, 2015, therefore no approval of shareholder is required. However, as per Section 188 of the Act and Regulation 23 of SEBI (LODR) Regulations, 2015, arm length material contracts or arrangements above 10% of the Standalone and Consolidated Turnover, respectively, if any, are being shown as material transactions	224.09
2	Dishman USA Inc (Wholly owned subsidiary)	Sale of Goods/ Export of Services	On going	Based on transfer pricing guidelines	As per Companies Act, 2013 and Regulation 23 of SEBI (LODR) Regulations, 2015, all transaction are being placed before the Audit Committee and Board on quarterly basis and at regular intervals	Advance paid have been adjusted against billings/ invoice/ debit note, etc. wherever applicable		92.07

For and on behalf of the Board of Directors

Place: Ahmedabad
Date : 3rd June, 2020

Janmejay R. Vyas
Chairman
DIN: 00004730

Annexure C

Details Pertaining To Remuneration As Required Under Section 197(12) Of The Companies Act, 2013 Read With Rule 5(1) Of The Companies (Appointment And Remuneration Of Managerial Personnel) Rules, 2014

1. Ratio of the remuneration of each Director to the median remuneration of the employees of the Company for FY 2019-20, the percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during FY 2019-20 are as under:

Sr. No.	Name & Designation	Ratio of Remuneration of Director to Medians Remuneration of employees	% increase in Remuneration In FY 2019-20 (\$)
		[Sub-clause (i) of Rule 5(1)]	[Sub-clause (ii) of Rule 5(1)]
Executive Directors			
1	Mr. Arpit J. Vyas, Global Managing Director	36.90: 1	0.00%
2	Mrs. Deohooti J. Vyas, Whole-time Director	36.90: 1	0.00%
Non-executive Director & Non-Independent Directors			
3	Mr. Janmejy R. Vyas, Chairman@	43.40:1	@
4	Mr. Mark C. Griffiths, Non-Executive Director	-	-
Non-executive Director & Independent Directors			
5	Mr. Sanjay S. Majmudar, Independent Director	4.61:1	0.00%
6	Mr. Ashok C. Gandhi, Independent Director	3.38:1	0.00%
7	Mr. Subir Kumar Das, Independent Director	3.38:1	7.31%
8	Mr. Rajendra S. Shah, Independent Director	2.46:1	0.00%
9	Ms. Maitri K. Mehta*	2.15:1	*
Key Managerial Personnel (other than Director)			
10	Ms. Shrima Dave, Company Secretary	2.44:1	13.43%
11	Mr. Harshil R. Dalal, Global CFO	30.96:1	**

@ Mr. Janmejy R. Vyas who was Chairman & Managing Director of the Company has decided to step down from the role of Managing Director with effect from 18th February, 2019. Now, he is Non-Executive and Non-Independent Director w.e.f. 19th February, 2019. The Company continue to avail the professional services from Mr. J. R. Vyas and members has approved his remuneration upto maximum ₹ 2 Crores p.a. for the same. In FY 2018-19, Mr. J. R. Vyas was Executive Director, while, in FY 2019-20, he is Non-Executive Director. Hence, no comparison for change in remuneration has been given.

*Ms. Maitri K. Mehta has been appointed as Director of the Company w.e.f. 1st April, 2019,

therefore, no comparison has been given.

**Mr. Harshil R. Dalal has been appointed as Global CFO of the Company w.e.f. 28th November, 2018, therefore, no comparison has been given.

2. Sub-clause (iii) of Rule 5(1): The median remuneration of the employees in FY 2019-20 decreased by 2.55%. The calculation of % decreased in Median Remuneration is done based on permanent employees. Also, the unionized employee's/Contract labour whose remuneration is based on periodic settlements has been excluded for this purpose.

3. Sub-clause (iv) of Rule 5(1): The number of permanent employees

on the rolls of Company as on 31st March, 2020 was 1280.

4. Sub-clause (viii) of Rule 5(1): The average percentage increase already made in the salaries of employees other than the managerial personnel in FY 2019-20 was 12.05% (excluding rewards in cash or kinds), whereas the total managerial remuneration (excluding independent Directors) for the same financial year has decreased by 39.73% (excluding remuneration of Mr. J. R. Vyas. Reason of the same is explained herein above in note under "@"). Increase/decrease in salary of employees other than managerial personnel is decided based on criteria like Company's policy and Performance, Individual Performance, inflation, prevailing industry trends; while managerial

remuneration is based on the remuneration approved by the members of the Company and also linked to the Company's net profit calculated as per the provisions of

Section 198 of the Companies Act, 2013. The Managerial Remuneration also reviewed by Nomination and Remuneration Committee and Board annually.

5. Sub-clause (xii) of Rule 5(1): It is hereby affirmed that the remuneration paid is as per the Remuneration policy of the Company.

For and on behalf of the Board of Directors

Place: Ahmedabad
Date : 3rd June, 2020

Janmejay R. Vyas
Chairman
DIN: 00004730

Annexure D

Statement of particulars of employees pursuant to provisions of Section 197(12) of the Companies Act, 2013 read with Rule 5(2) and (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

Name of top ten employees in terms of remuneration drawn per annum #

Sr. No.	Name of the Employee
1	Mrs. Deohooti J. Vyas
2	Mr. Arpit J. Vyas
3	Mr. Harshil R. Dalal
4	Dr. Himani S. Dhotre
5	Mr. Anand C. Joshi
6	Mr. Jayesh A. Shah
7	Mr. Badarinarayan Herur
8	Ms. Mansi J. Vyas
9	Ms. Aditi J. Vyas
10	Mr. Paolo Armanino

#The details required under sub-rule 3 of Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 will be provided on specific request made by any shareholder, which is forming part of this report. Any shareholder interested in obtaining a copy of the same may write to the Company Secretary.

Sr. No.	Name of the Employee	Age (Years)	Designation/ Nature of Duty	Qualification	Experience (Years)	Gross Remuneration received (₹)	Date of Joining*	Last Employment & Position held
A) Personnel who are in receipt of Remuneration aggregating not less than ₹1,02,00,000 per annum and employed through out the year:								
1	Mrs. Deohooti J. Vyas	69	Whole-time Director	B.Sc. (Chemistry)	36	1,20,00,000	17/03/2017	B. R. Laboratories, Proprietress
2	Mr. Arpit J. Vyas	34	Global Managing Director	Chemical Engineer from University of Aston	13	1,20,00,000	17/03/2017	Associated with Azafran Innovacion Ltd., and handling Marketing division of Azafran.
B) Personnel who are in receipt of Remuneration aggregating not less than ₹8,50,000 per month and employed for part of the year :								
NIL								

* Pursuant to the Scheme of Arrangement & Amalgamation, all whole-time directors of erstwhile DPCL have been appointed in the Company by the Board of Directors of the Company at its meeting held on 17th March, 2017 with their existing terms and conditions as approved by the Board of Directors and Shareholders of erstwhile DPCL.

Notes:

1. The above Gross remuneration includes salary, allowances, company's contribution to provident fund and superannuation.
2. In addition to the above remuneration, employees are entitled to gratuity and leave encashment in accordance with the Company's rules.
3. The nature of employment in all cases is contractual.

4. Mrs. D. J. Vyas and Mr. Arpit J. Vyas mentioned at Sr. No. 1 and 2 holds 1000 (0.0006%) and 1000 (0.0006%) equity shares of ₹ 2/- each in the Company, respectively.

5. The above employees mentioned at Sr. No. 1 and 2 viz. Mrs. D. J. Vyas and Mr. Arpit J. Vyas, who are Directors and relatives of each other.

For and on behalf of the Board of Directors

Place: Ahmedabad
Date : 3rd June, 2020

Janmejay R. Vyas
Chairman
DIN: 00004730

Annexure E

Form No. MR-3

SECRETARIAL AUDIT REPORT

For the Financial Year Ended on 31st March, 2020

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
Dishman Carbogen Amcis Limited
Iscon-Bopal Road, Ambli,
Ahmedabad – 380 058.

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Dishman Carbogen Amcis Limited (hereinafter called “the Company”)**. Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

We report that,

- a) Maintenance of Secretarial records is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
- b) We have followed the audit practices and processes as were appropriate to obtain responsible 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. We believe that the processes and practices we follow provide a reasonable basis for our opinion.
- c) We have not verified the correctness and appropriateness of financial records and books of accounts of the company.
- d) Wherever required, we have obtained the management

representation about the compliance of laws, rules and regulations and happening of events etc.

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

f) The secretarial audit report is neither an assurance as to the future viability of the company nor the efficacy or effectiveness with which the management has conducted the affairs of the company.

Based on our verification of the Dishman Carbogen Amcis Limited's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by 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 31st March, 2020** complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter :

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2020 according to the provisions of :

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 and amendments from time to time, where applicable;
 - (d) *The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;

- (e) *The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- (g) *The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; and
- (i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;

* No event took place under these regulations during the audit period.

We have also examined compliance with the applicable clauses of the Secretarial Standard on Meetings of the Board of Directors (SS-1) and on General Meetings (SS-2) issued by The Institute of Company Secretaries of India which the company has generally complied with.

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

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, Independent Directors and Women Director. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notices were given to all directors of the Board Meetings. Agenda and detailed notes on agenda are sent in advance of the meetings and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting for meaningful participation at the meeting.

Board decisions are carried out with unanimous consent and therefore, no dissenting views were required to be captured and recorded as part of the minutes.

Based on the compliance mechanism established by the company and on the basis of the Compliance Certificate(s) issued by the Respective Plant Heads / Department Heads and take on record by the Board of Directors at their meeting(s), we are of the opinion that the management has :

- a. Adequate systems and processes commensurate with its size and operation, to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.
- b. Identified and complied with following laws applicable to the company :
 - i. Conservation of Foreign Exchange and Prevention of Smuggling Activities Act, 1974
 - ii. The Patents Act, 1970
 - iii. The Trade Marks Act, 1999
 - iv. Indian Boilers Act, 1923
 - v. Pharmacy Act, 1948
 - vi. Drugs and Cosmetics Act, 1940
 - vii. Narcotics Drugs and Psychotropic Substances Act, 1985
 - viii. Food Safety and Standards Act, 2006

We further report that during the period under review :

- i. The company vide its Board Meeting held on 16.01.2020 has approved the Buy Back of fully paid up equity shares of ₹ 2/- each from open market through stock exchange mechanism prescribed under the Buy Back Regulations and the Companies Act, 2013, for an amount not exceeding ₹ 72 Crore excluding transaction costs at a price not exceeding ₹ 150/- per equity share payable in cash which represents 1.48% and 1.38% of the total paid up share capital and free reserves (including Securities Premium Account) as per audited Standalone Financial Statements and audited consolidated financial statements respectively of the company for the financial year ended on 31st March, 2019. Maximum Buy Back Shares would be 48,00,000 Equity Shares representing 2.97% of total number of Equity Share Capital of the company. The Buy-back commenced on January 27, 2020 and the period of buy-back shall not exceed 6 months from the date of opening of the Buy - back. Upto the end of the financial year i.e. 31st March, 2020 the company's Share Capital has been reduced by 4531177 equity shares (aggregating to 2.81% of the total number of equity share capital of the company) after extinguishment of said shares purchased up to the month of March 2020.
- ii. The Officials of Income tax Department had visited the Company's Offices and manufacturing sites in connection with search under section 132 of the Income Tax Act from 19th December, 2019 to 25th December, 2019 and as informed to us the company has extended the full co-operation to the officials and provided all the information sought, it was further informed to us that the company has not

received any official communication, letter or notice from Income Tax Department for any tax demand in this regard till date.

iii. The Company has acquired 15,00,000 equity shares of face value of ₹10/- each @ premium of ₹20/- per share aggregating to ₹ 4.50 crores, constituting 100% equity of Dishman Biotech Ltd. (DBL) , a Promoter Group Company.

Place: Ahmedabad
Date : 3rd June, 2020

For, Ashok P. Pathak & Co.
Company Secretaries
UCN : S1997GJ020700

CS Ashok P. Pathak*
Proprietor
C P No.: 2662

NOTE : Consequent to the COVID-19 pandemic throughout the world, the nationwide lockdown is being declared by the National Disaster Management Authority (NDMA) under the Disaster Management Act, 2005 (DMA) from 25th March, 2020 to contain the spread of virus. Due to COVID19 pandemic impact, certain compliance related documents were obtained through electronic mode and verified accordingly with the requirements.

Unique Document Identification Number (UDIN) allotted by the Institute of Company Secretaries (ICSI) for this Secretarial Audit Report is A009939B000312230.

* Associate Member (ACS No. 9939) of the Institute of Company Secretaries of India, ICSI House, 22 Institutional Area, Lodhi Road, New Delhi-110003. website : www.icsi.edu

* Insolvency Professional (IP) registered with Insolvency and Bankruptcy Board of India (IBBI) (IP Registration No. IBBI/IPA-002/IP-N00329/2017- 18/10934)

Annexure F

A. Conservation Of Energy

Measures Taken & Investment Made For Reduction Of Consumption Of Energy And Consequential Impact On Cost Of Production

The Company has taken all the necessary measures from the beginning for energy conservation as part of maintaining the operating cost to the minimum.

Your Company has become a trading and self clearing member of Power Exchange of India Limited (PXIL) from 2nd April, 2012 and during FY 2019-20 Company has engaged Gita Power & Infrastructure Pvt. Ltd., for doing daily power trading bid on behalf of the Company. During the year, the Company has conducted Energy Audit through government approved auditors and identified saving potential and implementation on the same has already been started. The Company has also replaced High voltage Lamps, CFL and Mercury lamps with LED lights. These initiatives taken by your Company helped in energy conservation and minimize the cost of production.

During the year, due to power trading initiative taken by the Company, got benefit of ₹77.40 lacs without any capital investment.

B. Technology Absorption

Efforts made in Technology absorption - Research & Development (R & D)

Specific Areas In Which R&D Carried Out And Benefits Derived:

Your Company has fully equipped R & D facilities with sophisticated instruments and is constantly engaged in developing and updating manufacturing processes of the existing products leading to reduction in process time and cost of production and also in developing new products.

Based on the R & D activities carried out for the client, if the molecule is commercialized, it can be converted into contract manufacturing during the entire life cycle of the drug.

Future Plan Of Action

Your Company has created a state-of-the-art R & D center and cGMP pilot facility at Bavla plant. The Company has been investing aggressively in its R & D activities. During the year Company has invested in its R & D activities to the level of 3.31% of its turnover over and above CRAMS R&D expenditure and continues augmenting R & D capabilities & productivity through technological innovations, use of modern scientific and technological techniques, training and development.

(₹ in crores)	
Expenditure On R & D	
Capital	1.04
Recurring	15.95
Total	16.99
Total R & D Expenditure as a percentage of Total Turnover	3.31%

Technology Absorption, Adaption & Innovation

The Company has successfully scaled up processes using enzyme catalyzed conversion. These

processes were water based reactions which are environment friendly. Dishman added an ultrafiltration equipment in one of its commercial plant which allows Dishman to undertake projects with special requirement of membrane filtration. One large filter dryer with special facilities was on site for specific drying requirements of certain products. We have also optimized our current processes in order to make them more energy efficient and also reduce the effluent load. We are continuously working on various other options for our existing products as well as new ones.

C. Foreign Exchange Earnings And Outgo

Initiatives Taken To Increase Exports, Development Of New Export Markets For Products & Services & Export Plans

The Exports of the Company has slightly decreased to ₹480.17 Crores during the year compare to previous year's export of ₹ 481.72 Crores. The export sales constitute 93.68% of the total net sales of the Company during financial year 2019-2020. The Company is exporting mainly to USA, UK, Germany, Netherland and Switzerland. Your Company is making aggressive efforts to increase exports and develop new export markets.

Foreign Exchange Earning And Outgo

(₹ in crores)		
Particulars	Year ended 31st March, 2020	Year ended 31st March, 2019
Total Foreign exchange expenditures	14.10	14.49
Total Foreign exchange earnings	505.50	512.82

For and on behalf of the Board of Directors

Place: Ahmedabad
Date : 3rd June, 2020

Janmejay R. Vyas
Chairman
DIN: 00004730

Annexure G

Corporate Social Responsibilities (CSR) Report

<p>1 A brief outline of the company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs.</p>	<p>The Company has framed a CSR Policy in compliance with the provisions of the Companies Act, 2013 and the same has been approved by the Board at the meeting held on 17th March, 2017.</p> <p>(i) Overview:</p> <p>Outline of CSR Policy – Dishman Carbogen Amcis Limited has always been committed to the cause of social service and have repeatedly channelized a part of its resources and activities, such that it positively affects the society socially, ethically and also environmentally. Over the years, we have been focusing on sustainable business practices encompassing economic, environmental and social imperatives that not only cover business, but also the communities around us. We focus on our social and environmental responsibilities to fulfil the needs and expectations of the communities around us.</p> <p>As an integral part of our commitment to Good Corporate Citizenship, DISHMAN believe in actively assisting in improvement of the quality of life of people in communities, giving preference to local areas around our business operations. Towards achieving long-term stakeholder value creation, we shall always continue to respect the interests of and be responsive towards our key stakeholders - the communities, especially those from socially and economically backward groups, the underprivileged and marginalized; and the society at large.</p> <p>In order to leverage the demographic dividend of our country, Company's CSR efforts shall focus on Health, Education, Environment and Employability interventions for relevant target groups, ensuring diversity and giving, preference to needy and deserving. CSR at Dishman shall be underpinned by 'More from Less for More People' philosophy which implies striving to achieve greater impacts, outcomes and outputs of our CSR projects and programmes by judicious investment and utilization of financial and human resources, engaging in like-minded stakeholder partnerships for higher outreach benefitting more lives.</p> <p>(ii) CSR Projects:</p> <p>1. Community healthcare, sanitation and hygiene, including, but not limited to:</p> <p>(1) Providing financial and/or other assistance to the Agencies involved in exclusive medical research, public health, nursing etc.</p> <p>(2) Providing financial assistance to deserving people for specialized medical treatment in any medical institution.</p> <p>(3) Establishment and management of state-of-the-art healthcare infrastructure with high level of excellence</p> <p>(4) Activities concerning or promoting:</p> <p>a. General health care including preventive health care</p> <p>b. Safe motherhood</p> <p>c. Child survival support programs</p> <p>d. Health / medical camps</p> <p>e. Better hygiene and sanitation</p> <p>f. Adequate and potable water supply, etc.</p> <p>2 Education and knowledge enhancement, including, but not limited to:</p> <p>(1) Establishment and management of educational and knowledge enhancement infrastructure.</p>
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		(2) Providing financial and/or other assistance to the needy and/or deserving students. (3) Providing financial assistance to any Agency involved in education, knowledge enhancement and sports. (4) Facilitate enhancement of knowledge and innovation in the educational Agencies. (5) Contribution to technology incubators located within academic institutions which are approved by the Central Government 3 Social care and concern, including, but not limited to: (1) Creating Public awareness (2) Protection and upgradation of environment including ensuring ecological balance and related activities. (3) Rural development projects (4) Others: a. Establishment and management of orphanages, old age homes, Sanatoriums, Dharmashalas and institutions of similar nature. b. Providing assistance to institutes of credibility involved in areas of social care, including: • Preservation of heritage • Animal welfare, social welfare and related matters • Orphanages, old age homes, Sanatoriums, Dharmashalas and institutions of similar nature. c. Other humanitarian activities.
2	The Composition of the CSR Committee	1. Mr. Janmejy R. Vyas (Chairman) 2. Mr. Arpit J. Vyas (Global Managing Director) 3. Mr. Sanjay S. Majmudar (Independent Director)
3	Average net profit of the company for last three financial years	₹2529.50 Lacs
4	Prescribed CSR Expenditure (two per cent of the amount as in item 3 above)	₹50.59 Lacs
5	Details of CSR spent during the financial year. (1) Total amount spent for the F.Y. (2) Amount unspent , if any; (3) Manner in which the amount spent during the financial year :	₹51.00 Lacs NIL The manner in which the amount is spent is detailed in the Annexure I.
6	In case the Company has failed to spend the two percent of the average net profit of the last three financial years or any part thereof, the Company shall provide the reason for not spending the amount in its Board report	Not Applicable
7	A responsibility statement of CSR Committee that the implementation and monitoring of CSR Policy, is in compliance of CSR objectives and Policy of the Company	Yes, The CSR Committee of the Company's Board states that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy.

The Board of Directors at their meeting held on 17th March, 2017 approved the CSR Policy. Brief outline of the Policy is as under:

While the Company is eligible to undertake any suitable / rightful activity as specified in Schedule VII of the Companies Act, 2013, however, at present, it proposes

to undertake its Projects (Direct / through implementing agency) on priority basis in its Thrust Areas. The Company, in every financial year shall endeavor to spend the feasible amount for its CSR Projects and shall not be restricted by the statutory limit, the minimum spend being 2% of the Company's average Net Profits for three immediately preceding

financial years. The Policy provides for identification of the CSR Projects and approval by the CSR Committee, with estimated expenditure and phase wise implementation schedules in the form of CSR Plan.

The total expenditure in the CSR Annual Plan shall be approved by the Board upon recommendation

by the CSR Committee. The CSR Projects may be implemented as under:

1. Direct Method whereby the Company may implement the CSR Projects on its own or through its Trust / Society / Section 8 Company or Group Company Trust / Society / Section 8 Company and
2. Indirect Method whereby the Company may implement the CSR

Projects through an external Trust / Society / registered NGO/ Section 8 Company fulfilling the criteria under the Act.

The Policy also provides for monitoring of the CSR Projects at regular intervals.

The CSR Policy further lists the duties and responsibilities of the Board, the CSR Committee; details

about allocation of funds for CSR activities; and the review periodicity / amendment of the CSR Policy and CSR Plan.

The CSR Policy can be accessed at – www.dishmangroup.com

(URL: <http://www.dishmangroup.com/Files/DishmanGroup/Investor-Relations/Corporate%20Social%20Responsibility%20Policy.pdf>)

Annexure I

CSR Activities At Dishman

(in ₹)

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Sr. No.	CSR project or activity identified	Projects or programs (1) Local area or other(2) Specify the state and district where projects or programs was undertaken	Sector in which the project is covered	Amount outlay (budget) project or programs wise	Amount spent on the projects or programs (1) Direct Expenditure on projects or programs (2) Overhead	Cumulative Expenditure upto the reporting period	Amount spent: Direct or through implementing agency
1.	For the project which gives medical services at highly affordable rates to the general public especially middle and lower socio-economic strata of the society	Ahmedabad,, Gujarat	Healthcare	51,00,000	51,00,000	51,00,000	Through Shri Harihar Maharaj Charitable Trust
Total				51,00,000	51,00,000	51,00,000	

Note: The details of CSR activities/ projects are also described on Page Nos. 27 and 28 of this Annual Report.

In terms of Section 134(3)(o) of the Companies Act, 2013, The CSR Committee confirms that the implementation and governance of CSR Programs are as per the Company's CSR policy.

For and on behalf of the Board of Directors

Date : 3rd June, 2020

Janmejay R. Vyas
Chairman of CSR Committee
DIN: 00004730
Place: Ahmedabad

Arpit J. Vyas
Global Managing Director
DIN : 01540057
Place: Vitznau

Annexure H

Business Responsibility Report ("BRR") For The Financial Year 2019-20

As per Regulation 34(2)(f) of SEBI (LODR) Regulations, 2015, top 1000 companies based on market capitalization (calculated as on March 31 of every financial year) are required to give Business Responsibility Report as part of its Annual Report. Dishman is pleased to present its fourth BRR for 2019-20 based on the suggested framework provided by SEBI.

Section A: General Information about the Company

1.	Corporate Identity Number (CIN)	L74900GJ2007PLC051338
2.	Name of the Company	Dishman Carbogen Amcis Ltd.
3.	Registered Address	Dishman Corporate House, Iscon-Bopal Road, Ambli, Ahmedabad - 380058, Gujarat.
4.	Website	www.dishmangroup.com
5.	E-mail id	grievance@dishmangroup.com
6.	Financial Year reported	01.04.2019 to 31.03.2020
7.	Sector(s) that the Company is engaged in (industrial activity code wise)	Pharma Sector under Group 210, Class 2100 and sub-Class 21001 as per the National Industrial Classification 2008
8.	List three key product/ services that the Company manufactures/ provides (as in balance sheet)	1. Eprosartan mesylate 2. Proketal 3. Dpc-0907 coarse
9.	Total number of locations where business activity is undertaken by the Company:	
	a) No. of International Locations	The Company's business and operations are spread across different geographies. The Company do its business throughout the globe through its Indian offices/plants and Twenty subsidiaries and details whereof are provided in this Annual Report under head "Company Information" and "Our Global Footprints".
	b) No. of National Locations	
10.	Markets served by the Company (Local/State/National/ International)	As a global CRAMs player, the Company has a significant presence nationally and globally.

Section B: Financial Details of the Company

1	Paid up capital (INR)	31.37 Crores
2	Total turnover (INR)	512.57 Crores
3	Total Profit after taxes (INR)	38.52 Crores
4	Total Spending on CSR as percentage of profit After tax	2.02%
5	List of activities in which expenditure in 4 above has been incurred	The Company has undertaken following CSR Projects/Activities: a) Providing medical services at highly affordable rates to the general public especially middle and lower socio-economic strata of the society For detailed Report on expenditure incurred towards CSR activities during the financial year 2019-20, pl. refer Annexure G of the Board's Report.

Section C: Other Details

1	Does the Company have any Subsidiary Company / Companies?	Yes. The Company has 20 subsidiaries.
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2	Do the Subsidiary Company / Companies participate in the BR initiatives of the parent Company? If yes, then indicate the number of such subsidiary company(s)?	Business Responsibility initiatives of the parent company are applicable to the subsidiary companies to the extent that they are material in relation to the business activities of the subsidiaries.
3	Do any other entity / entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30- 60%, More than 60%]	Other entities do not directly participate in the BR Initiatives of the Company. Furtherance to our corporate risk governance process, suppliers and contractors work closely with supply chain on several risk mitigation programs including reducing environmental burden by using recycled solvents and training user teams within Dishman to manage product/material functioning and related hazards (product/material where specific product/material handling and usage procedures set by suppliers are required to be followed).

Section D: Business Responsibility (BR) Information

1. Details of Director / Directors responsible for BR:

a) Details of the Director / Directors responsible for implementation of the BR Policy / Policies:

Directors Identification Number (DIN)	01540057
Name	Mr. Arpit J. Vyas
Designation	Global Managing Director

b) Details of the BR Head:

1	DIN (if applicable)	NA
2	Name	Mr. Harshil R. Dalal
3	Designation	Global CFO
4	Telephone Number	02717-420102/124
5	E mail Id	grievance@dishmangroup.com

2. Principle-wise (as per NVGs) BR Policy / Policies:

SEBI has mandated to include Business Responsibility Report on the following principles as stated in the National Voluntary Guidelines (NVGs) on Social, Environmental and Economic Responsibilities of Business released by the Ministry of Corporate Affairs:

Principle 1	Businesses should conduct and govern themselves with Ethics, Transparency and Accountability
Principle 2	Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle
Principle 3	Businesses should promote the wellbeing of all employees
Principle 4	Businesses should respect the interests of and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized
Principle 5	Businesses should respect and promote human rights
Principle 6	Business should respect, protect and make efforts to restore the environment
Principle 7	Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner
Principle 8	Businesses should support inclusive growth and equitable development
Principle 9	Businesses should engage with and provide value to their customers and consumers in a responsible manner

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

Sr. No	Questions	Business Ethics P1	Product Responsibility P2	Employee Well-being P3	Stakeholder Engagement & CSR P4	Human Rights P5	Environment P6	Public Policy P7	CSR P8	Value to Customer P9
1	*Do you have a policy / policies for	Y	Y	Y	Y	Y	Y	N	Y	Y
2	Has the policy been formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	Y	N	Y	Y
3	Does the policy conform to any national / international standards? If yes, specify? (50 words)	All the policies are compliant with respective principles of NVG Guidelines.						N	All the policies are compliant with respective principles of NVG Guidelines.	
4	Has the policy been approved by the Board? If yes, has it been signed by MD / owner / CEO / appropriate Board Director?	The policies have been either approved by the Board or senior functional head authorised by the Board in this respect.						N	The policies have been either approved by the Board or senior functional head authorised by the Board in this respect.	
5	Does the company have a specified committee of the Board/ Director/ Official to oversee the implementation of the policy?	Y	Y	Y	Y	Y	Y	N	Y	Y
6	Indicate the link for the policy to be viewed online?	Policies are available on the website of the Company www.dishmangroup.com and the policies which are internal to the Company are available on the intranet portal of the Company.						N	Policies are available on the website of the Company www.dishmangroup.com and the policies which are internal to the Company are available on the intranet portal of the Company.	
7	Has the policy been formally communicated to all relevant internal and external stakeholders?	Yes, all the policies are communicated to the employees via internal portal, where each employee has an access and the external stakeholders through Company's website.						N	Yes, all the policies are communicated to the employees via internal portal, where each employee has an access and the external stakeholders through Company's website.	

8	Does the Company have in-house structure to implement the policy / policies?	Y	Y	Y	Y	Y	Y	N	Y	Y
9	#Does the Company have a grievance redressal mechanism related to the policy / policies to address stakeholders' grievances related to the policy / policies?	Y	Y	Y	Y	Y	Y	N	Y	Y
10	Has the Company carried out independent audit/ evaluation of the working of this policy by an internal or external agency?	Yes - The Company carries out an independent audit on working of policy on environment. CSR expenditure is monitoring by CSR Committee and also audited by the Company's statutory auditors as well as Secretarial Auditors.								

* The Company has formulated certain internal guidelines which are also aligned to the values underlying the herein stated Principles.

The Company has designated the email Id (grievance@dishmangroup.com) for grievances redressal and registering complaints by any stakeholders.

Y – Yes, N – No

(b) If answer to the question at serial number 1 against any principle, is 'No', please explain why: (Tick up to 2 options)

No.	Questions	P7
1	The company has not understood the Principles	
2	The company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles	
3	The company does not have financial or manpower resources available for the task	Public Policy Advocacy is not yet formulated by the Company. However, the Company plays a strong role in public policy advocacy through regular engagement with specific external stakeholders including industry associates, government bodies and regulatory departments.
4	It is planned to be done within next 6 Months	
5	It is planned to be done within the next 1 year	
6	Any other reason (please specify)	

3. Governance related to BR

a	Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year	The BR performance of the Company is monitored on yearly basis by the Company and reviewed by the Global Managing Director, BR Head and respective departmental heads depending upon the type of BR activities.
b	Does the Company publish a BR or a Sustainability Report? What is the hyper-link for viewing this report? How frequently it is published?	The Company publishes BR Report as a part of Annual Report. The Company publishes BR report annually. The hyperlink for viewing the report is http://www.dishmangroup.com/investor-relations.asp This report comprises the Company’s fourth BRR as per the National Voluntary Guidelines on Social, Environmental and Economic Responsibility of Business (NVG).

Section E: Principle-wise Performance

Principle 1 : Business should conduct and govern themselves with Ethics, Transparency and Accountability:

The Company firmly believes and adheres to transparent, fair and ethical governance practices.

1	Does the policy relating to ethics, bribery and corruption cover only the company? Yes/ No. Does it extend to the Group/Joint Ventures/ Suppliers/ Contractors /NGOs /Others?	The Company firmly believes and adheres to transparent, fair and ethical governance practices to foster professionalism, honesty, integrity and ethical behaviour. The Company has adopted a Code of Conduct for its Directors and Senior Management. Additionally, the Policy on Code of Conduct for Employees applies to all employees of Group companies. The Company has an effective vigil mechanism/whistle blower policy in place to report to the management instances on unethical behaviour and any violation of the Company’s code of conduct. In order to protect investors’ interest, the Company has adopted a Code of Conduct to regulate and monitor, the trading in the shares of the Company by the Insider. The Company has an Internal Complaints Committee (ICC) to redress complaints received regarding sexual harassment. It extends to Group/Joint Ventures/ Suppliers/ Contractors. These do not extend to other entities.
2	How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so.	Details relating to shareholders’ complaints are provided in Corporate Governance Report, which is a part of this Annual Report. However, there was no stakeholder complaint in the reporting period with regard to ethics, bribery and corruption.

Principle 2: Business should provide goods and services that are safe and contribute to sustainability throughout their life cycle:

1	List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and /or opportunities.	1) High Potent API 2) Antiseptic and Disinfectant Formulations 3) Cholesterol & Vitamin D related Products
2	For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product (optional):	a. Reduction during sourcing / production / distribution achieved since the previous year through the value chain: The company is strengthening sustainable sourcing, production and distribution practices ensuring quality and safety of raw materials, API, intermediates and packaging materials procured from suppliers as well as of products manufactured, stored and distributed throughout the value chain. Our Company prefers to enter into long term commitments with those suppliers who fulfil their responsibility towards society as well as environment. The Company has laid down a robust process for vendor evaluation and selection mechanism. The Company also emphasis on safe transportation, optimization of logistics and reduction of vehicular air emissions.

<p>b. Reduction during usage by consumers (energy, water) achieved since the previous year?</p>	<p>The company makes every effort to be environment-friendly and takes steps to be in compliance with the best practices. The company is committed to improve the energy and water footprints by reducing the power and fuel consumption and has been able to reduce related costs. On the environment front, Company has adopted principles of natural resource conservation, reuse, reduce, recycle and waste minimization.</p>
<p>3 Does the Company have procedures in place for sustainable sourcing (including transportation)?</p>	<p>All our manufacturing facilities are inspected by the leading regulators agencies of US, Swiss, Japan, India, etc. as well as by Customers. The approvals are given after a thorough audit of standard operating procedures and protocols. Hence, utmost care is taken to ensure that products conform to stringent quality standards.</p> <p>Most of the Company's facilities have received various environment audit certifications/recognitions such as ISO 14001:2015 for EMS, ISO 9001:2015 for QMS and BS OHSAS 45001:2018 for Occupational, Health and Safety Management systems. The company is also certified EN/ ISO 13485:2016 for Medical Device Quality Management System for Disinfectant Products.</p> <p>The Company's efforts are also recognized by State Level, National Level and International Level Awards from time to time. Indian Chemical Council (ICC) has authorized the Company for use of Responsible Care Logo, for three years, with effect from September-2016 to August-2019.</p> <p>The Company is also taking various energy reduction initiatives year on year and achieving the energy reductions through its sustainable initiatives.</p>
<p>(a) If yes, what percentage of your inputs was sourced sustainably? Also, provide details thereof, in about 50 words or so.</p>	<p>Sustainability in the operations is critically important if the Company is to deliver continued innovation. In the best interests of human beings, the Company endeavor to work with responsible suppliers who adhere to the same quality, social and environmental standards. The Company has standard operating procedures for the evaluation and selection of its vendors for sourcing of material. This includes sample approvals, performance trials, plant audit and regulatory clearances. All procurement of materials is from the approved suppliers.</p> <p>The Company has system of identifying or developing alternate vendors where single vendor is considered critical for business continuity. In past few years alternate sourcing for more than 90% of critical materials have been approved and regulatory approval have been received or is in process.</p>
<p>4 Has the Company undertaken any steps to procure goods and services from local and small producers, including communities surrounding their place of work? If yes, what steps have been taken to improve the capacity and capability of local and small vendors?</p>	<p>The Company consciously endeavours to procure goods and services from the local and small producers for its manufacturing premises and offices. It improves operational efficiency and helps save on transportation costs, inventory management and helps in risk mitigation. The Company provides detailed specifications as well as technical knowhow to improve capacity and capability of local and small vendors. In some cases, the company has provided development support to the smaller companies to be able to develop manufacturing processes and reduce analytical burden.</p> <p>This enables us in achieving multiple benefits like</p> <ul style="list-style-type: none"> a) Shorter turn-around times for delivery b) Quicker resolution of issues pertaining to material quality c) Contribute to the local economy thereby enhancing sustainability of our operations <p>Further, the Company fulfills its manpower requirement by employing the people from the nearby location where it has its business operation to the possible extent.</p>
<p>(a) If yes, what steps have been taken to improve their capacity and capability of local and small vendors?</p>	<p>The waste generated in the Company's operations is either recycled or disposed of in a responsible way in line with legal requirements. Every manufacturing facility has its own Effluent Treatment Plant, which ensures discharge of waste below the norms prescribed by respective pollution control boards.</p>
<p>5 Does the Company have a mechanism to recycle products and waste? If yes, what is the percentage of recycling of products and waste (separately as 10%). Also, provide details thereof, in about 50 words or so.</p>	<p>The waste generated in the Company's operations is either recycled or disposed of in a responsible way in line with legal requirements. Every manufacturing facility has its own Effluent Treatment Plant, which ensures discharge of waste below the norms prescribed by respective pollution control boards.</p>

Principle 3: Business should promote the wellbeing of all employees

<p>1 Please indicate total number of employees</p>	<p>1280</p>
<p>2 Please indicate total number of employees hired on temporary / contractual / casual basis</p>	<p>149 (only Trainees)</p>

3	Please indicate the number of permanent women employees	68		
4	Please indicate the number of permanent employees with disabilities	4		
5	Do you have an employee association that is recognized by the Management?	The Company does not have an employee association that is recognized by the Management		
6	What percentage of permanent employees is members of this recognized employee association?	N.A.		
7	Please indicate the Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year.	The Company does not employ any child labour or forced / involuntary labour. The Company has not received any complaint relating to child labour, forced labour, involuntary labour and sexual harassment in the last financial year.		
8	What percentage of undermentioned employees were given safety and skill up-gradation training in the last year?		safety training	skill up-gradation training
	A Permanent employees		88%	42%
	B Permanent women employees		90%	46%
	C Casual / Temporary / Contractual employee		92%	-
	D Employees with disabilities		100%	75%

Principle 4: Business should respect the interest of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized:

1	Has the company mapped its internal and external stakeholders? Yes/No	Yes, Stakeholders of the company have been mapped through a formal process of consultations at all operations. The Company's key stakeholders include employees, business associates, NGOs and especially local communities around its sites of operations.
2	Out of the above, has the company identified the disadvantaged, vulnerable & marginalized stakeholders?	Yes, the Company has identified the disadvantaged, vulnerable and the marginalized sections within the local communities around its sites of operations.
3	Are there any special initiatives taken by the Company to engage with the disadvantaged, vulnerable and marginalized stakeholders? If so, provide details thereof, in about 50 words or so.	The Company works actively to enhance the employment opportunities in the nearby locations whereby it operates, leading to income generation and economic empowerment in the marginalized sections of the communities. Various initiatives have been taken by the Company through NGO/ Trust to engage with the disadvantaged, vulnerable and marginalized stakeholders at locations in and around its operations in the areas of Health Care, Sanitation, Education & knowledge enhancement and Social Care and Concern. For details of projects undertaken, please refer the Annexure G on "CSR Activities" of Annual Reports.

Principle 5: Business should respect and promote human rights:

1	Does the policy of the company on human rights cover only the company or extend to the Group/Joint Ventures/Suppliers/Contractors/NGOs/Others?	It extends to Group/Joint Ventures/ Contractors. Human Rights are fundamental in nature and applicable universally. Dishman respects the Human Rights Principle and has developed its policies which are aligned to such principles in all its day-to-day operations. The Company is committed to promotion of human rights, in spirit and deed. The Company strives to provide a nondiscriminatory and harassment-free work place for all its employees and contractual staff.
2	How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?	No complaints were received during the year in this regard.

Principle 6: Business should respect, protect, and make effort to restore the environment

1	Does the policy related to Principle 6 cover only the company or extends to the Group/Joint Ventures/ Suppliers/ Contractors / NGOs/others.	<p>It extends to Group/Joint Ventures/ Suppliers/ Contractors. The Company has Health, Safety and Environment policy covering all its Indian Operation. The Company has a conviction for safety policy providing for compensation in case of accident suffered by its employee and also other people working in the Company premises for Company's work.</p> <p>Dishman conducts strategic planning to establish long-term EHS goals, assess resources required to achieve specific goals, and ensure critical business alignment. Dishman considers feedback from internal and external stakeholders in proposing and establishing its long-term goals in manufacturing operations.</p> <p>Dishman continues to pursue world class operational excellence on Process Safety Management (PSM). Dishman has established the capabilities within the Company and developed in-house experts in various facets of PSM. Process Hazard Analysis (PHA) at various plants is being carried out to reduce process safety risks.</p>
2	Does the Company have strategies / initiatives to address global environmental issues such as climate change, global warming etc.? Y/N. If yes, please give hyper-link for webpage etc.	<p>The Company is committed towards excellence in Quality, Health, Safety and Environment Management and ensure that Company's product & process are developed are in accordance with strictly defined local and international rules to ensures safety and health of workers as well as the environment.</p> <p>This is achieved by conducting the Risk Assessment, Qualitative Risk Assessment, Process Hazard Assessment, Identification of significant environmental aspects, Safety Audits, customer audits, HAZOP study and Environment audits. Safety & Environment Management Program are being taken to reduce the Significant Risk & Environment Impacts.</p> <p>We include EHS and climate change-related considerations in our business decisions and strive to minimize any adverse impact on environment by our operational activities. Measuring, Monitoring, Reviewing, analyzing, appraising and reporting on environmental, health and safety performance is an important part of continual improvement in our EHS performance.</p> <p>The Company is continuously improving its environmental performance for its existing products and undertakes thorough innovation for new products and process. The Company has also taken all the necessary measures from the beginning for energy conservation as part of maintaining the operating cost to the minimum. Please refer the Directors' Report which is available on Company's website www.dishmangruop.com .</p>
3	Does the Company identify and assess potential environmental risks? Y/N	As a policy, the Company designs its processes in an environment friendly manner by assessing the potential environmental risks and avoid / limit the usage of toxic and hazardous substances.
4	Does the Company have any project related to Clean Development Mechanism (CDM)? If so, provide details thereof, in about 50 words or so. Also, if Yes, whether any environmental compliance report is filed?	As on date, the Company does not have any project registered with Clean Development Mechanism (CDM), but the Company has various projects related to clean technology and we strive to identify CDM potential in all of our projects.
5	Has the company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy, etc. Y/N. If yes, please give hyperlink for web page etc.	<p>The Company has taken various initiatives through QHSE policy, which is being implemented, among others, through (i) Segregation of waste water in terms of High COD and Low COD and treated separately to achieve zero discharge by utilizing treated water for Utility services, washing activities and flushing activities; (ii) Stripper system, Multiple effect evaporator and ATFD for concentrated effluent stream; (iii) Biological Effluent Treatment System, Tertiary treatment, Two Stage R.O. System and Multiple Effect Evaporator for Dilute Stream Effluent; (iv) Practicing On-site emergency plan by conducting mock-drills; (v) Replacement of hazardous process / chemical to non-hazardous process for converting to low hazards; (vi) Fire detection and protection system available at site; (vii) Conducting intensive QHSE Training programs including contractor employees and monitoring the effectiveness of the same; (viii) Participation of employees in Safety committee meetings at all levels and celebrating the National Safety Day / Week and World Environment Day as well as observing Fire Service Day; (ix) Tree plantation to increase the green cover at site; (x) Independent safety and environment audits at regular intervals by third party and also in-house by cross functional team; (xi) In-house medical and health facility at site for pre- employment & periodical medical check-up of all employees including contract employees;(xii) Additional health checkup for employees based on their occupational needs; (xiii) Rain water Harvesting System to</p>

		<p>conserve rain water and improve ground water level.</p> <p>Further, the Company has also taken following steps at its Bavla and Naroda sites towards energy efficiency, clean technology and renewable energy:</p> <ul style="list-style-type: none"> • Installation of energy efficient Centrifugal air compressors. • Installation of LED lighting to replace fluorescent lamps • Power Trading through Indian Energy Exchange • Installation of energy efficient air blower motors. <p>Please refer Directors' Report which is available on Company's website www.dishmangruop.com.</p>
6	Are the Emissions / Waste generated by the Company within the permissible limits given by CPCB / SPCB for the financial year being reported?	Yes, the company is committed to achieve all the norms within the limits for emission and discharge of air and water, as may be laid down by the regulators. The Company complies with pollution and environmental laws.
7	Number of show cause / legal notices received from CPCB / SPCB which are pending (i.e. not resolved to satisfaction) as on the end of Financial Year.	No show cause / legal notices which are pending as on the end of the financial year.

Principle 7: Business, when engaged in influencing public and regulatory policy, should do so in a responsible manner

1	Is your Company a member of any trade and chambers of association? If yes, name only those major ones that your business deals with.	<p>(a) Gujarat Chamber of Commerce & Industry (GCCCI)</p> <p>(b) Confederation of Indian Industry (CII)</p> <p>(c) Pharmaceuticals Export Promotional council of India (Pharmexcil)</p>
2	Have you advocated / lobbied through above associations for the advancement or improvement of public good? Yes/ No; if yes specify the broad areas (drop box: Governance and Administration, Economic Reforms, Inclusive Development Polices, Energy Security, Water, Food Security, Sustainable Business Principles, Others)	The Company interacts with various government departments/regulatory authorities on any public policy framework through GCCCI, CII and Pharmexcil. The Company puts forth its views on new standards or regulatory developments pertaining to pharmaceutical manufacturing industry.

Principle 8: Business should support inclusive growth and equitable development

1	Does the company have specified programmes/initiatives/ projects in pursuit of the policy related to Principle 8? If yes details thereof.	<p>Yes, the Company believes that its corporate social responsibility lies in creating a comprehensive and integrated ecosystem that can deliver affordable and effective healthcare to the less privileged among India's rural and urban population. We also support education initiatives that can impart better learning to the underprivileged students in rural schools and empower communities by providing proper infrastructure for self - sustained villages with health centers, schools, sanitation, water and source of light.</p> <p>For details of projects undertaken, please refer the Annual Reports on CSR Activities.</p>
2	Are the programmes/projects undertaken through inhouse team/own foundation/external NGO/government structures/any other organization?	The identified programmes/projects are carried out through NGOs/ Trust/ Organization / implementing agencies in the field of Education, Healthcare, Social & Child care, Sanitation etc. to meet priority needs of the underserved communities with the aim to help them to become self-reliant. For details of such programmes / projects been implemented either on its own or through an external agency, please refer the Annual Reports on CSR Activities.
3	Have you done any impact assessment of your initiative?	Yes, the Company undertakes timely impact assessments of projects under implementation for ensuring their desired impact and continued sustenance. The impact assessment is also presented to the CSR committee.

4	What is the Company's direct contribution to community development projects - Amount in INR and details of the projects undertaken?	<p>During the year under review the Company had contributed ₹51 Lacs towards identified programmes/ projects as a part of its CSR Initiatives. The details of project undertaken during the year are mentioned in Annexure G on "CSR Activities" of Directors Report of this Annual Report.</p> <p>Presently, the whole world is facing a global health crisis due to the coronavirus disease (COVID-19). Actually, the COVID-19 is much more than a health crisis. It is a human, economic and social crisis. COVID-19, which has been characterized as a pandemic by the World Health Organization (WHO), is attacking societies at their core.</p> <p>The Company has taken the risks associated with COVID-19 very seriously and has implemented a set of measures aimed at limiting any risk to Company's employees, customers and patients. Further, among other products, Company manufactures disinfectants, including sanitizers, for institutional and retail sale.</p> <p>In current COVID-19 situation, Company understand its Corporate Social responsibility and the company has been distributing these products, especially sanitizers, for free to financially weaker sections of the society, policemen who have been instrumental in monitoring the traffic flow for the safety of people and health workers who have been serving the patients relentlessly.</p>
5	Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so.	<p>The Company undertakes needs assessment surveys in rural areas and community before undertaking CSR initiatives.</p> <p>Community needs are understood and evaluated and their views are taken before project plans are finalized and executed. Community members are continuously consulted with during implementation of initiatives. Further, the Company ensures that community members participate in the initiatives being undertaken / implemented and that they take responsibility for maintenance and sustenance of projects in future.</p>

Principle 9: Business should engage with and provide value to their customers and consumers in a responsible manner

1	What percentage of customer complaints/consumer cases are pending as on the end of financial year.	There are no customer complaints/consumer cases are pending as on the end of financial year.
2	Does the Company display product information on the product label, over and above what is mandated as per local laws? Yes / No / N.A. / Remarks (additional information)	N.A. The company's products are not OTC products. The Company is engaged in Contract Manufacturing and Research and manufacturing of Bulk Drugs and APIs. Hence, only product information that is approved by the regulatory authorities is displayed on the product label.
3	Is there any case filed by any stakeholder against the company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years and pending as on end of financial year. If so, provide details thereof, in about 50 words or so.	There are no cases filed by any stakeholder against the company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years and pending as on end of financial year.
4	Did your Company carry out any consumer survey / consumer satisfaction trends?	There is a continuous improvement process through which periodic feedback taken on a regular basis from our customers/stakeholders and an immediate action is taken on any issues that they are facing.

Annexure I

DIVIDEND DISTRIBUTION POLICY

1. Background, Scope Purpose And Effective Date

The Securities Exchange Board of India (SEBI) on July 8, 2016 has notified the SEBI (Listing Obligations and Disclosure Requirements) (Second Amendment) Regulations, 2016 (Regulations).

Vide these Regulations, SEBI has inserted Regulation 43A after Regulation 43 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI Listing Regulation), which requires top five hundred listed companies (based on market capitalization calculated as on 31st March of every financial year) to formulate a Dividend Distribution Policy, which shall be disclosed in its Annual Report and on its website.

Dishman Carbogen Amcis Limited (the "Company") being one of the top five hundred listed company as per the criteria mentioned above, the Company has approved and adopted this Dividend Distribution Policy (the "Policy").

The intent of the Policy is to broadly specify the external and internal factors including financial parameters that shall be considered while declaring dividend and the circumstances under which the shareholders of the Company may or may not expect dividend and how the retained earnings shall be utilized, etc.

The Policy shall not apply to:

- Determination and declaration of dividend on preference shares, as and when issued by the Company, as the same will be as per the terms of issue approved by the shareholders.
- Issue of Bonus Shares by the Company.

- Buyback of Securities.

The Policy is not an alternative to the decision of the Board for recommending dividend, which is made every year after taking into consideration all the relevant circumstances enumerated hereunder or other factors as may be decided as relevant by the Board.

2. Definitions

- "Board" shall mean Board of Directors of the Company.
- "Companies Act" shall mean the Companies Act, 2013 and Rules thereunder, notified by the Ministry of Corporate Affairs, Government of India, as amended.
- "Dividend" includes any interim dividend.
- "Listed Entity / Company" shall mean Dishman Carbogen Amcis Limited
- "Policy" means Dividend Distribution Policy.
- "Regulations" shall mean the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as notified by The Securities and Exchange Board of India, as amended, from time to time.
- "Stock Exchange" shall mean a recognised Stock Exchange as defined under clause (f) of Section 2 of the Securities Contracts (regulation) Act, 1956.

3. Policy

A. Circumstances Under Which The Shareholders Of The Company May Or May Not Expect Dividend

The decision regarding dividend pay-out is a crucial decision as it

determines the amount of profit to be distributed among shareholders of the Company and the amount of profit to be retained in business. The decision seeks to balance the dual objectives of appropriately rewarding shareholders through dividends and retaining profits in order to maintain a healthy capital adequacy ratio to support future growth.

The shareholders of the Company may not expect dividend in the following circumstances, subject to discretion of the Board of Directors:

- Proposed expansion plans requiring higher capital allocation.
- Decision to undertake any acquisitions, amalgamation, merger, joint ventures, new product launches etc. which requires significant capital outflow.
- Requirement of higher working capital for the purpose of business of the Company.
- Proposal for buy-back of securities.
- In the event of loss or inadequacy of profit.

B. Financial Parameters And Factors That Shall Be Considered While Declaring Dividend

The dividend pay-out decision of the Board depends upon the following financial parameters:

- Operating cash flow of the Company
- Profit earned during the year
- Profit available for distribution
- Earnings Per Share (EPS)

C. Internal And External Factors That Shall Be Considered While Declaration Of Dividend

The dividend pay-out decision of the Board depends upon the following internal and external factors:

Internal Factors:

- i. Working capital requirements
- ii. Capital expenditure requirement
- iii. Business expansion and growth
- iv. Likelihood of crystallization of contingent liabilities, if any
- v. Additional investment in subsidiaries and associates of the company
- vi. Up gradation of technology and physical infrastructure
- vii. Creation of contingency fund
- viii. Acquisition of brands and business
- ix. Cost of Borrowing
- x. Past dividend payout ratio / trends

External Factors

- i. Economic environment
- ii. Capital markets
- iii. Global conditions
- iv. Statutory provisions and guidelines
- v. Dividend payout ratio of competitors

D. Utilization Of The Retained Earning

The Board may retain its earnings in order to make better use of the available funds and increase the value of the stakeholders in the long run. The decision of utilization of the retained earnings of the Company shall be based on the following factors:

- Market expansion plan
- Product expansion plan

- Increase in production capacity
- Modernization plan
- Diversification of business
- Long Term strategic plans
- Replacement of capital assets
- Where the cost of debt is expensive
- Such other criteria's as the Board may deem fit from time to time

E. Parameters To Be Adopted With Regard To Various Classes Of Shares

Since the Company has issued only one class of equity shares with equal voting rights, all the members of the Company are entitled to receive the same amount of dividend per share. The Policy shall be suitably revisited at the time of issue of any new class of shares depending upon the nature and guidelines thereof.

4. Manner Of Dividend Payout

In case of final dividend:

- i. Recommendation, if any, shall be done by the Board, usually in the Board meeting that considers and approves the annual financial statements, subject to approval of the shareholders of the Company.
- ii. The dividend as recommended by the Board shall be approved/ declared at the Annual General Meeting of the Company.
- iii. The payment of dividends shall be made within the statutorily prescribed period from the date of declaration, to those shareholders who are entitled to receive the dividend on the record date/book closure period, as per the applicable law.

In case of interim dividend:

- i. Interim dividend, if any, shall be declared by the Board.
- ii. Before declaring interim dividend, the Board shall consider the financial position of the Company that allows the payment of such dividend.
- iii. The payment of dividends shall be made within the statutorily prescribed period from the date of declaration to the shareholders entitled to receive the dividend on the record date, as per the applicable laws.
- iv. In case no final dividend is declared, interim dividend paid during the year, if any, will be regarded as final dividend in the Annual General Meeting.

5. Disclosures

The Dividend Distribution Policy shall be disclosed in the Annual Report and on the website of the Company i.e. at www.dishmangroup.com

6. Policy Review And Amendments

This Policy would be subject to modification in accordance with the guidelines / clarifications as may be issued from time to time by relevant statutory and regulatory authority. The Board may modify, add, delete or amend any of the provisions of this Policy. Any exceptions to the Dividend Distribution Policy must be consistent with the Regulations and must be approved in the manner as may be decided by the Board of Directors.

Corporate Governance Report

1. The Company's Philosophy On Code Of Governance

Our corporate governance is a reflection of our value system encompassing our culture, policies, and relationships with our stakeholders. Integrity and transparency are key to our corporate governance practices to ensure that we gain and retain the trust of our stakeholders at all times. The Company firmly believes that adherence to business ethics and sincere commitment to corporate governance will help the Company to achieve its vision of being the most respected Company.

We believe that Corporate Governance is an ethical business process that is committed to value aimed at enhancing an organization's wealth generating capacity. This is ensured by taking ethical business decision and conducting business with firm commitment to values, while meeting stakeholder's expectations. Corporate Governance is globally recognized as a key component for superior long term performance of every corporate entity.

Our Corporate Governance framework ensures that we make timely disclosure and share accurate information regarding our financial and performance, as well as leadership and governance of the Company.

We are committed for maximizing stakeholder value by improving good governance, quality and commitment

with a spirit of integrity.

The Company's philosophy on investor service and protection envisages the attainment of the highest levels of transparency, accountability and equity, in all facets of its operations and in all its interactions with its stakeholders including shareholders, employees, the government and lenders. The Company is committed to achieve the highest standards of corporate governance. The Company believes that all its operations and actions must serve the underlying goal of enhancing overall shareholders' value, over a sustained period of time. The Company continues to take necessary steps towards achieving this goal.

A report on compliance with corporate governance principles as prescribed under Regulation 17 to 27 read with Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), as applicable, is given below.

2. Board Of Directors

(a) Composition

The Company has a very balanced structure of Board of Directors. As on March 31, 2020, the Company has nine (9) directors with a Non-Executive Non-Independent Chairman on its Board. Out of these, two (2), [22.22%] are Executive Directors; two (2), [22.22%] are Non-Executive Non-Independent Directors and five (5) [55.56%]

are Non-Executive & Independent Directors including Woman Director.

Ms. Maitri K. Mehta (DIN 07549243) has been appointed as an Additional and Independent Director on the Board of the Company w.e.f. 1st April, 2019 and her appointment was approved by the shareholder in the last Annual General Meeting held on 24th September, 2019. Ms. Maitri K. Mehta has been appointed as a regular Director in Independent Director category, not liable to retire by rotation, for a first term of five (5) consecutive years i.e. from 1st April, 2019 to 31st March, 2024.

The composition of the board is in conformity with Regulation 17 of SEBI (LODR) Regulations, 2015.

All Non-Executive & Independent Directors on the Board are highly experienced, competent and renowned persons from their respective field. They actively participate in the Board and Committee Meetings which is a great value addition in the decision making process.

Independent Directors are non-executive directors as defined under Regulation 16 (1) (b) of SEBI (LODR) Regulations, 2015. The maximum tenure of the Independent Directors is in compliance with the Companies Act, 2013. All the Independent Directors have confirmed that they meet the criteria as mentioned Regulation 16 (1) (b) of SEBI (LODR) Regulations, 2015 and Section 149 of the Companies Act, 2013 and are independent of the management.

(b) Information on Board of Directors

None of the directors on the board is a Member of more than ten (10) committees or Chairman of more than five (5) committees across all the companies in which he is a director. None of the Independent Directors serve as an Independent Director in more than seven listed entities provided that any Independent Director who is serving as a Whole time Director in any listed entity shall serve as an independent director in not more than three listed entities. Necessary disclosures regarding their Directorship/ Membership in other companies have been made by all

Directors. For the purpose of determination of limit, Chairpersonship and Membership of the Audit Committee and the Stakeholders' Relationship Committee alone shall be considered.

Names and Categories of the Directors on the Board, Number of other Directorship & Chairmanship/Membership held by them in other companies during the year 2019- 2020 is given below:

Name of Director	Category	India Listed Companies*	Total No. of Directorship in all other Companies	No. of Chairmanship/ Membership in other Companies##	
				Chairmanships	Memberships
Mr. Janmejay R. Vyas	Promoter & Non-Executive Director	-	4@	-	-
Mrs. Deohooti J. Vyas	Promoter & Executive Director	-	4	-	-
Mr. Arpit J. Vyas	Promoter & Executive Director	-	13\$\$	-	-
Mr. Mark C. Griffiths	Non-Executive & Non-Independent Director	-	6#	-	-
Mr. Sanjay S. Majmudar	Non-Executive & Independent Director	4	6^	2	7
Mr. Ashok C. Gandhi	Non-Executive & Independent Director	3	3	0	4
Mr. Subir Kumar Das	Non-Executive & Independent Director	1	3	1	3
Mr. Rajendra S. Shah	Non-Executive & Independent Director	2	6	1	3
Ms. Maitri K. Mehta\$	Non-Executive & Independent Director	3	7^^	2	5

\$ Appointed w.e.f. 01/04/2019

* Excluding Directorship in the Company.

@Including Directorship in 1 overseas subsidiary Company.

\$\$ Including Directorship in 8 overseas subsidiary Companies.

Including Directorship in 6 overseas subsidiary Companies.

^ Including Directorship in 1 overseas Company.

^^ Including Directorship in 1 overseas subsidiary Company.

As required by Regulation 26 of SEBI (LODR) Regulations, 2015, the disclosure includes Chairpersonship and Membership of the Audit Committee and the Stakeholders' Relationship Committee in other Indian public companies (listed and unlisted)

Details of Directorship held in other Listed and Unlisted Indian Companies by the Directors alongwith Category:

Name of the Director	Name of other Listed Company	Category of Directorship	Name of other Indian Unlisted Company	Category of Directorship
Mr. Janmejay R. Vyas	-	-	<ul style="list-style-type: none"> • B R Laboratories Limited • Dishman Biotech Limited • Dishman Infrastructure Limited 	<ul style="list-style-type: none"> Director Director Director
Mrs. Deohooti J. Vyas	-	-	<ul style="list-style-type: none"> • B R Laboratories Limited • Dishman Biotech Limited • Azafran Innovacion Limited • Leon Hospitality Private Limited 	<ul style="list-style-type: none"> Director Director Director Director

Mr. Arpit J. Vyas	-	-	-	<ul style="list-style-type: none"> • Dishman Biotech Limited • Dishman Engineering Xellence Private Limited • Leon Hospitality Private Limited • Dishman IT Xellence Private Limited • Aham Brahmasmi Entertainment Private Limited 	Director Director Director Director Director
Mr. Mark C. Griffiths	-	-	-	-	-
Mr. Sanjay S. Majmudar	<ul style="list-style-type: none"> •Aarvee Denims and Exports Ltd. •Ashima Ltd. •AIA Engineering Ltd. •Welcast Steels Ltd. 	Independent Independent Independent Independent	-	<ul style="list-style-type: none"> • M & B Engineering Limited 	Director
Mr. Ashok C. Gandhi	<ul style="list-style-type: none"> • Aarvee Denims and Exports Ltd. • Bloom Dekor Ltd. • Ahmedabad Steel Craft Limited 	Independent Independent Independent	-	-	-
Mr. Subir Kumar Das	<ul style="list-style-type: none"> • Transformers and Rectifiers (India) Limited 	Independent	-	<ul style="list-style-type: none"> • Troikaa Pharmaceuticals Limited • SME Mavens Foundation 	Director Director
Mr. Rajendra S. Shah	<ul style="list-style-type: none"> • AIA Engineering Ltd. • Welcast Steels Ltd. 	Independent Independent	-	<ul style="list-style-type: none"> • Harsha Engineers Limited • Harsha Abakus Solar Private Limited • Harsha Engineers (India) Private Limited • Harsha Renewable Energy Private Limited 	Wholetime Director Director Director Director
Ms. Maitri K. Mehta*	<ul style="list-style-type: none"> • Gujarat Ambuja Exports Limited • Sintex Industries Limited \$ • Aksharchem (India) Limited 	Independent Independent Independent	-	<ul style="list-style-type: none"> • Adani Power (Jharkhand) Limited • Raipur Energen Limited • Adani Logistics Services Private Limited 	Additional Director Additional Director Director

* Appointed w.e.f. 01/04/2019

\$ resigned w.e.f. 12/05/2020

Chart/Matrix setting out the skills/expertise/competence of the Board of Directors

The following is the list of core skills/expertise/competencies identified by the Board of Directors as required in the context of the Company's business and that the said skills are available with the Board Members:

i. Knowledge:

Understand the Company's businesses, policies and culture (including the Mission, Vision and Values) major risks/ threats and potential opportunities and knowledge of the industry in which the Company operates.

ii. Behavioral Skills:

Attributes and competencies to use their knowledge and skills to contribute effectively to the growth of the Company.

iii. Experience in managing large corporations:

Experience in leading and managing large corporations and have an understanding of the business environment, complex business processes, strategic planning, risk management, etc. Also, possess experience in driving growth through acquisitions and other integration

plans with the ability to evaluate opportunities that are in line with the Company's strategy.

iv. Business Leadership:

Leadership experience including in the areas of Business Strategy, Administration, Decision Making and guiding the Company and its senior management towards its vision and values.

v. Financial Management skills.

Experience in financial management of large corporations with understanding of capital allocation & funding and financial reporting processes.

vi. Global landscape

Experience in driving business success in markets around the world, with an understanding of diverse business environments, economic conditions, cultures, and regulatory frameworks, and a broad perspective on global market opportunities

vii. Knowledge of Governance and Law

Understanding of the legal ecosystem within which the Company operates and possess knowledge on matters of regulatory compliance, governance, internal controls. Experience in policy advocacy at national and international level.

viii. Knowledge of technology and innovation.

Understanding of emerging trends in technology and innovation that may have an impact on the business and have the ability to guide necessary interventions that can be utilised in making the business more competitive and sustainable.

ix. Sales and Marketing:

Experience in developing strategies to grow sales and market share, build brand awareness and thereby enhance enterprise value.

The mapping of these skills | expertise | competence among the Directors is as given below:

Name of Director	Areas of Skills/ Expertise / Competence								
	Knowledge	Behavioral Skills	Experience in managing large corporations	Business Leadership	Financial Management skills	Global landscape	Knowledge of Governance and Law	Knowledge of technology and innovation	Sales and Marketing
Mr. Janmejay R. Vyas	√	√	√	√	√	√	√	√	√
Mrs. Deohooti J. Vyas	√	√	√	√	√	√	√	√	×
Mr. Arpit J. Vyas	√	√	√	√	√	√	√	√	√
Mr. Mark C. Griffiths	√	√	√	√	√	√	√	√	√
Mr. Sanjay S. Majmudar	√	√	√	√	√	√	√	√	×
Mr. Ashok C. Gandhi	√	√	√	√	√	√	√	√	×
Mr. Subir Kumar Das	√	√	√	√	√	√	√	√	×
Mr. Rajendra S. Shah	√	√	√	√	√	√	√	√	×
Ms. Maitri K. Mehta*	√	√	√	√	√	√	√	√	×

* Appointed w.e.f. 01/04/2019

(c) Declaration by the Board

The Company has received necessary declaration from each Independent Director under Section 149(7) of the Companies Act, 2013 read with Regulation 25(8) of Listing Regulations, that he/ she meets the criteria of independence in accordance with the provisions of the Companies Act, 2013 and the Listing Regulations. In the opinion of the Board, the Independent Directors fulfil the conditions specified in these sections and regulations and are independent of the management.

(d) Resignation of Independent Director

During the year under review, there is no instance of resignation of an Independent Director.

(e) Board Membership Criteria

The Nomination and Remuneration Committee works with the entire Board to determine the appropriate characteristic, skills and experience required for the Board as a whole and for individual members. Board Members are expected to possess the expertise, skills, and experience to manage and guide a high growth.

(f) Independent Director databank registration

Pursuant to a notification dated October 22, 2019 issued by the Ministry of Corporate Affairs which was effective from 1st December, 2019, all Independent Directors have completed the registration with the Independent Directors Databank. Requisite disclosures have been received from all Independent Directors in this regard.

(g) Number of meetings of the Board of Directors held and dates on which held

Six (6) Board Meetings were held during the year 2019-2020. The dates on which the Board meetings were held are: 15th May, 2019, 13th August, 2019, 30th September, 2019, 23rd October, 2019, 16th January, 2020 and 23rd January, 2020.

Management Committee formed by Board of Directors to oversee day to day operations of the Company, which consist of Two (2) Executive Directors and One (1) Non-Executive Director subject to supervision and control of the Board of Directors. The Management Committee formed by the Board makes decision within the authority delegated. All decisions/ recommendation of the Committees is placed before the Board for information and/or its approval.

As per the requirement of Regulation 17 of SEBI (LODR) Regulations, 2015, the Board meets at least four times in a year and the maximum time gap between any two meetings was not more than one hundred and twenty days.

The information as required under Regulation 17 (7) of SEBI (LODR) Regulations, 2015 is made available to the Board. The agenda and the papers for consideration at the Board meeting are circulated to the Directors in advance before the meetings. Adequate information is circulated as part of the Board papers and is also made available at the Board Meetings to enable the Board to take informed decisions. Where it is not practicable to attach supporting/ relevant document(s) to the Agenda, the same are tabled at the meeting and specific reference to this is made in the Agenda. As required under Regulation 17 (3) of SEBI (LODR) Regulations, 2015, the Board periodically reviews compliances of various laws applicable to the Company.

The Companies Act, 2013 read with the relevant rules made thereunder and as per Secretarial Standards on Board Meeting ("SS-1") issued by the Institute of Company Secretaries of India, facilitates the participation of a Director in Board/Committee Meetings through video conferencing or other audio-visual mode. Accordingly, the option to participate in the Meeting through video conferencing was made available for the Directors except in respect of such Meetings/ Items which are not permitted to be transacted through video conferencing.

Names of the Directors on the Board, their Attendance in the Board Meeting, % of attendance and Attendance in last Annual General Meeting during the year 2019- 2020 is given below:

Name of Director	No. of Board Meeting held & attended during 2019-2020						Total attended	% of attendance	Whether attended Last AGM held on 24th September, 2019
	15.05.2019 (1)	13.08.2019 (2)	30.09.2019 (3)	23.10.2019 (4)	16.01.2020 (5)	23.01.2020 (6)			
Mr. Janmejy R. Vyas	√	√	√	√	√	√	6	100	Yes
Mrs. Deohooti J. Vyas	×	√	√	√	√	√	5	83.33	No
Mr. Arpit J. Vyas	√	√	√	√	√	√	6	100	Yes
Mr. Mark C. Griffiths	*	×	×	×	×	√	2	33.33	Yes

Mr. Sanjay S. Majmudar	√	√	√	√	√	√	6	100	Yes
Mr. Ashok C. Gandhi	√	√	√	√	√	√	6	100	No
Mr. Subir Kumar Das	√	√	√	×	√	√	5	83.33	Yes
Mr. Rajendra S. Shah	√	√	×	√	√	√	5	83.33	Yes
Ms. Maitri K. Mehta*	√	√	√	√	√	√	6	100	No

* Appointed w.e.f. 01/04/2019

√ - Attended in person

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Present through video conferencing

Present with the permission of the Board through tele conferencing (attendance not counted for quorum)

(h) Disclosure of Relationship between Directors inter se

Name of the Director	Relationship with other Directors
Mr. Janmejy R. Vyas	Husband of Mrs. Deohooti J. Vyas, Whole-time Director and Father of Mr. Arpit J. Vyas, Global Managing Director of the Company
Mrs. Deohooti J. Vyas	Wife of Mr. Janmejy R. Vyas, Chairman and Mother of Mr. Arpit J. Vyas, Global Managing Director of the Company
Mr. Arpit J. Vyas	Son of Mr. Janmejy R. Vyas, Chairman and Mrs. Deohooti J. Vyas, Whole-time Director of the Company
Mr. Mark C. Griffiths	Not, in any way, concerned/ interested/ related with any of the other Directors of the Company.
Mr. Sanjay S. Majmudar	Not, in any way, concerned/ interested/ related with any of the other Directors of the Company.
Mr. Ashok C. Gandhi	Not, in any way, concerned/ interested/ related with any of the other Directors of the Company.
Mr. Subir Kumar Das	Not, in any way, concerned/ interested/ related with any of the other Directors of the Company.
Mr. Rajendra S. Shah	Not, in any way, concerned/ interested/ related with any of the other Directors of the Company.
Ms. Maitri K. Mehta*	Not, in any way, concerned/ interested/ related with any of the other Directors of the Company.

*Appointed w.e.f. 01/04/2019

(i) Shareholding of Non-Executive Directors

Name of Non-Executive Directors	No. of Equity Shares held in	Convertible Securities held
Mr. Janmejy R. Vyas	1000	Nil
Mr. Sanjay S. Majmudar	24700	Nil
Mr. Ashok C. Gandhi	Nil	Nil
Mr. Subir Kumar Das	Nil	Nil
Mr. Rajendra S. Shah	Nil	Nil
Mr. Mark C. Griffiths	Nil	Nil
Ms. Maitri K. Mehta*	Nil	Nil

*Appointed w.e.f. 01/04/2019

(j) Code of Conduct

The Company has formulated and implemented a Code of Conduct for all Board members and senior management personnel of the Company in compliance with Regulation 17(5) of the SEBI (LODR) Regulations, 2015. The said Code of Conduct has been posted on the Company's website www.dishmangroup.com. A declaration in respect of affirmation on compliance with Code of Conduct, by the Board Members and senior management personnel for the financial year ended on March 31, 2020, duly signed by Global Managing Director of the Company is attached herewith and forms part of Corporate Governance Report. The Board has also adopted separate code of conduct with respect to duties of Independent Directors as per the provisions of the Companies Act, 2013.

(k) Disclosures regarding appointment/re-appointment of Directors

Mr. Janmejy R. Vyas, Director is retiring at the ensuing Annual General Meeting and being eligible, has offered himself for re-appointment. A resolution seeking shareholders' approval for his re-appointment forms part of the Notice of the Annual Report.

The Board of Directors appointed Ms. Maitri K. Mehta as an Additional Director designated as an Independent Director w.e.f. 1st

April, 2019 and her appointment was approved by the shareholder in the last Annual General Meeting held on 24th September, 2019. Ms. Maitri K. Mehta has been appointed as a regular Director in Independent Director category, not liable to retire by rotation, for a first term of five (5) consecutive years i.e. from 1st April, 2019 to 31st March, 2024.

The term of office of Mrs. Deohooti J. Vyas, as a Whole-time Director, will expire on 2nd September, 2021. The Board of Directors, on recommendation of Nomination and Remuneration Committee has recommended re-appointment of Mrs. Deohooti J. Vyas, as a Whole-time Director of the Company w.e.f. 3rd September, 2021 for a further period of five (5) years on the expiry of her current term of office. A resolution seeking shareholders' approval for her re-appointment as Whole-time Director forms part of the Notice of the Annual Report.

The brief resume and other information required to be disclosed under Regulation 26 (4) and 36(3) of SEBI (LODR) Regulations, 2015 is provided in the Notice of the Annual General Meeting.

(l) Familiarization Programme for Independent Director

The Company undertook various steps to make the Independent Directors have full understanding about the Company. The details of such familiarisation programmes have been disclosed on the

Company's website at <https://www.dishmangroup.com/Files/DishmanGroup/Investor-Relations/Familiarisation%20Programme.pdf>

3. Audit Committee

The Audit Committee serves as the link between the Statutory and internal auditors and the Board of Directors. The primary objective of the Audit Committee is to monitor and provide effective supervision of the Management's financial reporting process with the view to ensure accurate, timely and proper disclosures and transparency, integrity and quality of financial reporting.

(a) Terms of reference and Powers

Terms of reference of the Audit Committee include approving and implementing the audit procedures, reviewing financial reporting systems, internal control systems and control procedures and ensuring compliance with the regulatory guidelines and also include those specified under the Regulation 18 of SEBI (LODR) Regulations, 2015 as well as under Section 177 of the Companies Act, 2013.

The Committee reviews the information as listed under Regulation 18(3) of SEBI (LODR) Regulations, 2015 read with Schedule II Part C (B) as well as under Section 177 of the Companies Act, 2013 as amended from time to time.

(b) Composition

The Board of Directors of the Company has constituted an Audit Committee on 17th March, 2017. Presently, the Audit Committee comprises qualified and independent members of the Board, who have expertise knowledge and experience in the field of accounting and financial management and have held or hold senior positions in other reputed organizations. The constitution, composition and functioning of the Audit Committee also meets the requirements of Section 177 of the Companies Act, 2013 and Regulation 18 of SEBI (LODR) Regulations, 2015. The present composition of the Audit committee during the financial year 2019-2020 is as follow:

Name	Designation	Category
Mr. Sanjay S. Majmudar	Chairman	Non-Executive and Independent Director
Mr. Ashok C. Gandhi	Member	Non-Executive and Independent Director
Mr. Subir Kumar Das	Member	Non-Executive and Independent Director

(c) Audit Committee Meetings

Six [6] Audit Committee Meetings were held during the year 2019-2020. The dates on which the Audit Committee Meetings were held are: 15th May, 2019, 13th August, 2019, 30th September, 2019, 23rd October, 2019, 16th January, 2020 and 23rd January, 2020.

The maximum time gap between two meetings was not more than 120 days.

The Statutory Auditors, Internal Auditors of the Company and Finance personnel are invited to attend and participate in the meetings of the Audit Committee. The Committee holds discussions with them on various matters including limited review of results, audit plan for the year, matters relating to compliance with accounting standards, auditors' observations and other related matters.

Company Secretary acts as Secretary to the Committee.

Mr. Sanjay S. Majmudar, Chairman of Audit Committee, attended the last Annual General Meeting held on 24th September, 2019.

Names of the members on the Committee, their Attendance in the Audit Committee Meetings, % of attendance during the year 2019- 2020 is given below:

Name of Member	No. of Audit Committee Meeting held & attended during 2019-2020						Total attended	% of attendance
	15.05.2019 (1)	13.08.2019 (2)	30.09.2019 (3)	23.10.2019 (4)	16.01.2020 (5)	23.01.2020 (6)		
Mr. Sanjay S. Majmudar	√	√	√	√	√	√	6	100
Mr. Ashok C. Gandhi	√	√	√	√	√	√	6	100
Mr. Subir Kumar Das	√	√	√	×	√	√	5	83.33

√ - Attended in person

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4. Nomination And Remuneration Committee**(a) Composition**

In compliance with the provisions of Section 178 of the Companies Act, 2013 and Regulation 19 of SEBI (LODR) Regulation, 2015, Nomination and Remuneration Committee has been constituted by the Board of Directors on 17th March, 2017. Presently the "Nomination and Remuneration Committee" comprises following qualified and Independent Directors being a member of the Committee.

Name	Designation	Category
Mr. Sanjay S. Majmudar	Chairman	Non-Executive and Independent Director
Mr. Ashok C. Gandhi	Member	Non-Executive and Independent Director
Mr. Subir Kumar Das	Member	Non-Executive and Independent Director

(b) Nomination and Remuneration Committee Meeting

During the year under review, Nomination and Remuneration Committee ("NRC") Meeting was held on 15th May, 2019 where all members were present.

The Chairman of the NRC, Mr. Sanjay S. Majmudar was present at the last Annual General Meeting

of the Company held on 24th September, 2019.

(c) Terms of reference and Powers of the committee inter alia, includes the following:

Terms of reference and role of the NRC cover the matters specified in SEBI (LODR) Regulations, 2015 and Section 178 of the Companies Act, 2013 as amended from time to

time, which, *inter alia*, includes the following:

- formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to the remuneration of the directors, key managerial personnel and other employees;

- formulation of criteria for evaluation of performance of independent directors and the board of directors;

- devising a policy on diversity of board of directors;

- identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down and recommend to the board of directors their appointment and removal and carrying out evaluation of performance of every Director;

- whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.

- Recommending and Determining remuneration of the Executive Directors as per the Policy.

- to recommend to the board, all remuneration, in whatever form, payable to senior management.

(d) Performance evaluation criteria for directors:

Nomination and Remuneration Committee has devised criteria for evaluation of the performance of the Directors including Independent Directors. The said criteria provide certain parameters like attendance, effective participation, domain knowledge and so on, which are considered by the Committee and/or Board while evaluating the performance of each Director. The performance evaluation of the Independent Directors was carried out by the entire Board.

(e) Salient features of policy on remuneration of directors, key managerial personnel & senior employees:

The Company has formulated the remuneration policy for its directors, key managerial personnel and Senior Employees keeping in view the following objectives:

- to guide the Board in relation to appointment and removal of

Directors, Key Managerial Personnel and Senior Management.

- to evaluate the performance of the members of the Board and provide necessary report to the Board for further evaluation of the Board.

- to recommend to the Board on Remuneration payable to the Directors, Key Managerial Personnel and Senior Management.

(1) Criteria for Selection of Directors:

a. The Non-Executive Directors shall be of high integrity with relevant expertise and experience so as to have a diverse Board with Directors having expertise in the fields of manufacturing, marketing, finance, taxation, law, governance and general management.

b. In case of appointment of Independent Directors, the Nomination and Remuneration Committee ("NRC") satisfies itself with regard to the independence nature of the Directors vis-a-vis the Company so as to enable the Board to discharge its function and duties effectively.

c. NRC ensures that the candidate identified for Appointment / Re-Appointment as an Independent Director is not disqualified for Appointment / Re-Appointment under Section 164 of the Companies Act, 2013.

d. NRC considers the following attributes / criteria, whilst recommending to the Board the candidature for appointment as Director:

1. Qualification, expertise and experience of the Directors in their respective fields;
2. Personal, Professional or business standing;

3. Diversity of the Board.

e. Board of Directors take into consideration the performance evaluation of the Directors and their engagement level.

(2) Criteria for Selection of KMP/ Senior Management:

a. NRC ensures that the candidate possesses the required qualifications, experience, skills & expertise to effectively discharge their duties and responsibilities.

b. NRC considers the practice and encourage professionalism and transparent working environment.

c. NRC considers to build teams and carry the team members along for achieving the goals/ objectives and corporate mission.

(3) Remuneration:

A. Remuneration to Executive Directors and KMP:

i) The Board, on the recommendation of the NRC, shall review and approve the remuneration payable to the Executive Directors of the Company within the overall limits approved by the shareholders.

ii) The Board, on the recommendation of the NRC, shall also review and approve the remuneration payable to the KMP of the Company.

iii) The remuneration structure to the Executive Directors and KMP shall include the following components:

- Basic Pay
- Perquisites and Allowances
- Stock Options
- Commission (Applicable in case of Executive Directors)

- Retiral benefits

B. Remuneration to Non-Executive Directors:

- The Board, on the recommendation of the NRC, shall review and approve the remuneration payable to the Non-Executive Directors of the Company within the overall limits approved by the shareholders.
- Non-Executive Directors shall be entitled to sitting fees for attending the meetings of the Board and the Committees thereof. The Non-Executive

Directors shall also be entitled to profit related commission in addition to the sitting fees.

C. Remuneration to Senior Employees:

Employees shall be assigned grades according to their qualifications and work experience, competencies as well as their roles and responsibilities in the organisation. Individual remuneration shall be determined within the appropriate grade and shall be based on various factors such as job profile, skill sets, seniority, experience and prevailing remuneration levels for equivalent jobs.

The remuneration policy is directed towards rewarding performance, based on review of achievements on a periodical basis. The remuneration policy is in consonance with the existing industry practice.

5. Remuneration of Directors

(a) All pecuniary relationship or transactions of the non-executive directors vis-à-vis the listed entity

There have been no materially significant related party transactions, pecuniary transactions or relationships between the Company and its Non-Executive Directors that may have potential conflict with the interests of the Company at large.

(b) Disclosures with respect to remuneration

All elements of remuneration package of individual directors summarized under major groups, such as salary, benefits, bonuses, stock options, pension etc.;

Executive & Whole-Time Directors

The Nomination and Remuneration Committee of the Directors is authorized to decide the remuneration of the Whole-time Directors, subject to the approval of Members and Central Government, if required. The remuneration structure of the Company comprises salary/remuneration, perquisites & Allowances etc. The nature of employment of all executive and whole-time directors is contractual as per the Company's policy.

The Company have two whole-time Directors on its Board, who are eligible to draw remuneration as per the Board and Shareholder's approval. The details of remuneration paid to Managing and Whole-time Directors during the year 2019-2020 are as follows :

(₹ in lacs)

Name & Designation of the Director	Salary/ Remuneration (p.a.)	Perquisites & Allowances	Performance Linked/ Bonus/ Commission	Stock Options
1. Mrs. Deohooti J. Vyas, Whole-time Director	120.00	Nil	Nil	Nil
2. Mr. Arpit J. Vyas, Global Managing Director	120.00	Nil	Nil	Nil

Apart from remuneration received from the Company, Mr. Arpit J. Vyas, Global Managing Director of the Company has also received remuneration as a Director from one Foreign wholly owned subsidiary companies namely CARBOGEN AMCIS AG., Switzerland for an amount of CHF 45,273 (equivalent to INR 35,59,829/-) per month.

Terms of Appointment of Directors

As required under Regulation 36(3) of SEBI (LODR) Regulations, 2015, particulars of Directors seeking appointment/reappointment are given in Notice of the 13th

Annual General Meeting. Terms of Appointment of the Managing and Whole-time Directors as per the resolutions passed by Board and Shareholders are as under:

I. Executive Directors

1. Mrs. Deohooti J. Vyas, Whole-Time Director

Tenure : Five (5) Years w.e.f. 3rd September, 2016. The period of office of Mrs. Deohooti J. Vyas shall be liable to determination by retirement of Director by rotation.

Remuneration : Subject to overall limit on remuneration payable to all Managerial Personnel taken

together, as laid down in the Companies Act, 2013, read with Schedule V thereto, Mrs. Deohooti J. Vyas shall be paid ₹15.00 lacs (Rupees Fifteen Lacs only) per month and the above remuneration payable to her may comprise salary, allowances and perquisites etc. as may be determined by the Board of Directors from time to time and may be payable monthly or otherwise provided that the perquisites shall be evaluated as per Income Tax Act and Rules wherever applicable. The remuneration for a part of the year shall be computed on pro-rata basis. The Board of Directors

of the Company is authorised to increase or revise the remuneration of Mrs. Deohooti J. Vyas subject to maximum remuneration of ₹20.00 lacs (Rupees Twenty Lacs only) per month, from time to time during the tenure of said five years.

Sitting Fees: Mrs. Deohooti J. Vyas shall not be entitled to any sitting fees.

Note:

1. Shareholders of the Company has also approved the remuneration of Mrs. Deohooti J. Vyas by way of special resolution as required under Regulation 17(6)(e) of SEBI (LODR) (Amendment) Regulations, 2018 in their Annual General Meeting held on 24th September, 2019.

2. Upon recommendation of the Nomination & Remuneration Committee, the Board of Directors of the Company at its meeting held on 3rd June, 2020 has re-appointed Mrs. D. J. Vyas as Whole-time Director of the Company for a further period five years w.e.f. 3rd September, 2021, subject to approval of members at the General Meeting. For this purpose, a Special Resolution is being proposed in the Notice of this Annual General Meeting.

2.Mr. Arpit J. Vyas, Global Managing Director

Tenure: Five (5) Years w.e.f. 1st

June, 2019. The period of office of Mr. Arpit J. Vyas shall be liable to determination by retirement of Director by rotation.

Remuneration : Subject to overall limit on remuneration payable to all Managerial Personnel taken together, as laid down in the Companies Act, 2013, read with Schedule V thereto, Mr. Arpit J. Vyas shall be paid ₹15.00 lacs (Rupees Fifteen Lacs only) per month and the above remuneration payable to him may comprise salary, allowances and perquisites, etc as may be determined by the Board of Directors from time to time and may be payable monthly or otherwise provided that the perquisites shall be evaluated as per Income Tax Act and Rules wherever applicable. The remuneration for a part of the year shall be computed on pro-rata basis. The Board of Directors of the Company is authorised to increase or revise the remuneration of Mr. Arpit J. Vyas subject to maximum remuneration of ₹20.00 lacs (Rupees Twenty Lacs only) per month, from time to time during the tenure of said five years.

Sitting Fees : Mr. Arpit J. Vyas shall not be entitled to any sitting fees.

Note: Shareholders of the Company has also approved the remuneration of Mr. Arpit Vyas by way of special resolution as required under Regulation 17(6)(e) of SEBI (LODR)

(Amendment) Regulations, 2018 in their Annual General Meeting held on 24th September, 2019.

II. Non-Executive & Independent Directors

On 20th September, 2018 by passing a special resolution as such, Members of the Company given their consent and authorized Board of Directors for payment of commission to Non-Executive Director(s) as may be determined by the Board of Directors for each such Non-Executive Director for each financial year starting from FY ending on 31st March, 2019 upto and including financial year ending on 31st March, 2023 to be calculated in accordance with the provisions of Section 198 of the Companies Act, 2013 and distributed between such Non-Executive Director(s) and in such a manner as the Board of Directors may from time to time determine within the maximum limit of 1% of net profits of the Company, which shall be in addition to the sitting fees being paid by the Company to all the Non-Executive Directors for attending the Board/ Committee meetings of the Company.

Commission & Sitting fees to Non-executive Directors

The details of payment of commission and sitting fees paid to Non-Executive & Independent Directors for the FY 2019-20 are as under:

(₹ in lacs)

Sr. No.	Name of Director	Commission	Sitting Fees
1.	Mr. Sanjay S. Majmudar	15.00	3.80
2.	Mr. Ashok C. Gandhi	11.00	3.60
3.	Mr. Subir Kumar Das	11.00	2.40
4.	Mr. Rajendra S. Shah	8.00	1.20
5.	Ms. Maitri K. Mehta*	7.00	1.40

*Appointed w.e.f. 01/04/2019

The Company also reimburses out of pocket expenses incurred by the Directors, if any, for attending Board & Committee meetings.

III. Non-Executive & Non-Independent Director

Mr. Janmejy R. Vyas, Chairman & Managing Director

Terms of remuneration of Mr. Janmejy R. Vyas as approved by the Shareholders are as under:

Remuneration: In the 12th Annual General Meeting held on 24th September, 2019, the members of the Company had granted their approval for payment of remuneration to Mr. Janmejy R. Vyas, Director of the Company, for the professional services availed/ to be availed by the Company w.e.f.

1st April, 2019, in such manner and on such other terms, as the Board of Directors (with liberty to the Board of Directors to delegate this power) may, from time to time determine in consultation with Mr. J. R. Vyas, subject to maximum of ₹2.00 crores (Rupees Two Crores only) per annum (excluding any tax incidence applicable upon the Company under the applicable tax laws and the payment of sitting fees, if any). The said approval has been given by the members is ongoing basis i.e. without any reference to specific duration subject to limit of remuneration of ₹2.00 crores per annum and subject to regulation 17(6)(ca) of Listing Regulations.

Sitting Fees : Mr. J. R. Vyas shall be entitled to sitting fees.

Remuneration paid to Mr. J. R. Vyas during the year 2019-2020:
₹ 1,41,11,112/-

Note: As per Regulation 17(6)(ca) of the SEBI (LODR) (Amendment) Regulations, 2018, the approval of the members of the Company by way of special resolution, giving details of remuneration, is required every year for payment of annual remuneration to single non-executive Director exceeding 50% (fifty percent) of the total annual remuneration payable to all non-executive Directors of the Company. For this purpose, a Special Resolution is being proposed at Item No. 4 in the Notice of this Annual General Meeting.

(C) Stock Option

The Company has not granted any stock options to its Directors.

6. Stakeholders Relationship Committee

(a) Composition

The Company has constituted Stakeholders Relationship Committee on 17th March, 2017. The constitution, composition and functioning of the Stakeholders Relationship Committee also meets the requirements of Section 178 of the Companies Act, 2013 and Regulation 20 of SEBI (LODR) Regulations, 2015. The Committee specifically looks into issues relating to various aspects of shareholders, *inter alia*, share related matters and redressal of grievances of Security holders. The Committee comprises three [3] directors and committee functions under the Chairmanship of an Independent Director. The present composition of the Stakeholders Relationship Committee during the financial year 2019-2020 is as follow:

Name	Designation	Category
Mr. Sanjay S. Majmudar	Chairman	Non-Executive and Independent Director
Mr. Ashok C. Gandhi	Member	Non-Executive and Independent Director
Mr. Janmejy R. Vyas	Member	Non-Executive Director and Non-Independent Director

(b) Stakeholders' Relationship Committee Meetings:

Four [4] meetings were held during the year 2019-2020. The dates on which the Stakeholders' Relationship Committee Meetings were held are: 15th May, 2019, 13th August, 2019, 23rd October, 2019 and 23rd January, 2020.

Names of the members on the Committee, their Attendance in the Stakeholders' Relationship Committee Meetings, % of attendance during the year 2019-2020 is given below:

Name of Member	No. of Stakeholders Relationship Committee Meeting held & attended during 2019-2020				Total attended	% of attendance
	15.05.2019 (1)	13.08.2019 (2)	23.10.2019 (3)	23.01.2020 (4)		
Mr. Sanjay S. Majmudar	√	√	√	√	4	100
Mr. Ashok C. Gandhi	√	√	√	√	4	100
Mr. Janmejy R. Vyas	√	√	√	√	4	100

√ - Attended in person

Mr. Sanjay S. Majmudar, Chairman of Stakeholders' Relationship Committee of the Company, attended the last Annual General Meeting held on 24th September, 2019.

(c) Terms of reference, Role and Powers

The Company has adopted terms of reference and role of Stakeholders Relationship Committee as per Section 178 the Companies Act, 2013 and Regulation 20 read with Part D of Schedule II of SEBI (LODR) Regulations, 2015.

Role of Stakeholders Relationship Committee:

1. Resolving the grievances of the security holders of the Company including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.

2. Review of measures taken for effective exercise of voting rights by shareholders.
3. Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent.
4. Review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company.

(d) Other Information

- To expedite the process of share transfer, transmission, split, consolidation, rematerialization and dematerialization etc. of securities of the Company, the Board of Directors has delegated the powers of approving the same to the Company's RTA

namely Link Intime India Pvt. Ltd., Mumbai under the supervision and control of the Company Secretary/Compliance Officer of the Company, who is placing a summary statement of transfer/transmission, etc. of securities of the Company at the meetings of the said Committee.

• Name, Designation and address of the Compliance Officer

Ms. Shrima Dave,
Company Secretary
Dishman Carbogen Amcis Ltd.
Dishman Corporate House,
Iscon – Bopal Road, Ambli,
Ahmedabad – 380 058
Tel. No.: 02717-420102/124

Email: grievance@dishmangroup.com

The Company has designated the email id (grievance@dishmangroup.com) for grievances redressal and registering complaints by investor.

• Quarter-wise Summary of Investors Complaints received and resolved during the Financial Year 2019-2020.

Quarter-wise Summary of Investors' Complaints received and resolved

Quarter Period		Opening	Received	Resolved	Pending
From	To				
01/04/2019	30/06/2019	1	NIL	1	NIL
01/07/2019	30/09/2019	NIL	NIL	NIL	NIL
01/10/2019	31/12/2019	NIL	5	2	3
01/01/2020	31/03/2020	3	NIL	3	NIL

(e) Non-receipt/Unclaimed dividends

In case of non-receipt of dividend or request for unclaimed dividend including interim dividend for the FY 2012-13 till FY 2018-19, shareholders are requested to write an application on plain paper to the Company at following address or send request letter at the e-mail id mentioned below.

Company Secretary/Compliance Officer,
Dishman Carbogen Amcis Ltd.

Dishman Corporate House,
Iscon – Bopal Road, Ambli,
Ahmedabad – 380 058
Contact No.: 02717-420102/124
Email: grievance@dishmangroup.com

As per the notification issued by Ministry of Corporate Affairs (MCA) on 10th May, 2012, details of unclaimed dividend amounts as referred to Section 125 of the Companies Act, 2013, is available on the Company's website: www.dishmangroup.com

(f) Amount Transferred to IEPF Account

As per the provision of Section 125 of the Companies Act, 2013, the Company is required to transfer the unclaimed Dividends, remaining unclaimed and unpaid for a period of seven years from the due date to the Investor Education and Protection Fund (IEPF) set up by the Central Government. As the dividend declared in year 2011-2012, the seven years completed on 25th October, 2019, the Company has transferred the unpaid or unclaimed

dividend amount for the financial year 2011-2012, to the IEPF on 15th November, 2019.

As a part of good Corporate Governance, the Company has sent letters to the shareholders whose dividend has not been claimed/encashed for seven years to claim their unclaimed amount before due date.

(g) Due Date for transfer of Unclaimed and Unpaid Dividend and shares in respect of which dividend is unpaid or has not been claimed by the shareholders for seven consecutive years or more to the IEPF in respect of dividend declared by erstwhile Dishman Pharmaceuticals and Chemicals Ltd. ("DPCL") and the Company

Dividend for the Financial Year	Dividend Declaration Date	Proposed due date for transfer of Unclaimed and Unpaid Dividend amount and shares to the IEPF	Year wise amount of unpaid/unclaimed dividend lying in the unpaid account as on 31/03/2020
2012-13	30th July, 2013	29th August, 2020	2,44,057.20
2013-14	4th September, 2014	3rd October, 2021	1,75,638.00
2014-15	29th September, 2015	28th October, 2022	1,76,068.00
2015-16 (Interim Dividend)	10th March, 2016	9th April, 2023	2,21,408.00
2016-17 (Interim Dividend)	13th February, 2017	12th March, 2024	3,08,817.60
2018-19	24th September, 2019	23rd October, 2026	44,599.80

Note: No claims will lie against the Company or the IEPF in respect of the said unclaimed amounts and shares when transferred to the IEPF, therefore, shareholders are requested to claim before the aforesaid due dates.

(h) Details of Unclaimed Shares

As per Regulation 39(4) read with Schedule VI of SEBI (LODR) Regulations, 2015, as on 1st April, 2016, erstwhile DPCL has one case consists of 250 unclaimed shares, allotted under the Initial Public Offer (IPO) of erstwhile DPCL during the year 2004. The erstwhile DPCL has opened separate demat suspense account with the Depository Participant namely Bank of India, Navrangpura, Ahmedabad and transferred the outstanding unclaimed shares to the said Account and rights relating to these shares shall remain frozen till the rightful owner of such shares claim the shares as per the procedure prescribed under the said clause. Thereafter, on 27th December, 2017, the Company has transferred such 500 shares (including 250 Bonus shares issued) to the Investor Education and Protection Fund (IEPF) of the Central Government as per new Investors Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF Rules"). During the year Company has not received any request for said unclaimed shares transferred to IEPF.

Thus, the status of unclaimed shares as of date is as under:

Particulars	At the beginning of the year	Approached for unclaimed shares during the year	Credit effected during the year	Number of shares transferred to IEPF of the Central Government during the year	At the end of the year
No. of outstanding Shareholders	NIL	NIL	NIL	NIL	NIL
No. of outstanding unclaimed shares	NIL	NIL	NIL	NIL	NIL

Shares transferred to IEPF during the year

Pursuant to the said IEPF Rules, the Equity shares in respect of which dividend has not been claimed/encashed for seven or more consecutive years is require to transfer to the Investor Education and Protection Fund (IEPF) of the Central Government. In this regard, during the Financial Year 2019-20, after completing necessary procedure prescribed in the said IEPF Rules, the Company had transferred 955 equity shares to the IEPF pursuant to Section 124 (6) of the Companies Act, 2013 read with Rule 6 of the IEPF Rules. The details of such Shareholders are available at the website of the Company at www.dishmangroup.com. The voting rights on the shares transferred to IEPF shall remain frozen till the rightful owner claims the shares. Please note that once such shares are transferred to the IEPF, the same can be claimed from the IEPF Authority as per the procedure prescribed under the Rules.

Pursuant to the IEPF Rules, during the FY 2020-21, total 2370 equity shares amounting to ₹4740/- are liable to be transferred to the IEPF on 29th August, 2020.

7. Corporate Social Responsibility (CSR) Committee

a) Constitution & Composition of CSR Committee

The Company has constituted CSR Committee on 17th March, 2017 as required under Section 135 of the Companies Act, 2013 and rules framed there under.

The composition of the CSR Committee is given below:

Name	Designation	Category
Mr. Janmejy R. Vyas	Chairman	Non-Executive and Non-Independent Director
Mr. Arpit J. Vyas	Member	Non-Independent Director
Mr. Sanjay S. Majmudar	Member	Independent Director

The Committee's constitution and terms of reference meet with the requirements of the Companies Act, 2013, as amended from time to time.

b) Corporate Social Responsibility (CSR) Committee Meetings

During the year under review, CSR Committee Meeting was held on 15th May, 2019 where all members except Mr. Arpit J. Vyas were present. The Committee has also passed circular resolutions on 27th February, 2020.

c) Terms of reference of the Committee, inter alia, includes the following

1. To formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the company as specified in Schedule VII of the Companies Act, 2013 and rules made there under.
2. To recommend the amount of expenditure to be incurred on the CSR activities.
3. To monitor the implementation of framework of CSR Policy.
4. To carry out any other function as is mandated by the Board from time to time and / or enforced by any statutory notification, amendment or modification as may be applicable or as may be necessary or appropriate for performance of its duties.

d) CSR Policy

Your Company has formulated a CSR Policy, which is uploaded on the Company's website www.dishmangroup.com.

8. Risk Management Committee

(a) Composition

The Company has constituted Risk Management Committee on 23rd January, 2019 pursuant to the SEBI Notification No. SEBI/LAD-NRO/GN/2018/10 dated 9th may, 2018 read with Regulation 21 of SEBI (LODR) Regulations, 2015. The constitution, composition and functioning of the Risk Management Committee also meets the requirements of Regulation 21 of SEBI (LODR) Regulations, 2015.

The present composition of the Risk Management Committee during the financial year 2019-2020 is as follow:

Name	Designation	Category
Mr. Janmejy R. Vyas	Chairman	Non-Executive and Non-independent Director
Mr. Arpit J. Vyas	Member	Executive Director
Mr. Harshil R. Dalal	Member	Global CFO

(b) Roles

1. To monitor and review the risk management plan including Cyber security.
2. To assess the Company's risk profile and key areas of risk in particular.
3. To recommend the Board and adaptation of risk assessment and rating procedures.
4. To articulate the Company's policy for the oversight and management of business risk.
5. To examine and determine the sufficiency of the company's internal process for reporting on and managing key risk areas.

6. To assess and recommend the Board acceptable levels of risk.
7. To develop and implement a risk management framework and internal control system.
8. To review the nature and level of insurance coverage.
9. To have the special investigation into areas of corporate risk and breakdowns in internal control.
10. To review management's response to the company's auditor's recommendations those are adopted.
11. To report the trends in the company's risk profile reports on specific risks and the status of the risk management process.

(c) Meetings and attendance

During the year under review, Risk Management Committee Meeting was held on 13th January, 2020 where all members were present.

The Audit Committee and Board shall also periodically oversee and review the Risk Management Policy and compliance thereto.

9. Information about General body meetings:

(a) Annual General Meeting

Details of Venue, Date and Time of the Last Three Annual General Meetings are as follows:

Year	Venue	Date	Time
2016-2017	H. T. Parekh Hall, 1st Floor, Ahmedabad Management Association, ATIRA Campus, Dr. Vikram Sarabhai Marg, Ahmedabad-380 015	28/09/2017	10:00 a.m.
2017-2018	H. T. Parekh Hall, 1st Floor, Ahmedabad Management Association, ATIRA Campus, Dr. Vikram Sarabhai Marg, Ahmedabad-380 015	20/09/2018	10:00 a.m.
2018-2019	H. T. Parekh Hall, 1st Floor, Ahmedabad Management Association, ATIRA Campus, Dr. Vikram Sarabhai Marg, Ahmedabad-380 015	24/09/2019	11:00 a.m.

(b) Special Resolution (without postal ballot) passed at the Last Three AGM

Year	Date of AGM	No. of Resolutions Passed	Particulars
2016-2017	28/09/2017	NIL	NA
2017-2018	20/09/2018	3	<ul style="list-style-type: none"> • Re-appointment of Mr. Ashok C. Gandhi (DIN – 00022507), as an Independent Director for a second term of consecutive five (5) years effective from 1st April, 2019 up to 31st March, 2024 • To Re-appointment of Mr. Sanjay S. Majmudar (DIN – 00091305), as an Independent Director for a second term of consecutive five (5) years effective from 1st April, 2019 up to 31st March, 2024. • To approve the payment of Remuneration by way of commission to Non-Executive Directors pursuant to provisions of Section 197 of the Companies Act, 2013
2018-2019	24/09/2019	4	<ul style="list-style-type: none"> • Re-appointment of Mr. Subir Kumar Das (DIN – 02237356), as an Independent Director for a second term of consecutive five (5) years effective from 15th December, 2019 up to 14th December, 2024. • Re-appointment of Mr. Rajendra Shah (DIN – 00061922), as an Independent Director for a second term of five consecutive years effective from 2nd April, 2020 up to 1st April, 2025. • Payment of remuneration to Mr. Janmejay R. Vyas (DIN – 00004730), Chairman of the Company for rendering professional service to the Company. • To approve continuation of payment of remuneration to Executive Directors viz. Mr. Arpit J. Vyas (DIN – 01540057) and Mrs. Deohooti J. Vyas (DIN – 00004876), who are Promoters in excess of threshold limits as prescribed under Regulation 17(6) (e) of SEBI (LODR) (Amendment) Regulations, 2018.

(c) Postal Ballot Resolutions

The Company did not pass any special resolution through Postal Ballot during the last year.

(d) Whether any resolution is proposed to be conducted through postal ballot

No Special resolution is proposed to be conducted through postal ballot.

10. Means Of Communication**(a) Financial Results**

The Company regularly intimates quarterly unaudited as well as yearly audited financial results to the stock exchanges, immediately after the same are taken on record by the Board.

(b) Newspapers wherein results normally published

Results are normally published in Indian Express (English edition) and in Financial Express (Gujarati edition). These are not sent individually to the shareholders.

(c) Website, News Releases, Presentation etc.

The Company's results, annual reports and official news releases are displayed on the Company's web-site www.dishmangroup.com. The said Company's website also containing basic information about the Company includes information about the Company's business, financial information, shareholding pattern, compliance with corporate governance, Company's director, registrar & transfer agent, contact information of the designated officials of the Company who are responsible for assisting and handling investor grievances etc.

The Company had meetings with and made presentations to the institutional investors and analysts during the year and the presentation made to analysts and investors are uploaded on the website of the Company. Also, transcripts of Con-call made with institutional investors and analysts are made available on website of the company.

NSE Electronic Application Processing System (NEAPS)

The NEAPS is a web based application designed by National Stock Exchange of India Ltd. (NSE) for corporates. The Shareholding Pattern, Financial Result, Corporate Governance Report and all the intimation/ disclosures of the Company are also filed electronically on NEAPS.

BSE Listing Center

BSE Limited has also launched a web based system for corporates to make their periodic submission of compliances online. Your company is also filing the Shareholding Pattern, Financial Result, Corporate Governance Report and all the intimation/ disclosures through the BSE Listing Center.

Processing of investor complaints in SEBI Complaints Redress System (SCORES)

SEBI has commenced processing of investor complaints in a centralized web based complaints redress system "SCORES". By this facility investors can file their complaints on line and also view online movement of their complaints. The salient features of this system are: Centralised database of all complaints, online upload of Action Taken Reports (ATRs) by the concerned companies and online viewing by investors of action taken on the complaint and its current status.

Price Sensitive Information

All price sensitive information and announcements are communicated immediately after the Board decisions to the Stock Exchanges, where the Company's shares are listed, for dissemination to the Shareholders. The said information are also uploaded on the Company's website.

11. Other Disclosures:**(a) Disclosures on materially significant related party transactions that may have****potential conflict with the interests of the Company at large**

There were no materially significant related party transactions that may have potential conflict with the interests of the Company.

(b) details of non-compliance by the Company, penalties, strictures imposed on the listed entity by stock exchange(s) or the board or any statutory authority, on any matter related to capital markets, during the last three years

Your Company has complied with all the requirements of regulatory authorities. No penalty/strictures were imposed on the Company by stock exchanges or SEBI or any statutory authority on any matter related to capital market.

(c) Whistleblower Policy

The Company has adopted the Whistleblower Policy and has established the necessary vigil mechanism for stakeholders, including individual employees and their representative bodies and directors to report concerns about illegal or unethical practices, unethical behavior, actual or suspect fraud or violation of Code of Conduct. It also provides adequate safeguard against the victimization of employees who avail of the mechanism and allows direct access to the Chairman of the Audit Committee. No person has been denied access to the Chairman of Audit Committee. The said policy is uploaded on the Company's website www.dishmangroup.com.

(d) Material Subsidiary

Company has seven Material Subsidiary Companies i.e. (i) CARBOGEN AMCIS AG.; (ii) Dishman Europe Ltd.; (iii) CARBOGEN AMIS Holding AG; (iv) CARBOGEN AMCIS B.V.; (v) DISHMAN CARBOGEN AMCIS (Singapore) Pte. Ltd.; (vi) CARBOGEN AMCIS Specialities AG and (vii) CARBOGEN AMCIS Innovations AG whose income or net worth exceeds 10% of the

consolidated income or net worth respectively, of the Company and its subsidiaries in the immediately preceding accounting Year. The Company has complied with all compliances related to its Material Subsidiary.

The Company does not have any Unlisted Material Indian Subsidiary.

The Company has policy for determining "Material Subsidiary" which is uploaded on the website of the Company on <https://www.dishmangroup.com/Files/DishmanGroup/Investor-Relations/Policy%20for%20Determining%20Material%20Subsidiary.pdf>

(e) Basis of Related Party Transaction

There are no materially significant related party transactions i.e. transactions of the Company of material nature, with its promoters, the directors or the management, their subsidiaries or relatives etc., that may have potential conflict with the interests of company at large in the financial year 2019-20. Related party transaction during the year have been disclosed vide note no. 31 of notes on financial statement as per requirement of Ind AS 24 on related party disclosure issued by ICAI.

These transactions are not likely to conflict with the interest of the Company at large. All significant transaction with related parties is placed before audit committee periodically.

Also, there is no transactions of the Company with entity belonging to the promoter group which hold(s) 10% or more shareholding in the listed entity i.e. Adimans Technologies LLP, during the year under review.

The Board has approved a policy for related party transactions which is uploaded on the website of the Company <https://www.dishmangroup.com/Files/DishmanGroup/Investor-Relations/Policy%20on%20Materiality%20Related%20party%20transaction.pdf>.

The Company's major related party transactions are generally with its wholly owned subsidiaries. The related party transactions are entered into based on considerations of various business exigencies such as synergy in operations, sectoral specialization and the Company's long-term strategy for sectoral investments, optimization of market share, profitability, legal requirements, liquidity and capital resources of subsidiaries and associates. All related party transactions are negotiated on arms length basis and are intended to further the interests of the Company.

(f) Reporting of Internal Auditor

The Internal Auditor of the Company is regularly invited to the Audit Committee meeting and regularly attends the meeting. The Internal Auditors give quarterly presentation on their audit observation to the Audit Committee.

(g) Details of compliance with the mandatory requirements and extent of compliance with non-mandatory requirements

• Compliance with the Corporate Governance Code

The Company has complied with all the mandatory Corporate Governance requirements as well as specified in Regulation 17 to 27 and clause (b) to (i) of sub-regulation (2) of regulation 46 of SEBI (LODR) Regulations, 2015.

- The Company has complied with the requirement of corporate governance report mentioned under sub-para (2) to (10) of Part C of Schedule V of SEBI (LODR) Regulations, 2015.

• Extent of compliance with the non-mandatory requirements and Discretionary Requirements specified in Part E of Schedule II

- » **Shareholder's Rights:** Quarterly, Half yearly and yearly financial results including summary of significant events are presently not being sent to the shareholders of

the Company. However, quarterly financial results are published in the leading new papers and are also available on the website of the Company.

- » **Modified Opinion(s) in Audit Report:** there is no qualification on Auditor's report on standalone and consolidated financial statement to the shareholder of the Company.
- » **Reporting of Internal Auditor:** The Board has appointed Internal Auditor of the Company who will directly reporting to Audit Committee.

The Company has obtained a Certificate from CS Ashok P. Pathak of M/s. Ashok P. Pathak & Co., Company Secretaries, Ahmedabad on compliance of conditions of Corporate Governance requirement as required under Schedule V (E) read with Regulation 34 (3) of SEBI (LODR) Regulations, 2015 and has attached the said certificate with the Boards' Report.

(h) Disclosure of accounting treatment in preparation of Financial Statements

Your Company has followed all relevant Accounting Standards laid down by the Institute of Chartered Accountants of India (ICAI) while preparing financial statement.

(i) MDA

Management Discussion and Analysis Report is set out in a separate section included in this Annual Report and forms part of this Report.

(j) CEO/CFO Certificate

In compliance of the Regulation 17(8) of SEBI (LODR) Regulations, 2015, the Global Managing Director and Global Chief Financial Officer of the Company give annual Certification on financial reporting and internal Control to the Board. As per the requirement of Regulation 33(2)(a) of SEBI (LODR) Regulations, 2015 the Managing Director and Chief Financial Officer also gives quarterly Certification on financial

results while placing the financial results before the Board.

(k) Risk Management Policy

The Company has framed formal Risk Management framework for risk assessment and risk minimization for Indian operation which is periodically reviewed by the Board of Directors to ensure smooth operations and effective management control. The Audit Committee also reviews the adequacy of the risk management frame work of the Company, the key risks associated with the business and measures and steps in place to minimize the same.

(l) Dividend Distribution Policy

As per Regulation 43A of SEBI (LODR) Regulations, 2015, top 500 companies based on market capitalization (calculated as on March 31 of every financial year) are required to formulate Dividend Distribution Policy. Accordingly, the Board has approved the Dividend Distribution Policy in line with said Regulation. The said policy is available on www.dishmangroup.com. The Policy is annexed as "Annexure I" to the Director's Report.

(m) Other Policies

The Company has also formulated Business Responsibility Policy; policy for Preservation & Archival of documents and a policy for determining materiality of event and information for disclosures as per Listing Regulation, 2015.

Policy of materiality of related party transactions:

The Board approved policy of materiality of related party transactions, as per SEBI (LODR) Regulations, 2015 and made amended from time to time.

Further, with the introduction of SEBI Notification No. SEBI/LAD-NRO/GN/2019/22 dated 27th June, 2019, change with regard to the limit of materiality of transaction involving payments made to a related party with respect to brand usage or

Royalty has been increased to 5% of the annual consolidated turnover from 2%, in Regulation 23 (1A) of SEBI (LODR) Regulations, 2015. Hence, the Company has revised the said Policy to that extent.

The said policies are available on the website of the Company.

(n) Conflict of Interest

The designated Senior Management Personnel of the Company have disclosed to the Board that no material, financial and commercial transactions have been made during the year under review in which they have personal interest, which may have a potential conflict with the interest of the Company at large.

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

No funds were raised through preferential allotment or Qualified Institutional Placement as per the Regulation 32(7A) of Listing Regulations.

(p) Confirmation and Certification

On an annual basis, the Company obtains from each Director, details of the Board and Board Committee positions he/she occupies in other Companies, and changes if any regarding their Directorships. The Company has obtained a certificate from CS Ashok P. Pathak of M/s. Ashok P. Pathak & Co., Company Secretaries, Ahmedabad, 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 and Ministry of Corporate Affairs or any such authority and the same forms part of this report.

(q) Payment to Statutory Auditors

During 2019-20, total fees for all services paid by the Company and the subsidiaries, on a consolidated

basis, to the Joint Statutory Auditors i.e. M/s. Haribhakti & Co. LLP and M/s. V. D. Shukla & Co., and all the entities in the network firm/network entity of which Joint Statutory Auditors is a part are as under:

- M/s. Haribhakti & Co. – ₹41.50 lacs
- M/s. V. D. Shukla & Co. – ₹ 20.50 Lacs

(r) Sexual Harassment Of Women At Workplace

The Company has in place an Anti-Sexual Harassment Policy in line with the requirements of Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013 ("Sexual Harassment Act"). Internal Complaints Committee (ICC) has been constituted for the Company's various sites and workplace in compliance with the provisions of Sexual Harassment Act to redress complaints received regarding sexual harassment. There were no incidences of sexual harassment reported during the year under review, in terms of the provisions of the Sexual Harassment Act.

(s) SEBI (Prohibition of Insider Trading) Regulations, 2015

The Company has approved/ adopted Code of Conduct for Insider Trading, as per SEBI (Prohibition of Insider Trading) Regulations, 2015 ["SEBI (PIT) Regulations"] on 17th March, 2017 and amended from time to time. With the introduction of SEBI Notification No. SEBI/LAD-NRO/GN/2018/59 dated 31st December, 2018 amending SEBI (PIT) Regulations which was made effective from 1st April, 2019, some stricter amendments has been made by SEBI by maintaining digital data base with adequate & effective internal control and checks on insider trading. In this regard, the Company is availing "Trackin Software" facility of RTA i.e. Link Intime India Pvt. Ltd. to track Insider Trading transactions which help to

monitor, report and maintain digital data base with adequate & effective internal control and checks on insider trading as required under SEBI (PIT) Regulations.

This software helps to maintain following to comply with the requirement of SEBI (PIT) Regulations:

- i) structured digital database with adequate internal controls and checks such as time stamping and audit trails to ensure non-tampering of the database; and
- ii) adequate and effective system of internal controls to ensure compliance with the requirements given in SEBI (PIT) Regulations to prevent insider trading; and

iii) to monitor and reporting of trading by the designated persons.

Various Report generate from the said Trackin Software which helps the Company to comply SEBI (PIT) Regulations and to monitor transaction done by Designated Person in effective way. The necessary changes also made from time to time in this software according to the amendments made in SEBI (PIT) Regulations.

12. General shareholder information

(a) Company Registration Details

The Company is registered under the Companies Act, 1956 with the Office of Registrar of Companies, Gujarat, India. The Corporate Identity Number

(CIN) allotted to the Company by the Ministry of Corporate Affairs (MCA) is: L74900GJ2007PLC051338.

Change in Registered Office Address

The address of Registered Office of the Company has been changed from Bhadra-Raj Chambers, Swastik Cross Roads, Navrangpura, Ahmedabad – 380009 to the following new address w.e.f. 1st December, 2019.

**New Registered office/
Communication Address:**
Dishman Carbogen Amcis Limited
Dishman Corporate House,
Iscon-Bopal Road, Ambli,
Ahmedabad – 380058, Gujarat, India
Tel. No.: 02717-420102/124

(b) 13th Annual General Meeting

Date & Time	Venue
28th day of September, 2020 at 01:00 p.m.	The Company is conducting meeting through VC / OAVM pursuant to the MCA Circulars and SEBI Circular and as such there is no requirement to have a venue for the AGM. For details please refer to the Notice of this AGM.

(c) Financial Year

Financial Year is commencing from 1st April to 31st March and financial results will be declared as per the following schedule.

Financial Results ended	Timeline
30th June, 2020	- 45 days from end of Quarter 30th June, 2020
30th September, 2020	- 45 days from end of Quarter 30th September, 2020
31st December, 2020	- 45 days from end of Quarter 31st December, 2020
Audited Results for the year ended on 31st March, 2021	- 60 days from end of Financial Year (i.e. on or before 30th May, 2021)

(d) Date of Book Closure

Not Applicable.

(e) Dividend Payment Date

Not Applicable. The Board of Directors of the Company does not recommend any dividend for the financial year ended 31st March, 2020.

(f) Listing on Stock Exchanges

A. Equity Shares

The equity shares of the Company are listed on following two Stock Exchanges having nationwide trading terminals.

Name of Stock Exchanges	Address
BSE Ltd.	Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai-400 001.
National Stock Exchange of India Ltd. (NSE)	"Exchange Plaza", Bandra-Kurla Complex, Bandra (E), Mumbai – 400 051

- Annual listing fees for the FY 2020-2021, as applicable, have been paid before due date to the concerned Stock Exchanges.
- The Company has also paid Annual custodial fees for the year 2020-2021 as applicable, to National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).
- As on 31st March, 2020, there were 44,182 shareholders of the Company.

B. Debt Security

Not Applicable. Presently, there is no debt security is outstanding or listed on any stock exchanges.

(g) Stock Code of Equity Shares of the Company

BSE Ltd.	540701
National Stock Exchange of India Ltd	'DCAL, 'EQ'
Group / Index	A/ S&P BSE 500
ISIN Number in NSDL & CDSL for Equity Shares	INE385W01011

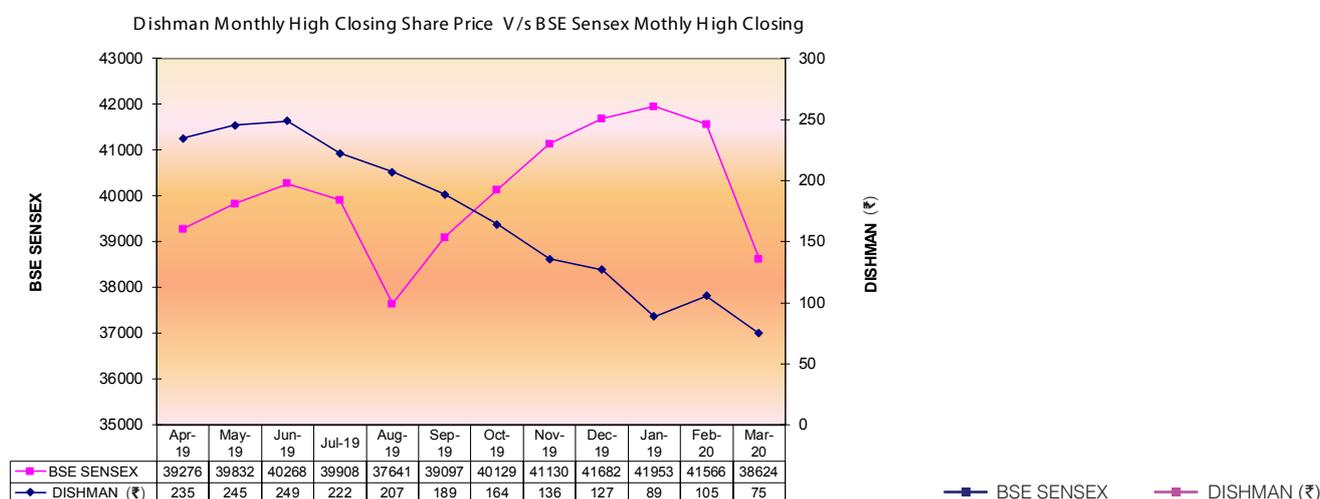
(h) Market Price Data

The table below sets forth, for the periods indicated, the Closing high and low, volume and total volume of trading activity on the BSE and NSE for the equity shares of the Company.

(Price in ₹ Per share)

Month Volume	NSE			BSE			Total (NSE & BSE)
	High	Low	Volume	High	Low	Volume	
Apr-19	234.55	217.50	5,27,373	234.55	217.95	28,082	5,55,455
May-19	244.70	192.95	8,28,545	245.45	194.10	76,364	9,04,909
Jun-19	248.30	217.25	1,75,279	248.90	217.30	24,450	1,99,729
Jul-19	222.85	207.25	7,16,834	222.35	207.80	26,639	7,43,473
Aug-19	207.25	165.35	4,33,209	207.05	165.20	18,271	4,51,480
Sep-19	188.15	166.25	4,17,769	188.80	166.10	33,586	4,51,355
Oct-19	163.80	115.35	9,58,812	164.35	115.10	1,12,024	10,70,836
Nov-19	135.85	116.50	24,65,303	135.95	117.25	8,74,604	33,39,907
Dec-19	127.10	72.10	1,61,95,105	127.20	72.10	15,39,183	1,77,34,288
Jan-20	88.65	63.90	49,95,795	88.70	63.80	5,18,548	55,14,343
Feb-20	105.55	71.65	14,03,789	105.45	71.55	3,66,367	17,70,156
Mar-20	74.40	48.45	12,11,933	74.85	48.85	56,785	12,68,718

(i) Price Movement Chart of DISHMAN V/S. BSE Sensex



(j) Distribution of Shareholding Pattern as on 31st March, 2020

No. of Equity Shares Held			No. of Share Holders	% of Share Holders	No. of Equity Shares Held	% of total Holding
1	-	500	38,151	86.35	49,71,964	3.17
501	-	1000	3,195	7.23	25,21,583	1.61
1001	-	2000	1,421	3.22	22,11,758	1.41
2001	-	3000	460	1.04	11,74,920	0.75
3001	-	4000	221	0.50	7,97,721	0.51
4001	-	5000	167	0.38	7,91,470	0.50
5001	-	10000	272	0.62	20,19,134	1.29
10001	and	Above	295	0.67	14,23,74,545	90.76
Total			44,182	100.00	15,68,63,095	100.00

(k) Shareholding pattern as on March 31, 2020

Sr. No.	Category	No. of Shares Held	% of Holding
1	Promoters	9,90,96,898	63.17
2	Mutual Fund & UTI	1,99,09,241	12.70
3	Alternate Investment Fund	12,95,000	0.83
4	Bank, Financial Institutions (FI's), Insurance Companies	1,75,437	0.11
5	Foreign Portfolio Investors (FPIs)	1,53,22,040	9.77
6	Private Bodies Corporate	19,44,003	1.24
7	Indian Public	1,71,07,283	10.91
8	Any Other		
	(i) Non Resident Indian	9,48,724	0.60
	(ii) HUF	7,26,881	0.46
	(iii) Clearing Members	2,65,551	0.17
	(iv) Independent Directors & Relatives and their holding	67,300	0.04
	(v) IEPF	4,637	0.00
	(vi) Trust	100	0.00
Total		1,56,863,095*	100.00

*The Company has decided to Buy-Back of shares in its Board Meeting held on 16th January, 2020 and pursuant to the Public Announcement ('PA') published on January 20, 2020, the Company commenced the Buy-back of equity shares of face value of ₹2/- each fully paid up, from open market through Stock Exchanges from January 27, 2020.

Pursuant to the said buy-back, the Company's share capital has been reduced by 45,31,177 equity shares (aggregating to 2.81%) of ₹ 2/- each, after extinguishment of said shares purchased up to the month of March

2020. Hence, as on 31st March, 2020 the paid-up share capital of the Company stand at ₹ 31,37,26,190/- divided into 15,68,63,095 equity shares of ₹2/- each.

(l) Dematerialization of Shares & Liquidity

The Company's shares are in compulsory demat segment and as on 31st March, 2020, 15,68,62,237 equity shares of the Company, forming 99.99% of the Company's paid-up equity share capital, is in dematerialized form. Company's shares are easily traded on both the stock exchanges i.e. BSE and NSE.

(m) Outstanding GDRs/ADRs/Warrants or any Convertible Instruments, Conversion date and likely impact on equity

The Company has no outstanding GDRs/ADRs/Warrants/Options or any convertible Instruments as on 31st March, 2020.

(n) Commodity Price Risk / Foreign Exchange Risk and Hedging Activities

Company sources its raw material requirement from domestic and international markets. The import bills are paid out of disbursements of foreign currency packing credit loans and the currency risk is avoided to

the extent. The Company is major exporter and the Export sales constitute more than 90% of the total sales of the Company. Export proceeds are used to liquidate PCFC loans, leaving surplus in EEFC account for utilization to meet other remittances. Because of natural hedging through substantial export receivables the fluctuations may get offset. However, in view of availability of forex being net earner, repayment obligations are met out of natural hedge.

The Company has also Risk Management framework to pro-actively mitigate the impact through measures like cost-based price increases, cost reduction measures, portfolio rationalization, re-negotiating procurement contracts etc. The Company also develops on an ongoing basis alternate supply sources for key products subject to economic justification.

The Company has significant revenues emanating from overseas countries, which are subject to currency risk, in addition to financing activities. Exchange rate fluctuations could significantly impact earnings and net equity because of invoicing in foreign currencies, expenditures in foreign currencies, foreign currency borrowings and translation of financial statement of overseas subsidiaries into Indian Rupees.

Your Company has managed the foreign exchange risk with appropriate hedging activities in accordance with policies of the Company. The Company uses forward exchange contracts to hedge against its foreign currency exposures relating to firm commitment. Foreign exchange transactions are fully covered with strict limits placed on the amount of uncovered exposure, if any, at any point in time. There are no materially uncovered exchange rate risks in the context of the Company's imports and exports.

Company does not have any exposure to commodity and any

exposure hedge through commodity during the financial year 2019-20.

(o) Share Transfer System

All the shares related work is being undertaken by our RTA, Link Intime India Pvt. Ltd., Mumbai. To expedite the process of share transfer, transmission, split, consolidation, rematerialisation and dematerialisation etc. of securities of the Company, the Board of Directors has delegated the power of approving the same to the Company's RTA under the supervision and control of the Company Secretary, who is placing a summary statement of transfer/ transmission, etc. of securities of the Company at the meetings of the Stakeholders Relationship Committee.

Shares lodged for transfer at the RTA address in physical form are normally processed and approved within 15 days from the date of receipt, subject to the documents being valid and complete in all respects. Normally, all the requests for dematerialization of shares are processed and the confirmation is given to the Depository within 15 days. The investors/ shareholders grievances are also taken-up by our RTA.

The Company has obtained and filed with the Stock Exchange(s), the half yearly certificates from a Company Secretary in practice for due compliance with the share transfer formalities as required under Clause 40(9) of SEBI (LODR) Regulations, 2015.

(p) Reconciliation of Share Capital Audit Report

The Reconciliation of Share Capital Audit Report of the Company prepared in terms of Regulation 76 of SEBI (Depositories and Participants) Regulations, 2018 read with SEBI Circular No. D&CC/FITTC/ CIR-16/2002 dated December 31, 2002, reconciling the total shares held in both the depositories, viz. NSDL and CDSL and in physical form with the total issued/ paid-up

capital of the Company were placed before the Stakeholders Relationship Committee every quarter and also submitted to the Stock Exchange(s) every quarter.

(q) Registrar and Share Transfer Agent (RTA)

Link Intime India Pvt. Ltd.
C-101, 247 Park, L.B.S Marg,
Vikhroli West, Mumbai-400083
Tel. No. 91-22-49186000, Fax No.:
91-22-49186060
E mail: mumbai@linkintime.co.in

Branch Offices: Ahmedabad

506-508, Amarnath Business
Centre-1, (ABC-1), Besides Gala
Business Centre, Near St. Xavier's
College Corner, Off C G Road ,
Ellisebridge, Ahmedabad - 380 006
Tel No: 079-26465179; Fax No:
079-26465179; Email: ahmedabad@linkintime.co.in

Coimbatore

Surya 35, Mayflower Avenue, Behind
Senthil Nagar, Sowripalayam Road,
Coimbatore-641028, Tel:0422-
2314792, Email: coimbatore@linkintime.co.in

Kolkata

Vaishno Chamber, 5th Floor, Flat
Nos-502 & 503, 6, Brabourne Road,
Kolkata - 700 001
Tel:033-4004 9728 / 033 4073 1698,
Fax:033-4073 1698 Email: kolkata@linkintime.co.in

New Delhi

Noble Heights, 1st floor, Plot No
NH-2, C-1 Block, LSC, Near Savitri
Market, Janakpuri, New Delhi –
110058 Tel : 011 - 4141 0592/93/94
Telefax : 011 - 4141 0591
Email : delhi@linkintime.co.in

Pune

Block No. 202, 2nd Floor, Akshay
Complex, Near Ganesh Temple, Off.
Dhole Patil Road, Pune - 411001
Tel : 020-26161629/26160084, Fax:
020-26163503
Email pune@linkintime.co.in

Vadodara

Shangrila Complex, 1st Floor,

Opp. HDFC Bank, B Tower, 102 B and 103, Nr. Radhekrishna Char Rasta, Akota, Vadodara 390020 Tel: 0265-2356573/2356794 Fax: 0265-2356791

Email: vadodara@linkintime.co.in

(r) Credit Rating:

Earlier, India Ratings & Research Pvt. Ltd. (“Ind-Ra”) had affirmed/ assigned both the Long Term Loan and Short Term Loan rating of the Company as IND A+/Stable

(Affirmed) and IND A1+ (Affirmed), respectively. Thereafter, the Credit Rating Outlook changed by Ind-Ra from “Stable” to “Rating Watch Evolving” (“RWE”). The RWE considers the search operations conducted by income tax authorities at the company’s head office and manufacturing sites on 19 December 2019. The rating outlook shall be monitored and resolved within six months.

(s) Plant Location (Indian Operation)

• **Naroda Plant :**

Phase - IV, 1216/20, G.I.D.C. Estate, Naroda, Ahmedabad – 382 330. (Also other Plots in Phase-I and IV).

• **Bavla Plant :**

Survey No. 47, Paiki Sub Plot No. 1, Village - Lodariyal, Taluka- Sanand, District - Ahmedabad. (Also various other Adjacent Plots).

(t) Address of the Correspondence

For Share Transfers / Dematerialization or other queries relating to shares/debentures of the Company (RTA)

Link Intime India Pvt Ltd

C-101, 247 Park, L.B.S Marg, Vikhroli West, Mumbai-400083
Tel. No. 91-22-4918 6000, Fax No.: 91-22-4918 6060
E mail: mumbai@linkintime.co.in

For Dividend and listing related queries: Company Address (Secretarial Department)

Dishman Carbogen Amcis Limited

Dishman Corporate House, Iscon – Bopal Road, Ambli, Ahmedabad – 380 058
Tel. No.: 02717-420102/124
Email: grievance@dishmangroup.com

Certificate Of Compliance With The Code Of Conduct

Schedule V (D) of Regulation 34(3) of SEBI (LODR) Regulations, 2015

This is to certify that the Company has laid down the rules for Code of Conduct for the members of the Board and senior management, as per the Regulation 17 of SEBI (LODR) Regulations, 2015.

I hereby further certify that the Company has received affirmation on compliance with rules of Code of Conduct, from the Board Members and senior management personnel for the financial year ended on March 31, 2020, as per the requirement of Regulation 26(3) of SEBI (LODR) Regulations, 2015.

Place: Vitznau

Date : 3rd June, 2020

Arpit J. Vyas

Global Managing Director
DIN - 01540057

Certificate By Company Secretary In Practice

[Pursuant to Regulation 34(3) and Schedule V Para C Clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To,

**The Members of
Dishman Carbogen Amcis Limited**

Dishman Carbogen Amcis Ltd (CIN- L74900GJ2007PLC051338) is having its registered office at Dishman Corporate House, Iscon-Bopal Road, Ambli, Ahmedabad GJ 380058 (hereinafter referred to as 'the Company'). The equity shares of the Company are listed on BSE Limited (Script Code 540701) and National Stock Exchange of India Limited (Symbol : DCAL Series : EQ).

1. We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of the company, produced before us by the Company for the purpose of issuing this Certificate in accordance with sub-regulation (3) of Regulation 34 read with Schedule V Para C Clause 10(i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended by the SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018 effective from 01/04/2019.

2. As on 31st March, 2020 the Board of Directors of the Company comprised of :

Sr. No.	Name of Director	DIN	DIN Status	Date of Appointment
1.	Janmejy Rajnikant Vyas	00004730	Approved	17/07/2007
2.	Deohooti Janmejy Vyas	00004876	Approved	17/03/2017
3.	Ashok Chandrakant Gandhi	00022507	Approved	17/03/2017
4.	Rajendra Shantilal Shah	00061922	Approved	17/03/2017
5.	Sanjay Shaileshbhai Majmudar	00091305	Approved	17/07/2007
6.	Arpit Janmejy Vyas	01540057	Approved	07/04/2012
7.	Subir Kumar Das	02237356	Approved	17/03/2017
8.	Mark Christopher Griffiths	06981744	Approved	17/03/2017
9.	Maitri Kirankumar Mehta	07549243	Approved	01/04/2019

3. In our opinion and to the best of our information and according to the verifications (including DIN based search on MCA Portal www.mca.gov.in) and examinations of the disclosures / registers under Section 184, 189, 170, 164, 149 of the Companies Act, 2013 ('the Act'), and information and explanations furnished to us by the company and its officers, we hereby certify as under :

- None of the above named 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 (SEBI), the Ministry of Corporate Affairs – MCA or any such statutory authority for the Financial Year ending 31st March, 2020.

4. It is the responsibility of the Directors to submit relevant documents with complete and accurate information in accordance with the provisions of the Act.

5. Ensuring the eligibility of the appointment / continuity of every director on the Board is the responsibility of the management of the company. Our responsibility is to express an opinion on these based on our verification.

6. This certificate is neither an assurance as to the future viability of the company nor of the efficiency or effectiveness with which the management has conducted the affairs of the company.

7. This certificate is based on the information and records available up to this date and we have no responsibility to update this certificate for the events and circumstances occurring after the date of the certificate.

Place: Ahmedabad
Date : 3rd June, 2020

For, Ashok P. Pathak & Co
Company Secretaries
UCN : S1997GJ020700
CS Ashok P. Pathak*
Proprietor
ACS No.: 9939
C P No.: 2662

Unique Document Identification Number (UDIN) allotted by the Institute of Company Secretaries (ICSI) for this Certificate of Non-Disqualification of Director is A009939B000312285.

* Associate Member (ACS No. 9939) of the Institute of Company Secretaries of India, ICSI House, 22 Institutional Area, Lodhi Road, New Delhi-110003. website : www.icsi.edu

* Insolvency Professional (IP) registered with Insolvency and Bankruptcy Board of India (IBBI) (IP Registration No. IBBI/IPA-002/IP-N00329/2017- 18/10934)

Certificate On Corporate Governance

[Pursuant to Schedule V of SEBI (LODR) Regulations, 2015]

To,

The Members

Dishman Carbogen Amcis Limited

We have examined the compliance of condition of corporate governance by Dishman Carbogen Amcis Limited for the year ended 31st March, 2020 as stipulated under Regulations 17 to 27 and clauses (b) to (i) of Regulation 46(2) and Para C, D and E of Schedule V to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

Managements' Responsibility

The compliance of condition of corporate governance is the responsibility of the management of the company. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of the Corporate Governance stipulated in Listing Regulations.

Auditors Responsibility

Our responsibility is limited to examining the procedures and implementation thereof, adopted by the company for ensuring the compliance with the conditions of the corporate governance as stipulated in the Regulation 34 read with Schedule V of Listing Regulations. It is neither an audit nor an expression of opinion of the financial statements of the Company.

We have examined the relevant records and documents maintained by the company for the purposes of providing reasonable assurance on the compliance with Corporate Governance requirements by the company.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, we certify that Company has complied with the conditions of corporate governance as stipulated under Regulations 17 to 27 and clauses (b) to (i) of Regulation 46(2) and Para C, D and E of Schedule V to the Listing Regulations during the year ended on March 31, 2020.

We 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.

Place: Ahmedabad

Date : 3rd June, 2020

For, Ashok P. Pathak & Co
Company Secretaries

UCN : S1997GJ020700

CS Ashok P. Pathak*

Proprietor

ACS No.: 9939

C P No.: 2662

NOTE : Consequent to the COVID-19 pandemic throughout the world, the nationwide lockdown is being declared by the National Disaster Management Authority (NDMA) under the Disaster Management Act, 2005 (DMA) from 25th March, 2020 to contain the spread of virus. Due to COVID19 pandemic impact, certain compliance related documents were obtained through electronic mode and verified accordingly with the requirements.

Unique Document Identification Number (UDIN) allotted by the Institute of Company Secretaries (ICSI) for this Secretarial Audit Report is A009939B000312340

* Associate Member (ACS No. 9939) of the Institute of Company Secretaries of India, ICSI House, 22 Institutional Area, Lodhi Road, New Delhi-110003. website : www.icsi.edu

* Insolvency Professional (IP) registered with Insolvency and Bankruptcy Board of India (IBBI) (IP Registration No. IBBI/IPA-002/IP-N00329/2017- 18/10934)

Independent Auditor's Report

To the Members of Dishman Carbogen Amcis Limited

Report on the Audit of the Standalone Ind AS Financial Statements

Opinion

We have audited the accompanying standalone Ind AS financial statements of Dishman Carbogen Amcis Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2020, 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 standalone Ind AS financial statements including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "standalone Ind AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone 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, of the state of affairs of the Company as at March 31, 2020, its profit (including other comprehensive income), changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with 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 Standalone 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 standalone 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 standalone Ind AS financial statements.

Emphasis of Matter

We draw attention to Note 28 of the standalone Ind AS financial statements detailing the accounting treatment relating to the Scheme of Arrangement and Amalgamation ("the Scheme") involving merger of Dishman Pharmaceuticals and Chemicals Limited and Dishman Care Limited with the Company, which has been accounted in financial year 2016-17 under the "Purchase Method" as per Accounting Standard 14 – Accounting for Amalgamations (AS 14) in compliance with the Scheme pursuant to section 391 to 394 of Companies Act, 1956 approved by Hon'ble High Court of Gujarat. In accordance with the Scheme, the Company has recognized goodwill on amalgamation amounting to ₹ 1,326.86 Crores which is amortised over its useful life. This accounting treatment is different from that prescribed under Ind AS 103 – 'Business Combinations'. Had the goodwill not been amortised as required under Ind AS 103, the Depreciation and Amortisation expense for the year ended March

31, 2020 would have been lower by ₹ 88.46 Crores and Profit before tax for the year ended March 31, 2020 would have been higher by an equivalent amount.

Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone Ind AS financial statements of the current year. These matters were addressed in the context of our audit of the standalone 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.

Key Audit Matters	How were the matters addressed in our audit
Impairment assessment of the carrying value of Goodwill (Refer Note 3 to the standalone Ind AS financial statements)	
<p>The Company carries goodwill amounting to ₹. 862.48 crores in its standalone Ind AS financial statements as at March 31, 2020 which was recorded due to the merger of Dishman Pharmaceuticals and Chemical Limited into Dishman Carbogen Amcis Ltd (“the Company”)</p> <p>In terms with Ind AS 36, Goodwill is tested for impairment annually at the CGU level whereby the carrying amount of the CGU (including goodwill) is compared with the recoverable amount of the CGU. However the goodwill generated on the merger is amortised over 15 years.</p> <p>The recoverable amount is determined on the basis of the value in use which is the present value of future cash flows of the CGU using discounted cash flow model ('Model'), which involves estimates pertaining to expected business and earnings forecasts and key assumptions including those related to discount and long-term growth rates. These estimates require high degree of management judgement resulting in inherent subjectivity.</p> <p>We considered this as a key audit matter due to significant judgement and assumption involved in estimating future cash flows using the Model.</p>	<p>Our audit procedures on testing for goodwill impairment includes the following:</p> <ul style="list-style-type: none"> • Obtained an understanding from the management with respect to process and controls followed by the Company to perform annual impairment test related to goodwill and performed necessary audit procedures to test the operating effectiveness of the relevant internal controls during the year ended and as of March 31, 2020. • Evaluated management’s identification of CGU’s, the carrying value of each CGU and the methodology followed by management for the impairment assessment in compliance with the prevailing accounting standards; • Evaluated appropriateness of key assumptions included in the cash flow forecasts used in computing recoverable amount of each CGU, such as growth rates, profitability, discount rates, etc., with reference to our understanding of their business and historical trends; and comparing past projections with actual results, including discussions with management relating to these projections; • Considered the fair value of Investment in subsidiaries based on the valuation certified by the subsidiary auditors; • Performed sensitivity analysis on these key assumptions to assess potential impact of downside in the underlying cash flow forecasts and assessed the possible mitigating actions identified by management; and • Evaluated the appropriateness of the disclosure in the standalone Ind AS financial statements and assessed the completeness and mathematical accuracy.
Impairment assessment of carrying value of investments in subsidiaries (Refer Note 4(a) to the standalone Ind AS financial statements)	
<p>The Company has equity investments in its unlisted wholly owned subsidiaries amounting to ₹. 2759.08 Crores as at March 31, 2020 (“Investments”) which are carried at cost (net of provision) as per Ind AS 27 on ‘Separate Financial Statements’.</p> <p>We considered the valuation of such Investments to be significant to the audit, because of the materiality of the Investments to the standalone Ind AS financial statements of the Company.</p> <p>The management assesses at least annually the existence of impairment indicators of each Investments. The Management has assessed the impairment of its Investments by reviewing the business forecasts of subsidiaries, using discounted cash flow valuation model (the “Model”). The recoverable amounts of the Investments is determined based on the management’s estimates of future cash flows and their judgment with respect to the investees’ performance including key assumptions related to discount and long-term growth rates.</p> <p>Accordingly, the impairment assessment of Investments was determined to be a key audit matter in our audit of the standalone Ind AS financial statements.</p>	<p>Our audit procedures on impairment assessment of Investments include the following :</p> <ul style="list-style-type: none"> • Obtained understanding of design and implementation of relevant internal controls with respect to Investments including its impairment assessment; • Performed necessary audit procedures to test the operating effectiveness of the relevant internal controls with respect to valuation of Investments including impairment assessment thereof during the year ended as of March 31, 2020? • Performed the following substantive procedures: <ul style="list-style-type: none"> » Obtained management’s evaluation of impairment analysis including future cash flows used by the management in the model to compute the recoverable value/ value in use. » Obtained the subsidiary auditors Impairment testing working file certifying the fair value of Investment at various subsidiaries. » Compared the impairment working certified by the subsidiary auditors with the carrying value of Investments in Standalone books of accounts to check whether any impairment is necessary. » Evaluated the appropriateness of the disclosure in the standalone Ind AS financial statements and assessed the completeness and mathematical accuracy.

Evaluation of uncertain tax positions (Refer Note 2.17 and Note 29 to the standalone Ind AS financial statements)

The Company operates in multiple jurisdictions and is subject to periodic challenges by local tax authorities on a range of tax matters during the normal course of business including transfer pricing and indirect tax matters. These involve significant management judgment to determine the possible outcome of the uncertain tax positions, consequently having an impact on related accounting and disclosures in the standalone financial statements. Hence, this has been considered as a key audit matter.

Our audit procedures include the following substantive procedures:

- Obtained detailed list of matters under dispute and other uncertain tax positions as at March 31, 2020;
 - Read and evaluated select key correspondences, external legal opinions / consultations by the management;
 - Discussed with appropriate senior management and evaluated management's underlying key assumptions in estimating the tax provisions; and
 - Assessed the management's estimate of the possible outcome of the disputed cases.
-

Accounting and valuation of Hedging Instrument (Refer Note 25(D) to the standalone Ind AS financial statements)

The Company hedges its foreign currency risk and interest rate risk through derivative instruments and applies hedge accounting principles for derivative instruments as prescribed by Ind AS 109. Liability pertaining to derivative instruments as at March 31, 2020 is amounting to ₹ 39.48 crores and debit balance of Cash Flow Hedge Reserve of ₹ 87.26 crores as on that date.

These contracts are recorded at fair value and cash flow hedge accounting is applied, such that gains and losses arising from fair value changes are deferred in equity and recognized in the standalone statement of profit and loss when hedges mature.

The valuation of hedging instruments and consideration of hedge effectiveness has been identified as a key audit matter as it involves a significant degree of complexity and management judgment and are subject to an inherent risk of error.

Our audit procedures included but not limited to:

- Obtained understanding and evaluated the design and implementation of the processes and internal controls relating to accounting and valuation of hedge instruments;
 - Tested the Company's key internal financial controls for derivative financial instruments and hedge accounting;
 - Verified, on a sample basis, hedge documentation and contracts;
 - Re-performed, on a sample basis, the year-end valuations of derivative financial instruments and calculations of hedge effectiveness; and
 - Obtained confirmation of year-end derivative financial instruments from counterparties, on a sample basis.
-

Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report, but does not include the standalone Ind AS financial statements, consolidated Ind AS financial statements and our auditor's report thereon.

Our opinion on the standalone 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 standalone 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 standalone 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 Standalone 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 standalone 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 standalone 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 standalone 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.

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

Auditor's Responsibilities for the Audit of the Standalone Ind AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone 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 standalone 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 standalone 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 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 standalone 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 standalone Ind AS financial statements, including the disclosures, and whether the standalone 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 standalone 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.

Report on Other Legal and Regulatory Requirements

(1) As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of section 143(11) of the Act, we give in "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 standalone 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, 2020, and taken on record by the Board

of Directors, none of the directors is disqualified as on March 31, 2020 from being appointed as a director in terms of section 164(2) of the Act;

f. With respect to the adequacy of the internal financial controls 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:

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, 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 standalone Ind AS financial statements – Refer Note 29 on Contingent Liabilities to the standalone Ind AS financial statements;

(ii) The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts – Refer Note 12 & 24 to the standalone Ind AS financial statements;

(iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For Haribhakti & Co. LLP
Chartered Accountants.
ICAI Firm Registration
No. 103523W/W100048

Hemant J. Bhatt
Partner
Membership No. 036834

Place: Ahmedabad
Date : 3rd June, 2020

For V.D.Shukla & Co.
Chartered Accountants
ICAI Firm Registration
No. 110240W

Vimal D. Shukla
Proprietor
Membership No. 036416

Place: Ahmedabad
Date : 3rd June, 2020

Annexure 1 To The Independent Auditor's Report

[Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditor's Report of even date to the members of Dishman Carbogen Amcis Limited ("the Company") on the standalone Ind AS financial statements for the year ended March 31, 2020]

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

- (i)
- (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The Company has a program of physical verification of fixed assets to cover all the items in a phased manner over a period of 3 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 fixed assets i.e., block of plant and machinery were physically verified by the management during the year and no material discrepancies were noticed on such verification.
- (c) The title deeds of immovable properties other than self-constructed properties recorded as Property, Plant and Equipment in the books of account of the Company as on March 31, 2020 are held in the name of the erstwhile Dishman Pharmaceuticals and Chemicals Limited. Subsequent to merger,

the transfer of immovable properties from Dishman Pharmaceuticals and Chemicals Limited into the name of the Company is under process. However, in respect of one lease hold land with gross block of ₹ 104.70 Crores and net block of ₹ 98.93 Crores, the lease deed has been executed but not registered with the relevant authorities.

(ii) The inventory, except Goods In Transit & stocks lying with third parties, have been physically verified by the management during the year. In our opinion, the frequency of verification is reasonable. For stocks lying with third parties at the year end, these have substantially been confirmed by them. No material discrepancies were noticed on physical verification carried out during the year.

(iii) The erstwhile Dishman Pharmaceuticals and Chemicals Limited has granted unsecured loan in earlier years to one company covered in the register maintained under section 189 of the Act whose outstanding balance as on March 31, 2020 is ₹ 60.67 Crore. Further, the Company has not granted during the year any loan, secured or unsecured to any firm, Limited Liability Partnership or other party covered in the register maintained under section 189 of the Act.

- (a) The terms and conditions of the aforesaid loans granted by the Company are not prejudicial to the interest of the Company.
- (b) The schedule of repayment of principal and payment of interest in respect of above loan has been stipulated. As per the terms of agreement, no repayment of principal or interest was due during the year.
- (c) In respect of the aforesaid loan,

there is no overdue amount as at yearend.

(iv) The Company has complied with the provisions of sections 185 and 186 of the Act in respect of grant of loans, making investments and providing guarantees and securities, as applicable.

(v) In our opinion, the Company has not accepted any deposits from the public within the provisions of sections 73 to 76 of the Act and the rules framed there under. Accordingly, the provisions of clause 3(v) of the Order are 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 not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.

(vii)

(a) The Company is regular in depositing with appropriate authorities, undisputed statutory dues including provident fund, employees' state insurance, income tax, goods and services tax (GST), customs duty, cess and any other material statutory dues applicable to it. During the year 2017-18, sales tax, value added tax, service tax and duty of excise subsumed in GST and are accordingly reported under GST.

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) There are no dues with respect to income tax, sales tax, service tax, value added tax, GST, customs duty, excise duty which have not been deposited on account of any dispute, except as follows:

Nature of statute	Nature of Dues	Amount (in Crores)	Period which the Amount Relates	Forum where dispute is pending
Central Excise Act, 1944	Excise Duty and Service Tax	1.48	2006-07 2009-10 2013-14	Central Excise and Service Tax Appellate Tribunal
		26.52	2006-07 To 2016-17	Commissioner of Central Excise (Appeals)
Central Sales Tax Act, 1956	Sales tax	0.24	2001-02	Joint Commissioner, Commercial Tax
		1.18	2006-07	Commercial Tax Gujarat VAT Tribunal
Gujarat Sales Tax, Act	Sales tax	0.07	2001-02, 2007-08	Joint Commissioner, Commercial Tax
		2.84	2006-07	Commercial Tax Gujarat VAT Tribunal
Income Tax Act, 1961	Demand U/S - 143(3)	1.84	FY 2001-02	High Court of Gujarat
Income Tax Act, 1961	Demand U/S - 143(3)	4.41	FY 2002-03	High Court of Gujarat
Income Tax Act, 1961	Demand U/S - 143(3)	1.51	FY 2003-04	High Court of Gujarat
Income Tax Act, 1961	Demand U/S - 143(3)	7.22	FY 2004-05	High Court of Gujarat
Income Tax Act, 1961	Demand U/S - 143(3).r.w.s.144	14.32	FY 2005-06	High Court of Gujarat
Income Tax Act, 1961	Demand U/S - 271(1) (C)	3.04	FY 2005-06	High Court of Gujarat
Income Tax Act, 1961	Demand U/S - 143(3).r.w.s.144	14.28	FY 2006-07	High Court of Gujarat
Income Tax Act, 1961	Demand U/S - 271(1) (C)	4.73	FY 2006-07	High Court of Gujarat
Income Tax Act, 1961	Demand U/S - 143(3).r.w.s.144	8.41	FY 2007-08	High Court of Gujarat
Income Tax Act, 1961	Demand U/S - 143(3).r.w.s.144	0.24	FY 2008-09	High Court of Gujarat
Income Tax Act, 1961	Demand U/S - 271(1) (C)	0.47	FY 2008-09	Income Tax Appellate Tribunal
Income Tax Act, 1961	Demand U/S - 143(3).r.w.s.147	1.52	FY 2009-10	Income Tax Appellate Tribunal and Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Demand U/S - 143(3).r.w.s.147	27.07	FY 2010-11	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Demand U/S - 143(3).r.w.s.147	41.86	FY 2011-12	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Demand U/S - 143(3).r.w.s.144	26.68	FY 2012-13	Commissioner of Income Tax (Appeals)

Income Tax Act, 1961	Demand U/S - 143(3).r.w.s.144	13.89	FY 2013-14	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Demand U/S – 143(3) r.w.s 144C	0.005	FY 2014-15	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Demand U/S – 143(3) r.w.s. 144C	20.71	FY 2014-15	Commissioner of Income Tax (Appeals)

Out of above, amount paid under protest by the Company for income tax is ₹. 56.01 Crores.

(viii) During the year, the Company has not defaulted in repayment of loans or borrowings to banks or financial institutions. The Company has not borrowed any money from government or by issue of debentures.

(ix) The Company did not raise moneys by way of initial public offer or further public offer (including debt instruments). In our opinion, the term loans were applied for the purposes for which the loans were obtained.

(x) 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 according to the information and

explanations given to us, we have neither come across any instance of fraud by the Company or any fraud on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such instance by the management.

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

(xii) In our opinion, the Company is not a Nidhi Company. Therefore, clause 3(xii) of the Order is not applicable to the Company.

(xiii) All transactions entered into by the Company with the related parties are in compliance with sections 177 and 188 of Act, where applicable, and the details have been disclosed in

the standalone Ind AS financial statements as required by the applicable accounting standards.

(xiv) The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Therefore, clause 3(xiv) of the Order is not applicable to the Company.

(xv) The Company has not entered into any non-cash transactions with directors or persons connected with them during the year and hence provisions of section 192 of the Act are not applicable.

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

For Haribhakti & Co. LLP
Chartered Accountants.
ICAI Firm Registration
No. 103523W/W100048

Hemant J. Bhatt
Partner
Membership No. 036834

Place: Ahmedabad
Date : 3rd June, 2020

For V.D.Shukla & Co.
Chartered Accountants
ICAI Firm Registration
No. 110240W

Vimal D. Shukla
Proprietor
Membership No. 036416

Place: Ahmedabad
Date : 3rd June, 2020

ANNEXURE 2 to the Independent Auditor's Report

[Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' section in our Independent Auditor's Report of even date to the members of Dishman Carbogen Amcis Limited on the standalone Ind AS financial statements for the year ended March 31, 2020]

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 Dishman Carbogen Amcis Limited ("the Company") as of March 31, 2020 in conjunction with our audit of the standalone 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 control 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, 2020, 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

Hemant J. Bhatt

Partner
Membership No. 036834

Place: Ahmedabad

Date : 3rd June, 2020

For V.D.Shukla & Co.

Chartered Accountants
ICAI Firm Registration
No. 110240W

Vimal D. Shukla

Proprietor
Membership No. 036416

Place: Ahmedabad

Date : 3rd June, 2020

Balance Sheet

as at 31st March, 2020

(₹ in crores)

Particulars	Note No.	As at 31st March, 2020	As at 31st March, 2019
ASSETS			
Non-current assets			
(a) Property, plant and equipment	2	754.88	763.43
(b) Capital work-in-progress	2	57.14	37.86
(c) Right of use assets	2	14.31	-
(d) Goodwill	3	862.48	950.93
(e) Other intangible assets	3	0.86	0.96
(f) Intangible assets under development		31.71	31.92
(g) Financial assets			
i. Investments	4(a)(i)	2,843.10	2,886.97
ii. Loans	4(c)	81.81	102.39
iii. Others	4(e)	6.07	1.39
(h) Non-current tax assets (Net)	7	102.63	93.69
(i) Other non-current assets	5	214.99	210.29
Total non-current assets		4,969.99	5,079.83
Current assets			
(a) Inventories	6	213.64	222.61
(b) Financial assets			
i. Investments	4(a)(ii)	57.01	19.72
ii. Trade receivables	4(b)	144.90	130.15
iii. Cash and cash equivalents	4(d)(i)	26.33	28.00
iv. Bank balances other than (iii) above	4(d)(ii)	38.80	19.35
v. Loans	4(c)	94.61	33.83
vi. Others	4(e)	50.56	90.59
(c) Other current assets	8	138.84	192.03
Total current assets		764.69	736.28
Total assets		5,734.68	5,816.11
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	9	31.38	32.28
(b) Other equity	10	4,764.47	4,860.09
Total equity		4,795.85	4,892.37
Liabilities			
Non-current liabilities			
(a) Financial Liabilities			
i. Borrowings	11(a)	137.90	202.73
ii. Lease liabilities		11.74	-
(b) Provisions	12	8.78	8.03
(c) Deferred tax liabilities (Net)	13	140.82	132.61
(d) Other non-current liabilities	14	19.14	54.44
Total non-current liabilities		318.38	397.81
Current liabilities			
(a) Financial liabilities			
i. Borrowings	11(b)	340.98	283.88
ii. Lease liabilities		3.48	-
iii. Trade payables	11(c)		
a. Total Outstanding dues of Micro Enterprises and Small Enterprises		1.31	6.34
b. Total Outstanding dues of creditors other than Micro Enterprises and Small Enterprises		84.61	87.34
iv. Other financial liabilities	11(d)	144.70	110.34
(b) Other current liabilities	15	43.34	33.81
(c) Provisions	12	2.03	4.22
Total current liabilities		620.45	525.93
Total liabilities		938.83	923.74
Total equity and liabilities		5,734.68	5,816.11
Significant accounting policies	1		

The accompanying notes form an integral part of these Financial Statements.

As per our attached report of even date

For Haribhakti & Co. LLP
Chartered Accountants.
ICAI Firm Registration
No. 103523W/W100048

Hemant J. Bhatt
Partner
Membership No. 036834

Place: Ahmedabad
Date: 3rd June, 2020

For V.D.Shukla & Co.
Chartered Accountants
ICAI Firm Registration
No. 110240W

Vimal D. Shukla
Proprietor
Membership No. 036416

For and on behalf of the Board of Directors

Arpit J. Vyas
Global Managing Director
DIN: 01540057
Place: Vitznau

Harshil R. Dalal
Global CFO

Place: Ahmedabad
Date: 3rd June, 2020

Deohooti J. Vyas
WholeTime Director
DIN: 00004876

Shrima G. Dave
Company Secretary
ACS 29292

Statement of Profit and Loss

For the year ended 31st March 2020

(₹ in crores)

Particulars	Note No.	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Income			
(a) Revenue from operations	16	580.74	549.47
(b) Other income	17	69.55	71.68
Total income		650.29	621.15
Expenses			
(a) Cost of materials consumed	18(a)	180.15	197.38
(b) Changes in inventories of finished goods, stock-in-trade and work-in-progress	18(b)	19.96	(34.80)
(c) Employee benefit expense	19	88.87	80.27
(d) Finance costs	20	47.02	47.43
(e) Depreciation and amortisation expense	21	140.65	136.31
(f) Other expenses	22	118.18	112.82
Total expenses		594.83	539.42
Profit before tax		55.46	81.73
Tax expense	23		
(a) Current tax		9.30	17.01
(b) Deferred tax		7.64	8.71
Profit for the year		38.52	56.01
Other Comprehensive Income			
(A) Items that will not be reclassified to profit or loss			
(a) Remeasurements of the defined benefit plans		(0.07)	0.52
(b) Income Tax impact on above		0.02	(0.18)
(c) Equity Instruments designated through other comprehensive income		1.69	4.09
(d) Income Tax impact on above		(0.59)	(1.43)
(B) Items that will be reclassified to profit or loss-			
(a) (i) foreign exchange fluctuation in respect of cash flow hedge		(96.00)	41.78
Other Comprehensive Income for the year		(94.94)	44.78
Total Comprehensive Income for the year		(56.42)	100.79
Earnings per equity share of face value of ₹ 2/- each:			
(a) Basic earnings per share (in ₹)	33	2.46	3.47
(b) Diluted earnings per share (in ₹)	33	2.46	3.47
Significant accounting policies	1		
The accompanying notes form an integral part of these Financial Statements.			

As per our attached report of even date

For and on behalf of the Board of Directors

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ICAI Firm Registration
No. 103523W/W100048

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Membership No. 036416

Harshil R. Dalal
Global CFO

Shrima G. Dave
Company Secretary
ACS 29292

Place: Ahmedabad
Date : 3rd June, 2020

Place: Ahmedabad
Date : 3rd June, 2020

Cash Flow Statement

for the year ended 31st March, 2020

(₹ in crores)

Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Profit before income tax	55.46	81.73
Adjustments for		
Depreciation and amortisation expense	140.65	136.31
Loss /(Gain) on Sale of Investments	5.86	(0.17)
Gain on disposal of property, plant and equipment	(0.02)	(0.07)
Unrealised Foreign Exchange Loss	4.45	0.13
Interest Income	(29.32)	(18.51)
Dividend Income	(31.48)	(42.89)
Interest Expenses	47.02	47.43
Provision for doubtful debts and advances	(1.84)	0.03
Cash Generated from operations before working capital changes.	190.78	203.99
Change in operating assets and liabilities		
(Increase)/Decrease in trade receivables	(5.62)	10.28
(Increase)/Decrease in loans and advances	56.99	42.61
(Increase)/Decrease in inventories	8.97	(53.53)
Increase in trade payables and provisions	(36.20)	(63.93)
Cash generated from operations	214.94	139.42
Income taxes paid	(18.24)	(19.69)
Net cash inflow from operating activities	196.68	119.73
Cash flows from investing activities		
Purchase of property, plant and equipment	(70.51)	(51.20)
Proceeds from sale of property, plant and equipment	0.16	9.78
Investments in mutual funds, bonds, Preference shares (net)	21.92	34.68
Investment in subsidiary	(19.52)	-
Loans and Advances Given to related parties(Net)	(39.42)	(89.10)
Balance Held as Margin Money	(24.09)	(13.78)
Dividends received	31.48	47.16
Interest received	25.68	38.26
Net cash outflow from investing activities	(74.30)	(24.17)
Cash flows from financing activities		
Buy back of equity share capital	(36.65)	-
Proceeds from borrowings	-	18.14
Repayment of borrowings	(84.00)	(82.25)
Proceeds / (Repayment) from short term borrowings (net)	46.35	26.88
Interest paid	(46.54)	(48.09)
Dividends paid to company's shareholders	(3.23)	-
Net cash inflow (outflow) from financing activities	(124.07)	(85.32)
Net increase (decrease) in cash and cash equivalents	(1.67)	10.23
Cash and cash equivalents at the beginning of the financial year	28.00	17.77
Cash and cash equivalents at end of the year	26.33	28.00

Reconciliation of cash and cash equivalents as per the cash flow statement**Cash and cash equivalents as per above comprise of the following**

Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Balance with banks		
- in current account	25.52	27.82
- in EEFC account	-	0.06
Cash on hand	0.81	0.12
Balances per statement of cash flows	26.33	28.00

Note:

- All figures in bracket are outflow.
- Income taxes paid are treated as arising from operating activities and are not bifurcated between investing and financing activities.
- The amendments to Ind AS 7 Statement of Cash Flow requires the entities to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financial activities, including both changes arising from cash flows and noncash changes, suggesting inclusion of a reconciliation between the opening and closing balances in the balance sheet for liabilities arising from financing activities, to meet the disclosure requirement. The amendment has become effective from April 1, 2017 and the required disclosure is made below:

	As at 31st March 2019	Cash Flows		Non-cash changes		As at 31st March 2020
		Proceeds	Repayments	Fair value changes	Current / Non-current Classification	
Long-Term Borrowings (Current and non current)	300.49	-	84.00	-	-	216.49
Short-Term Borrowings	283.88	46.35	-	-	-	330.23

Significant accounting policies 1
The accompanying notes form an integral part of these Financial Statements.

As per our attached report of even date

For and on behalf of the Board of Directors

For Haribhakti & Co. LLP
Chartered Accountants.
ICAI Firm Registration
No. 103523W/W100048

For V.D.Shukla & Co.
Chartered Accountants
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Harshil R. Dalal
Global CFO

Shrima G. Dave
Company Secretary
ACS 29292

Place: Ahmedabad
Date : 3rd June, 2020

Place: Ahmedabad
Date : 3rd June, 2020

Statement of Changes in Equity

for the year ended 31st March, 2020

A. Equity share capital

Particulars	For the year ended 31st March, 2020		For the year ended 31st March, 2019	
	No. of Shares	(₹ in crores)	No. of Shares	(₹ in crores)
Balance at the beginning of the reporting year	16,13,94,272	32.28	16,13,94,272	32.28
Add: Issued during the year	-	-	-	-
Add : Buy back during the year	(45,31,177)	(0.90)	-	-
Balance at the end of the reporting year	15,68,63,095	31.38	16,13,94,272	32.28

B. Other Equity

(₹ in crores)

Particulars	Reserves and Surplus			Other Comprehensive Income		Total
	Securities Premium Reserve	Capital Redemption Reserve	Retained Earnings	Equity instruments through OCI	Cash flow hedge reserves	
Balance as on 1st April, 2018	4,777.72	-	(2.52)	17.15	(33.05)	4,759.30
Profit for the year	-	-	56.01	-	-	56.01
Other comprehensive income for the year	-	-	0.34	2.66	41.79	44.78
Total Comprehensive Income for the year	-	-	56.35	2.66	41.79	100.79
Balance as on 31st March, 2019	4,777.72	-	53.83	19.81	8.74	4,860.09
Profit for the year	-	-	38.52	-	-	38.52
Other comprehensive income for the year	-	-	(0.05)	1.10	(96.00)	(94.95)
Total Comprehensive Income for the year	-	-	38.48	1.10	(96.00)	(56.43)
Dividend paid	-	-	(3.23)	-	-	(3.23)
Transition impact of Ind AS 116 'Leases', net of tax (Refer note. 2)	-	-	(0.22)	-	-	(0.22)
Transfer from Capital redemption reserve to Securities Premium	(0.90)	0.90	-	-	-	-
Buy back of shares	(35.75)	-	-	-	-	(35.75)
Balance as on 31st March, 2020	4,741.07	0.90	88.85	20.91	(87.26)	4,764.47

Significant accounting policies (Note No. 1)

The accompanying notes form an integral part of these Financial Statements.

As per our attached report of even date

For and on behalf of the Board of Directors

For Haribhakti & Co. LLP
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No. 103523W/W100048

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Global CFO

Shrima G. Dave
Company Secretary
ACS 29292

Place: Ahmedabad
Date : 3rd June, 2020

Place: Ahmedabad
Date : 3rd June, 2020

Notes to Standalone Financial Statements

1.0 Background of the Company

Dishman Carbogen Amcis Limited (CIN: U74900GJ2007PLC051338) is a public company limited by shares incorporated on 17th July, 2007 under the provisions of the Companies Act, 1956, having its registered office at Dishman Corporate House, Iscon-Bopal Road, Ambli, Ahmedabad - 380058, Gujarat and is engaged in Contract Research and Manufacturing Services (CRAMS) and manufacture and supply of marketable molecules such as specialty chemicals, vitamins & chemicals and disinfectants. The equity shares of Dishman Carbogen Amcis Limited are listed on National Stock Exchange of India Ltd. ("NSE") and BSE Ltd. ("BSE") (collectively, the "Stock Exchanges").

2.0 Significant accounting policies

2.1 Basis of Preparation

These financial statements are the separate financial statements of the Company (also called standalone financial statements) prepared in accordance with Indian Accounting Standards ('Ind AS') notified under section 133 of the Companies Act 2013, read together with the Companies (Indian Accounting Standards) Rules, 2015 (as amended).

These financial statements have been prepared and presented under the historical cost convention, on the accrual basis of accounting except for certain financial assets and financial liabilities that are measured at fair values at the end of each reporting period, as stated in the accounting policies set out below. The accounting policies have been applied consistently over all the periods presented in these financial statements except as mentioned below in 2.2.

2.2 The company has applied the following Ind AS pronouncements pursuant to issuance of the Companies (Indian Accounting Standards) Amendment Rules, 2018. The effect is described below :

(i) Ind AS 116 "Leases"

The Company has implemented the Ind AS 116 "Leases" as notified by Ministry of Corporate Affairs on 30th March 2019 through the Companies (Indian Accounting Standard) Amendment Rules, 2019.

The Company has applied the standard w.e.f. accounting period commenced on or after April 1, 2019 to its Leases using the modified retrospective approach, therefore previous period comparative figures are not adjusted in the financial statements. This has resulted in recognising a lease liability measured at present value of the remaining lease payments and a corresponding Right-of-Use (ROU) asset as if the lease has been commenced w.e.f. 1st April 2019. The Company discounted remaining lease payments using the lessee's incremental borrowing rate as at 1st April 2019. The Company has also elected not to apply the requirements of Ind AS 116 to short term leases and leases for which underlying asset is of low value. In the results for the current period, the nature of expenses in respect of Operating lease has changed from lease rent in previous periods to depreciation cost for the right-of-use asset and finance cost for interest accrued on lease liability. The rights of use assets are depreciated on a straight line basis over a lease term.

The Company has therefore recognised a lease liability of ₹ 18.35 crores and a corresponding ROU asset as at 1st April 2019. The impact of adopting Ind AS 116 on the Company's financial results for

the year ended 31st March 2020 is as follows:

1. Depreciation expense has increased by ₹ 3.82 crores due to amortisation of ROU asset.
2. Finance cost has increased by ₹ 1.87 crores due to interest on outstanding lease liability.
3. Other expenses has been decreased by ₹ 5.00 crores due to recognition of lease liability and corresponding ROU asset.
4. The net impact on PBT amounts to a loss of ₹ 0.69 crores.

The net impact of this adoption is not material on the earnings per share. The other amendments encompass various guidance and clarifications which affect disclosures.

In connection with the transition to the new standard, management has applied judgement and formed assumptions in relation to assessing the incremental borrowing rate, service components and extension options of leasing arrangements. Management has formed its judgements and assumptions based on historical experience, internal and external available information and data.

(ii) Ind AS 12 "Income Tax" - Uncertainty over income tax treatments

The Ministry of Corporate Affairs (MCA) notified the Companies (Indian Accounting Standards) Amendment Rules, 2019 on 30th March 2019. The Rules amended Ind AS 12 – Uncertainty over income tax treatments. These amendments are applicable from 1 April 2019 onwards and the Company has applied this amendment w.e.f. accounting period commenced on or after April 1, 2019

The principles of uncertain tax treatments are included in the

scope of Ind AS 12 "Income taxes". It clarifies the recognition and measurement for income tax when it is unclear whether a taxation authority will accept the tax treatment claimed. An uncertain tax position arises where there is more than one possible interpretation of how tax regulations apply to a given transaction or event. The interpretation requires the Company to determine whether uncertain tax treatments are assessed separately or as a group. The interpretation also requires an assumption that a taxation authority has full knowledge of all relevant information. Where it is not probable that a taxation authority will accept an uncertain tax treatment, it requires the Company to reflect the effect of the uncertainty in the accounting tax position. Finally, reassessment should be performed on a yearly basis in the event of changes in facts and circumstances.

Management reviewed the features of the new interpretation, notably in terms of tax risks included in the scope of the interpretation. However, the implementation of the standard has no impact on accounts.

2.3 Statement of Compliance

The financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) and other relevant provisions of the Act.

2.4 Inventories

Inventories are valued at cost as per moving weighted average price or net realisable value, whichever is lower after providing for obsolescence and other losses, where considered necessary. Cost includes all charges in bringing the goods to the point of sale, including octroi and other levies, transit insurance and receiving charges. Work-in-progress and finished goods include appropriate proportion of overheads and, where applicable, excise duty.

Inventories of stores and spare parts are valued at cost.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and to make the sale.

2.5 Property, plant and equipment

Freehold land is carried at historical cost and not depreciated. All other property, plant and equipment are stated at historical cost less accumulated depreciation and accumulated impairment losses. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Cost includes its purchase price including non-cenvatable taxes and duties, directly attributable costs of bringing the asset to its present location and condition and initial estimate of costs of dismantling and removing the item and restoring the site on which it is located. Properties in the course of construction are carried at cost, less any recognised impairment loss. Such properties are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably.

The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to statement of profit or loss during the reporting period in which they are incurred.

Machinery spares, stand-by equipment and servicing equipment are recognised as property, plant and equipment when they meet the definition of property, plant and

equipment. Otherwise, such items are classified as inventory.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

The residual values and useful lives of property, plant and equipment are reviewed at each financial year end and changes, if any, are accounted in the line with revisions to accounting estimates.

Depreciation

Depreciation is calculated using the straight-line method to allocate their cost, net of their residual values, over their estimated useful lives. Depreciation on the subsequent cost capitalisation are depreciated over the remaining useful life of the assets.

Depreciation has been provided on straight line method and in the manner specified in Schedule II of the Companies Act, 2013 based on the useful life specified in Schedule II except where management estimate of useful life is different.

The useful lives have been determined based on technical evaluation done by the management's expert taking into account the nature of the asset, past history of replacement, anticipated technology changes etc, which are different than those specified by Schedule II to the Companies Act; 2013 are given below:-

Assets	Estimated useful life
Plant and Machinery	20/ 13/ 10 years
Electrical Installation	15 years
Laboratory Equipment	20/ 13/ 10 years

The residual values are not more than 5% of the original cost of the asset. The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

2.6 Goodwill and Intangible assets

Intangible assets that are acquired by the Company, which have finite useful lives, are measured at cost less accumulated amortisation and accumulated impairment losses. Cost includes expenditures that are directly attributable to the acquisition of the intangible asset.

In respect of business combination that occurred prior to transition date, goodwill is included on the basis of its deemed cost, which represents the amount recorded under previous GAAP.

Subsequent expenditure

Subsequent expenditure is capitalised only when it increase the future economic benefits embodied in the specific assets to which it relates. All other expenditure are recognised in profit or loss as incurred.

Amortisation

Amortisation is recognised in profit or loss on a straight line basis over the estimated useful lives of the intangible assets from the date that they are available for use. The estimated useful lives are as follows:

Assets	Estimated useful life
Copyrights, patents and intellectual property rights	5 years
Computer Software	5 years

Goodwill arising on merger of Dishman Pharmaceuticals and Chemicals Ltd (DPCL) with the Company has been recognised as per the Court scheme. Said Goodwill has been amortised in accordance with the Court scheme for which the Company has estimated useful life of 15 years.

Internally generated intangible asset: Research and Development

Expenditure on research activity is recognised as expense in the period in which it is incurred. An internally generated intangible asset arising

from development is recognised, if any only if, all of the following conditions have been fulfilled:

- Development costs can be measured reliably
- The product or process is technically and commercially feasible. Future economic benefits are probable and
- The Company intends to and has sufficient resources to complete development and to use or sell the asset.

2.7 Borrowing cost

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use. Other borrowing costs are expensed in the period in which they are incurred.

2.8 Impairment of property, plant and equipment and intangible assets

Consideration is given at each balance sheet date to determine whether there is any indication of impairment of the carrying amount of the Company's each class of the property, plant and equipment or intangible assets. If any indication exists, an asset's recoverable amount is estimated. An impairment loss is recognized whenever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value based on an appropriate discount factor.

2.9 Impairment of non-financial assets

Goodwill is tested for impairment annually as at 31 March and when circumstances indicate that the carrying value may be impaired.

Impairment is determined for goodwill by assessing the recoverable amount of each CGU (or group of CGU's) to which the goodwill relates. When the recoverable amount of the CGU is less than its carrying amount, an impairment loss is recognised. Impairment losses relating to goodwill are not reversed in future periods.

2.10 Foreign Currency translation

Functional and Presentation currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Indian rupee (INR), which is Company's functional and presentation currency.

Transaction and balances

Transactions in foreign currencies are initially recognised in the financial statements using exchange rates prevailing on the date of transaction. Monetary assets and liabilities denominated in foreign currencies are translated to the functional currency at the exchange rates prevailing at the reporting date and foreign exchange gain or loss are recognised in profit or loss.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on non-monetary assets and liabilities such as equity instruments held at fair value through profit or loss are recognised in profit or loss as part of the fair value gain or loss and translation differences on non-monetary assets such as equity investments classified as FVOCI are recognised in other comprehensive income. Non-monetary items denominated in a foreign currency and measured at historical cost are translated at the exchange rate prevalent at

the date of transaction. Foreign exchange differences regarded as an adjustment to the borrowing cost are presented in the Statement of profit or loss with in finance cost. All other foreign currency differences arising on translation are recognised in statement of profit and loss on net basis with in other gain/ (losses).

2.11 Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment. Amounts disclosed as revenue are net of returns, trade discount, rebates, sales tax, value added taxes and Goods & Services Tax.

Sale of goods

Revenue from sale of goods is recognised when the control of the goods have been transferred to the buyer, the associated costs and possible return of goods can be estimated reliably, there is no continuing management involvement with the goods, and the amount of revenue can be measured reliably. The performance obligation in the case of sale of goods is satisfied at a point in time i.e. when the material shift to the customer or on delivery to the customer as may be specified in the contract.

Sales of services

Revenue from services rendered is generally recognized in proportion to the stage of completion of the transaction at the reporting date. The stage of completion of the contract is determined based on actual service provided as a proportion of the total service to be provided. Revenues from contracts priced on a time and material basis are recognised when services are rendered and related costs are incurred.

Dividend and interest income

Dividend is recognised as income when the shareholder's right to receive payment has been established (provided that it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably).

Interest income is accrued on time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

Export Incentives

Duty drawback,, MEIS and SEIS benefits are recognized at the time of exports and the benefits in respect of licenses received by the Company against export made by it are recognized as and when goods are imported against them.

2.12 Employee benefits

Employee benefits include provident fund, superannuation fund, employee state insurance scheme, gratuity fund, compensated absences, long service awards and post-employment medical benefits.

Defined contribution plans

The Company's contribution to provident fund, employee state insurance scheme and superannuation fund are considered as defined contribution plans and are charged as an expense based on the amount of contribution required to be made and when services are rendered by the employees.

Defined benefit plans

For defined benefit plans in the form of gratuity fund, the cost of providing benefits is determined using the Projected Unit Credit method, with actuarial valuations being carried out at each balance sheet date. The present value of the defined benefit obligation is determined by

discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss.

Re-measurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet and will not be reclassified to profit or loss.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.

Short-term employee benefits

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognised during the year when the employees render the service. These benefits include performance incentive and compensated absences which are expected to occur within twelve months after the end of the period in which the employee renders the related service.

The cost of short-term compensated absences is accounted as under:

- (a) in case of accumulated compensated absences, when employees render the services that increase their entitlement of future compensated absences; and
- (b) in case of non-accumulating compensated absences, when the absences occur.

Long-term employee benefits

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related service are recognised as a liability at the present value of the defined benefit obligation as at the balance sheet date less the fair value of the plan assets out of which the obligations are expected to be settled.

2.13 Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible.

Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the company has a legally enforceable right for such setoff.

MAT Credits are in the form of unused tax credits that are carried forward by the Company for a specified period of time, hence it is grouped with Deferred Tax Asset.

Current and deferred tax for the year

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

2.14 Leases

Finance lease

Leases where the Company, as lessee, has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the lease's inception at the fair value of

the leased property or, if lower, the present value of the minimum lease payments. The corresponding rental obligations, net of finance charges, are included in borrowings or other financial liabilities as appropriate. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to the profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Operating lease

Where the Company is the lessee in a lease arrangement at inception, the lease contracts are recognized as rights-of-use assets and lease liabilities are measured at present value of lease payments at initial recognition except for short-term leases and leases of low value. The rights of use assets are depreciated on a straight line basis over a lease term. Lease payments are discounted using the interest rate implicit in the lease. If that rate is not readily available, the incremental borrowing rate is applied. The incremental borrowing rate reflects the rate of interest that the lessee would have to pay to borrow over a similar term, with a similar security, the funds necessary to obtain an asset of a similar nature and value to the right-of-use asset in a similar economic environment. Payments associated with short-term leases and leases of low-value assets are recognised as an expense in profit & loss Account.

2.15 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

A. Financial assets

(i) Classification, recognition and measurement:

Financial assets are recognized when the Company becomes a party to the contractual provisions of the instrument.

The company classifies its financial assets in the following measurement categories:

- a) those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- b) those to be measured at amortised cost.

The classification depends on the company's business model for managing the financial assets and whether 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.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

Type of instruments	Classification	Rationale for classification	Initial measurement	Subsequent measurement
Debt instruments	Amortized cost	Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest on principal amount outstanding are measured at amortised cost.	At fair value plus transaction costs that are directly attributable to the acquisition of the financial asset	Amortized cost is calculated using Effective Interest Rate (EIR) method, taking into account interest income, transaction cost and discount or premium on acquisition. EIR amortization is included in finance Income. Any gain and loss on derecognition of the financial instrument measured at amortised cost recognised in profit and loss account.
	Fair value through other comprehensive income (FVOCI)	Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest on principal amount outstanding, are measured at FVOCI.	At fair value plus transaction costs that are directly attributable to the acquisition of the financial asset	Changes in carrying value of such instruments are recorded in OCI except for impairment losses, interest income (including transaction cost and discounts or premium on amortization) and foreign exchange gain/loss which is recognized in income statement. Interest income, transaction cost and discount or premium on acquisition are recognized in to income statement (finance income) using effective interest rate method. On derecognition of the financial assets measured at FVOCI, the cumulative gain or loss previously recognized in OCI is classified from Equity to Profit and Loss account in other gain and loss head.

Type of instruments	Classification	Rationale for classification	Initial measurement	Subsequent measurement
	Fair value through profit or loss (FVTPL)	Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain and loss on a debt instrument that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognized in profit or loss in the period in which arise.	At fair value. Transaction costs of financial assets expensed to income statement	Change in fair value of such assets are recorded in income statement as other gains/ (losses) in the period in which it arises. Interest income from these financial assets is included in the finance income.
Equity instruments	FVOCI	The Company's management has made an irrevocable election at the time of initial recognition to account for the equity investment (On an instrument by instrument basis) at fair value through other comprehensive income. This election is not permitted if the equity investment is held for trading. The classification is made on initial recognition and is irrevocable.	At fair value plus transaction costs that are directly attributable to the acquisition of the financial asset	Change in fair value of such instrument are recorded in OCI. On disposal of such instruments, no amount is reclassified to income statement. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value. Dividend income from such instruments are however recorded in income statement.
	FVTPL	When no such election is made, the equity instruments are measured at FVTPL	At fair value. Transaction costs of financial assets expensed to income statement	Change in fair value of such assets are recorded in income statement.

All financial assets are recognised initially at fair value and for those instruments that are not subsequently measured at FVTPL, plus/minus transaction costs that are attributable to the acquisition of the financial assets.

Trade receivables are carried at original invoice price as the sales arrangements do not contain any significant financing component. 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.

(ii) Impairment:

In accordance with Ind AS 109, the Company applies Expected Credit Loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- a) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, and bank balance.
- b) Trade receivables.

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables which do not contain a significant financing component.

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition. The Company uses a provision matrix to determine impairment loss allowance on the portfolio of trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivable and is adjusted for forward looking estimates. At every reporting date, historical observed default rates are updated and changes in the forward- looking estimates are analysed.

(iii) Derecognition of financial assets:

A financial asset is derecognised only when

- (a) the company has transferred the rights to receive cash flows from the financial asset or
- (b) retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the company has transferred an asset, the company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the company has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the company has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the company has not retained control of the financial asset. Where the company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

(iv) Foreign exchange gain or losses:

The fair value of financial assets denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of each reporting period.

For foreign currency denominated financial assets measured at amortised cost and FVTPL, the exchange difference are recognised in profit or loss except for those which are designated and outstanding as hedging instruments in the hedging relationship.

Changes in the carrying amount of investments in equity instruments at FVTOCI relating to changes in foreign currency rates are

recognised in other comprehensive income.

For the purpose of recognising foreign exchange gain and losses, FVTOCI debt instruments are treated as financial assets measured at amortised cost. Thus, the exchange differences on the amortised cost are recognised in profit or loss and other changes in the fair value of FVTOCI financial assets are recognised in other comprehensive income.

(v) Investments in Subsidiaries:

The Company has availed an option stated under Ind AS 101 and measured investments in equity instruments of subsidiaries at Cost as per Ind AS 27. The Carrying amount is reduced to recognise impairment, if any, in value of investments.

B. Financial liabilities and equity instruments :

Debt and equity instruments issued by a entity are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Classification, recognition and measurement:**(a) Equity Instruments:**

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the company are recognised at the proceeds received, net of direct issue costs.

(b) Financial liabilities:**Initial recognition and measurement:**

Financial liabilities are initially recognised at fair value plus any transaction costs that are attributable to the acquisition of the financial liabilities except financial liabilities at FVTPL which are initially measured at fair value.

Subsequent measurement:

The financial liabilities are classified for subsequent measurement into following categories :

- at amortised cost
- at fair value through profit or loss (FVTPL)

(i) Financial liabilities at amortised cost:

The company is classifying the following under amortised cost;

- Borrowings from banks
- Borrowings from others
- Finance lease liabilities
- Trade payables

Amortised cost for financial liabilities represents amount at which financial liability is measured at initial recognition minus the principal repayments, plus or minus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount.

(ii) Financial liabilities at fair value through profit or loss:

Financial liabilities held for trading are measured at FVTPL.

Financial liabilities at FVTPL are stated at fair value with any gains or losses arising on remeasurement, recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any interest paid on the financial liability and is included in the 'other gains and losses' line item.

Derecognition:

A financial liability is removed from the balance sheet when the obligation is discharged, or is cancelled, or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in

the respective carrying amounts is recognised in the Statement of Profit and Loss.

(c) Financial guarantees contracts

Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortisation.

C. Derivative financial instruments

Foreign exchange forward contracts are entered into by the Company to mitigate the risk of changes in foreign exchange rates associated with certain payables, receivables and forecasted transactions denominated in certain foreign currencies. Derivative contracts which do not qualify for hedge accounting under Ind AS 109, are initially recognized at fair value on the date the contract is entered into and subsequently measured at fair value through profit or loss. Gain or loss arising from changes in the fair value of the derivative contracts are recognised in other comprehensive income. Realized gain or loss arising on forward contract / hedging instrument relating to forecast sales are included under Other Operating Income in the Statement of Profit and Loss. Derivatives contracts which are qualified for hedge accounting under Ind AS 109, are initially recognized at fair value on the date the contract is entered into and subsequently measured at fair value through other comprehensive income.

D. Offsetting financial instruments

Financial assets and liabilities are

offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

2.16 Fair value measurement:

The Company measures financial instruments, such as, certain investments at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

2.17 Provisions and Contingencies

Provisions are recognised when the company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

A provision for onerous contracts is recognized when the expected benefits to be derived by the Company from a contract are lower than the unavoidable cost of meeting its obligations under the contract. The provision is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established, the Company recognizes any impairment loss on the assets associated with that contract.

Contingent liabilities are recognised at their fair value only, if they were assumed as part of a business combination. Contingent assets are not recognised. However, when the realisation of income is virtually certain, then the related asset is no longer a contingent asset, and is recognised as an asset. Information on contingent liabilities is disclosed in the notes to the financial

statements, unless the possibility of an outflow of resources embodying economic benefits is remote. The same applies to contingent assets where an inflow of economic benefits is probable.

2.18 Segment reporting:

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operational decision maker monitors the operating results of its business Segments separately for the purpose of making decision about the resources allocation and performance assessment. Segment performance is evaluated based on the profit or loss and is measured consistently with profit or loss in the financial statements. The operating segments have been identified on the basis of the nature of products/ services.

2.19 Cash and cash equivalent:

Cash and cash equivalent in the balance sheet comprises cash at bank and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

2.20 Dividend distribution to equity shareholders:

Dividend distributed to Equity shareholders is recognised as distribution to owners of capital in the Statement of Changes in Equity, in the period in which it is paid.

2.21 Earnings per share:

The basic Earnings Per Share ("EPS") is computed by dividing the net profit / (loss) after tax for the year attributable to the equity shareholders by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted earnings per share, net

profit / (loss) after tax for the year attributable to the equity shareholders and the weighted average number of equity shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

2.22 Current/ Non-current classification:

An assets is classified as current if:

- (a) it is expected to be realised or sold or consumed in the Company's normal operating cycle;
- (b) it is held primarily for the purpose of trading;
- (c) it is expected to be realised within twelvemonths after the reporting period; or
- (d) it is cash or a cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is classified as current if:

- (a) it is expected to be settled in normal operating cycle;
- (b) it is held primarily for the purpose of trading;
- (c) it is expected to be settled within twelvemonths after the reporting period;
- (d) it has no unconditional right to defer the settlement of the liability for at least twelvemonths after the reporting period.

All other liabilities are classified as non-current.

The operating cycle is the time between acquisition of assets for processing and their realisation in cash and cash equivalents. The Company's normal operating cycle is twelve months.

2.23 Significant accounting estimates, judgements and assumptions:

The preparation of the Company's financial statements in conformity with Ind AS requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances existing when the financial statements were prepared. The estimates and underlying assumptions are reviewed on an ongoing basis. Revision to accounting estimates is recognised in the year in which the estimates are revised and in any future year affected.

In the process of applying the Company's accounting policies, management has made the following judgements which have significant effect on the amounts recognised in the financial statements:

a. Useful lives of property, plant and equipment and Goodwill:

Determination of the estimated useful life of tangible assets and the assessment as to which components of the cost may be capitalised. Useful life of tangible assets is based on the life specified in Schedule II of the Companies Act, 2013 and also as per management estimate for certain category of assets. Assumption also need to be made, when company assesses, whether as asset may be capitalised and which components of the cost of the assets may be capitalised. The goodwill recorded on merger has been amortised based on its estimated benefit / estimated useful life of 15 years.

b. Arrangement containing lease:

At the inception of an arrangement whether the arrangement is or contain lease. At the inception or reassessment of an arrangement that contains a lease, Company separates payments and other consideration required by the arrangement into those for the lease and those for the other elements on the basis of their relative fair values. The Company has determined, based on an evaluation of the terms and conditions of the arrangements, that such contracts are not in the nature of leases.

c. Service Income: The Company uses the percentage of completion method in accounting for its fixed price contract. Use of percentage of completion requires the Company to estimate the service performed to date as a proportion of the total service to be performed. Determination of the stage of completion is technical matter and determined by the management experts.

d. Fair value measurement of financial instruments: When the fair values of financial assets and financial liabilities recorded in the Balance Sheet cannot be measured based on quoted prices in active markets, their fair value is measured using appropriate valuation techniques. The inputs for these valuations are taken from observable sources where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of various inputs including liquidity risk, credit risk, volatility etc. Changes in assumptions/ judgements about these factors could affect the reported fair value of financial instruments.

e. Defined benefit plan: The cost of the defined benefit gratuity plan and other post-employment benefits and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from

actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

f. Allowances for uncollected accounts receivable and advances:

Trade receivables do not carry interest and are stated at their normal value as reduced by appropriate allowances for estimated irrecoverable amounts. Individual trade receivables are written off when management deems them not collectable. Impairment is made on the expected credit loss model, which are the present value of the cash shortfall over the expected life of the financial assets. The impairment provisions for financial assets are based on assumption about the risk of default and expected loss rates. Judgement in making these assumption and selecting the inputs to the impairment calculation are based on past history, existing market condition as well as forward looking estimates at the end of each reporting period.

g. Allowances for inventories:

Management reviews the inventory age listing on a periodic basis. This review involves comparison of the carrying value of the aged inventory items with the respective net realizable value. The purpose is to ascertain whether an allowance is required to be made in the financial statements for any obsolete and slow-moving items. Management is satisfied that adequate allowance for obsolete and slow-moving inventories has been made in the financial statements.

h. Impairment of non-financial assets:

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher

of an asset's or Cash Generating Units (CGU's) fair value less costs of disposal and its value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or a groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account, if no such transactions can be identified, an appropriate valuation model is used.

i. Taxation: Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgment is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies. Management judgement is required for the calculation of provision for income taxes and deferred tax assets and liabilities. Company reviews at each balance sheet date the carrying amount of deferred tax assets. The factors used in estimates may differ from actual outcome which could lead to significant adjustment to the amounts reported in the financial statements.

j. Contingencies: Management judgement is required for estimating the possible outflow of resources, if any, in respect of contingencies/ claim/ litigation against company as it is not possible to predict the outcome of pending matters with accuracy.

Note 2: Property, plant and equipment

(₹ in crores)

Particulars	Freehold land	Leasehold land	Buildings	Plant and Equipment	Furniture & Fixtures	Vehicles	Office equipment & Computer & Printers	Electrical Installations	Laboratory Equipments	Total	Right of use of assets	Capital work-in-progress
Year ended 31st March, 2019												
Gross carrying amount												
Opening balance	137.23	148.93	117.79	444.77	9.62	14.25	13.29	54.71	22.83	963.41	-	16.18
Additions	-	0.39	6.87	4.86	0.59	0.69	5.34	0.87	0.51	20.12	-	28.08
Disposals	-	-	(1.09)	(24.30)	(0.07)	(0.72)	(0.04)	(0.12)	-	(26.34)	-	-
Transfers	-	-	-	-	-	-	-	-	-	-	-	(6.40)
Closing balance	137.23	149.33	123.57	425.33	10.14	14.22	18.59	55.46	23.33	957.19	-	37.86
Accumulated depreciation												
Opening balance	-	5.32	12.95	101.52	3.44	5.09	1.42	15.27	6.36	151.38	-	-
Charge for the year	-	2.08	4.30	29.86	0.74	1.82	1.92	4.97	1.71	47.41	-	-
Disposals	-	-	(0.10)	(4.29)	(0.04)	(0.53)	(0.03)	(0.03)	-	(5.02)	-	-
Closing balance	-	7.40	17.15	127.10	4.14	6.39	3.31	20.21	8.07	193.77	-	-
Net carrying amount	137.23	141.93	106.42	298.22	6.01	7.83	15.27	35.26	15.26	763.43	-	37.86
Year ended 31st March, 2020												
Gross carrying amount												
Opening balance	137.23	149.33	123.57	425.33	10.14	14.22	18.59	55.46	23.33	957.19	-	37.86
Additions	-	-	10.18	18.36	1.13	1.34	4.31	1.89	2.29	39.50	18.12	29.05
Disposals	-	-	-	-	(0.00)	(0.44)	(0.00)	-	-	(0.45)	-	-
Transfers	-	-	-	-	-	-	-	-	-	-	-	(9.77)
Closing balance	137.23	149.33	133.75	443.68	11.27	15.12	22.89	57.36	25.62	996.24	18.12	57.14
Accumulated depreciation												
Opening balance	-	7.40	17.15	127.10	4.14	6.39	3.31	20.21	8.07	193.77	-	-
Charge for the year	-	2.08	4.36	29.73	0.77	1.59	2.78	4.93	1.72	47.97	3.82	-
Disposals	-	-	-	-	(0.00)	(0.37)	(0.00)	-	-	(0.38)	-	-
Closing balance	-	9.48	21.51	156.83	4.91	7.61	6.09	25.14	9.80	241.36	3.82	-
Net carrying amount	137.23	139.85	112.24	286.85	6.36	7.51	16.80	32.22	15.82	754.88	14.31	57.14

Note :

(i) Property, plant & Equipment hypothecated \ mortgaged as a security:

Refer Note 11(a) for information on Property, plant & Equipment hypothecated \ mortgaged as a security by the Company

(ii) Contractual Obligation

Refer Note 30 for disclosure of Contractual Obligation for the acquisition of Property, plant & Equipment.

(iii) Amount of interest capitalised during the year ₹ 1.21 crores (Previous year ₹ 1.52 crores).

(iv) : Right of use assets are rights for lease of factory building.

Note 3 : Intangible Assets

(₹ in crores)

Particulars	Computer software	Copyrights, patents & other Intellectual property rights, services and operating rights	Total	Goodwill
Year ended 31st March, 2019				
Gross carrying amount				
Opening balance	2.12	0.78	2.90	1,326.86
Additions	-	-	-	-
Disposal	-	-	-	-
Closing balance	2.12	0.78	2.90	1,326.86
Accumulated amortisation				
Opening balance	0.95	0.54	1.49	287.48
Charge for the year	0.38	0.07	0.45	88.45
Impairment	-	-	-	-
Closing balance	1.33	0.61	1.94	375.93
Closing net carrying amount	0.79	0.17	0.96	950.93
Year ended 31st March, 2020				
Gross carrying amount				
Opening balance	2.12	0.78	2.90	1,326.86
Additions	0.31	-	0.31	-
Disposal	-	-	-	-
Closing balance	2.43	0.78	3.21	1,326.86
Accumulated amortisation				
Opening balance	1.33	0.61	1.94	375.93
Charge for the year	0.39	0.02	0.41	88.45
Impairment	-	-	-	-
Closing balance	1.72	0.63	2.35	464.38
Net carrying amount	0.71	0.15	0.86	862.48

Goodwill

The goodwill at each CGU level (acquisition on account of merger of erstwhile DPCL) is tested for impairment at least annually and when events occur or changes in circumstances indicate that the recoverable amount is less than its carrying value. The recoverable amount is based on a value-in-use calculation using the discounted cash flow method. The value-in-use calculation is made using the net present value of the projected post-tax cashflows for next 5 years and the Terminal Value at the end of the 5 years (after considering the relevant long-term growth rate).

Key assumptions used in the value in use calculations

The Cash flow projections includes specific estimates for 5 years developed using expected margins, internal forecast and a terminal growth rate thereafter of 2.50%. The value assigned to the assumption reflects past experience and are consistent with the management's plan for focusing operation in these locations. The management believe that the planned market share growth per year for next 5 years is reasonably achievable.

Discount rate reflects the current market assessment of the risks specific to a CGU. The discount rate is estimated based on the weighted average cost of capital for respective CGU. Post-tax discount rate used was 11.61% for the year ended 31st March, 2020.

The Company believes that any reasonably possible change in the key assumptions on which a recoverable amount is based would not cause the aggregate carrying amount to exceed the aggregate recoverable amount of the cash generating unit.

Based on the above assumptions and analysis, no impairment was identified for any of the CGU as at 31st March, 2020.

Note 4 : Financial Assets**4(a) (i) Non-current investments**

(₹ in crores)

Particulars	% of holding	As at 31st March, 2020	As at 31st March, 2019
Investment in equity instruments (fully paid-up)			
A) Quoted			
(i) Investment in Quoted Equity shares carried at Fair value through Other Comprehensive Income			
(a) Bank of India		0.01	0.02
(March 31, 2020 : 2,100 (Previous Year: 2,100) equity shares of Face value of ₹ 10/- each fully paid up)			
(ii) Other investment which are carried at Fair value through statement of profit and loss			
(a) HDFC Housing Opportunities Fund		3.16	4.77
(March 31, 2020 : 50,00,000 (Previous Year: 50,00,000) units of Face value of ₹ 10/- each)			
(b) HDFC Perpetual Bond		-	29.62
(March 31, 2020 : Nil (Previous Year : 250) bonds of Face value of ₹ 10,00,000/- each)			
(c) ZEE Entertainment Enterprise Ltd - Preference shares		-	14.69
(March 31, 2020 : Nil (Previous Year: 4,00,00,000) preference shares of ₹ 6/- each out of which ₹ 4/- per share is classified as non-current investment and ₹ 2/- per share is classified as current investment)			
(d) State Bank of India Perpetual Bond		-	4.89
(March 31, 2020 : Nil (Previous Year : 50) bonds of Face value of ₹ 10,00,000/- each)			
(e) Bank of Baroda Perpetual Bond		-	9.62
(March 31, 2020 : Nil (Previous Year : 100) bonds of Face value of ₹ 10,00,000/- each)			
(f) ICICI Bank Ltd.		-	5.03
(March 31, 2020 : Nil (Previous Year : 50) bonds of Face value of ₹ 10,00,000/- each)			
(iii) Other investment which are held till maturity			
(a) IRB INVIT FUND			
(March 31, 2020 : 5,80,000 (Previous Year : 5,80,000) bonds of Face value of ₹ 100/- each)		4.62	3.87
(b) J M Financials Credit Solutions Ltd.			
(March 31, 2020 : 2,50,000 (Previous Year : 2,50,000) NCDs of Face value of ₹ 1,000/- each)		25.00	25.38
B) Unquoted			
(i) Investment in subsidiaries carried at cost			
(a) Dishman Europe Ltd.	100	364.00	364.00
(March 31, 2020 : 1,59,000 (Previous Year: 1,59,000) equity shares of Face value of GBP 1/- each fully paid up)			
(b) Dishman Australasia Pty Ltd.	100	0.38	0.38
(March 31, 2020 : 1,00,000 (Previous Year: 1,00,000) equity shares of Face value of AUD 1/- each fully paid up)			
(c) Dishman International Trade (Shanghai) Co. Ltd.	100	7.00	7.00
(No. of Shares not specified)			
(d) Dishman USA Inc.	100	16.00	16.00

(March 31, 2020 : 3,00,000 (Previous Year: 3,00,000) equity shares of Face value of USD 1/- each fully paid up)			
(e) CARBOGEN AMCIS Holding AG (formerly known as Dishman Pharma Solutions AG)*	76.92	2,155.00	2,155.00
(March 31, 2020 : 2,80,00,000 (Previous Year: 2,80,00,000) equity shares of Face value of CHF 1/- each fully paid up)			
(f) Dishman Cabogen Amcis (Singapore) Pte Ltd.	31.04	188.91	188.91
(March 31, 2020 : 3,90,77,125 (Previous Year: 3,90,77,125) equity shares of Face value of SGD 1/- each fully paid up)			
(g) Dishman Middle East FZE	100	2.00	2.00
(March 31, 2020 : 6 (Previous Year: 6) equity shares of Face value of AED 1,50,000/- each fully paid up)			
(h) Dishman Carbogen Amcis (Japan) Ltd. (formerly known as Dishman Japan Ltd.)	49	6.27	6.27
(March 31, 2020 : 3,000 (Previous Year : 3,000) equity shares of Face value of JPY 50,000/- each fully paid up)			
(i) Dishman Biotech Ltd.	100	19.50	-
(March 31, 2020 : 65,00,000 (Previous Year: Nil) equity shares of Face value of ₹ 10/- each fully paid up)			
(j) Dishman IT Xellence Pvt. Ltd.	100	0.01	-
(March 31, 2020 : 10,000 (Previous Year: Nil) equity shares of Face value of ₹ 10/- each fully paid up)			
(k) Dishman Engineering Xellence Pvt. Ltd.	100	0.01	-
(March 31, 2020 : 10,000 (Previous Year: Nil) equity shares of Face value of ₹ 10/- each fully paid up)			
(ii) Investment in other entities which are carried at Fair valur through Other Comprehensive Income			
(a) CAD Middle East Pharmaceuticals Ind LLC	10.95	51.21	49.50
(March 31, 2020 : 21,900 (Previous Year: 21,900) equity shares of Face value of SAR 1,000/- each fully paid up)			
(b) Nami Trading Co-FZE LLC	-	0.02	0.02
(March 31, 2020 : 15 (Previous Year: 15) equity shares of Face value of AED 1,000/- each fully paid up)			
(c) Stuti(Ambawadi) Owners' Association	-	0.00	0.00
(March 31, 2020 : 30 (Previous Year : 30) equity shares of Face value of ₹ 100/- each fully paid up)			
(d) Sangeeta Plaza iflex Office Premises Co-op Society Ltd.	-	0.00	0.00
(March 31, 2020 : 50 (Previous Year : 50) equity shares of Face value of ₹ 50/- each fully paid up)			
Total (equity instruments)		2,843.10	2,886.97
Total non-current investments		2,843.10	2,886.97
Aggregate amount of quoted investments and market value thereof		32.79	97.88
Aggregate amount of unquoted investments- book value/ market value		2,810.31	2,789.08

* During the previous year, Dishman Europe Ltd., the wholly owned subsidiary of the Company had transferred its 100% stake in CARBOGEN AMCIS BV ("CABV") to Dishman Carbogen Amcis (Singapore) Pte. Ltd. ("DCASPL"), the subsidiary of the Company, by way of share swap arrangement for a consideration of EURO 82 million. Further, the DCASPL had transferred its stake in CABV to the Company's subsidiary namely CARBOGEN AMCIS Holding AG., Switzerland ("CAHAG"), by way of share swap. After this restructuring, the Company's stake in CAHAG had reduced to 76.92% and remaining 23.08% had been held by DCASPL, a subsidiary of the company subsequently, the company's direct stake in DCASPL has been reduced to 31.04 % and remaining 68.96% is held by DEL, wholly owned subsidiary & the company.

** During the previous year, Dishman Carbogen Amcis (Japan) Ltd. had issued new shares to CAHAG. Therefore, the Company's direct stake in Dishman Carbogen Amcis (Japan) Ltd. had reduced to 49% and remaining 51% is held by CAHAG, a subsidiary of the Company.

1. Equity Shares designated as at Fair value through Other Comprehensive Income:

At 1st April, 2016 the company designated the investments shown below as equity shares at Fair value through other comprehensive income because these equity shares represent investments that the company intends to hold for long term strategic purpose.

Particulars	Fair value as at 31-03-2020	Fair value as at 31-03-2019
1. CAD Middle East Pharmaceuticals Ind LLC	51.21	49.50
2. Nami Trading Co-FZE LLC	0.02	0.02
3. Bank of India	0.01	0.02

(₹ in crores)

Investments: The investment at each CGU level is tested for impairment at least annually and when events occur or changes in circumstances indicate that the recoverable amount is less than its carrying value. The recoverable amount is based on a value-in-use calculation using the discounted cash flow method. The value-in-use calculation is made using the net present value of the projected post-tax cash flows for next 5 years and the Terminal Value at the end of the 5 years (after considering the relevant long-term growth rate).

Key assumptions used in the value in use calculations: The Cash flow projections includes specific estimates for 5 years developed using expected margins, internal forecast and a terminal growth rate thereafter of 2.50%. The value assigned to the assumption reflects past experience and are consistent with the management's plan for focusing operation in these locations. The management believe that the planned market share growth per year for next 5 years is reasonably achievable. Discount rate reflects the current market assessment of the risks specific to a CGU.

"The discount rate is estimated based on the weighted average cost of capital for respective CGU. Post-tax discount rate used was 11.61% for the year ended 31st March, 2020. The Company believes that any reasonably possible change in the key assumptions on which a recoverable amount is based would not cause the aggregate carrying amount to exceed the aggregate recoverable amount of the cash generating unit. Based on the above assumptions and analysis, no impairment was identified for any of the CGU as at 31st March, 2020."

"Reclassification :

The Company has reclassified certain investment from fair value through profit and loss (FVTPL) to investment which are held as maturity on account of its business model change. Change in fair value loss of ₹ 5.87 crores that would have been recognised in profit and loss during the reporting period if the financial assets has not been reclassified."

4(a) (ii) Current investments

(₹ in crores)

	As at 31st March, 2020	As at 31st March, 2019
Investment in equity instruments (fully paid-up)		
A. Quoted		
(i) Other investment which are carried at Fair value through statement of profit and loss		
(a) ZEE Entertainment Enterprise Ltd - Preference Shares	-	7.35
(March 31, 2020 : Nil (Previous Year: 4,00,00,000) preference shares of ₹ 6/- each out of which ₹ 4/- per share is classified as non-current investment and ₹ 2/- per share is classified as current investment)		
(b) Baroda Dynamic Equity Fund	0.98	1.06
(March 31, 2020 : 10,00,000 (Previous Year : 10,00,000) units of mutual fund of Face value of ₹ 10/- each)		
(c) Baroda Banking And Financial Services Fund	0.37	0.53
(March 31, 2020 : 2,25,729 (Previous Year : 2,25,729) units of mutual fund of Face value of ₹ 22.15/- each)		
(d) Baroda Mid Cap Fund	-	0.47
(March 31, 2020 : Nil (Previous Year : 5,18,662) units of mutual fund of Face value of ₹ 9.64/- each)		
(e) Baroda Equity Savings Fund-	0.25	-
(March 31, 2020 - 2,49,990(Previous year - NIL) Units of mutual fund of face value of ₹ 10/- each)		

B. Unquoted		
(i) Other investment which are carried at amortised cost		
(a) Home Credit India Finance Pvt. Ltd.	25.41	10.32
(March 31, 2020 : 250 (Previous Year : 100) NCD of Face value of ₹ 10,00,000/- each)		
C. Others		
(a) Fixed deposit with Bajaj Finance Ltd.	30.00	-
(Under lien)		
Total current investments	57.01	19.72
Aggregate amount of quoted investments and market value thereof	1.60	9.40
Aggregate amount of unquoted investments	55.41	10.32

4 (b) Trade receivables

(₹ in crores)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Trade receivable considered good, Unsecured	151.66	138.76
Less: Impairment loss allowance	(6.76)	(8.60)
	144.90	130.15
Receivables which have significant increase in Credit Risk	0.46	0.46
Less: Impairment loss allowance	(0.46)	(0.46)
	-	-
Total receivables	144.90	130.15

1. Of the above, trade receivables from related parties are as below:

(₹ in crores)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Trade Receivables (Refer Note. 31)	76.07	111.96
Less: Impairment loss allowance	-	-
	76.07	111.96

2. No trade or other receivables are due from directors or other officers of the Company either severally or jointly with any other person

3. Trade receivable due from private companies in which any director is a partner, director or a member is ₹ 0.22 crores (Previous Year : ₹ 20.10 crores)

4. Trade receivable are non- interest bearing and are generally on credit terms in the range of 30 to 120 days.

5. The company's exposure to credit and currency risk and loss allowances related to trade receivables are disclosed in Note 25.

6. For receivables secured against borrowings see Note 11 (a)

4 (c) Loans

(₹ in crores)

Particulars	As at 31st March, 2020		As at 31st March, 2019	
	Current	Non- current	Current	Non- current
Loans considered good - Unsecured				
Loan to related parties (Refer Note 31)	92.21	81.81	31.65	102.39
Loan to employees	0.05	-	0.02	-
Other Loans	2.35	-	2.16	-
Total loans	94.61	81.81	33.83	102.39

Note: Of the above, loan amounting to ₹ 38.06 Crores (Previous Year ₹ 38.06 Crores) is given to the Companies in which Company's Director is also a director and ₹ 135.96 crores (Previous Year ₹ 95.98 crores) is given to subsidiaries.

4 (d) (i) Cash and cash equivalents

(₹ in crores)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Balances with banks		
- in current accounts	25.52	27.82
- in EEFC accounts	-	0.06
Cash on hand	0.81	0.12
Total cash and cash equivalents	26.33	28.00

4 (d) (ii) Bank Balances Other than Cash and cash equivalents

(₹ in crores)

Particulars	As at 31st March, 2020	As at 31st March, 2019
(a) Earmarked balances with banks for:		
(i) Unpaid Dividend	0.12	0.13
(ii) Balances held as margin money or security against borrowings, guarantees and other commitments	9.95	11.46
(b) In other deposit account *	28.73	7.75
	38.80	19.35

* Out of the above deposits, ₹. 19.73 crores in under lien.

4 (e) Other financial assets

(₹ in crores)

Particulars	As at 31st March, 2020		As at 31st March, 2019	
	Current	Non- current	Current	Non- current
Unsecured, considered good unless otherwise stated				
(a) Fixed deposits given as margin money having maturity of more than one year	-	4.85	-	0.21
(b) Insurance claims	19.13	-	18.82	-
(c) Interest Receivable *	31.21	-	27.57	-
(d) Security Deposits	0.22	1.22	0.21	1.17
(e) Receivable towards hedge instruments	-	-	43.98	-
Total other financial assets	50.56	6.07	90.59	1.39

(* Out of the ₹. 31.21 cr., interest receivable from related party ₹. 26.20 cr.)

Note 5: Other Non-Current Assets

(₹ in crores)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Unsecured considered good, unless otherwise stated		
(a) Capital advances		
Considered Good	176.66	168.22
Considered Doubtful	3.10	3.10
	179.76	171.32
Less: Provision for doubtful advances	3.10	3.10
	176.66	168.22
(b) Prepaid Expenses	0.60	1.11
(c) Balances with government authorities	37.73	40.97
Total other non-current assets	214.99	210.29

Note 6 : Inventories (At lower of cost and Net relisable value)

(₹ in crores)

Particulars	As at 31st March, 2020	As at 31st March, 2019
(a) Raw materials	80.30	69.55
(b) Work-in-progress	77.86	104.43
(c) Finished goods	50.27	43.66
(d) Stores and spares	5.21	4.97
Total Inventories	213.64	222.61

Note:

1.For Inventories pledged as securities against borrowings, see Note 11 (a)

Note 7 : Non-current tax assets (Net)

(₹ in crores)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Advance Payment of Income tax (Net of Provision of ₹ 176.22 crores) (Previous Year. ₹ 174.11 crores)	102.63	93.69
Total Current tax assets (Net)	102.63	93.69

Note 8 : Other current assets

(₹ in crores)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Unsecured considered good, unless otherwise stated		
(a) Advances other than Capital advances		
(i) Prepaid Expenses	3.43	1.94
(ii) Advances & recoverables		
Considered Good	116.88	158.64
Considered Doubtful	0.15	0.15
	117.03	158.79
Less: Provision for other doubtful loans and advances	(0.15)	(0.15)
	116.88	158.64
(b) Balances with government authorities	18.53	31.45
Total other current assets	138.84	192.03

Note 9 Equity share capital**Authorised equity share capital**

Particulars	Number of shares	(₹) in crores
As at 31st March, 2018	17,02,50,000	34.05
Addition during the year	-	-
As at 31st March 2019	17,02,50,000	34.05
Addition during the year	-	-
As at 31st March 2020	17,02,50,000	34.05

(i) Issued and subscribed & paid up capital

Particulars	Number of shares	Face Value	Equity share capital (par value) (₹) in crores
As at 31st March, 2018	16,13,94,272	2.00	32.28
Issued during the year	-	-	-
As at 31st March, 2019	16,13,94,272	2.00	32.28
Issued during the year	-	-	-
Buy back during the year	(45,31,177)	2.00	(0.90)
As at 31st March, 2020	15,68,63,095	2.00	31.38

(ii) Shares of the company held by holding company

Particulars	As at 31 March 2020	As at 31 March 2019
Adimans Technologies LLP	9,90,91,898	9,90,91,898

(iii) Details of shareholders holding more than 5% shares in the company

Particulars	As at 31st March, 2020		As at 31st March, 2019	
	Number of shares	% holding	Number of shares	% holding
Adimans Technologies LLP	9,90,91,898	63.16%	9,90,91,898	61.40%

(iv) The Company has only one class of shares referred to as equity shares having a par value of ₹ 2/- per share. Each holders of equity shares carry one vote per share without restrictions and are entitled to dividend, as and when declared. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive the remaining assets of the Company, after distribution of all preferential amounts. All shares rank equally with regard to the Company's residual assets.

(v) The Company has made payment of dividend of ₹ 0.20/- per equity share of ₹ 2/- each of share capital of ₹ 32,27,88,544/- (@10%) during the year, as approved by its members in the Annual General Meeting.

Note 10 : Other Equity

(₹ in crores)

Particulars	As at 31st March, 2020	As at 31st March, 2019
(a) Securities Premium Reserve	4,741.07	4,777.72
(b) Capital Redemption Reserve	0.90	-
(c) Surplus in Statement of Profit and Loss	88.85	53.83
(d) Other Comprehensive Income		
- Equity instruments through OCI	20.91	19.81
- Cash flow hedge reserves	(87.26)	8.74
Total reserves and surplus	4,764.47	4,860.09

Movement in Reserves**(i) Retained earnings**

Particulars	As at 31st March, 2020	As at 31st March, 2019
Surplus/(Deficit) in Statement of Profit and Loss		
Opening Balance	53.83	(2.53)
Add: Net profit for the year	38.52	56.01
Add: Remeasurements of the defined benefit plans	(0.05)	0.34
Add : Dividend payment	(3.23)	-
Add : Lease assets impact (Refer Note 2)	(0.22)	-
Closing balance	88.85	53.83

Retained earnings represents surplus/ accumulated earnings of the Corporation and are available for distribution to shareholders.

(ii) Equity instruments through Other Comprehensive Income

This represents the cumulative gains and losses arising on the revaluation of equity instruments measured at fair value through Other Comprehensive Income, under and irrevocable option, net of amounts reclassified to retained earnings when such assets are disposed off.

(iii) Cash flow hedge reserve

The Company has designated its hedging instruments as cash flow hedges and any gain / loss on cash flow hedge is maintained in the said reserve. At the time of settlement of instrument, the gain / loss is recognised in the Statement of Profit and Loss.

(iv) Securities Premium movement

The Company has transferred amount from Security Premium Reserves to Capital Redemption Reserve on account of buy back of shares during the year.

(v) Capital Redemption Reserve

The Company has created Capital Redemption Reserve because of buy back of shares during the year.

Note 11: Financial liabilities**11 (a) Borrowings**

(₹ in crores)

Particulars	Note	As at 31st March, 2020	As at 31st March, 2019
Secured			
Term loans			
From banks			
Rupee Currency Loan	(a) (i)	17.35	31.24
Foreign currency loan	(a) (ii)	120.55	171.35
Long-term maturities of Hire purchase obligations	(b)	-	0.14
Total borrowings		137.90	202.73

Note:

(a) (i) Term loans from Bank in Rupee currency

(₹ in crores)

Name of the bank	Terms of repayment and security	As at 31st March, 2020	As at 31st March, 2019
State Bank of India	The term loan is secured by first pari-passu charge on the Company's fixed assets including mortgage over land & Buildings and Hypothecation of plant & machinery at Bavla unit alongwith existing term lenders and second pari-passu charge on the entire current assets including stocks of RM, WIP and FG and receivables of the Company ranking pari passu with other term lenders, repayable in 36 monthly installment starting from June 2017 and ending on May 2020.	-	0.00
HDFC Bank Ltd.	The term loan is secured by Charge on Dishman Corporate House property, Ambli Road, Opp. Annapurna Farm House, Satelite Area, Ahmedabad. Repayble in 17 equal quarterly installments starting from April 2018 ending on March 2022.	17.35	31.24
Total Term loans from Bank in Rupee currency		17.35	31.24

(a) (ii) Term loans from Bank in foreign currency

(₹ in crores)

Name of the bank	Terms of repayment and security	As at 31st March, 2020	As at 31st March, 2019
Bank of Baroda	The Corporate Loan is secured by first Pari-passu charge on the Company's immovable and movable fixed assets at Bavla unit and second charge on SEZ land of M/s Dishman Infrastructure Ltd and Corporate Guarantee of M/s Dishman Infrastructure Ltd., repayable in 24 quarterly installment starting from June 2015 in ballooning fashion and ending on 31 March 2021.	-	22.63
Bank of Baroda	The term loan is secured by first pari-passu charge on the Company's fixed assets at Bavla unit alongwith existing term lenders and second pari-passu charge on current assets of the Company with existing lenders, repayable in 20 quarterly installments starting from May, 2019 and ending February, 2024.	19.37	22.96
State Bank of India	The term loan is secured by first pari-passu charge on the Company's fixed assets including mortgage over land & Buildings and Hypothecation of plant & machinery at Bavla unit alongwith existing term lenders and second pari-passu charge on the entire current assets including stocks of RM, WIP and FG and receivables of the Company ranking pari passu with other term lenders, repayable in 36 monthly installment starting from June 2017 and ending on May 2020.	-	6.28
Qatar National Bank	The External Commercial Borrowing is secured by first pari-passu charge on the Company's fixed assets at Bavla unit alongwith existing term lenders and second pari-passu charge on current assets of the Company with existing lenders, repayable in 20 quarterly installment starting from October, 2017 and ending July, 2022.	101.18	119.49
Total borrowings		120.55	171.35

(b) Long-term maturities of Hire purchase obligations

(₹ in crores)

Name of the bank	Terms of repayment and security	As at 31st March, 2020	As at 31st March, 2019
Corporation Bank	Hire Purchase Finances are secured by hypothecation of respective assets	-	0.14
Total of Long-term maturities of Hire purchase obligations		-	0.14

(c) Long Term Loan facility from banks carrying interest-rate ranging from LIBOR+1.75% to MCLR+2.70% p.a. for different facilities were repayable as per the repayment schedule.

(d) For current maturities of long term borrowings, refer Note -11 (d)

(e) The Company has availed benefit of moratorium on term loans under COVID-19 announcements by RBI for the period of six months except for the ECB from Qatar National Bank. However, the repayment within one year under other financial liability has been kept as per original repayment terms.

11 (b) Current borrowings

(₹ in crores)

Particulars	Note	As at 31st March, 2020	As at 31st March, 2019
Secured			
Loans repayable on demand			
From banks		246.38	230.54
From others		7.00	
Unsecured			
Loan from banks- Foreign Currency	(a)	87.60	53.34
Total Current borrowings		340.98	283.88

Note:

(a) Details of current borrowings

(₹ in crores)

Name of the bank	Security	As at 31st March, 2020	As at 31st March, 2019
Corporation Bank	Hypothecation of Inventories, collateral security of book debts, first charge on the Company's fixed asset at Naroda DTA plant located at Plot No. 1216/12, 1216/20 to 23, Phase IV, and Plot No. 67, Phase I, GIDC Estate, Naroda, Ahmedabad unit and second pari pasu charge on fixed asset at Bavla Plant.	32.81	30.01
Bank of Baroda		98.63	54.06
State Bank of India		69.49	53.89
Doha Bank		45.44	40.24
IDFC Bank		-	23.18
Societe Generale bank	First Charge on the Company's fixed asset at Naroda EOU plant situated at Plot No. 1216/24 to 1216/27 and 1216/11, Phase IV, GIDC Estate, Naroda, Ahmedabad.	-	29.15
Abudhabi Commercial Bank Ltd		-	42.27
HDFC Bank Ltd.	Unsecured	20.81	11.06
Axis Bank		39.85	-
DCB Bank		26.93	-
Bajaj Finance Ltd.	Secured against fixed deposit with Bajaj Finance Ltd.	7.00	-
Total Current borrowings		340.98	283.88

11 (c) Trade payables

(₹ in crores)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Current		
Trade payables other than MSME	84.61	87.34
Trade payables to MSME (Refer Note 32)	1.31	6.34
Total trade payables	85.92	93.68

Note:

1. All trade payables are current
2. The company's exposure to currency and liquidity risks related to trade payable is disclosed in Note 25.
3. Out of the above trade payable, payable to related party is ₹ 28.83 crores (Previous Year : ₹ 8.97 crores)

11 (d) Other financial liabilities

(₹ in crores)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Current		
(a) Current maturities of long-term debt	78.59	97.75
(b) Interest accrued but not due on borrowings	1.16	0.68
(c) Unpaid dividends	0.12	0.13
(d) Employee related provisions	9.57	8.36
(e) Payable towards hedge instruments	39.46	-
(f) Others	15.80	3.42
Total other current financial liabilities	144.70	110.34

Note 12: Provisions

(₹ in crores)

Particulars	As at 31st March, 2020			As at 31st March, 2019		
	Current	Non-current	Total	Current	Non-current	Total
(a) Provision for compensated absences (Refer Note. 27)	0.86	0.57	1.43	3.10	0.71	3.81
(b) Provision for gratuity (net) (Refer Note. 27)	1.17	8.21	9.38	1.12	7.32	8.45
Total Provisions	2.03	8.78	10.81	4.22	8.03	12.25

Note 13: Deferred tax liabilities**(a) Movements in deferred tax liabilities**

(₹ in crores)

Particulars	As at 31st March, 2020					
	Net balance as at April 1, 2019	Recognised in profit or loss	Recognised in OCI	Net	Deferred tax asset	Deferred tax liability
Deferred tax assets/ (liabilities)						
Property, plant and equipment & Intangible assets & Goodwill	(308.77)	1.34	-	(307.44)	-	(307.44)
Investments	(0.33)	(0.69)	(0.59)	(1.62)	-	(1.62)
Trade receivables	0.16	-	-	0.16	0.16	-
Loans and advances	4.41	(1.09)	-	3.32	3.32	-
Provisions	3.86	0.29	0.02	4.17	4.17	-
Unabsorbed losses	134.97	4.32	-	139.29	139.29	-
DTA on MTM	(6.69)	(15.61)	-	(22.30)	-	(22.30)
Deferred tax on profit on sale of investment	(6.90)	-	-	(6.90)	-	(6.90)
Deferred tax assets (Liabilities)	(179.29)	(11.45)	(0.57)	(191.31)	146.94	(338.25)
Minimum Alternate Tax (MAT) credit entitlement	46.69	3.80	-	50.49	50.49	-
Net Deferred tax assets/(Liabilities)	(132.61)	(7.64)	(0.57)	(140.82)	197.43	(338.25)

(b) Movements in deferred tax liabilities

(₹ in crores)

Particulars	As at 31st March, 2019					
	Net balance as at April 1, 2018	Recognised in profit or loss	Recognised in OCI	Net	Deferred tax asset	Deferred tax liability
Deferred tax assets/ (liabilities)						
Property, plant and equipment & Intangible assets & Goodwill	(300.42)	(8.35)	-	(308.77)	-	(308.77)
Investments	0.76	0.34	(1.43)	(0.33)	-	(0.33)
Trade receivables	0.16	-	-	0.16	0.16	-
Loans and advances	4.40	0.01	-	4.41	4.41	-
Provisions	3.43	0.61	(0.18)	3.86	3.86	-
Unabsorbed losses	147.37	(12.40)	-	134.97	134.97	-
DTA on MTM	(2.64)	(4.05)	-	(6.69)	-	(6.69)
Deferred tax on profit on sale of investment	(6.90)	-	-	(6.90)	-	(6.90)
Deferred tax assets (Liabilities)	(153.84)	(23.83)	(1.61)	(179.29)	143.40	(322.69)
Minimum Alternate Tax (MAT) credit entitlement	31.57	15.12	-	46.69	46.69	-
Net Deferred tax assets/(Liabilities)	(122.28)	(8.71)	(1.61)	(132.61)	190.08	(322.69)

(c) The company offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority. The Company has cumulative tax losses of ₹. 398.60 crores as on 31st March, 2020. The tax losses of ₹. 398.60 crores pertains to unabsorbed depreciation, that are available for set off against future taxable profits, without any limitation of the number of years for set off.

Minimum Alternative Tax (MAT credit) balance as on 31st March, 2020 amounts to ₹. 50.49 crores (31st March, 2019 : ₹. 46.69 crores). The Company is reasonably certain of availing the said MAT credit in future years against the normal tax expected to be paid in those years.

Significant management judgement is required in determining provision for income tax, deferred income tax assets and liabilities and recoverability of deferred income tax assets. The recoverability of deferred income tax assets is based on estimates of taxable income by each jurisdiction in which the relevant entity operates and the period over which deferred income tax assets will be recovered.

Note 14: Other liabilities

(₹ in crores)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Advances from customers - Related party (Refer Note. 31)	19.14	54.44
Total other liabilities	19.14	54.44

Note 15: Other current liabilities

(₹ in crores)

Particulars	As at 31st March, 2020	As at 31st March, 2019
(a) Statutory tax payables	1.82	2.34
(b) Advances from customers Include amount received from related party of ₹ 38.23 crores (P.Y. ₹ 29.66 crores) (Refer Note 31)	41.52	31.47
Total other current liabilities	43.34	33.81

Note 16 : Revenue from Operations

The entity derives the following types of revenue:

(₹ in crores)

Particulars	For the year ended 31st March, 2020	For the year ended 31st March 2019
(a) Sale of products (Refer Note (i))	509.20	435.90
(b) Sale of services (Refer Note (ii))	3.37	74.16
(c) Other operating revenue (Refer Note (iii))	68.17	39.41
Total revenue from continuing operations	580.74	549.47

(₹ in crores)

Particulars	For the year ended 31st March, 2020	For the year ended 31st March 2019
Note:		
(i) Sale of products comprises :		
Sale of manufactured goods	509.20	435.90
Total - Sale of products	509.20	435.90
(ii) Sale of services comprises :		
Export Services	3.37	74.16
Total - Sale of services	3.37	74.16

(iii) Other operating revenues comprise:		
Sale of scrap	0.76	0.29
Duty Drawback income	11.43	14.85
Forex Gain on forward contracts against sales	43.07	12.06
Sales of Raw Material	12.75	12.01
Others	0.16	0.19
Total - Other operating revenues	68.17	39.41

Note 17: Other income

(₹ in crores)

Particulars	For the year ended 31st March, 2020	For the year ended 31st March 2019
(a) Interest income (Refer Note (i))	29.32	18.51
(b) Dividend income from Long term Investments (Refer Note 31)	31.48	42.89
(c) Net gain on Long Term Investments	-	0.17
(d) Net gain on foreign currency transactions and translation	-	8.25
(e) Guarantee Commission Received	-	1.08
(f) Income from Travel Business	0.56	0.48
(g) Gain on fixed assets sold / scrapped / written off	-	0.07
(h) Provision for doubtful trade and other receivables, loans and advances (net)	1.84	-
(i) Management fees income (Refer Note . 31)	6.08	-
(j) Other income	0.27	0.23
Total other income	69.55	71.68

(₹ in crores)

Particulars	For the year ended 31st March, 2020	For the year ended 31st March 2019
Note (i) : Interest income comprises:		
Interest from deposits / investment :		
Banks	12.35	6.80
Others	5.18	-
Interest on loans and advances:		
Subsidiaries	7.22	7.27
Others	4.57	4.44
Total - Interest income	29.32	18.51

Note 18 (a) : Cost of materials Consumed

(₹ in crores)

Particulars	For the year ended 31st March, 2020	For the year ended 31st March 2019
Raw materials at the beginning of the year	69.55	50.97
Add: Purchases	190.90	215.96
	260.45	266.93
Less: Raw material at the end of the year	(80.30)	(69.55)
Total cost of materials consumed	180.15	197.38

Note 18 (b): Changes in inventories of finished goods, stock-in-trade and work-in-progress

(₹ in crores)

Particulars	For the year ended 31st March, 2020	For the year ended 31st March 2019
Inventories at the beginning of the year		
Work-in progress	104.43	93.52
Finished goods	43.66	19.77
Total opening balance	148.09	113.29
Inventories at the end of the year		
Work-in progress	77.86	104.43
Finished goods	50.27	43.66
Total closing balance	128.13	148.09
Total changes in inventories of finished goods, stock-in-trade and work-in-progress	(19.96)	34.80

Note 19: Employee benefit expense

(₹ in crores)

Particulars	For the year ended 31st March, 2020	For the year ended 31st March 2019
(a) Salaries and wages (for gratuity and leave encashment : Refer Note 27)	82.83	74.83
(b) Contributions to provident and other funds (Refer Note 27)	2.53	2.23
(c) Staff welfare expenses	3.51	3.21
Total employee benefit expense	88.87	80.27

Note 20: Finance costs

(₹ in crores)

Particulars	For the year ended 31st March, 2020	For the year ended 31st March 2019
(a) Interest on debts and borrowings	34.81	37.15
(b) Other Borrowing Cost	3.04	2.48
(c) Forex loss considered as finance cost	9.17	7.80
Total Finance costs	47.02	47.43

Note 21: Depreciation and amortisation expense

(₹ in crores)

Particulars	For the year ended 31st March, 2020	For the year ended 31st March 2019
(a) Depreciation of property, plant and equipment	47.97	47.41
(b) Depreciation of Right of use asset	3.82	-
(c) Amortisation of intangible assets and Goodwill	88.86	88.90
Total depreciation and amortisation expense	140.65	136.31

Note 22: Other expenses

(₹ in crores)

Particulars	For the year ended 31st March, 2020	For the year ended 31st March 2019
Consumption of stores and spare parts	0.99	1.09
Other manufacturing expenses	12.29	11.80
Power and fuel	34.75	30.81
Laboratory expenses	3.25	3.83
ETP expenses	5.16	5.80
Rent including lease rentals	1.58	3.25
Repairs and maintenance - Buildings	1.63	2.52
Repairs and maintenance - Machinery	9.50	11.33
Repairs and maintenance - Others	2.15	1.97
Insurance	5.28	2.84
Communication	0.72	0.62
Travelling and conveyance	4.78	7.03
Printing and stationery	0.60	0.93
Freight and forwarding	6.42	4.69
Sales commission	0.49	0.44
Business promotion	0.27	0.25
Donations and contributions	1.17	0.45
Legal and professional	9.55	14.44
Payments to auditors (Refer note 22(a))	0.63	0.98
Bad trade and other receivables, loans and advances written off	-	0.07
Membership & Subscription	1.56	1.21
Office Electricity	0.52	0.63
Recruitment Expenses	0.22	0.28
Loss on Property, Plant and Equipment sold / scrapped / written off	(0.02)	-
Provision for doubtful trade and other receivables, loans and advances (net)	-	0.03
Net gain on foreign currency transactions and translation	2.37	-
Royalty expenses	2.34	2.06
Net loss on sale of investments	5.86	-
Miscellaneous expenses	4.12	3.49
Total other expenses	118.18	112.82

Note 22 (a): Details of payments to auditors

(₹ in crores)

Particulars	For the year ended 31st March, 2020	For the year ended 31st March 2019
Payment to auditors (excluding Goods & Service Tax)		
As auditor:		
Audit fee	0.46	0.46
In other capacities		
Certification fees	0.16	0.52
Total payments to auditors	0.62	0.98

Note 22(b): Corporate social responsibility expenditure

(₹ in crores)

Particulars	For the year ended 31st March, 2020	For the year ended 31st March 2019
Amount required to be spent as per Section 135 of the Act	0.51	0.23
Amount spent during the year on		
(i) Construction/acquisition of an asset	-	-
(ii) On purposes other than (i) above	0.51	0.40
	0.51	0.40

Note: Related party transactions in relation to Corporate Social Responsibility : Nil

Note 23 : Income tax expense

(₹ in crores)

Particulars	For the year ended 31st March, 2020	For the year ended 31st March 2019
(a) Income tax expense		
Current tax		
Current tax on profits for the year	9.30	17.01
Total current tax expense	9.30	17.01
Deferred tax		
Increase in deferred tax liabilities	11.44	23.83
MAT Credit	(3.80)	(15.12)
Total deferred tax expense/(benefit)	7.64	8.71
Income tax expense	16.94	25.72

(b) Reconciliation of effective tax rate:

(₹ in crores)

Particulars	2019-20	2018-19
Profit before income tax expense	55.46	81.73
Enacted income tax rate in India applicable to the Company 34.944% (PY 34.944%)	19.38	28.56
Tax effect of:		
Permanent allowance (net)	0.11	(2.47)
Others	2.38	(0.65)
Foreign tax credit	-	1.89
Income tax on Other Comprehensive Income	0.57	(1.67)
Tax impact due to foreign dividend income	(5.50)	-
Income tax expense	16.94	25.72
Weighted average tax rate for the year	30.55%	31.46%

(c) Amounts recognised in Other Comprehensive Income

(₹ in crores)

Particulars	2019-20			2018-19		
	Before tax	Tax exp. (benefit)	Net of tax	Before tax	Tax exp. (benefit)	Net of tax
Items that will not be reclassified to profit or loss						
Remeasurement of the defined benefit plans	(0.07)	0.02	(0.05)	0.52	(0.18)	0.34
Equity instruments through Other Comprehensive Income- net change in fair value	1.69	(0.59)	1.10	4.09	(1.43)	2.66
Items that will be reclassified to profit or loss						
Foreign exchange fluctuation in respect of cash flow hedge	(96.00)	-	(96.00)	41.78	-	41.78

(d) Amounts recognised directly in equity

No aggregate amounts of current and deferred tax have arisen in the reporting period which have been recognised in equity and not in Statement of Profit or Loss or Other Comprehensive Income.

Note 24 : Fair Value Measurements**A. Accounting classification and fair values**

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

(₹ in crores)

Financial Assets and Liabilities as at 31st March, 2020	Carrying Value		Routed through Profit and Loss			Routed through OCI			Carried at amortised cost			Total Amount	Total Fair Value		
	Non Current	Current	Total	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total				
														Level 1	Level 2
Financial Assets															
Investments															
- Equity instruments	2,813.47	1.60	2,815.08	4.76	-	-	4.76	0.01	-	51.23	51.24	-	2,759.08	2,815.08	2,815.08
- Debt instruments	-	25.41	25.41	-	-	-	-	-	-	-	-	-	25.41	25.41	25.41
- Fixed deposit	-	30.00	30.00	-	-	-	-	-	-	-	-	-	30.00	30.00	30.00
- Held till maturity	29.62	-	29.62	-	-	-	-	-	-	-	-	-	29.62	29.62	23.75
Loans	81.81	94.61	176.42	-	-	-	-	-	-	-	-	-	176.42	176.42	176.42
Trade receivable	-	144.90	144.90	-	-	-	-	-	-	-	-	-	144.90	144.90	144.90
Cash and Cash equivalents	-	26.33	26.33	-	-	-	-	-	-	-	-	-	26.33	26.33	26.33
Other Bank Balance	-	38.80	38.80	-	-	-	-	-	-	-	-	-	38.80	38.80	38.80
Other Financial Assets	6.07	50.56	56.62	-	-	-	-	-	-	-	-	-	56.62	56.62	56.62
Total	2,930.97	412.22	3,343.19	4.76	-	-	4.76	0.01	-	51.23	51.24	-	3,287.19	3,343.19	3,337.31
Financial Liabilities															
Borrowings	137.90	340.98	478.88	-	-	-	-	-	-	-	-	-	478.88	478.88	478.88
Trade Payables	-	85.92	85.92	-	-	-	-	-	-	-	-	-	85.92	85.92	85.92
Derivative financial liabilities	-	39.46	39.46	-	-	-	-	-	39.46	-	39.46	-	-	39.46	39.46
Other Financial Liabilities	-	105.24	105.24	-	-	-	-	-	-	-	-	-	105.24	105.24	105.24
Total	137.90	571.59	709.49	-	-	-	-	-	39.46	-	39.46	-	670.04	709.49	709.49

(₹ in crores)

Financial Assets and Liabilities as at 31st March, 2019	Carrying Value		Routed through Profit and Loss			Routed through OCI			Carried at amortised cost			Total Amount	Total Fair Value
	Non Current	Current	Total	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total		
Financial Assets													
Investments													
- Equity instruments	2,793.88	2.05	2,795.93	6.82	0.02	-	49.52	49.54	-	-	2,739.56	2,739.56	2,795.93
- Debt instruments	93.09	17.67	110.76	100.44	-	-	100.44	-	-	-	10.32	10.32	110.76
Loans	102.39	33.83	136.21	-	-	-	-	-	-	-	136.21	136.21	136.21
Trade receivable	-	130.15	130.15	-	-	-	-	-	-	-	130.15	130.15	130.15
Cash and Cash equivalents	-	28.00	28.00	-	-	-	-	-	-	-	28.00	28.00	28.00
Other Bank Balance	-	19.35	19.35	-	-	-	-	-	-	-	19.35	19.35	19.35
Derivative financial assets	-	43.98	43.98	-	-	-	43.98	-	-	-	-	-	43.98
Other Financial Assets	1.39	46.61	48.00	-	-	-	-	-	-	-	48.00	48.00	48.00
Total	2,990.74	321.63	3,312.37	107.26	0.02	-	107.26	93.52	-	-	3,111.59	3,312.37	3,312.37
Financial Liabilities													
Borrowings	202.73	283.88	486.61	-	-	-	-	-	-	-	486.61	486.61	486.61
Trade Payables	-	93.68	93.68	-	-	-	-	-	-	-	93.68	93.68	93.68
Other Financial Liabilities	-	110.34	110.34	-	-	-	-	-	-	-	110.34	110.34	110.34
Total	202.73	487.90	690.63	-	-	-	-	-	-	-	690.63	690.63	690.63

B. Measurement of fair value

"The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale."

The following methods and assumptions were used to estimate the fair values:

1. Fair value of cash and short-term deposits, trade and other short term receivables, trade payables, other current liabilities, short term loans from banks and other financial institutions approximate their carrying amounts largely due to short term maturities of these instruments.
2. Financial instruments with fixed and variable interest rates are evaluated by the Company based on parameters such as interest rates and individual credit worthiness of the counterparty. Based on this evaluation, allowances are taken to account for expected losses of these receivables.
3. The fair values for investment in equity shares other than subsidiaries, joint venture and associate were calculated based on cash flows discounted using a current lending rate. They are classified as level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs.

C. Fair Value Hierarchy

The fair value of financial instruments as referred to above have been classified into three categories depending on the inputs used in the valuation technique. The hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and lowest priority to unobservable inputs (Level 3 measurements).

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

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. This is the case for unlisted equity securities included in level 3.

(D) "The carrying amount of financial assets and financial liabilities measured at amortised cost in the financial statements are a reasonable approximation of their fair values since the Company does not anticipate that the carrying amounts would be significantly different from the values that would eventually be received or settled."

(E) Valuation technique used to determine fair value

The following is the valuation technique used in measuring Level 2 and Level 3 fair values, for the financial instruments measured at fair value in the statement of financial position, as well as significant unobservable inputs used.

Financial Instruments measured at fair value

Type	Valuation technique	Significant unobservable input	Inter-relationship between significant unobservable input and fair valuation
Investments in unquoted instruments accounted for as Fair value through Other Comprehensive Income - Level 3	DCF method	(i) Discounting rate: March 2020: 8.25 % (Previous Year: 9.53 %) (ii) Growth rate: March 2020: 9% (Previous Year: 7%)	Increase/ (Decrease) in significant unobservable input will Increase/ (Decrease) fair value of the instrument
Derivative instruments- forward exchange contracts - Level 2	Forward pricing: The fair value is determined using quoted forward exchange rate at the reporting date.	Not applicable	Not applicable

(F) For the fair value of unquoted equity shares, reasonable possible change at the reporting date to one of the significant observable inputs, holding other inputs constant, would have the following effect

(₹ in crores)

Significant unobservable inputs		Profit or Loss	
		As at 31st March, 2020	As at 31st March, 2019
+/- 0.5% Discount rate and Growth rate	Increase	1.88	4.62
	Decrease	1.85	4.34

(G) Fair value measurements using significant unobservable inputs (level 3)

The following table presents the changes in level 3 items for the periods ended 31 March 2020 and 31 March 2019:

(₹ in crores)

	Unlisted equity securities
As at 1st April, 2018	45.42
Gains/ (losses) recognised in Other Comprehensive Income	4.09
As at 31st March, 2019	49.52
Gains/(losses) recognised in Other Comprehensive Income	1.69
As at 31st March, 2020	51.21

Note 25: Financial Risk Management

The Company's financial risk management is an integral part of how to plan and execute its business strategies. The Company's activities expose it to a variety of its financial risk including

- Credit risk
- Liquidity risk
- Market risk

Risk management framework

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework.

The Company's activities expose it to market risk, liquidity risk and credit risk. The Company seeks to minimise the effects of these risks by using derivative financial instruments to hedge risk exposures. The use of financial derivatives is governed by the Company's policies approved by the Board of directors, which provides principles on foreign exchange risk, interest rate risk, credit risk, use of financial derivatives etc. Compliance with policies and exposure limits is reviewed by risk management committee and internal auditors. The Company does not enter into or trade financial instruments, including derivative financial instruments, for speculative purpose.

The Company's audit committee also oversees how management 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. The audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the audit committee.

(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 trade and other receivables. The carrying amounts of financial assets represent the maximum credit risk exposure.

1. Trade and Other receivables

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the customer, including the default risk of the industry and country in which the customer operates, also has an influence on credit risk assessment. 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 adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults.

The Company has established a credit policy under which each new customer is analysed individually for creditworthiness before the standard payment and delivery terms and conditions are offered. The Company's review includes external ratings, if they are available, financial statements, credit agency information, industry information and in some cases bank references. Sale limits are established for each customer and reviewed periodically.

As at 31st March 2020, the carrying amount of the Company's largest customer which is its subsidiary (excluding advances) was ₹ 63.23 crores (Previous Year - ₹ 50.63 crores). As at 31st March 2020 and 31st March 2019, the Company did not have any significant concentration of credit risk with any external customers.

(i) Expected credit loss assessment for Trade and Other receivables as at 31st March, 2019 and 31st March, 2020:

An impairment analysis is performed at each reporting date. The expected credit losses over lifetime of the asset are estimated by adopting the simplified approach using a provision matrix. The loss rates are computed using a 'roll rate' method based on the probability of receivable progressing through successive stages till full provision for the trade receivable is made.

The following table provides information about the exposure to credit risk and expected credit loss for trade and other receivables.

	(₹ in crores)		
	Gross Carrying amount	Loss allowances	Net Carrying amount
As at 31st March, 2020	152.12	7.22	144.90
As at 31st March, 2019	139.21	9.06	130.15

(ii) The movement in the loss allowance in respect of trade and other receivables during the year was as follows

	(₹ in crores)
Balance as at 1st April, 2018	8.58
Movement during the year	0.03
Balance as at 31st March, 2019	8.61
Movement during the year	(1.39)
Balance as at 31st March, 2020	7.22

2. Cash and bank balances

The Company held Bank balance of ₹. 65.13 crores at 31st March, 2020 (Previous Year : ₹. 47.56 crore). The same are held with bank and financial institution counterparties with good credit rating.

3. Derivatives

The forward cover has been entered into with banks /financial institution counterparties with good credit rating.

4. Others

Other than trade receivables reported above, the Company has no other financial assets which carries any significant credit risk.

(B) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

Management monitors rolling forecasts of the Company's liquidity position (comprising the undrawn borrowing facilities) and cash and cash equivalents on the basis of expected cash flows. The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdraft/ cash credit facility. The Company also monitors the level of expected cash inflows on trade receivables and loans together with expected cash outflows on trade payables and other financial liabilities. The Company has access to a sufficient variety of sources of short term funding with existing lenders. The Company has arrangements with the reputed banks and has unused line of credit that could be drawn upon should there be need.

(i) Maturities of financial liabilities

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include contractual interest payments and exclude the impact of netting agreements.

(₹ in crores)

Contractual maturities of financial liabilities as at 31st March, 2020	1 year or less	1-2 years	2- 5 years	Total
Non-derivatives				
Long term borrowings (inclusive of accumulated interest)	85.52	54.52	91.74	231.78
Working Capital Facility and Short term loans and borrowings	340.98	-	-	340.98
Lease liabilities (inclusive of accumulated interest)	6.52	6.13	9.64	22.28
Trade payables	85.92	-	-	85.92
Provisions	8.78	-	-	8.78
Other financial liabilities	25.48	-	-	25.48
Total non-derivative liabilities	553.20	60.65	101.38	715.23
Derivatives (net settled)				
Foreign exchange forward contracts	39.46	-	-	39.46
Total derivative liabilities / (assets)	39.46	-	-	39.46

(₹ in crores)

Contractual maturities of financial liabilities as at 31st March, 2019	1 year or less	1-2 years	2- 5 years	Total
Non-derivatives				
Long term borrowings (inclusive of accumulated interest)	111.50	85.09	134.15	330.74
Working Capital Facility and Short term loans and borrowings	283.88	-	-	283.88
Trade payables	93.68	-	-	93.68
Provisions	8.03	-	-	8.03
Other financial liabilities	11.91	-	-	11.91
Total non-derivative liabilities	509.00	85.09	134.15	728.24
Derivatives (net settled)				
Foreign exchange forward contracts	(43.98)	-	-	(43.98)
Total derivative liabilities / (assets)	(43.98)	-	-	(43.98)

(C) Market risk

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from adverse changes in market rates and prices (such as interest rates and foreign currency exchange rates) or in the price of market risk-sensitive instruments as a result of such adverse changes in market rates and prices. Market risk is attributable to all market risk-sensitive financial instruments, all foreign currency receivables and payables and all short-term and long-term debt. The Company is exposed to market risk primarily related to foreign exchange rate risk and interest rate risk.

(i) Foreign currency risk

The Company operates internationally and is exposed to foreign exchange risk arising from foreign currency transactions, primarily with respect to the USD, EURO, GBP, CHF, Chinese Renminbi (RMB) and SGD. The Company has in place the Risk management policy to manage the foreign exchange exposure.

The Foreign currency exchange rate exposure is partly balanced through natural hedge, where in the company's borrowing is in foreign currency and cash flow generated from financial assets is also in same foreign currency. This provide an economic hedge without derivatives being entered into and therefore hedge accounting not applied in these circumstances.

In respect of other monetary assets and liabilities denominated in foreign currencies, the Company's policy is to ensure that its net exposure is kept to an acceptable level by buying or selling foreign currencies at spot rates when necessary to address short-term imbalances.

The Company can enter into foreign currency forward contracts and other authorized derivative contracts, which are not intended for trading or speculative purposes but for hedge purposes to establish the amount of reporting currency required or available at the settlement date of certain payables/receivables and borrowings.

The Company uses derivative instruments, mainly foreign exchange forward contracts to mitigate the risk of changes in foreign currency exchange rates in line with the policy.

The Company hedges 75 to 80% of its estimated foreign currency exposure in respect of forecast sales. The Company uses forward exchange contracts to hedge its currency risk, most with a maturity of less than one year from the reporting date.

Foreign currency risk exposure:

The Company exposure to foreign currency risk at the end of the reporting period expressed in ₹, are as follows

Sr no	Particulars	Currency	As at 31st March, 2020		As at 31st March, 2019	
			(₹ in crores)	FC in Million	(₹ in crores)	FC in Million
A	Financial assets					
		EURO	5.42	0.65	30.26	3.90
(i)	Trade receivables	USD	44.35	5.87	47.96	6.94
		CHF	25.71	3.27	4.71	0.68
(ii)	Loans and Advances	USD	61.30	8.11	96.88	14.01
		CHF	16.56	2.11	-	-
(iii)	Interest receivable	USD	0.58	0.08	-	-
		CHF	0.03	0.00	-	-
(iv)	Bank balance in EEFC accounts	USD	-	-	0.02	0.00
		EURO	-	-	0.04	0.00
B	Financial liabilities					
(i)	Foreign currency loan		-		-	
		USD	490.60	64.94	351.54	50.84
	Bank loan	EURO	-	-	57.42	7.40
		GBP	-	-	84.48	9.38
		CHF	26.93	3.43	45.42	6.54
	Interest Payable	USD	0.54	0.07	0.53	0.08
		USD	22.38	2.96	9.95	1.44
		EURO	1.74	0.21	1.43	0.18
(ii)	Trade payables	GBP	1.24	0.13	0.06	0.01
		CHF	-	-	0.32	0.05
		CNY	0.10	0.09	0.10	0.09
		JPY	0.39	5.55	(0.03)	(0.54)

The Company has entered into forward contract transactions, which are not intended for trading or speculative purpose but to hedge the export receivables including future receivables. The Company has following forward cover outstanding

Type of transaction	Purpose	Currency	Buy or Sell	Cross Currency	As at 31st March, 2020		As at 31st March, 2019	
					Amount in Foreign currency in Mn.	(₹ in crores)	Amount in Foreign currency in Mn.	(₹ in crores)
Forward Cover	To hedge export receivables	USD	Sell	INR	74.00	559.07	95.83	662.68
		CHF	Sell	INR	106.25	835.47	20.00	138.97
		GBP	Sell	INR	-	-	15.64	140.93
	To hedge foreign Currency Loan	CHF	Buy	INR	-	-	3.34	23.18
		GBP	Buy	USD	-	-	4.30	38.75
Swap Cover	To hedge Foreign Currency Loan	CHF	Sell	USD	16.90	132.92	-	-
			Sell	INR	4.40	34.56	4.31	29.93

(c) Sensitivity

A reasonably possible strengthening (weakening) of the Indian Rupee against various currency mentioned in the table below as at March 31 would have affected the measurement of financial instruments denominated in foreign currency and affected equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases.

	Profit / (loss) before tax gain / (loss)		Equity, gross of tax	
	Strengthening	Weakening	Increased	(Decreased)
March 31, 2020				
Effect in INR				
1 % movement				
USD	9.66	(9.66)	9.06	(9.06)
EUR	0.23	(0.23)	0.32	(0.32)
GBP	0.01	(0.01)	0.01	(0.01)
CHF	(10.04)	10.04	(10.22)	10.22
March 31, 2019				
Effect in INR				
1 % movement				
USD	6.33	(6.33)	6.33	(6.33)
EUR	3.60	(3.60)	3.60	(3.60)
GBP	3.49	(3.49)	3.49	(3.49)

* Holding all other variables constant

(ii) Cash flow and fair value interest rate risk

Interest rate risk is the risk that the fair value or future cashflows of a financial instrument will fluctuate because of changes in market interest rates. The Company main interest rate risk arises from long-term borrowings with variable rates, which expose the Company to cash flow interest rate risk. During 31st March 2020, the Company's borrowings at variable rate were mainly denominated in USD and CHF.

The company's fixed rate borrowings are carried at amortised cost. They are therefore not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rate.

The Company's approach to managing interest rate risk is to have a judicious mix of borrowed funds with fixed and floating interest rate obligation.

(a) Interest rate risk exposure

The exposure of the Company's borrowing to interest rate changes at the end of the reporting period are as follows:

(₹ in crores)

	As at 31st March, 2020	As at 31st March, 2019
	Nominal amount	Nominal amount
Variable rate borrowings	557.46	584.36
Fixed rate borrowings	-	-
Total borrowings	557.46	584.36

(b) Cash flow sensitivity analysis for variable-rate instruments

A reasonably possible change of 50 basis points in interest rates at the reporting date would have increased (decreased) profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency exchange rates, remain constant.

(₹ in crores)

	Impact on profit /(loss) - Increase / (Decrease) in profit	
	As at 31st March, 2020	As at 31st March, 2019
Interest rates – increase by 50 basis points *	(2.79)	(3.11)
Interest rates – decrease by 50 basis points*	2.79	3.11

* Holding all other variables constant

(D) Hedge Accounting

The Company's business objective includes safe-guarding its earnings against adverse effect of foreign exchange and interest rates. The Company has adopted a structured risk management policy to hedge all these risks within an acceptable risk limit and an approved hedge accounting framework which allows for Cash Flow hedges. Hedging instruments include forwards and swap as derivative instruments to achieve this objective. The table below shows the position of hedging instruments and hedged items as on the balance sheet date.

Cash Flow Hedge

Hedging instruments

(₹ in crores)

Particulars	Nominal Value	Carrying amount		Change in fair value	Hedge maturity	Line item in Balance sheet
		Assets	Liabilities			
Foreign Currency Risk						
Forward contract	1,394.54	-	-	(44.48)	April, 2020 to September, 2021	Other current liabilities
Interest and currency Swap	34.56	-	35.11	0.55	October, 2019 to March 2022	Long term borrowings and Other financial liabilities
Foreign currency loans	281.51	-	238.18	(43.33)	Till July 2022	Long term and short term borrowings

Hedge items

(₹ in crores)

Particulars	Nominal Value	Change in fair value	Hedge reserve	Line item in Balance sheet
Foreign Currency Risk				
Highly probable exports	1,654.15	(89.05)	(89.05)	Other equity
For loans	56.47	1.79	1.79	Other equity

Fair Value Hedge

Hedging instruments

(₹ in crores)

Particulars	Nominal Value	Carrying amount		Change in fair value	Hedge maturity	Line item in Balance sheet
		Assets	Liabilities			
Foreign Currency Risk						
Foreign currency swap contracts	132.92	-	133.57	0.65	October, 2019 to April, 2021	Other current liabilities

Note 26: Capital Management

For the purpose of the Company's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to safeguard the Company's ability to remain as a going concern and maximise the shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions, annual operating plans and long term and other strategic investment plans. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders or return capital to shareholders.

The Company's goal is to continue to be able to return excess liquidity to shareholders by continuing to distribute annual dividends in future periods. The amount of future dividends of equity shares will be balanced with efforts to continue to maintain an adequate liquidity status.

The Company monitors capital using a ratio of 'adjusted net debt' to 'equity'. For this purpose, adjusted net debt is defined as total liabilities, comprising interest-bearing loans and borrowings less cash and cash equivalents. Equity comprises all components of equity including share premium and all other equity reserves attributable to the equity share holders.

The Company's adjusted net debt to equity ratio at at 31st March, 2020 was as follows.

(₹ in crores)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Borrowings		
Long term and Short term borrowings	478.88	486.61
Current maturities of Long term borrowings	78.59	97.75
Less: Cash and cash equivalents	(65.13)	(47.35)
Adjusted net debt	492.34	537.02
Total Equity		
	4,795.85	4,892.37
Adjusted net equity	4,795.85	4,892.37
Adjusted net debt to adjusted equity ratio	0.10	0.11

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current period.

No changes were made in the objectives, policies or processes for managing capital of the Company during the current and previous year. The company has current and non-current investments in marketable instruments of ₹ 89.80 crores (Previous Year ₹ 117.60 crores) as on 31st March, 2020.

Note 27: Employee benefits

The Company has an obligation towards gratuity, a defined benefit obligation. The benefits are governed by the Payment of Gratuity Act, 1972. The company makes lumpsum payment to vested employees an amount based on 15 days last drawn basic salary including dearness allowance (if any) for each completed year of service or part thereof in excess of six months. Vesting occurs upon completion of five years of service.

The most recent actuarial valuation of the defined benefit obligation was carried out at the balance sheet date. The present value of the defined benefit obligations and the related current service cost and past service cost were measured using the Projected Unit Credit Method.

Based on the actuarial valuation obtained in this respect, the following table sets out the details of the employee benefit obligation as at balance sheet date:

		(₹ in crores)	
A : Defined benefit plans -		For the year ended 31st March, 2020	For the year ended 31st March, 2019
		Gratuity (Non - Funded)	Gratuity (Non - Funded)
I	Expenses recognised in statement of profit and loss during the year:		
1	Current Service Cost	0.91	0.84
2	Past Service Cost	-	-
3	Interest cost	0.60	0.56
	Total Expenses	1.51	1.40
II	Expenses recognised in OCI		
1	Actuarial changes arising from changes in demographic assumptions	(0.01)	-
2	Actuarial changes arising from changes in financial assumptions	(0.97)	(0.03)
3	Actuarial changes arising from changes in experience adjustments	1.04	(0.49)
	Total Expenses	0.07	(0.52)
III	Net (Asset) /Liability recognised as at balance sheet date:		
1	Present value of defined benefit obligation	9.38	8.44
2	Net (Asset) /Liability - Current	1.17	1.13
	Net (Asset) /Liability - Non- Current	8.21	7.31
IV	Reconciliation of Net (Asset) / Liability recognised as at balance sheet date:		
1	Defined benefit obligation at the beginning of the year	8.44	8.03
2	Current Service Cost	0.91	0.84
3	Past Service Cost	0.00	0.00
4	Interest cost	0.60	0.56
5	Actuarial loss/(gain) due to change in financial assumptions	(0.97)	(0.03)
6	Actuarial loss/(gain) due to change in demographic assumption	(0.01)	-

7	Actuarial loss/ (gain) due to experience adjustments	1.04	(0.49)
8	Benefit paid	(0.64)	(0.47)
	Net (asset) / liability at the end of the year	9.38	8.44

V Maturity profile of defined benefit obligation

1	Within the next 12 months (next annual reporting period)	1.17	1.13
2	Between 2 and 5 years	4.10	3.50
3	Between 6 and 10 years	4.11	3.81

VI Quantitative sensitivity analysis for significant assumptions is as below:

1	Increase/(decrease) on present value of defined benefit obligation at the end of the year		
	(i) 0.5% increase in discount rate	(0.29)	(0.28)
	(ii) 0.5% decrease in discount rate	0.31	0.29
	(iii) 0.5% increase in rate of salary increase	0.28	0.25
	(iv) 0.5% decrease in rate of salary increase	(0.27)	(0.24)
	(v) 10% increase in employee turnover rate	0.09	0.05
	(vi) 10% decrease in employee turnover rate	(0.10)	(0.06)

2 Sensitivity analysis method

Sensitivity analysis 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.

VII	Actuarial Assumptions:	As at 31st March, 2020	As at 31st March, 2019
1	Discount rate	6.55% p.a	7.65% p.a
2	Expected rate of salary increase	3.00% p.a	6.00% p.a
3	Attrition rate		
	Age Band		
	25 & Below	15.00% p.a	15.00% p.a
	26 to 35	12.00% p.a	12.00% p.a
	36 to 45	9.00% p.a	9.00% p.a
	46 to 55	6.00% p.a	6.00% p.a
	56 & above	3.00% p.a	3.00% p.a
4	Mortality	Indian Assured Lives Mortality (2012-14) Ultimate	Indian Assured Lives Mortality (2006-08) Ultimate

Notes:

a) Amount recognised as an expense in the Statement of Profit and Loss and included in Note 19 under "Salaries and wages" : Gratuity ₹ 1.51 crores (Previous year - ₹ 1.40 crores) and Leave encashment ₹ 0.07 crores (Previous year - ₹ 0.98 crores)

b) The estimates of future salary increases considered in the actuarial valuation take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

B Defined contribution plan

The Company makes contributions towards provident fund and superannuation fund which are in the nature of defined contribution post employment benefit plans. Under the plan, the Company is required to contribute a specified percentage of payroll cost to fund the benefits. Amount recognised as an expense in the Statement of Profit and Loss - included in Note 19 - "Contribution to provident and other funds" ₹ 2.53 crore (Previous Year - ₹ 2.23 crore). The contributions payable to these plans by the Company are at rates specified in the rules of the schemes.

Note 28 : Merger of Dishman Pharmaceuticals and Chemicals Ltd with the Company

The amalgamation had been accounted in the year 2016-17 under the "Purchase Method" as per the then prevailing Accounting Standard 14 – Accounting for Amalgamations, as referred to in the Scheme of Amalgamation approved by the Hon'ble High Court, Gujarat, which is different from Ind AS 103 "Business Combinations". The excess of consideration payable over net assets acquired had been recorded as goodwill amounting ₹ 1326.86 crores, represented by underlying intangible assets acquired on amalgamation and is being amortized over the period of 15 years from the Appointed Date.

Had the goodwill not been amortized as required under Ind AS 103, the Depreciation and Amortization expense for the year ended March 31, 2020 would have been lower by ₹ 88.46 crores (Previous Year ₹ 88.46 crores), and the Profit Before Tax for the year ended March 31, 2020 would have been higher by an equivalent amount.

Note 29: Contingent liabilities

(₹ in crores)

Particulars	As at 31st March, 2020	As at 31st March, 2019
a) Labour Law claims against the Company not acknowledged as debt	3.42	0.12
b) (i) Outstanding guarantees furnished to the bank in respect of wholly owned subsidiaries	56.66	88.17
(ii) Outstanding guarantees furnished to the bank in respect of former subsidiaries and a joint venture company	11.27	10.38
c) Disputed central excise duty (including service tax) liability	28.00	3.97
d) Disputed income tax liability for various assessment years for which appeals are pending with Appellate authorities, out of the said amount, the Company has paid ₹ 56.01 crores (Previous year ₹ 55.76 crores) under protest.*	356.61	336.15
e) Disputed sales tax and central sales tax liability	4.34	4.34

*The Income -Tax Assessments of the Company have been completed up to Assessment Year 2015-16. The total contingent liabilities is ₹ 356.61 crore as on March 31, 2020. Based on the management evaluation, advice of tax consultants, on the decisions of the various Appellate authorities and the interpretations of other relevant provisions of the Income tax Act, the management of the company is of the opinion that the demand raised is likely to be either deleted or substantially reduced and accordingly no provision is considered necessary. Further, the Commissioner of Income Tax and Hon'ble ITAT have given the judgment/rulings in favour of the Company in certain cases. However, as the Department or the company has contested the judgment/rulings in Hon'ble ITAT or High Court, the amount has been shown as contingent liabilities

Note 30: Commitments**(a) Capital commitments**

Capital expenditure contracted for at the end of the reporting period but not recognised as liabilities is as follows:

(₹ in crores)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Property, plant and equipment	7.20	16.67

(b) Disclosures in respect of Assets acquired under Hire Purchase Arrangements

The total of minimum hire instalments payable for vehicle acquired at the Balance sheet date are as under.

(₹ in crores)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Commitments for minimum lease payments in relation to non-cancellable finance leases are payable as follows:		
Within one year	0.14	0.25
Later than one year but not later than five years	-	0.14
Later than five years	-	-
	0.14	0.39

Rent expense relating finance lease

(₹ in crores)

Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Rent expense relating finance lease	0.02	0.04
Total rental expense relating to Hire charges	0.02	0.04

Finance lease in respect of lease hold land.

The Company has entered into finance lease for land. These leases are generally for a period of 99 years. These leases can be extended for further 99 years. No part of the land has been sub leased. Except for the initial payment, there are no material annual payments for the aforesaid leases.

(c) Disclosures in respect of Assets taken on operating lease

The Company has taken offices space on operating lease. Lease payment is recognised in Statement of Profit and Loss for the year is ₹ 1.58 crores (PY. ₹ 3.25 crores)

(D) Disclosure as per Ind AS 116

(In accordance with IND AS 116, the details of lease asset and lease liabilities has been given w.e.f 1.4.2019.)

(i) Movement in Right of use assets (Refer Note 2)**(ii) Movement in lease liability**

(₹ in crores)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Opening balance	-	-
Additions	18.35	-
Interest charged during the year	1.87	-
Repayment	(5.00)	-
Closing balance	15.22	-

(iii) Lease payment to be made in

(₹ in crores)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Within one year	3.48	-
Later than one year but not later than five years	11.74	-
Later than five years	-	-
	15.22	-

Note 31: Related party disclosure as per Ind AS 24 Related party disclosure**(a) Details of related parties:**

Description of relationship	Name of the related party
Holding Company	Bhadra Raj Holdings Pvt. Ltd. (upto 30.11.2018)
Holding Company	Adimans Technologies Pvt. Ltd. (from 01.12.2018 to 27.01.2019)
Holding Company	Adimans Technologies LLP (w.e.f. 28.01.2019)
Subsidiary	Dishman USA Inc.
Subsidiary	Dishman Europe Ltd.
Subsidiary	Dishman International Trading (Shanghai) Co. Ltd.
Subsidiary	CARBOGEN AMCIS Holding AG
Subsidiary	Dishman Australasia Pty Ltd.
Subsidiary	Dishman Middle East FZE
Subsidiary	Dishman Carbogen Amcis (Singapore) Pte Ltd. (up to 13.09.2018)
Subsidiary	Dishman Biotech Ltd. (w.e.f. 30.09.2019)
Subsidiary	Dishman IT Xellence Pvt. Ltd.
Subsidiary	Dishman Engineering Xellence Pvt. Ltd.
Step Down Subsidiary	CARBOGEN AMCIS (Shanghai) Co. Ltd.
Step Down Subsidiary	CARBOGEN AMCIS AG
Step Down Subsidiary	CARBOGEN AMCIS B.V. (formerly knowns as Dishman Netherlands B.V.)
Step Down Subsidiary	CARBOGEN AMCIS SAS
Step Down Subsidiary	CARBOGEN AMCIS Ltd., U.K.
Step Down Subsidiary	Shanghai Yiqian International Trade Co. Ltd.
Step Down Subsidiary	Dishman Carbogen Amcis (Singapore) Pte Ltd. (w.e.f. 14.09.2018)
Step Down Subsidiary	Dishman Carbogen Amcis (Japan) Ltd. (formerly known as Dishman Japan Ltd.)
Step Down Subsidiary	CARBOGEN AMCIS Innovations AG
Step Down Subsidiary	CARBOGEN AMCIS Specialities AG
Step Down Subsidiary	Dishman Carbogen Amcis AG
Key Management Personnel (KMP)-Non Executive Directors	Mr. Janmejy R.Vyas
Key Management Personnel (KMP)-Executive Directors	Mrs. Dehooti J.Vyas
Key Management Personnel (KMP)-Executive Directors	Mr. Arpit J.Vyas
Key Management Personnel (KMP) - Non Executive Director	Mr. Mark C. Griffiths
Key Management Personnel (KMP) - Non Executive Director	Mr. Sanjay S. Majmudar
Key Management Personnel (KMP) - Non Executive Director	Mr. Ashok C. Gandhi
Key Management Personnel (KMP) - Non Executive Director	Mr. Subir Kumar Das
Key Management Personnel (KMP) - Non Executive Director	Mr. Rajendra S. Shah
Key Management Personnel (KMP) - Non Executive Director	Ms. Maitri K. Mehta
Key Management Personnel (KMP) - Global CFO	Mr. Harshil R. Dalal
Key Management Personnel (KMP) - Company Secretary and Compliance Officer	Ms. Shrima G. Dave

Relative of Key Management Personnel	Ms. Aditi J Vyas
Relative of Key Management Personnel	Ms. Mansi J Vyas
Relative of Key Management Personnel	Mrs. Pankti H. Dalal
Key Management Personnel is Karta	Mr. J. R.Vyas HUF
Key Management Personnel is Karta	Mr. Harshil R. Dalal HUF
Entity in which KMP can exercise significant influence	Dishman Biotech Ltd. (up to 29.09.2019)*
Entity in which KMP can exercise significant influence	Azafran Innovacion Ltd.*
Entity in which KMP can exercise significant influence	Dishman Infrastructure Ltd.*
Entity in which Relatives of KMP can exercise significant influence	Discus IT Pvt. Ltd.*
Entity in which Relatives of KMP can exercise significant influence	Discus Business Services LLP*

* Only where transactions have taken place during the year.

b) Details of related party transactions for the year ended on 31st March, 2020 and balances outstanding as at March, 2020:

(₹ in crores)

Particulars	Holding Company	Subsidiaries	Step Down Subsidiaries	Associates/ Joint Ventures	KMP	Relatives of KMP	Entities in which KMP / relatives of KMP have significant influence	Total
Purchase of goods	-	2.95	28.32	-	-	-	9.28	40.55
	(-)	(-)	(17.05)	(-)	(-)	(-)	(0.20)	(17.26)
Sale of goods / services	-	318.80	33.99	-	-	-	0.21	353.00
	(-)	(363.48)	(52.50)	(-)	(-)	(-)	(18.39)	(434.38)
Rendering of services	-	6.15	-	-	-	-	-	6.15
	(-)	(0.10)	(-)	(-)	(-)	(-)	(-)	(0.10)
Receiving of services	-	7.25	0.11	-	1.61	0.09	3.02	12.08
	(-)	(0.31)	(0.15)	(-)	(0.20)	(0.08)	(3.97)	(4.72)
Royalty expenses	-	2.34	-	-	-	-	-	2.34
	(-)	(2.06)	(-)	(-)	(-)	(-)	(-)	(2.06)
Investment	-	19.52	-	-	-	-	-	19.52
	(-)	(1.81)	(-)	(-)	(-)	(-)	(-)	(1.81)
Interest income	-	3.49	3.64	-	-	-	4.57	11.70
	(-)	(-)	(2.72)	(-)	(-)	(-)	(4.55)	(7.27)
Interest expenses	-	4.02	-	-	-	-	-	4.02
	(-)	(5.98)	(-)	(-)	(-)	(-)	(-)	(5.98)
Dividend income	-	31.48	-	-	-	-	-	31.48
	(-)	(40.02)	(-)	(-)	(-)	(-)	(-)	(40.02)
Loans given / (repaid), net	-	(4.87)	(41.61)	-	-	-	-	(46.48)
	(-)	(-)	(98.08)	(-)	(-)	(-)	(-)	(98.08)
Remuneration	-	-	-	-	3.48	1.57	-	5.05
	(-)	(-)	(-)	(-)	(4.35)	(1.20)	(-)	(5.55)

Notes to Standalone Financial Statements

Sitting fees to Non Executive Directors	-	-	-	-	0.12	-	-	0.12
	(-)	(-)	(-)	(-)	(0.12)	(-)	(-)	(0.12)
Commisson to Non Executive Directos	-	-	-	-	0.52	-	-	0.52
	(-)	(-)	(-)	(-)	(0.44)	(-)	(-)	(0.44)
Guarantee commission income	-	-	-	-	-	-	-	-
	(-)	(1.08)	(-)	(-)	(-)	(-)	(-)	(1.08)
Guarantees and collaterals withdrawn during the period	-	31.51	-	-	-	-	-	31.51
	(-)	(123.47)	(-)	(-)	(-)	(-)	(-)	(123.47)
Trade advances given	-	-	-	-	-	-	124.37	124.37
	(-)	(-)	(-)	(-)	(-)	(-)	(17.44)	(17.44)
Trade advances received back	-	-	-	-	-	-	94.84	94.84
	(-)	(-)	(-)	(-)	(-)	(-)	(34.94)	(34.94)
Dividend paid	1.98	-	-	-	0.00	0.00	-	1.98
	(-)	(-)	(-)	(-)	(-)	(-)	(-)	-

Note: Figures in bracket relates to the previous year

(₹ in crores)

Particulars	Holding Company	Subsidiaries	Step Down Subsidiaries	Associates/ Joint Ventures	KMP	Relatives of KMP	Entities in which KMP / relatives of KMP have significant influence	Total
Balances outstanding at the end of the year								
Trade receivables	-	64.73	11.12	-	-	-	0.22	76.07
	(-)	(63.18)	(28.69)	(-)	(-)	(-)	(20.10)	(111.96)
Trade advances given	-	-	-	-	-	-	-	-
	(-)	(-)	(-)	(-)	(-)	(-)	(42.51)	(42.51)
Trade advances received	-	57.22	-	-	-	-	-	57.22
	(-)	(84.25)	(-)	(-)	(-)	(-)	(-)	(84.25)
Guarantees and collaterals given	-	56.66	-	-	-	-	-	56.66
	(-)	(88.17)	(-)	(-)	(-)	(-)	(-)	(88.17)
Guarantees given by Dishman Infrastructure Ltd. on behalf of the company	-	-	-	-	-	-	20.55	20.55

	(-)	(-)	(-)	(-)	(-)	(-)	(40.13)	(40.13)
Loans and advances given	-	76.92	59.04	-	-	-	60.67	196.63
	(-)	(-)	(95.98)	(-)	(-)	(-)	(58.56)	(154.54)
Trade payables	-	19.96	7.56	-	0.32	0.17	0.82	28.83
	(-)	(5.01)	(3.60)	(-)	(0.16)	(-)	(0.20)	(8.97)

c) Disclosure in respect of significant transactions with related parties

Particulars	Name of the related party	F.Y. 2019-20	F.Y. 2018-19
		₹ in Crores	₹ in Crores
	Shanghai Yiqian International Trade Co. Ltd.	1.28	15.16
	CARBOGEN AMCIS B.V.	27.05	1.89
Purchase of goods	Dishman Biotech Ltd. - as entities in which relatives of KMP have significant influence	9.28	0.14
	Dishman Biotech Ltd. - as subsidiary	2.95	-
Sale of goods / services	Dishman Europe Ltd.	224.09	270.94
	Dishman USA Inc.	92.07	85.17
Rendering of services	Dishman USA Inc.	6.08	-
	Dishman International Trading (Shanghai) Co.Ltd.	0.07	0.10
Receiving of Services	Dishman Europe Ltd.	1.40	0.19
	Dishman Biotech Ltd.	5.00	1.56
	Discus IT Pvt. Ltd.	2.37	1.87
	Mr. Janmejy R.Vyas	1.43	0.02
Royalty Expense	CARBOGEN AMCIS Holding AG	2.34	2.06
Investment	Dishman Carbogen Amcis (Singapore) Pte. Ltd	-	1.79
	Dishman Biotech Ltd.	19.50	-
	Dishman Infrastructure Ltd.	4.57	4.55
Interest income	Dishman Carbogen Amcis (Singapore) Pte. Ltd.	3.64	2.72
	Dishman Biotech Ltd.	3.46	-
Interest expense	Dishman USA Inc.	4.02	5.98
Dividend income	CARBOGEN AMCIS Holding AG	31.48	18.88
	Dishman Europe Ltd.	-	21.14
Loans given / (repaid), net#	Dishman Carbogen Amcis (Singapore) Pte. Ltd	(41.61)	98.08
	Dishman Biotech Ltd.	(4.87)	-
	Mr. Janmejy R.Vyas	-	1.58
	Mrs. Deohooti J.Vyas	1.20	1.20
Remuneration does not include post-employment benefits and Other long term benefits.	Mr. Arpit J.Vyas	1.20	1.20
	Ms. Aditi J. Vyas	0.64	0.60
	Ms. Mansi J. Vyas	0.69	0.60
	Mr. Harshil R. Dalal	1.00	0.30*
Sitting fees to Non Executive Directors	Mr. Sanjay S. Majmudar	0.04	0.04
	Mr. Ashok C. Gandhi	0.04	0.04
	Mr. Subir Kumar Das	0.02	0.03
	Mr. Rajendra S. Shah	0.01	0.01
	Ms. Maitri K. Mehta	0.01	-

* Appointed as Global CFO w.e.f. 28th November, 2018

	Mr. Sanjay S. Majmudar	0.15	0.15
Commission to Non Executive Directors	Mr. Ashok C. Gandhi	0.11	0.11
	Mr. Subir Kumar Das	0.11	0.10
	Mr. Rajendra S. Shah	0.08	0.08
Guarantee commission income	CARBOGEN AMCIS Holding AG	-	1.08
Guarantees and collaterals withdrawn during the period	Dishman USA Inc.	31.51	32.07
	CARBOGEN AMCIS Holding AG	-	91.40
Trade advances given	Dishman Biotech Ltd.	69.63	17.44
	Azafran Innovacion Ltd.	54.74	-
Trade advances received back	Dishman Biotech Ltd.	40.10	34.94
	Azafran Innovacion Ltd.	54.74	-
Dividend paid	Adimans Technologies LLP	1.98	-
	CARBOGEN AMCIS AG	9.86	8.37
Dividend paid	Dishman USA Inc.	63.23	50.63
	Outstanding Balance of trade receivables	CARBOGEN AMCIS B.V.	0.40
	Aamanya AG	-	17.29
Outstanding balance of trade payables	Dishman USA Inc.	8.19	2.79
	CARBOGEN AMCIS B.V.	6.96	1.89
	Dishman Biotech Ltd.	5.72	-
	CARBOGEN AMCIS Holding AG	4.82	2.10
Outstanding trade advances given	Dishman Biotech Ltd.	-	42.51
Outstanding trade advances received	Dishman USA Inc.	48.80	84.25
	Dishman Europe Ltd.	8.42	-
Outstanding balances of guarantees and collaterals	Dishman USA Inc.	56.66	88.17
Outstanding balance of Loans and advance	CARBOGEN AMCIS (Shanghai) Co. Ltd.	2.57	2.01
	Dishman Infrastructure Ltd.	60.67	58.56
	Dishman Carbogen Amcis (Singapore) Pte. Ltd	56.47	93.97
	CARBOGEN AMCIS Holding AG **	14.90	-
	Dishman Biotech Ltd. *	62.01	-

* Outstanding balance of ₹ 66.88 crores towards trade advances given to Dishman Biotech Ltd. was converted into loan on 1st October, 2019.

** Dividend receivable of ₹ 14.90 crores from CARBOGEN AMCIS Holding AG was converted into loan during the year.

The loans to related parties is presented net of repayment due to multiple transactions.

(d) Key management personnel compensation

(₹ in crores)

Particulars	31 March 2020	31 March 2019
Executive directors		
Remuneration	2.40	3.98
Total compensation	2.40	3.98

(e) Information Pertaining to Loans and Guarantees given to Subsidiaries (Information Pursuant to Regulation 34(3) of SEBI (LISTING OBLIGATION AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 and section 186(4) of Companies Act, 2013):

(i) Loans and advances in the nature of loans to subsidiaries / others

(₹ in crores)

Name of the Company	Outstanding at the beginning of the year	Given during the year	Adjusted/repaid during the year	Other adjustments	Closing at the end of the year	Maximum amount outstanding during the year	Purpose
CARBOGEN AMCIS (Shanghai) Co. Ltd	2.22	-	-	0.35	2.57	2.22	Other corporate purpose
Dishman Infrastructure Ltd.	38.06	-	-	-	38.06	38.06	Other corporate purpose
Dishman Carbogen Amcis (Singapore) Pte. Ltd.	93.97	-	(41.61)	4.11	56.47	93.97	Other corporate purpose
Dishman Biotech Ltd.	0	55.59	(60.46)	66.88	62.01	66.88	Other corporate purpose

(ii) Guarantees given to subsidiaries :

Name of the Company	As at March 31, 2020		As at March 31, 2019		Purpose
	Foreign currency in Mn.	Amount in ₹ Cr	Foreign currency in Mn.	Amount in ₹ Cr	
Dishman USA Inc.	USD 7.50	56.66	USD 12.75	88.17	For loan obtained by subsidiary for business purpose.

Note 32: Disclosure under Micro, Small and Medium Enterprises Development Act, 2006 :

(₹ in crores)

Particulars	2019-20	2018-19
a) Principal amount due to suppliers under MSMED Act, 2006	1.31	6.34
b) Interest accrued, due to suppliers under MSMED Act on the above amount, and unpaid	0.02	0.07
c) Payment made to suppliers (other than interest) beyond the appointed day during the year	37.65	22.80
d) Interest paid to suppliers under MSMED Act (Section 16)	-	-
e) Interest due and payable towards suppliers under MSMED Act for payments already made	0.52	0.45
f) Interest accrued and remaining unpaid at the end of the year to suppliers under MSMED Act (including interest mentioned in (e) above)	0.54	0.52

Note: The above information is given to the extent available with the Company and relied upon by the auditor.

Note 33: Earnings per share

(₹ in crores)

	For the year ended 31st March, 2020	For the year ended 31st March, 2019
(a) Basic earnings per share		
From continuing operations attributable to the equity holders of the Company		
Total basic earnings per share attributable to the equity holders of the Company	2.46	3.47
(b) Diluted earnings per share		
From continuing operations attributable to the equity holders of the Company		
Total diluted earnings per share attributable to the equity holders of the Company	2.46	3.47

(c) Reconciliations of earnings used in calculating earnings per share

(₹ in crores)

	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Basic earnings per share		
Profit attributable to the equity holders of the company used in calculating basic earnings per share:		
From continuing operations	38.52	56.01
Diluted earnings per share		
Profit from continuing operations attributable to the equity holders of the Company:		
Used in calculating basic earnings per share	38.52	56.01
Profit attributable to the equity holders of the company used in calculating diluted earnings per share	38.52	56.01

(d) Weighted average number of shares used as the denominator

(₹ in crores)

	2019-20	2018-19
Basic earnings per share		
Weighted average number of equity shares used as the denominator in calculating basic earnings per share	16,09,98,443	16,13,94,272
Adjustments for calculation of diluted earnings per share:		
Options	-	-
Convertible bonds	-	-
Weighted average number of equity shares and potential equity shares used as the denominator in calculating diluted earnings per share	16,09,98,443	16,13,94,272

As per Ind AS – 33 "Earnings per share", EPS is to be calculated on the basis of Net Profit after tax and amounts under Other Comprehensive Income (Net of tax) are not to be considered.

Note 34: Off setting financial assets and financial liabilities

The are no financial instruments which are offset, or subject to enforceable master netting arrangements and other similar agreements but not offset, as at 31st March, 2020 and 31st March, 2019.

Note 35: (i) Details of research and development expenditure recognised as revenue expense (Other than contract research expenses)

(₹ in crores)

	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Annual Maintenance	0.07	0.14
Consumables	0.42	0.31
Conveyance	0.08	0.15
Laboratory Expenses	3.16	3.36
Others	0.15	0.55
Repair & maintenance	0.19	0.43
Raw Material Consumption	2.02	0.41
Salary & Wages	8.80	7.87
Subscription Expenses	1.06	0.54
Total	15.95	13.77

Note 35: (ii) Details of research and development expenditure recognised as capital expense

(₹ in crores)

	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Plant & Machinery	0.04	0.45
Office Equipments and Computers	0.04	0.13
Laboratory equipment	0.96	-
CWIP - Laboratory equipment	-	0.03
Intangible assets under development	-	0.21
Total	1.04	0.82

Note 36: Segment reporting

As the Company's annual report contains both Consolidated and Standalone Financial Statements, segmental information is presented only on the basis of Consolidated Financial Statement. (Refer note No. 32 of Consolidated Financial Statements).

Note 37 : Buy back of shares

The Board of Directors of the Company at its meeting held on January 16, 2020, has inter-alia approved the Buyback proposal for purchase by the Company of its fully paid-up equity shares of face value of ₹ 2/- each ("Equity Shares" and such buyback, the "Buyback"), from the shareholders/beneficial owners of the Company, at a price not exceeding ₹ 150 (Rupees One Hundred Fifty Only) per Equity Share ("Maximum Buyback Price") from the open market through stock exchange mechanism in such manner as may be prescribed in the Securities and Exchange Board of India (Buy Back of Securities) Regulations, 1998 ("Buy-back Regulations") and the Companies Act, 2013 ("Act") (including any statutory modification(s) or re-enactment of the Act or Buy-back Regulations, for the time being in force).

The Buyback shall not exceed ₹ 72 crores (Rupees Seventy Two crores only), excluding brokerage costs, fees, turnover charges, taxes such as securities transaction tax and goods and service tax (if any), stamp duty and other transaction charges ("Maximum Buyback Size"). The Maximum Buyback Size represents 1.48% and 1.38% of the total paid-up equity share capital and free reserves (including securities premium account) as per the standalone audited financial statements and the audited consolidated financial statements respectively of the Company as at March 31, 2019, which is in accordance with Section 68(2) of the Companies Act, 2013

The scheme of buyback was commenced from January 27, 2020 and the Company bought back 45,31,177 equity shares resulted in cash outflow of ₹ 35.75 crores. In line with the requirement of the Companies Act 2013, an amount of ₹ 35.75 crores has been utilized from the securities premium account for the buy back. Further, capital redemption reserve of ₹ 0.90 crores (representing the nominal value of the shares bought back and extinguished) has been created.

Note 38 : The officials of Income-Tax Department had visited the Company's Head Offices and Manufacturing sites in connection with search under Section 132 of the Income-Tax Act on 19th December, 2019 and search was concluded thereafter. The Company had extended full cooperation to the officials during the search and provided all the information sought. The Company has not received any official communication, letter or notice from Income tax department for any tax demand in this regard so far.

Note 39 : The Company continues to monitor the impact of Covid-19 on its business, including its impact on customers, supply-chain, employees and logistics. Due care has been exercised, in concluding on significant accounting judgements and estimates, including in relation to recoverability of receivables, assessment of impairment of goodwill and intangibles, investments and inventory, based on the information available to date, while preparing the Company's financial statement as of and for the year ended March 31, 2020.

Note 40: The Company is not a Large Corporate as per applicability criteria given under the SEBI circular SEBI/HO/DDHS/CIR/P/2018/144 dated November 20, 2018.

Note 41: The financial statements were authorised for issue by the Company's Audit Committee and Board of directors at their respective meetings on 03-June-2020.

As per our attached report of even date

For Haribhakti & Co. LLP
Chartered Accountants.
ICAI Firm Registration
No. 103523W/W100048

For V.D.Shukla & Co.
Chartered Accountants
ICAI Firm Registration
No. 110240W

Hemant J. Bhatt
Partner
Membership No. 036834

Vimal D. Shukla
Proprietor
Membership No. 036416

Place: Ahmedabad
Date : 3rd June, 2020

For and on behalf of the Board of Directors

Arpit J. Vyas
Global Managing Director
DIN: 01540057
Place: Vitznau

Deohooti J. Vyas
WholeTime Director
DIN: 00004876

Harshil R. Dalal
Global CFO

Shrima G. Dave
Company Secretary
ACS 29292

Place: Ahmedabad
Date : 3rd June, 2020

Independent Auditor's Report

To the Members of Dishman Carbogen Amcis Limited

Report on the Audit of the Consolidated Ind AS Financial Statements

Opinion

We have audited the accompanying consolidated Ind AS financial statements of Dishman Carbogen Amcis Limited (hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), comprising of the Consolidated Balance Sheet as at March 31, 2020, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year then ended, and notes to the consolidated Ind AS financial statements including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "consolidated Ind AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate Ind AS financial statements and on the other financial information of the subsidiaries, the aforesaid consolidated 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, of the consolidated state of affairs of the Group, as at March 31, 2020, their consolidated profit (including other comprehensive

income), their consolidated changes in equity and their consolidated cash flows for the year ended on that date.

Basis for Opinion

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

Emphasis of Matter

We draw attention to Note 28 of the consolidated Ind AS financial statements detailing the accounting treatment relating to the Scheme of Arrangement and Amalgamation ("the Scheme") involving merger of Dishman Pharmaceuticals and Chemicals Limited and Dishman Care Limited with the Holding Company, which has been accounted in financial year 2016-17 the "Purchase Method" as per the Accounting Standard 14 – Accounting for Amalgamation (AS 14) in compliance with the Scheme pursuant to section 391 to 394 of Companies Act, 1956 approved by Hon'ble High Court of Gujarat. In

accordance with the Scheme, the Holding Company has recognized goodwill on amalgamation amounting to ₹ 1,326.86 Crores which is amortised over its useful life. This accounting treatment is different from that prescribed under Ind AS 103 – 'Business Combinations'. Had the goodwill not been amortised as required under Ind AS 103, the Depreciation and Amortisation expense for the year ended March 31, 2020 would have been lower by ₹ 88.46 Crores and Profit before tax for the year ended March 31, 2020 would have been higher by an equivalent amount.

Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated Ind AS financial statements of the current year. These matters were addressed in the context of our audit of the consolidated 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.

Key Audit Matters	How were the matters addressed in our audit
Impairment assessment of the carrying value of Goodwill – Holding Company (Refer Note 4 to the consolidated Ind AS financial statements)	
<p>The Holding Company carries goodwill amounting to ₹ 862.48 crores in its standalone Ind AS financial statements as at March 31, 2020 which was recorded due to the merger of Dishman Pharmaceutical and Chemical Limited into Dishman Carbogen Amcis Limited (“the Company”)</p> <p>In terms with Ind AS 36, Goodwill is tested for impairment annually at the CGU level whereby the carrying amount of the CGU (including goodwill) is compared with the recoverable amount of the CGU. However the goodwill generated on the merger is amortised over 15 years.</p> <p>The recoverable amount is determined on the basis of the value in use which is the present value of future cash flows of the CGU using discounted cash flow model (‘Model’), which involves estimates pertaining to expected business and earnings forecasts and key assumptions including those related to discount and long-term growth rates. These estimates require high degree of management judgement resulting in inherent subjectivity.</p> <p>We considered this as a key audit matter due to significant judgement and assumption involved in estimating future cash flows using the Model.</p>	<p>Our audit procedures on testing for goodwill impairment includes the following:</p> <ul style="list-style-type: none"> • Obtained an understanding from the management with respect to process and controls followed by the Company to perform annual impairment test related to goodwill and performed necessary audit procedures to test the operating effectiveness of the relevant internal controls during the year ended and as of March 31, 2020. • Evaluated management’s identification of CGU’s, the carrying value of each CGU and the methodology followed by management for the impairment assessment in compliance with the prevailing accounting standards; • Evaluated appropriateness of key assumptions included in the cash flow forecasts used in computing recoverable amount of each CGU, such as growth rates, profitability, discount rates, etc., with reference to our understanding of their business and historical trends; and comparing past projections with actual results, including discussions with management relating to these projections; • Considered the fair value of Investment in subsidiaries based on the valuation certified by the subsidiary auditors; • Performed sensitivity analysis on these key assumptions to assess potential impact of downside in the underlying cash flow forecasts and assessed the possible mitigating actions identified by management; and • Evaluated the appropriateness of the disclosure in the consolidated Ind AS financial statements and assessed the completeness and mathematical accuracy.
Impairment assessment of carrying value of Goodwill on consolidation (Refer Note 4 to the consolidated Ind AS financial statements)	
<p>The Consolidated financial statements of the Company has Goodwill on Consolidation amounting to ₹ 2,822.25 Crores as at March 31, 2020 which are tested for impairment. These impairment tests are based on future business forecasts and budgets and other parameters</p> <p>We considered the valuation of such Goodwill on Consolidation to be significant to the audit, because of the materiality of the Goodwill amount to the consolidated Ind AS financial statements of the Company.</p> <p>The management assesses at least annually the existence of impairment indicators for Goodwill on consolidation. The Management has assessed the impairment by reviewing the business forecasts of the holding company and its subsidiaries, using discounted cash flow valuation model (the “Model”). The recoverable amounts of the Investments is determined based on the management’s estimates of future cash flows and their judgment with respect to the investees’ performance including key assumptions related to discount and long-term growth rates.</p> <p>Accordingly, the impairment assessment of Goodwill on consolidation was determined to be a key audit matter in our audit of the consolidated Ind AS financial statements.</p>	<p>Our audit procedures on impairment assessment of Goodwill on Consolidation include the following substantive procedures :</p> <ul style="list-style-type: none"> • Obtained an understanding from the management with respect to process and controls followed by the Company to perform annual impairment test related to goodwill and performed necessary audit procedures to test the operating effectiveness of the relevant internal controls during the year ended and as of March 31, 2020. • Evaluated management’s identification of CGU’s, the carrying value of each CGU and the methodology followed by management for the impairment assessment in compliance with the prevailing accounting standards; • Evaluated appropriateness of key assumptions included in the cash flow forecasts used in computing recoverable amount of each CGU, such as growth rates, profitability, discount rates, etc., with reference to our understanding of their business and historical trends; and comparing past projections with actual results, including discussions with management relating to these projections. • Obtained the subsidiary auditors Impairment testing working file certifying the fair value of Investment at various subsidiaries. Considered the fair value of Investment in subsidiaries based on the valuation certified by the subsidiary auditors; • Performed sensitivity analysis on these key assumptions to assess potential impact of downside in the underlying cash flow forecasts and assessed the possible mitigating actions identified by management; and • Evaluated the appropriateness of the disclosure in the consolidated Ind AS financial statements and assessed the completeness and mathematical accuracy.

Impairment assessment of the carrying value of Goodwill – Holding Company (Refer Note 4 to the consolidated Ind AS financial statements)

The Group operates in multiple jurisdictions and is subject to periodic challenges by local tax authorities on a range of tax matters during the normal course of business including transfer pricing and indirect tax matters. These involve significant management judgment to determine the possible outcome of the uncertain tax positions, consequently having an impact on related accounting and disclosures in the standalone financial statements. Hence, this has been considered as a key audit matter.

Our audit procedures include the following substantive procedures:

- Obtained detailed list of matters under dispute and other uncertain tax positions as at March 31, 2020;
- Read and evaluated select key correspondences, external legal opinions / consultations by the management;
- Discussed with appropriate senior management and evaluated management's underlying key assumptions in estimating the tax provisions; and
- Assessed the management's estimate of the possible outcome of the disputed cases.

Accounting and valuation of Hedging Instrument (Refer Note 34(D) to the consolidated Ind AS financial statements)

The Holding Company hedges its foreign currency risk and interest rate risk through derivative instruments and applies hedge accounting principles for derivative instruments as prescribed by Ind AS 109. Liability pertaining to derivative instruments as at March 31, 2020 is amounting to ₹ 39.48 crores and debit balance of Cash Flow Hedge Reserve of ₹ 87.26 crores as on that date.

These contracts are recorded at fair value and cash flow hedge accounting is applied, such that gains and losses arising from fair value changes are deferred in equity and recognized in the standalone statement of profit and loss when hedges mature.

The valuation of hedging instruments and consideration of hedge effectiveness has been identified as a key audit matter as it involves a significant degree of complexity and management judgment and are subject to an inherent risk of error.

Our audit procedures included but not limited to:

- Obtained understanding and evaluated the design and implementation of the processes and internal controls relating to accounting and valuation of hedge instruments;
- Tested the Company's key internal financial controls for derivative financial instruments and hedge accounting;
- Verified, on a sample basis, hedge documentation and contracts;
- Re-performed, on a sample basis, the year-end valuations of derivative financial instruments and calculations of hedge effectiveness; and
- Obtained confirmation of year-end derivative financial instruments from counterparties, on a sample basis.

Other Information

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Holding Company's Annual report, but does not include the standalone Ind AS financial statements, consolidated Ind AS financial statements and our auditor's report thereon.

Our opinion on the consolidated 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 consolidated 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 consolidated 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, and the reports of other auditors 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 Consolidated Ind AS Financial Statements

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated Ind AS financial statements in terms of the requirements of the Act that give a true and fair view of the consolidated financial position,

consolidated financial performance (including other comprehensive income), consolidated changes in equity and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including Ind AS specified under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the 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, which have been used for the purpose of preparation of the consolidated Ind AS financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated Ind AS financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibilities for the Audit of the Consolidated Ind AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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 these consolidated 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 consolidated 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 Holding Company and its subsidiary companies, which are companies incorporated in India, have 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 ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated 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 Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated Ind AS financial statements, including the disclosures, and whether the consolidated Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated Ind AS financial statements. We are responsible for the direction, supervision and performance of the audit of the Ind AS financial statements of such entities included in the consolidated Ind AS financial statements of which we are the independent auditors. For the other entities included in the consolidated Ind AS financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities

included in the consolidated Ind AS financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

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

a) The consolidated Ind AS financial statements include the Ind AS financial statements of 5 (Five) subsidiaries, which reflect total assets of ₹ 1,746.57 Crores and net assets of ₹ 1,746.02 Crores as at March 31, 2020, total revenues of ₹ 5.05 Crores and net cash inflow amounting to ₹ 0.32 Crores for the year ended on that date. The Ind AS financial statements of these subsidiaries, have been audited by V.D. Shukla & Co., Chartered

Accountants, one of the joint auditors of the Holding Company, whose reports have been furnished by the management and reliance has been placed by the other auditor of the Holding Company for the purpose of this report.

b) We did not audit the Ind AS financial statements of 15 (Fifteen) subsidiaries, whose Ind AS financial statements reflects total assets of ₹ 5774.79 Crores and net assets of ₹ 3850.84 Crores as at March 31, 2020, total revenues of ₹ 1917.26 Crores and net cash inflow amounting to ₹ 36.27 Crores for the year ended on that date, as considered in the consolidated Ind AS financial statements. These Ind AS financial statements have been audited by other auditors whose reports have been furnished to us by the management and our opinion on the consolidated Ind AS financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of section 143(3) of the Act, in so far as it relates to the aforesaid subsidiaries, is based solely on the reports of the other auditors.

Certain of these subsidiaries are located outside India whose financial statements have been prepared in accordance with accounting principles generally accepted in their respective countries and which have been audited by other auditors under generally accepted auditing standards applicable in their respective countries. The Holding Company's management has converted the financial statements of such subsidiaries located outside India from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Holding Company's management. Our opinion in so far as it relates

to the balances and affairs of such subsidiaries located outside India is based on the report of other auditors and the conversion adjustments prepared by the management of the Holding Company and audited by us.

Our opinion on the consolidated Ind AS financial statements and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

Report on Other Legal and Regulatory Requirements

As required by section 143(3) of the Act, based on our audit and on the consideration of reports of the other auditors on separate Ind AS financial statements and the other financial information of subsidiaries, as noted in the Other Matters section above we report, to the extent applicable, that:

- a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated Ind AS financial statements;
- b. In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated Ind AS financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors;
- c. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows dealt with by this report are in agreement with the relevant books of account maintained for

the purpose of preparation of the consolidated Ind AS financial statements;

d. In our opinion, except for the effects of the matter described in the Emphasis of Matter section of our report, the aforesaid consolidated Ind AS financial statements comply with the Ind AS specified 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 of the Holding Company as on March 31, 2020 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies, incorporated in India, none of the directors of the Group companies is disqualified as on March 31, 2020 from being appointed as a director in terms of section 164(2) of the Act;

f. With respect to the adequacy of the internal financial controls with

reference to financial statements of the Holding Company and its subsidiary companies incorporated in India and the operating effectiveness of such controls, refer to our separate report in "Annexure";

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;

In our opinion and to the best of our information and according to the explanations given to us by the Holding Company and the reports of the statutory auditors of its subsidiary companies incorporated in India, the remuneration paid/ provided to their directors during the year by the Holding Company and its subsidiary companies incorporated in India is in accordance with the provisions of section 197 of the Act;

h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and

Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

(i) The consolidated Ind AS financial statements disclose the impact of pending litigations on the consolidated financial position of the Group – Refer Note 26 to the consolidated Ind AS financial statements;

(ii) Provision has been made in the consolidated Ind AS financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts – Refer Note 13 & 34 to the consolidated Ind AS financial statements in respect of such items as it relates to the Group; and

(iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company and its subsidiary companies incorporated in India.

For Haribhakti & Co. LLP
Chartered Accountants.
ICAI Firm Registration
No. 103523W/W100048

Hemant J. Bhatt
Partner
Membership No. 036834

Place: Ahmedabad
Date : 3rd June, 2020

For V.D.Shukla & Co.
Chartered Accountants
ICAI Firm Registration
No. 110240W

Vimal D. Shukla
Proprietor
Membership No. 036416

Place: Ahmedabad
Date : 3rd June, 2020

ANNEXURE to the Independent Auditor's Report

[Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' section in our Independent Auditor's Report of even date to the members of Dishman Carbogen Amcis Limited on the consolidated Ind AS financial statements for the year ended March 31, 2020]

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")

In conjunction with our audit of the consolidated Ind AS financial statements of Dishman Carbogen Amcis Limited ("Holding Company") as of and for the year ended March 31, 2020, we have audited the internal financial controls with reference to financial statements of the Holding Company and its subsidiary company, which is company incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding Company and its subsidiary company, which is company incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control with reference to financial statements criteria established by the Holding 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 the respective 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.

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to financial statements of Holding Company and its subsidiary company, which is company incorporated in India, 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 control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit

evidence obtained by the other auditor in terms of their report referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to financial statements of Holding Company and its subsidiary company.

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 control 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.

For Haribhakti & Co. LLP

Chartered Accountants.
ICAI Firm Registration
No. 103523W/W100048

Hemant J. Bhatt

Partner
Membership No. 036834

Place: Ahmedabad

Date : 3rd June, 2020

Opinion

In our opinion and to the best of our information and according to the explanations given to us and based on consideration of reporting of other auditor as mentioned in Other Matters paragraph below, the Holding Company and its subsidiary company, which is company incorporated in India, have, 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, 2020, based on the internal control with reference to financial statements criteria established by the respective companies considering the essential

components of internal control stated in the Guidance Note issued by the ICAI.

Other Matters

Our aforesaid reports under section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to financial statements in so far as it relates to 1(one) subsidiary company, which is company incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India.

For V.D.Shukla & Co.

Chartered Accountants
ICAI Firm Registration
No. 110240W

Vimal D. Shukla

Proprietor
Membership No. 036416

Place: Ahmedabad

Date : 3rd June, 2020

Consolidated Balance Sheet

as at 31st March, 2020

(₹ in crores)

Particulars	Note No.	As at 31st March, 2020	As at 31st March, 2019
ASSETS			
Non-current assets			
(a) Property, plant and equipment	2	1,711.85	1,533.03
(b) Capital work-in-progress	2	202.34	143.33
(c) Right of use assets	2	178.77	-
(d) Investment property	3	5.07	5.20
(e) Goodwill	4	3,684.71	3,470.29
(f) Other intangible assets	4	97.52	89.05
(g) Intangible assets under development		31.83	31.92
(h) Financial assets			
i. Investments	5(a)(i)	84.02	147.41
ii. Loans	5(c)	39.78	37.64
iii. Others	5(e)	7.47	2.51
(i) Deferred tax assets (Net)	6(a)	3.02	7.95
(j) Non-current tax Assets (Net)	9	107.71	98.40
(k) Other non-current assets	7	263.37	208.16
Total non-current assets		6,417.45	5,774.89
Current assets			
(a) Inventories	8	606.87	548.62
(b) Financial assets			
i. Investments	5(a)(ii)	106.61	19.72
ii. Trade receivables	5(b)	577.43	445.30
iii. Cash and cash equivalents	5(d) (i)	121.94	76.32
iv. Bank balances other than (iii) above	5(d) (ii)	39.04	19.35
v. Loans	5(c)	6.27	4.17
vi. Others	5(e)	50.91	93.16
(c) Other current assets	10	295.90	346.94
Total current assets		1,804.97	1,553.57
Total assets		8,222.42	7,328.46
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	11(a)	31.38	32.28
(b) Other equity	11(b)	5,706.31	5,346.81
Total equity		5,737.68	5,379.09
LIABILITIES			
Non-current liabilities			
(a) Financial Liabilities			
i. Borrowings	12(a)	241.30	362.41
ii. Lease liabilities		235.96	-
(b) Provisions	13	294.08	248.31
(c) Deferred tax liabilities (Net)	6(a)	144.46	140.35
Total non-current liabilities		915.80	751.07
Current liabilities			
(a) Financial liabilities			
i. Borrowings	12(b)	688.23	520.09
ii. Lease liabilities		65.32	-
iii. Trade payables	12(c)	283.52	194.57
iii. Other financial liabilities	11(d)	297.17	263.56
(b) Other current liabilities	14	216.34	166.79
(c) Provisions	13	15.99	19.31
(d) Current tax liabilities (Net)	9	2.36	33.98
Total current liabilities		1,568.94	1,198.30
Total liabilities		2,484.74	1,949.37
Total equity and liabilities		8,222.42	7,328.46

Significant accounting policies

1

The accompanying notes form an integral part of these Financial Statements.

As per our attached report of even date

For Haribhakti & Co. LLP
Chartered Accountants.
ICAI Firm Registration
No. 103523W/W100048

Hemant J. Bhatt
Partner
Membership No. 036834

Place: Ahmedabad
Date: 3rd June, 2020

For V.D.Shukla & Co.
Chartered Accountants
ICAI Firm Registration
No. 110240W

Vimal D. Shukla
Proprietor
Membership No. 036416

For and on behalf of the Board of Directors

Arpit J. Vyas
Global Managing Director
DIN: 01540057
Place: Viznau

Harshil R. Dalal
Global CFO

Place: Ahmedabad
Date: 3rd June, 2020

Deohooti J. Vyas
WholeTime Director
DIN: 00004876

Shrima G. Dave
Company Secretary
ACS 29292

Consolidated Statement of Profit and Loss

For the year ended 31st March 2020

(₹ in crores)

Particulars	Note No.	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Income			
(a) Revenue from operations	15	2,043.60	2,058.60
(b) Other income	16	44.46	53.82
Total income		2,088.06	2,112.42
Expenses			
(a) Cost of materials consumed	17	464.41	378.01
(b) Changes in inventories of finished goods, stock-in-trade and work-in-progress	18	(30.57)	25.77
(c) Employee benefit expense	19	762.27	714.64
(d) Finance costs	20	61.95	56.55
(e) Depreciation and amortisation expense	21	282.87	240.38
(f) Other expenses	22	325.05	388.28
Total expenses		1,865.98	1,803.63
Profit before tax		222.08	308.79
Tax expense	23		
(a) Current tax		26.96	89.06
(b) Deferred tax		14.82	9.40
Profit for the year		180.30	210.33
Other Comprehensive Income			
(A) Items that will not be reclassified to profit or loss			
(a) Remeasurements of the defined benefit plans		(39.82)	(15.46)
(b) Income Tax impact on above		(0.14)	3.02
(c) Equity Instruments designated at fair value through other comprehensive income		1.69	4.09
(d) Income Tax impact on above		(0.59)	(1.43)
(B) Items that will be reclassified to profit or loss			
(a) (i) Movement in Foreign Currency Translation Reserve		353.28	29.31
(b) (i) Foreign Exchange Fluctuation in respect of cash flow hedge		(96.23)	41.90
Other Comprehensive Income for the year (net of tax)		218.19	61.43
Total Comprehensive Income for the year		398.49	271.76
Profit for the year attributable to :			
(a) Owners of the Company		180.30	210.33
(b) Non Controlling Interest		-	-
Other Comprehensive Income for the year attributable to :		180.30	210.33
(a) Owners of the Company		218.19	61.43
(b) Non Controlling Interest		-	-
Total Comprehensive Income for the year attributable to :		218.19	61.43
(a) Owners of the Company		398.49	271.76
(b) Non Controlling Interest		-	-
		398.49	271.76

Earnings per equity share of face value of ₹ 2/- each:			
(a) Basic earnings per share (in ₹)	24	11.20	13.03
(b) Diluted earnings per share (in ₹)	24	11.20	13.03
Significant accounting policies	1		
The accompanying notes form an integral part of these Financial Statements.			

As per our attached report of even date

For Haribhakti & Co. LLP
Chartered Accountants.
ICAI Firm Registration
No. 103523WW100048

For V.D.Shukla & Co.
Chartered Accountants
ICAI Firm Registration
No. 110240W

For and on behalf of the Board of Directors

Arpit J. Vyas
Global Managing Director
DIN: 01540057
Place: Vitznau

Deohooti J. Vyas
WholeTime Director
DIN: 00004876

Hemant J. Bhatt
Partner
Membership No. 036834

Vimal D. Shukla
Proprietor
Membership No. 036416

Harshil R. Dalal
Global CFO

Shrima G. Dave
Company Secretary
ACS 29292

Place: Ahmedabad
Date : 3rd June, 2020

Place: Ahmedabad
Date : 3rd June, 2020

Consolidated Cash Flow Statement

for the year ended 31st March, 2020

(₹ in crores)

Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Cash flow from operating activities		
Profit before income tax	222.08	308.79
Adjustments for		
Depreciation and amortisation expense	282.87	240.38
Gain on disposal of property, plant and equipment	5.86	(4.49)
Interest Income	(25.30)	(13.86)
Dividend income	-	(2.87)
Finance costs	61.95	56.55
Net exchange differences	5.65	0.26
Bad trade and other receivables, loans and advances written off	0.73	1.02
Provision for doubtful trade and other receivables, loans and advances (net)	(1.81)	0.04
Loss on fixed assets sold / scrapped / written off	0.16	0.21
Cash Generated from operations before working capital changes	552.19	586.04
(Increase) in trade receivables	(125.56)	(0.90)
(Increase) / Decrease in inventories	(58.25)	(64.06)
Increase / (Decrease) in trade payables	86.75	8.65
(Increase)/Decrease in loans and advances	56.53	(37.68)
Increase in provisions and other liabilities	103.37	(72.85)
Adjustment for translation difference in working capital	44.51	(7.63)
Cash generated from operations activities	659.55	411.57
Income taxes paid	(74.40)	(129.54)
Net cash generated from / (used in) inflow operating activities	585.14	282.03
Cash flow from investing activities		
Purchase of property, plant and equipment	(408.56)	(308.11)
Proceeds from sale of investment (net)	60.62	35.08
Investments in securites / mutual funds (net)	(88.29)	32.76
Balance Held as Margin Money	(24.33)	(15.81)
Loans (given) / repaid	(4.24)	71.76
Dividend received	-	1.43
Interest received	23.06	13.86
Net cash used in investing activities	(441.75)	(169.02)
Cash flows from financing activities		
Buy back of equity share capital	(36.65)	-
Proceeds from non current borrowings	75.14	52.73
Repayment of non current borrowings	(229.30)	(224.54)
Proceeds/(Repayment) on short term borrowings (net)	157.40	126.81
Interest paid	(61.15)	(57.21)
Dividends paid to company's shareholders	(3.23)	-
Net cash used in financing activities	(97.78)	(102.20)
Net increase (decrease) in cash and cash equivalents	45.61	10.80
Cash and cash equivalents at the beginning of the financial year	76.32	65.52
Effects of exchange rate changes on cash and cash equivalents	-	-
Cash and cash equivalents at end of the year	121.94	76.32

Components of cash and cash equivalents

Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Balance with banks		
- in current account	113.23	76.07
- in EEFC account	-	0.06
Cash on hand	8.71	0.19
Total Cash and cash equivalents	121.94	76.32

Note:

The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Indian Accounting Standard (Ind AS 7) - Statement of Cash Flows

- During the year, the company had invested in Dishman Biotech Ltd., thereby making it a wholly owned subsidiary hence the amounts reported above include impact of assets and liabilities of Dishman Biotech Limited.

	As at 31st March 2019	Cash Flows		As at 31st March 2020
		Proceeds	Repayments	
Long-Term Borrowings (including current maturity)	501.40	75.14	229.30	367.93
Short-Term Borrowings	520.09	157.40	-	688.23

Significant accounting policies

1

The accompanying notes form an integral part of these Financial Statements.

As per our attached report of even date

For and on behalf of the Board of Directors

For Haribhakti & Co. LLP
Chartered Accountants.
ICAI Firm Registration
No. 103523W/W100048

For V.D.Shukla & Co.
Chartered Accountants
ICAI Firm Registration
No. 110240W

Arpit J. Vyas
Global Managing Director
DIN: 01540057
Place: Vitznau

Deohooti J. Vyas
WholeTime Director
DIN: 00004876

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Partner
Membership No. 036834

Vimal D. Shukla
Proprietor
Membership No. 036416

Harshil R. Dalal
Global CFO

Shrima G. Dave
Company Secretary
ACS 29292

Place: Ahmedabad
Date : 3rd June, 2020

Place: Ahmedabad
Date : 3rd June, 2020

Consolidated Statement of Changes in Equity

for the year ended 31st March, 2020

A. Equity share capital

Particulars	For the year ended 31st March, 2020		For the year ended 31st March, 2019	
	No. of Shares	(₹ in crores)	No. of Shares	(₹ in crores)
Balance at the beginning of the reporting year	16,13,94,272	32.28	16,13,94,272	32.28
Add: Issued during the year	-	-	-	-
Add: Buy back during the year	(45,31,177)	(0.90)	-	-
Balance at the end of the reporting year	15,68,63,095	31.38	16,13,94,272	32.28

B. Other Equity

(₹ in crores)

Particulars	Reserves and Surplus			Other Comprehensive Income			Total
	Securities Premium	Capital Redemption Reserve	Retained Earnings	Foreign currency translation reserve	Equity Instrument through OCI	Cash flow hedger reserves	
Balance as on 1st April, 2018	4,777.72	-	201.87	124.21	4.30	(33.05)	5,075.05
Profit/ (Loss) for the year	-	-	210.33	-	-	-	210.33
Other comprehensive income for the year	-	-	(12.44)	29.31	2.66	41.90	61.43
Total Comprehensive Income for the year	-	-	197.89	29.31	2.66	41.90	271.76
Balance as on 31st March, 2019	4,777.72	-	399.75	153.52	6.96	8.85	5,346.81
Profit/ (Loss) for the year	-	-	180.30	-	-	-	180.30
Other comprehensive income for the year	-	-	(39.96)	353.28	1.10	(96.23)	218.18
Total Comprehensive Income for the year	-	-	140.34	353.28	1.10	(96.23)	398.48
Buy back of shares	(35.75)	-	-	-	-	-	(35.75)
Dividend paid	-	-	(3.23)	-	-	-	(3.23)
Transfer from Capital redemption reserve to Securities Premium	(0.90)	0.90	-	-	-	-	-
Balance as on 31st March, 2020	4,741.07	0.90	536.86	506.80	8.06	(87.38)	5,706.31

Significant accounting policies (Note No. 1)

The accompanying notes form an integral part of these Financial Statements.

As per our attached report of even date

For Haribhakti & Co. LLP
Chartered Accountants.
ICAI Firm Registration
No. 103523W/W100048

Hemant J. Bhatt
Partner
Membership No. 036834

Place: Ahmedabad

Date : 3rd June, 2020

For V.D.Shukla & Co.
Chartered Accountants
ICAI Firm Registration
No. 110240W

Vimal D. Shukla
Proprietor
Membership No. 036416

For and on behalf of the Board of Directors

Arpit J. Vyas
Global Managing Director
DIN: 01540057
Place: Vitznau

Harshil R. Dalal
Global CFO

Place: Ahmedabad

Date : 3rd June, 2020

Deohooti J. Vyas
WholeTime Director
DIN: 00004876

Shrima G. Dave
Company Secretary
ACS 29292

Notes to Consolidated Financial Statements

1.0 Background

Dishman Carbogen Amcis Limited (CIN: L74900GJ2007PLC051338) is a public company limited by shares incorporated on 17th July, 2007 under the provisions of the Companies Act, 1956, having its registered office at Dishman Corporate House, Iscon - Bopal Road, Ambli, Ahmedabad-380058, Gujarat. The Company and its subsidiaries (the 'Group') is engaged in Contract Research and Manufacturing Services (CRAMS) and manufacture and supply of marketable molecules such as specialty chemicals, vitamins & chemicals and disinfectants with presence in Switzerland, UK, Europe, China and other countries. It has manufacturing and research facilities in India, Switzerland, France, Netherland, United Kingdom and China. The equity shares of Dishman Carbogen Amcis Limited are listed on National Stock Exchange of India Ltd. ("NSE") and BSE Ltd. ("BSE") (collectively, the "Stock Exchanges").

2.0 Significant accounting policies

2.1 Basis of Preparation

These financial statements are the consolidated financial statements of the Group prepared in accordance with Indian Accounting Standards ('Ind AS') notified under section 133 of the Companies Act 2013, read together with the Companies (Indian Accounting Standards) Rules, 2015 (as amended).

These consolidated financial statements have been prepared and presented under the historical cost convention, on the accrual basis of accounting except for certain financial assets and financial liabilities that are measured at fair values at the end of each reporting period, as stated in the

accounting policies set out below. The accounting policies have been applied consistently over all the periods presented in these financial consolidated statements except as mentioned below in 2.2.

2.2 The company has applied the following Ind AS pronouncements pursuant to issuance of the Companies (Indian Accounting Standards) Amendment Rules, 2018. The effect is described below :

(i) Ind AS 116 "Leases"

The Company has implemented the Ind AS 116 "Leases" as notified by Ministry of Corporate Affairs on 30th March 2019 through the Companies (Indian Accounting Standard) Amendment Rules, 2019.

The Company has applied the standard w.e.f. accounting period commenced on or after April 1, 2019 to its Leases using the modified retrospective approach, therefore previous period comparative figures are not adjusted in the financial statements. This has resulted in recognising a lease liability measured at present value of the remaining lease payments and a corresponding Right-of-Use (ROU) asset as if the lease has been commenced w.e.f. 1st April 2019. The Company discounted remaining lease payments using the lessee's incremental borrowing rate as at 1st April 2019. The Company has also elected not to apply the requirements of Ind AS 116 to short term leases and leases for which underlying asset is of low value. In the results for the current period, the nature of expenses in respect of Operating lease has changed from lease rent in previous periods to depreciation cost for the right-of-use asset and finance cost for interest accrued on lease liability. The rights of use assets are depreciated on a straight line basis over a lease term.

The Company has therefore recognised a lease liability of ₹ 222.24 crores and a corresponding ROU asset as at 1st April 2019. The impact of adopting Ind AS 116 on the Company's financial results for the year ended 31st March 2020 is as follows:

1. Depreciation expense has increased by ₹ 38.30 crores due to amortisation of ROU asset.
2. Finance cost has increased by ₹ 5.58 crores due to interest on outstanding lease liability.

The net impact of this adoption is not material on the earnings per share. The other amendments encompass various guidance and clarifications which affect disclosures.

In connection with the transition to the new standard, management has applied judgement and formed assumptions in relation to assessing the incremental borrowing rate, service components and extension options of leasing arrangements. Management has formed its judgements and assumptions based on historical experience, internal and external available information and data.

(ii) Ind AS 12 "Income Tax" - Uncertainty over income tax treatments

The Ministry of Corporate Affairs (MCA) notified the Companies (Indian Accounting Standards) Amendment Rules, 2019 on 30th March 2019. The Rules amended Ind AS 12 – Uncertainty over income tax treatments. These amendments are applicable from 1 April 2019 onwards and the Company has applied this amendment w.e.f. accounting period commenced on or after April 1, 2019

The principles of uncertain tax treatments are included in the scope of Ind AS 12 "Income

taxes". It clarifies the recognition and measurement for income tax when it is unclear whether a taxation authority will accept the tax treatment claimed. An uncertain tax position arises where there is more than one possible interpretation of how tax regulations apply to a given transaction or event. The interpretation requires the Company to determine whether uncertain tax treatments are assessed separately or as a group. The interpretation also requires an assumption that a taxation authority has full knowledge of all relevant information. Where it is not probable that a taxation authority will accept an uncertain tax treatment, it requires the Company to reflect the effect of the uncertainty in the accounting tax position. Finally, reassessment should be performed on a yearly basis in the event of changes in facts and circumstances.

Management reviewed the features of the new interpretation, notably in terms of tax risks included in the scope of the interpretation. However, the implementation of the standard has no impact on accounts.

2.3 Statement of Compliance

The consolidated financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) and other relevant provisions of the Act.

2.4 Basis of Consolidation:

Subsidiaries

Subsidiaries are all entities that are controlled by the Company. Control exist when the Company is exposed to or has rights to variable returns from its involvement with the entity and has the ability to affects those returns through power over the entity. In accessing control, potential voting rights are considered only if the rights are substantive. The financial statements of subsidiaries are included in these consolidated financial statements from the date that control commences until the date that control ceases. The Group combines the financial statements

of the parent and its subsidiaries line by line adding together like items of assets, liabilities, income and expenses. For the purpose of preparing these consolidated financial statements, the accounting policies of the subsidiaries have been changed where necessary to align them with the policies adopted by the Company. Non-controlling interests in the results and equity of subsidiaries are shown separately in the Consolidated Statement of Profit and Loss, Consolidated Statement of Changes in Equity and Consolidated Balance sheet respectively.

Associates and Joint ventures (Equity accounted investee)

Associates are those entities over which the Company has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the entities but is not control or joint control of those policies. Significant influence is generally presumed to exist when the Company holds between 20% and 50% of the voting power of another entity.

Joint arrangements are those arrangements over which the Company has joint control, established by contractual agreement and requiring unanimous consent for strategic financial and operating decisions. Investments in associates and jointly controlled entities are accounted for using the equity method (equity accounted investees) and are initially recognized at cost. Investments in such entities are accounted by the equity method of accounting. When the Company's share of losses exceeds its interest in an equity accounted investee, the carrying amount of that interest (including any long-term investments) is reduced to zero and the recognition of further losses is discontinued except to the extent that the Company has an obligation or has made payments on behalf of the investee.

Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealized income and expenses arising from intra-group transactions, are eliminated in full while preparing these consolidated financial statements. Unrealized gains or losses arising from transactions with equity accounted investees are eliminated against the investment to the extent of the Company's interest in the investee.

2.5 Business Combination

- (i) The Group accounts for each business combination by applying the acquisition method. The acquisition date is the date on which control is transferred to the acquirer. Judgment is applied in determining the acquisition date and determining whether control is transferred from one party to another.
- (ii) Control exists when the Company is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through power over the entity. In assessing control, potential voting rights are considered only if the rights are substantive.
- (iii) The Company measures goodwill as of the applicable acquisition date at the fair value of the consideration transferred, including the recognized amount of any non-controlling interest in the acquiree, less the net recognized amount of the identifiable assets acquired and liabilities (including contingent liabilities in case such a liability represents a present obligation and arises from a past event, and its fair value can be measured reliably) assumed. When the fair value of the net identifiable assets acquired and liabilities assumed exceeds the consideration transferred, a bargain purchase gain is recognized as capital reserve.

- (iv) Consideration transferred includes the fair values of the assets transferred, liabilities incurred by the Company to the previous owners of the acquiree, and equity interests issued by the Company. Consideration transferred also includes the fair value of any contingent consideration. Consideration transferred does not include amounts related to settlement of pre-existing relationships.
- (v) Any contingent consideration is measured at fair value at the date of acquisition. If an obligation to pay contingent consideration that meets the definition of a financial instrument is classified as equity, then it is not remeasured and settlement is accounted for within equity. Otherwise subsequent changes in the fair value of the contingent consideration are recognised in the Consolidated Statement of Profit and Loss.
- (vi) Transaction costs that the Company incurs in connection with a business combination, such as finder's fees, legal fees, due diligence fees and other professional and consulting fees, are expensed as incurred.
- (vii) On an acquisition-by-acquisition basis, the Company recognizes any non-controlling interest in the acquiree either at fair value or at the non-controlling interest's proportionate share of the acquiree's identifiable net assets.
- (viii) Any goodwill that arises on account of such business combination is tested annually for impairment.
- (ix) Acquisitions of non-controlling interests are accounted for as transactions with equity holders in their capacity as equity holders. The difference between any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is recorded in equity.
- (x) In respect of merger of Dishman Pharmaceuticals and Chemicals Limited and Dishman

Care Limited with the Holding Company, the accounting treatment has been given as per the Court approved scheme.

2.6 Inventories

Inventories are valued at cost as per moving weighted average price or net realisable value, whichever is lower after providing for obsolescence and other losses, where considered necessary. Cost includes all charges in bringing the goods to the point of sale, including octroi and other levies, transit insurance and receiving charges. Work-in-progress and finished goods include appropriate proportion of overheads and, where applicable, excise duty.

Inventories of stores and spare parts are valued at cost.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and to make the sale.

2.7 Property, plant and equipment

Freehold land is carried at historical cost and not depreciated. All other property, plant and equipment are stated at historical cost less accumulated depreciation and accumulated impairment losses. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Cost includes its purchase price including non-cenvatable taxes and duties, directly attributable costs of bringing the asset to its present location and condition and initial estimate of costs of dismantling and removing the item and restoring the site on which it is located. Properties in the course of construction are carried at cost, less any recognised impairment loss. Such properties are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably.

The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to statement of profit or loss during the reporting period in which they are incurred.

Machinery spares, stand-by equipment and servicing equipment are recognised as property, plant and equipment when they meet the definition of property, plant and equipment. Otherwise, such items are classified as inventory.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

The residual values and useful lives of property, plant and equipment are reviewed at each financial year end and changes, if any, are accounted in the line with revisions to accounting estimates.

Depreciation

Depreciation is calculated using the straight-line method to allocate their cost, net of their residual values, over their estimated useful lives. Depreciation on the subsequent cost capitalisation are depreciated over the remaining useful life of the assets.

Depreciation has been provided on straight line method and in the manner specified in Schedule II of the Companies Act, 2013 based on the useful life specified in Schedule II except where management estimate of useful life is different.

The useful lives have been determined based on technical evaluation done by the

management's expert taking into account the nature of the asset, past history of replacement, anticipated technology changes etc.

The residual values are not more than 5% of the original cost of the asset. The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

2.8 Goodwill and Intangible assets

Intangible assets that are acquired by the Group, which have finite useful lives, are measured at cost less accumulated amortisation and accumulated impairment losses. Cost includes expenditures that are directly attributable to the acquisition of the intangible asset.

In respect of business combination that occurred prior to transition date, goodwill is included on the basis of its deemed cost, which represents the amount recorded under previous GAAP.

Subsequent expenditure

Subsequent expenditure is capitalised only when it increase the future economic benefits embodied in the specific assets to which it relates. All other expenditure are recognised in profit or loss as incurred.

Amortisation

Amortisation is recognised in profit or loss on a straight line basis over the estimated useful lives of the intangible assets upto ten years from the date that they are available for use.

Goodwill arising on merger of Dishman Pharmaceuticals and Chemicals Ltd (DPCL) with the Company has been recognised as per the Court scheme. Said Goodwill has been amortised in accordance with the Court scheme for which the Company has estimated useful life of 15 years.

Internally generated intangible asset: Research and Development

Expenditure on research activity is recognised as expense in the period in which it is incurred. An internally generated intangible asset arising from development is recognised, if any only if, all of the following conditions have been fulfilled:

- Development costs can be measured reliably
- The product or process is technically and commercially feasible. Future economic benefits are probable and
- The Group intends to and has sufficient resources to complete development and to use or sell the asset.

2.9 Investment properties

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

2.10 Borrowing cost

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use. Other borrowing costs are expensed in the period in which they are incurred.

2.11 Impairment of property, plant and equipment and intangible assets

Consideration is given at each balance sheet date to determine whether there is any indication of impairment of the carrying amount of the Group's each class of the property, plant and equipment or intangible assets. If any indication exists, an asset's recoverable amount is estimated. An impairment loss is recognized whenever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value based on an appropriate discount factor.

2.12 Impairment of non-financial assets

Goodwill is tested for impairment annually as at 31 March and when circumstances indicate that the carrying value may be impaired. Impairment is determined for goodwill by assessing the recoverable amount of each CGU (or group of CGU's) to which the goodwill relates. When the recoverable amount of the CGU is less than its carrying amount, an impairment loss is recognised. Impairment losses relating to goodwill are not reversed in future periods.

2.13 Foreign Currency transaction/ translation

Transaction and balances

Transactions in foreign currencies are initially recognised in the financial statements using exchange rates prevailing on the date of transaction. Monetary assets and liabilities denominated in foreign currencies are translated to the functional currency at the exchange rates prevailing at the reporting date and foreign exchange gain or loss are recognised in profit or loss. Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates

at the date when the fair value was determined. Translation differences on non-monetary assets and liabilities such as equity instruments held at fair value through profit or loss are recognised in profit or loss as part of the fair value gain or loss and translation differences on non-monetary assets such as equity investments classified as FVOCI are recognised in other comprehensive income. Non-monetary items denominated in a foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of transaction. Foreign exchange differences regarded as an adjustment to the borrowing cost are presented in the Statement of profit or loss with in finance cost. All other foreign currency differences arising on translation are recognised in statement of profit and loss on net basis with in other gain/ (losses).

In case of foreign operations whose functional currency is different from the parent company's functional currency, the assets and liabilities of such foreign operations, including goodwill and fair value adjustments arising upon acquisition, are translated to the reporting currency at exchange rates at the reporting date. The income and expenses of such foreign operations are translated to the reporting currency at the average exchange rates prevailing during the year. Resulting foreign currency differences are recognized in other comprehensive income/ (loss) and presented within equity as part of FCTR. When a foreign operation is disposed of, in part or in full, the relevant amount in the FCTR is reclassified to the Consolidated Statement of Profit and Loss as a part of gain or loss on disposal.

2.14 Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable,

taking into account contractually defined terms of payment. Amounts disclosed as revenue are net of returns, trade discount, rebates, sales tax, value added taxes and Goods & Services Tax.

Sales of goods

Revenue from sale of goods is recognised when the control of the goods have been transferred to the buyer, the associated costs and possible return of goods can be estimated reliably, there is no continuing management involvement with the goods, and the amount of revenue can be measured reliably. The performance obligation in the case of sale of goods is satisfied at a point in time i.e. when the material shift to the customer or on delivery to the customer as may be specified in the contract.

Sales of services

Revenue from services rendered is generally recognized in proportion to the stage of completion of the transaction at the reporting date. The stage of completion of the contract is determined based on actual service provided as a proportion of the total service to be provided. Revenues from contracts priced on a time and material basis are recognised when services are rendered and related costs are incurred.

Dividend and interest income

Dividend is recognised as income when the shareholder's right to receive payment has been established (provided that it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably).

Interest income is accrued on time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

Export Incentives

Duty drawback and MEIS and SEIS benefits are recognized at the time of exports and the benefits in

respect of licenses received by the Group against export made by it are recognized as and when goods are imported against them.

2.15 Employee benefits

Employee benefits include provident fund, superannuation fund, employee state insurance scheme, gratuity fund, compensated absences, long service awards and post-employment medical benefits.

Defined contribution plans

The Group's contribution to provident fund, employee state insurance scheme, superannuation fund and certain pension schemes are considered as defined contribution plans and are charged as an expense based on the amount of contribution required to be made and when services are rendered by the employees.

Defined benefit plans

For defined benefit plans in the form of gratuity fund and pension, the cost of providing benefits is determined using the Projected Unit Credit method, with actuarial valuations being carried out at each balance sheet date. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss.

Re-measurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet and will not be reclassified to profit or loss.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.

Short-term employee benefits

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognised during the year when the employees render the service. These benefits include performance incentive and compensated absences which are expected to occur within twelve months after the end of the period in which the employee renders the related service.

The cost of short-term compensated absences is accounted as under:

- (a) in case of accumulated compensated absences, when employees render the services that increase their entitlement of future compensated absences; and
- (b) in case of non-accumulating compensated absences, when the absences occur.

Long-term employee benefits

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related service are recognised as a liability at the present value of the defined benefit obligation as at the balance sheet date less the fair value of the plan assets out of which the obligations are expected to be settled.

2.16 Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting

period. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible.

Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the

carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the company has a legally enforceable right for such setoff.

MAT Credits are in the form of unused tax credits that are carried forward by the Company for a specified period of time, hence it is grouped with Deferred Tax Asset.

Current and deferred tax for the year

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

2.17 Leases

Finance lease

Leases where the Company, as lessee, has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the lease's inception at the fair value of the leased property or, if lower, the present value of the minimum lease payments. The corresponding rental obligations, net of finance charges, are included in borrowings or other financial liabilities as appropriate. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to the profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Operating lease

Where the Company is the lessee in a lease arrangement at inception, the lease contracts are recognized as rights-of use assets and lease liabilities are measured at present value of lease payments at initial recognition except for short-term leases and leases of low value. The

rights of use assets are depreciated on a straight line basis over a lease term. Lease payments are discounted using the interest rate implicit in the lease. If that rate is not readily available, the incremental borrowing rate is applied. The incremental borrowing rate reflects the rate of interest that the lessee would have to pay to borrow over a similar term, with a similar security, the funds necessary to obtain an asset of a similar nature and value to the right-of-use asset in a similar economic environment. Payments associated with short-term leases and leases of low-value assets are recognised as an expense in profit & loss Account.

2.18 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

A. Financial assets

(i) Classification, recognition and measurement:

Financial assets are recognized when the Company becomes a party to the contractual provisions of the instrument.

The company classifies its financial assets in the following measurement categories:

- a) those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- b) those to be measured at amortised cost.

The classification depends on the company's business model for managing the financial assets and whether 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.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

Type of instruments	Classification	Rationale for classification	Initial measurement	Subsequent measurement
Debt instruments	Amortized cost	Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest on principal amount outstanding are measured at amortised cost. .	At fair value plus transaction costs that are directly attributable to the acquisition of the financial asset	Amortized cost is calculated using Effective Interest Rate (EIR) method, taking into account interest income, transaction cost and discount or premium on acquisition. EIR amortization is included in finance income. Any gain and loss on derecognition of the financial instrument measured at amortised cost recognised in profit and loss account.
	Fair value through other comprehensive income (FVOCI)	Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest on principal amount outstanding, are measured at FVOCI.	At fair value plus transaction costs that are directly attributable to the acquisition of the financial asset	Changes in carrying value of such instruments are recorded in OCI except for impairment losses, interest income (including transaction cost and discounts or premium on amortization) and foreign exchange gain/loss which is recognized in income statement. Interest income, transaction cost and discount or premium on acquisition are recognized in to income statement (finance income) using effective interest rate method. On derecognition of the financial assets measured at FVOCI, the cumulative gain or loss previously recognized in OCI is classified from Equity to Profit and Loss account in other gain and loss head.
	Fair value through profit or loss (FVTPL)	Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain and loss on a debt instrument that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognized in profit or loss in the period in which arise.	At fair value. Transaction costs of financial assets expensed to income statement	Change in fair value of such assets are recorded in income statement as other gains/ (losses) in the period in which it arises. Interest income from these financial assets is included in the finance income.
Equity instruments	FVOCI	The Company's management has made an irrevocable election at the time of initial recognition to account for the equity investment (On an instrument by instrument basis) at fair value through other comprehensive income. This election is not permitted if the equity investment is held for trading. The classification is made on initial recognition and is irrevocable.	At fair value plus transaction costs that are directly attributable to the acquisition of the financial asset	Change in fair value of such instrument is recorded in OCI. On disposal of such instruments, no amount is reclassified to income statement. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value. Dividend income from such instruments is however recorded in income statement.

FVTPL	When no such election is made, the equity instruments are measured at FVTPL	At fair value. Transaction costs of financial assets expensed to income statement	Change in fair value of such assets is recorded in income statement.
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All financial assets are recognised initially at fair value and for those instruments that are not subsequently measured at FVTPL, plus/minus transaction costs that are attributable to the acquisition of the financial assets.

Trade receivables are carried at original invoice price as the sales arrangements do not contain any significant financing component. 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.

(ii) Impairment:

In accordance with Ind AS 109, the Company applies Expected Credit Loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- a) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, and bank balance.
- b) Trade receivables.
The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables which do not contain a significant financing component.

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

The Company uses a provision matrix to determine impairment loss allowance on the portfolio of trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivable and is adjusted for forward looking estimates. At every reporting date, historical observed default rates are updated and changes in the forward- looking estimates are analysed.

(iii) Derecognition of financial assets:

A financial asset is derecognised only when

- (a) the company has transferred the rights to receive cash flows from the financial asset or
- (b) retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the company has transferred an asset, the company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the company has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the company has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the company has not retained control of the financial asset. Where the company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

(iv) Foreign exchange gain or losses:

The fair value of financial assets denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of each reporting period.

For foreign currency denominated financial assets measured at amortised cost and FVTPL, the exchange difference are recognised in profit or loss except for those which are designated as hedging instruments in the hedging relationship.

Changes in the carrying amount of investments in equity instruments at FVTOCI relating to changes in foreign currency rates are recognised in other comprehensive income.

For the purpose of recognising foreign exchange gain and losses, FVTOCI debt instruments are treated as financial assets measured at amortised cost. Thus, the exchange differences on the amortised cost are recognised in profit or loss and other changes in the fair value of FVTOCI financial assets are recognised in other comprehensive income.

(v) Investments in Subsidiaries:

The Company has availed an option stated under Ind AS 101 and measured investments in equity instruments of subsidiaries at Cost as per Ind AS 27. The Carrying amount is reduced to recognise impairment, if any, in value of investments.

B. Financial liabilities and equity instruments :

Debt and equity instruments issued by a entity are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Classification, recognition and measurement:

(a) Equity Instruments:

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the company are recognised at the proceeds received, net of direct issue costs.

(b) Financial liabilities:

Initial recognition and measurement:

Financial liabilities are initially recognised at fair value plus any transaction costs that are attributable to the acquisition of the financial liabilities except financial liabilities at FVTPL which are initially measured at fair value.

Subsequent measurement:

The financial liabilities are classified for subsequent measurement into following categories :

- at amortised cost
- at fair value through profit or loss (FVTPL)

(i) Financial liabilities at amortised cost:

The company is classifying the following under amortised cost;

- Borrowings from banks
- Borrowings from others
- Finance lease liabilities
- Trade payables

Amortised cost for financial liabilities represents amount at which financial liability is measured at initial recognition minus the principal repayments, plus or minus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount.

(ii) Financial liabilities at fair value through profit or loss:

Financial liabilities held for trading are measured at FVTPL. Financial liabilities at FVTPL are stated at fair

value with any gains or losses arising on remeasurement, recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any interest paid on the financial liability and is included in the 'other gains and losses' line item.

Derecognition:

A financial liability is removed from the balance sheet when the obligation is discharged, or is cancelled, or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

(c) Financial guarantees contracts :

Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortisation.

C. Derivative financial instruments

Foreign exchange forward contracts are entered into by the Company to mitigate the risk of changes in foreign exchange rates associated with certain payables, receivables and forecasted transactions denominated in certain foreign currencies. Derivative contracts which do not qualify for hedge

accounting under Ind AS109, are initially recognized at fair value on the date the contract is entered into and subsequently measured at fair value through profit or loss. Gain or loss arising from changes in the fair value of the derivative contracts are recognised in profit or loss. Realized gain or loss arising on forward contract relating to forecast sales are included under Other Operating Income in the Statement of Profit and Loss. Derivatives contracts which are qualified for hedge accounting under Ind AS 109, are initially recognized at fair value on the date the contract is entered into and subsequently measured at fair value through other comprehensive income.

D. Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

2.19 Fair value measurement:

The Company measures financial instruments, such as, certain investments at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the company. The fair value of an asset or a liability is measured using the assumptions that market participants would use

when pricing the asset or liability, assuming that market participants act in their economic best interest. All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
 - Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
 - Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable
- Provisions and Contingencies, Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

2.20 Provisions and contingencies

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments

of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense

A provision for onerous contracts is recognized when the expected benefits to be derived by the Group from a contract are lower than the unavoidable cost of meeting its obligations under the contract. The provision is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established, the Group recognizes any impairment loss on the assets associated with that contract.

Contingent liabilities are recognised at their fair value only, if they were assumed as part of a business combination. Contingent assets are not recognised. However, when the realisation of income is virtually certain, then the related asset is no longer a contingent asset, and is recognised as an asset. Information on contingent liabilities is disclosed in the notes to the financial statements, unless the possibility of an outflow of resources embodying economic benefits is remote. The same applies to contingent assets where an inflow of economic benefits is probable.

2.21 Segment reporting:

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operational decision maker monitors the operating results of its business Segments separately for the purpose of making decision about the resources allocation and performance assessment. Segment performance is evaluated based on the profit or loss and is measured consistently with profit or loss in the financial statements. The operating segments have been identified on the basis of the nature of products/ services.

2.22 Cash and cash equivalent :

Cash and cash equivalent in the balance sheet comprises cash at bank and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

2.23 Dividend distribution to equity shareholders :

Dividend distributed to Equity shareholders is recognised as distribution to owners of capital in the Statement of Changes in Equity, in the period in which it is paid.

2.24 Earning per share :

The basic Earnings Per Share ("EPS") is computed by dividing the net profit / (loss) after tax for the year attributable to the equity shareholders by the weighted average number of equity shares outstanding during the year. For the purpose of calculating diluted earnings per share, net profit / (loss) after tax for the year attributable to the equity shareholders and the weighted average number of equity shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

2.25 Current / Non-current classification :

An assets is classified as current if:

- (a) it is expected to be realised or sold or consumed in the Company's normal operating cycle;
- (b) it is held primarily for the purpose of trading;
- (c) it is expected to be realised within twelve months after the reporting period; or
- (d) it is cash or a cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is classified as current if:

- (a) it is expected to be settled in normal operating cycle;
- (b) it is held primarily for the purpose of trading;
- (c) it is expected to be settled within twelve months after the reporting period;
- (d) it has no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

The operating cycle is the time between acquisition of assets for processing and their realisation in cash and cash equivalents. The Company's normal operating cycle is twelve months.

2.26 Significant accounting estimates, judgements and assumptions:

The preparation of the Group's financial statements in conformity with Ind AS requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances existing when the financial statements were prepared. The estimates and underlying assumptions are reviewed on an ongoing basis. Revision to accounting estimates is recognised in the year in which the estimates are revised and in any future year affected.

In the process of applying the Group's accounting policies, management has made the following judgements which have significant effect on the amounts recognised in the financial

a. Useful lives of property, plant and equipment and Goodwill:

Determination of the estimated useful life of tangible assets and the assessment as to which components of the cost may be capitalised. Useful life of tangible assets is based on the life specified in Schedule II of the Companies Act, 2013 and also as per management estimate for certain category of assets. Assumption also need to be made, when company assesses, whether as asset may be capitalised and which components of the cost of the assets may be capitalised. The goodwill recorded on merger has been amortised based on its estimated benefit / estimated useful life of 15 years.

b. Arrangement containing lease:

At the inception of an arrangement whether the arrangement is or contain lease. At the inception or reassessment of an arrangement that contains a lease, Company separates payments and other consideration required by the arrangement into those for the lease and those for the other elements on the basis of their relative fair values. The Company has determined, based on an evaluation of the terms and conditions of the arrangements, that such contracts are not in the nature of lease.

c. Service Income:

The group uses the percentage of completion method in accounting for its fixed price contract. Use of percentage of completion requires the group to estimate the service performed to date as a proportion of the total service to be performed. Determination of the stage of completion is technical matter and determined by the management experts.

d. Fair value measurement of financial instruments:

When the fair values of financial assets and financial liabilities recorded in the Balance Sheet cannot be measured based on quoted prices in active markets, their fair value is measured using appropriate valuation techniques. The inputs for these valuations are taken from observable sources where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of various inputs including liquidity risk, credit risk, volatility etc. Changes in assumptions/ judgements about these factors could affect the reported fair value of financial instruments.

e. Defined benefit plan:

The cost of the defined benefit gratuity plan and other post-employment benefits and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

f. Allowances for uncollected accounts receivable and advances:

Trade receivables do not carry interest and are stated at their normal value as reduced by appropriate allowances for estimated irrecoverable amounts. Individual trade receivables are written off when management deems them not collectable. Impairment is made on the expected credit loss model, which are the present value of the cash shortfall over the expected life of the financial

assets. The impairment provisions for financial assets are based on assumption about the risk of default and expected loss rates. Judgement in making these assumption and selecting the inputs to the impairment calculation are based on past history, existing market condition as well as forward looking estimates at the end of each reporting period.

g. Allowances for inventories:

Management reviews the inventory age listing on a periodic basis. This review involves comparison of the carrying value of the aged inventory items with the respective net realizable value. The purpose is to ascertain whether an allowance is required to be made in the financial statements for any obsolete and slow-moving items. Management is satisfied that adequate allowance for obsolete and slow-moving inventories has been made in the financial statements.

h. Impairment of non-financial assets:

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or Cash Generating

Units (CGU's) fair value less costs of disposal and its value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or a groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account, if no such transactions can be identified, an appropriate valuation model is used.

i. Taxation:

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgment is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together

with future tax planning strategies. Management judgement is required for the calculation of provision for income taxes and deferred tax assets and liabilities. Company reviews at each balance sheet date the carrying amount of deferred tax assets. The factors used in estimates may differ from actual outcome which could lead to significant adjustment to the amounts reported in the financial statements.

j. Contingencies:

Management judgement is required for estimating the possible outflow of resources, if any, in respect of contingencies/ claim/ litigation against company as it is not possible to predict the outcome of pending matters with accuracy.

Note 2: Property, plant and equipment

(₹ in crores)

Particulars	Freehold land	Leasehold land	Buildings	Plant and Equipment	Furniture & Fixtures	Vehicles	Office equipment & Computer & Printers	Electrical Installations	Laboratory Equipments	Total	Right of use of assets	Capital work-in-progress
Year ended 31st March, 2019												
Gross carrying amount												
Opening balance	159.84	175.81	682.48	1,485.33	43.31	16.03	43.31	58.34	59.65	2,724.09	-	119.00
Additions	-	0.39	123.15	56.44	3.41	0.69	8.13	0.87	0.51	193.59	-	22.97
Disposals	(2.32)	-	(6.45)	(29.97)	(0.07)	(0.72)	(0.09)	(0.12)	-	(39.74)	-	-
Exchange Difference	-	0.13	4.68	10.35	(0.03)	0.02	0.22	(0.30)	2.86	17.93	-	1.36
Closing balance	157.52	176.33	803.86	1,522.15	46.62	16.02	51.57	58.79	63.02	2,895.87	-	143.33
Accumulated depreciation												
Opening balance	(1.46)	(5.98)	(276.36)	(826.92)	(29.27)	(9.13)	(28.01)	(17.79)	(25.84)	(1,220.77)	-	-
Charge for the year	-	(2.80)	(31.44)	(74.23)	(2.97)	(2.16)	(3.11)	(4.97)	(17.51)	(139.19)	-	-
Disposals	-	-	4.83	4.57	0.04	0.53	0.05	0.01	-	10.03	-	-
Exchange Difference	(0.72)	-	(2.75)	(7.01)	(0.32)	(0.03)	(0.34)	0.07	(1.82)	(12.92)	-	-
Closing balance	(2.18)	(8.78)	(305.72)	(903.59)	(32.52)	(10.79)	(31.41)	(22.68)	(45.17)	(1,362.85)	-	-
Net carrying amount	155.34	167.55	498.14	618.56	14.09	5.23	20.16	36.11	17.85	1,533.03	-	143.33
Year ended 31st March, 2020												
Gross carrying amount												
Opening balance	157.52	176.33	803.86	1,522.15	46.62	16.02	51.57	58.79	63.02	2,895.87	-	143.33
Additions	-	34.11	118.28	93.46	1.98	3.22	6.62	4.19	4.06	265.92	222.02	166.10
Disposals	-	-	(12.12)	(8.40)	(0.04)	(0.44)	(0.05)	-	-	(21.04)	-	(4.11)
Transfers	-	-	-	-	-	-	-	-	-	-	-	(115.38)
Exchange Difference	(0.25)	76.57	76.57	130.60	4.93	0.40	4.50	0.35	0.19	217.29	-	12.40
Closing balance	157.52	210.19	986.60	1,737.81	53.49	19.19	62.64	63.33	67.27	3,358.04	222.02	202.34
Accumulated depreciation and impairment												
Opening balance	(2.18)	(8.78)	(305.72)	(903.59)	(32.52)	(10.79)	(31.41)	(22.68)	(45.17)	(1,362.85)	-	-
Charge for the year	(2.79)	(2.79)	(38.39)	(68.73)	(3.02)	(2.03)	(5.27)	(5.05)	(19.95)	(145.22)	(38.30)	-
Disposals	-	-	9.53	8.40	0.04	0.36	0.05	-	-	18.39	(4.94)	-
Exchange Difference	0.71	-	(34.18)	(111.45)	(3.90)	(1.36)	(4.02)	(0.91)	(1.39)	(156.50)	-	-
Closing balance	(1.47)	(11.57)	(368.76)	(1,075.37)	(39.40)	(13.82)	(40.64)	(28.64)	(66.51)	(1,646.18)	(43.24)	-
Net carrying amount Year Ended 31 March 2020	156.05	198.62	617.83	662.44	14.09	5.38	22.00	34.69	0.76	1,711.85	178.77	202.34

Note:

- (i) Property, plant & Equipment pledged as a security: Refer note 12 for information on Property, plant & Equipment pledged as a security by the group
- (ii) Contractual Obligation : Refer note 26 for disclosure of Contractual Obligation for the acquisition of Property, plant & Equipment
- (iii) Amount of interest capitalised during the year ₹ 1.21 crores (Previous year ₹ 1.52 crores).
- (iv) Right of use assets :
- Right of use assets are lease for factory building amounting to ₹ 14.31 crores.
 - Right of use assets are lease for building amounting to ₹ 164.46 crores.

Note 3: Investment properties

(₹ in crores)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Gross carrying amount		
Opening gross carrying amount	6.97	6.74
Additions	-	-
Reclassification	(2.23)	-
Translation reserve	0.52	0.23
Closing gross carrying amount	5.26	6.97
Accumulated depreciation		
Opening	(1.77)	(1.57)
Charge for the year	(0.25)	(0.23)
Reclassification	1.97	-
Translation reserve	(0.14)	0.03
Closing accumulated depreciation	(0.19)	(1.77)
Net carrying amount	5.07	5.20

(i) Amounts recognised in profit or loss for investment properties

(₹ in crores)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Rental income	0.25	0.25
Direct operating expenses (including repairs and maintenance) generating rental income	-	-
Less: Depreciation	(0.25)	(0.23)
Net Income from investment properties	(0.00)	0.02

(ii) Fair value

(₹ in crores)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Investment properties	6.00	8.66

Estimation of fair value

The fair value of investment property has been determined by external, independent property valuers, having appropriate recognised professional qualifications and recent experience in the location and category of the property being valued.

The fair value measurement for all of the investment property has been categorised as a Level 3 fair value based on the inputs to the valuation technique used.

Investment property comprises of few properties that are leased to third parties. Each of the leases contains an initial noncancellable period of one month. Subsequent renewals are negotiated with the lessee.

Note 4: Intangible assets

(₹ in crores)

Particulars	Computer software	Copyrights, patents & other Intellectual property rights, services and operating rights	Brands / Trademarks	Total	Goodwill	Goodwill on consolidation	Total
Year ended 31 March 2019							
Gross carrying amount	-	-	-	-	-	-	-
Opening balance	34.10	21.66	20.90	76.67	1,326.86	2493.57	3,820.43
Additions	-	83.81	0.70	84.51	-	-	-
Disposals	-	(0.89)	-	(0.89)	-	-	-
Translation adjustments	-	-	(5.51)	(5.51)	-	25.80	25.80
Closing balance	34.10	104.58	16.09	154.78	1,326.86	2,519.37	3,846.23
Accumulated amortisation							
Opening balance	(27.35)	(16.18)	(8.72)	(52.25)	(287.48)	-	(287.48)
Charge for the year	(0.38)	(11.37)	(0.74)	(12.49)	(88.46)	-	(88.46)
Translation adjustments	-	-	(0.99)	(0.99)	-	-	-
Closing balance	(27.73)	(27.55)	(10.45)	(65.73)	(375.94)	-	(375.94)
Net carrying amount for Year Ended 31st March, 2019	6.37	77.03	5.64	89.05	950.92	2,519.37	3,470.29
Year ended 31 March 2020							
Gross carrying amount							
Opening balance	34.10	104.58	16.09	154.78	1,326.86	2,519.37	3,846.23
Additions	0.31	-	-	0.31	-	10.42	10.42
Disposals	-	-	-	-	-	-	-
Translation adjustments	1.42	4.37	0.67	6.46	-	292.46	292.46
Closing balance	35.83	108.95	16.76	161.55	1,326.86	2,822.25	4,149.11
Accumulated amortisation and impairment							
Opening balance	(27.73)	(27.55)	(10.45)	(65.73)	(375.94)	-	(375.94)
Charge for the year	(0.32)	(9.68)	(0.64)	(10.64)	(88.46)	-	(88.46)
Disposals	-	-	-	-	-	-	-
Translation adjustments	5.21	5.17	1.97	12.35	-	-	-
Closing balance	(22.85)	(32.06)	(9.12)	(64.02)	(464.40)	-	(464.40)
Net carrying amount for Year Ended 31st March, 2020	12.99	76.89	7.65	97.52	862.46	2,822.25	3,684.71

Goodwill

The goodwill at each CGU level is tested for impairment at least annually and when events occur or changes in circumstances indicate that the recoverable amount is less than its carrying value. The recoverable amount is based on a value-in-use calculation using the discounted cash flow method. The value-in-use calculation is made using the net present value of the projected post-tax cashflows for next 5 years and the Terminal Value at the end of the 5 years (after considering the relevant long-term growth rate).

Goodwill acquired through business combinations has been allocated to their underlying geographical classification:

Particulars	(₹ in crores)	
	As at 31st March, 2020	As at 31st March, 2019
CGUs (Goodwill)		
India	862.46	950.92
Europe and China	2,814.48	2,508.51
Rest of the World	7.76	10.86
	3,684.71	3,470.29

Key assumptions used in the value in use calculations

The Cash flow projections includes specific estimates for 5 years developed using expected margins, internal forecast and a terminal growth rate thereafter of 2.50%. The value assigned to the assumption reflects past experience and are consistent with the management's plan for focusing operation in these locations. The management believe that the planned market share growth per year for next 5 years is reasonably achievable.

Discount rate reflects the current market assessment of the risks specific to a CGU. The discount rate is estimated based on the weighted average cost of capital for respective CGU. Post-tax discount rate used was 11.61% for the year ended 31st March, 2020.

The Group believes that any reasonably possible change in the key assumptions on which a recoverable amount is based would not cause the aggregate carrying amount to exceed the aggregate recoverable amount of the cash generating unit.

Based on the above assumptions and analysis, no impairment was identified for any of the CGU as at 31st March, 2020.

Note 5: Financial assets

5(a) (i) Non-current investments

Particulars	% of holding	(₹ in crores)	
		As at 31st March, 2020	As at 31st March, 2019
Investment in equity instruments (fully paid-up)			
A) Quoted			
(i) Investment in Quoted Equity shares carried at Fair value through Other Comprehensive Income			
(a) Bank of India		0.01	0.02
(March 31, 2020 : 2,100 (Previous Year: 2,100) equity shares of Face value of ₹ 10/- each fully paid up)			
(ii) Other investment which are carried at Fair value through statement of profit and loss			
(a) HDFC Housing Opportunities Fund		3.16	4.77
(March 31, 2020 : 50,00,000 (Previous Year: 50,00,000) units of Face value of ₹ 10/- each)			

(b) HDFC Perpetual Bond	-	29.62	
(March 31, 2020 : Nil (Previous Year : 250) bonds of Face value of ₹ 10,00,000/- each)			
(c) ZEE Entertainment Enterprise Ltd - Preference shares	-	14.69	
(March 31, 2020 : Nil (Previous Year: 4,00,00,000) preference shares of ₹ 6/- each out of which ₹ 4/- per share is classified as non-current investment and ` 2/- per share is classified as current investment)			
(d) State Bank of India Perpetual Bond	-	4.89	
(March 31, 2020 : Nil (Previous Year : 50) bonds of Face value of ₹ 10,00,000/- each)			
(e) Bank of Baroda Perpetual Bond	-	9.62	
(March 31, 2020 : Nil (Previous Year : 100) bonds of Face value of ₹ 10,00,000/- each)			
(f) ICICI Bank Ltd.	-	5.03	
(March 31, 2020 : Nil (Previous Year : 50) bonds of Face value of ₹ 10,00,000/- each)			
(iii) Other investment which are carried at amortised cost			
(a) IRB INVIT FUND	4.62	3.87	
(March 31, 2020 : 5,80,000 (Previous Year : 5,80,000) bonds of Face value of ₹ 100/- each)"			
(b) J M Financials Credit Solutions Ltd.	25.00	25.38	
(March 31, 2020 : 2,50,000 (Previous Year : 2,50,000) NCDs of Face value of ₹ 1,000/- each)			
B) Unquoted			
(i) Investment in other entities which are carried at Fair value through Other Comprehensive Income			
(a) CAD Middle East Pharmaceuticals Industries LLC	10.95	51.21	49.50
(March 31, 2020 : 21,900 (Previous Year: 21,900) equity shares of Face value of SAR 1,000/- each fully paid up)			
(b) Nami Trading Co-FZE LLC	-	0.02	0.02
(March 31, 2020 : 15 (Previous Year: 15) equity shares of Face value of AED 1,000/- each fully paid up)			
(c) Stuti(Ambawadi) Owners' Association	-	0.00	0.00
(March 31, 2020 : 30 (Previous Year : 30) equity shares of Face value of ₹ 100/- each fully paid up)			
(d) Sangeeta Plaza iflex Office Premises Co-op Society Ltd.	-	0.00	0.00
(March 31, 2020 : 50 (Previous Year : 50) equity shares of Face value of ₹ 50/- each fully paid up)			
Total (equity instruments)		84.02	147.41
Total non-current investments		84.02	147.41
Aggregate amount of quoted investments and market value thereof		32.79	97.89
Aggregate amount of unquoted investments- book value/ market value		51.23	49.52

Reclassification :

The company has reclassified certain investment from fair value through profit and loss (FVTPL) to investment which are held as maturity on account of its business model change.

Change in fair value loss of 5.87 crores that would have been recognised in profit and loss during the reporting period if the financial assets has not been reclassified.

1. Equity Shares designated as at Fair value through other comprehensive income:

At 1st April, 2016 the company designated the investments shown below as equity shares at Fair value through Other Comprehensive Income because these equity shares represent investments that the company intends to hold for long term strategic purpose.

(₹ in crores)

Particulars	Fair value as at 3st March, 2020	Fair value as at 3st March, 2019
1. CAD Middle East Pharmaceuticals Industries LLC	51.21	49.50
2. Nami Trading Co-FZE LLC	0.02	0.02
3. Bank of India	0.01	0.02

5(a) (ii) Current investments

(₹ in crores)

Particulars	Fair value as at 3st March, 2020	Fair value as at 3st March, 2019
Investment in equity instruments (fully paid-up)		
A. Quoted		
(i) Other investment which are carried at Fair value through statement of profit and loss		
(a) ZEE Entertainment Enterprise Ltd - Preference Shares (March 31, 2020 : Nil (Previous Year: 4,00,00,000) preference shares of ₹ 6/- each out of which ₹ 4/- per share is classified as non-current investment and ₹ 2/- per share is classified as current investment)	-	7.35
(b) Baroda Dynamic Equity Fund (March 31, 2020 : 10,00,000 (Previous Year : 10,00,000) units of mutual fund of Face value of ₹ 10/- each)	0.98	1.06
(c) Baroda Banking And Financial Services Fund (March 31, 2020 : 2,25,729 (Previous Year : 2,25,729) units of mutual fund of Face value of ₹ 22.15/- each)	0.37	0.53
(d) Baroda Mid Cap Fund (March 31, 2020 : Nil (Previous Year : 5,18,662) units of mutual fund of Face value of ₹ 9.64/- each)	-	0.47
(e) Baroda Equity Savings Fund (March 31, 2020 : 2,49,990 (Previous Year : Nil) units of mutual fund of Face value of ₹ 10/- each)	0.25	-
B. Unquoted		
(i) Other investment which are carried at amortised cost		
(a) Home Credit India Finance Pvt. Ltd. - NCDs (March 31, 2020 : 250 (Previous Year : 100) NCD of Face value of ₹ 10,00,000/- each)	25.41	10.32
C. Others		
(a) Fixed deposit with Bajaj Finance Ltd. (Under lien)	79.60	-
Total current investments	106.61	19.72
Aggregate amount of quoted investments and market value thereof	1.61	9.40
Aggregate amount of unquoted investments	105.01	10.32

5(b) Trade receivables

(₹ in crores)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Unsecured, Considered good	587.37	453.90
Less: Impairment loss allowance	(9.94)	(8.60)
	577.43	445.30
Receivables which have significant increase in Credit Risk	-	3.31
Less: Impairment loss allowance	-	(3.31)
	-	-
Total receivables	577.43	445.30

1. No trade or other receivables are due from directors or other officers of the Company either severally or jointly with any other person.
2. Trade receivable due from private companies in which any director is a partner, director or a member is ₹ 0.22 crores (Previous Year : ₹ 44.69 crores).
3. Trade receivable are non- interest bearing and are generally on credit terms in the range of 30 to 120 days.
4. The company's exposure to credit and currency risk and loss allowances related to trade receivables are disclosed in Note 34.
5. For receivables secured against borrowings see Note 12.

5 (c) Loans

(₹ in crores)

Particulars	As at 31st March, 2020		As at 31st March, 2019	
	Current	Non- current	Current	Non- current
Unsecured, considered good				
Loan to related parties (Refer Note 28)	-	38.08	-	37.64
Loan to employees	3.92	-	2.01	-
Other Loans	2.35	1.70	2.16	-
Total loans	6.27	39.78	4.17	37.64

Note: Of the above, loan amounting to ₹ 38.08 crores (Previous Year ₹ 37.64 crores) is given to the Companies in which Company's Director is also a director.

5 (d) (i) Cash and cash equivalents

(₹ in crores)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Balances with banks		
- in current accounts	113.23	76.07
- in EEFC accounts	-	0.06
Cash on hand	8.71	0.19
Total cash and cash equivalents	121.94	76.32

5 (d) (ii) Bank Balances Other than Cash and cash equivalents

(₹ in crores)

Particulars	As at 31st March, 2020	As at 31st March, 2019
(a) Earmarked balances with banks for:		
(i) Unpaid Dividend	0.12	0.13
(ii) Balances held as margin money or security against borrowings, guarantees and other commitments	10.20	11.46
(b) In other deposit account *	28.73	7.75
	39.04	19.35

* Out of the above deposits, ₹ 19.73 crores in under lien.

5 (e) Other financial assets

(₹ in crores)

Particulars	As at 31st March, 2020		As at 31st March, 2019	
	Current	Non- current	Current	Non- current
Unsecured, considered good unless otherwise stated				
(a) Fixed deposits having maturity of more than one year	-	4.85	-	0.21
(b) Insurance claims	19.13	-	18.82	-
(c) Interest Receivable *	31.56	-	29.33	-
(d) Security Deposits	0.22	2.62	0.21	2.30
(e) Receivable towards hedge instruments	-	-	43.98	-
(f) Others	-	-	0.82	-
Total other financial assets	50.91	7.47	93.16	2.51

(* Out of the ₹ 31.56 cr., interest receivable from related party ₹ 22.61 cr.)

Note 6**(a) : Deferred tax assets**

(₹ in crores)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Deferred tax asset on account of:		
Unabsorbed losses	4.30	9.16
Provision for post retirement benefits	26.22	41.28
Others	0.88	0.22
	31.40	50.66
Deferred tax liability on account of:		
Difference between written down value/capital work in progress of fixed assets as per the books of accounts and income tax	(11.55)	(25.06)
Inventory	(14.61)	(17.65)
Others	(2.22)	-
	(28.38)	(42.71)
Net deferred tax assets/(Liabilities)*	3.02	7.95

*Represent aggregate for entities having net deferred tax assets

Note 6 (b) : Deferred tax Liabilities*The balance comprises temporary differences attributable to:*

(₹ in crores)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Deferred tax asset on account of:		
Unabsorbed losses	141.82	134.97
Provision for post retirement benefits	4.37	3.88
Loans	3.34	4.41
Others	0.68	0.16
	150.21	143.43
Minimum alternate tax (MAT) credit Entitlement	51.39	46.69
	201.60	190.12
Deferred tax liability on account of:		
Difference between written down value/capital work in progress of fixed assets as per the books of accounts and income tax	(317.14)	(319.02)
DTL on MTM	(22.30)	(6.69)
Others	(6.62)	(4.74)
	(346.06)	(330.45)
Net deferred tax assets/(Liabilities)*	(144.46)	(140.35)

*Represent aggregate for entities having net deferred tax liabilities

Note 6 (c) Movements in deferred tax assets/liabilities

(₹ in crores)

Particulars	31st March, 2020						
	Net balance April 1, 2019	Recognised in profit or loss	Recognised in OCI	Translation Adjustments	Net	Deferred tax asset	Deferred tax liability
Deferred tax assets/ (liabilities)							
Unabsorbed losses	128.89	2.75	-	1.25	132.89	132.89	-
Provision for post retirement benefits	35.61	(14.87)	(0.14)	0.71	21.32	21.32	-
Depreciation	(319.78)	10.54	-	4.50	(304.73)	-	(304.73)
Inventory	(22.57)	5.38	-	0.02	(17.18)	-	(17.18)
Loans	2.44	(1.60)	-	0.01	0.85	0.85	-
Investments	(0.94)	(0.69)	(0.59)	-	(2.23)	-	(2.23)
DTL on Mark to Market	(6.69)	(15.61)	-	-	(22.30)	-	(22.30)
Others	3.97	(5.43)	-	0.01	(1.45)	(1.45)	-
Deferred tax assets (Liabilities)	(179.07)	(19.52)	(0.73)	6.50	(192.82)	153.61	(346.43)
Minimum Alternate Tax (MAT) credit entitlement	46.69	4.70	-	-	51.39	51.39	-
Net Deferred tax assets/ (Liabilities)	(132.39)	(14.82)	(0.73)	6.50	(141.43)	205.00	(346.43)

(₹ in crores)

31st March, 2019

Particulars	Net balance April 1, 2018	Recognised in profit or loss	Recognised in OCI	Translation Adjustments	Net	Deferred tax asset	Deferred tax liability
Deferred tax assets/ (liabilities)							
Unabsorbed losses	156.09	(27.21)	-	0.01	128.89	128.89	-
Provision for post retirement benefits	31.02	2.99	1.59	0.02	35.61	35.61	-
Depreciation	(319.87)	0.08	-	0.01	(319.78)	-	(319.78)
Inventory	(22.58)	-	-	0.01	(22.57)	-	(22.57)
Loans	2.44	-	-	-	2.44	2.44	-
Investments	(1.28)	0.34	-	-	(0.94)	-	(0.94)
DTL on Mark to Market	(2.64)	(4.05)	-	-	(6.69)	-	(6.69)
Others	0.63	3.33	-	0.01	3.97	3.97	-
				-			
Deferred tax assets (Liabilities)	(156.20)	(24.52)	1.59	0.06	(179.07)	170.91	(349.98)
Minimum Alternate Tax (MAT) credit entitlement	31.57	15.12	-	-	46.69	46.69	-
Net Deferred tax assets/ (Liabilities)	(124.64)	(9.40)	1.59	0.06	(132.39)	217.60	(349.98)

Minimum Alternative Tax (MAT credit) balance as on 31st March, 2020 amounts to ₹ 51.39 crores (Previous Year : ₹ 46.69 crores). The Company is reasonably certain of availing the said MAT credit in future years against the normal tax expected to be paid in those years.

Significant management judgement is required in determining provision for income tax, deferred income tax assets and liabilities and recoverability of deferred income tax assets. The recoverability of deferred income tax assets is based on estimates of taxable income by each jurisdiction in which the relevant entity operates and the period over which deferred income tax assets will be recovered.

Note 7: Other non-current assets

(₹ in crores)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Unsecured considered good, unless otherwise stated		
(a) Capital advances		
Considered Good	224.79	166.09
Considered Doubtful	3.10	3.10
	227.89	169.19
Less: Provision for doubtful advances	3.10	3.10
	224.79	166.09
(b) Prepaid expenses	0.60	1.11
(c) Balances with government authorities	37.98	40.97
Total other non-current assets	263.37	208.16

Note 8 : Inventories (At lower of cost and Net relisable value)

(₹ in crores)

Particulars	As at 31st March, 2020	As at 31st March, 2019
(a) Raw materials	201.22	173.75
(b) Work-in-progress	219.35	218.12
(c) Finished goods (including goods in transit)*	180.93	151.59
(d) Stores and spares	5.37	5.17
Total inventories	606.87	548.62

* Including goods in transit of ₹ 8.51 crores

Note: For Inventories pledged as securities against borrowings, see Note 12

Note 9 : Current tax assets (Net)

(₹ in crores)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Current tax assets		
Advance income tax (Net of provisions)	107.71	98.40
	107.71	98.40
Current tax Liabilities		
Provision for current tax (Net of advance tax)	2.36	33.98
	2.36	33.98

Note 10: Other current assets

(₹ in crores)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Unsecured considered good, unless otherwise stated		
(a) Advances other than Capital advances		
(i) Prepaid Expenses	25.29	42.14
(ii) Advances & recoverables		
Considered Good	230.55	251.57
Considered Doubtful	0.15	0.15
	230.70	251.72
Less: Provision for other doubtful loans and advances	(0.15)	(0.15)
	230.55	251.57
(b) Balances with government authorities	40.06	53.22
Total other current assets	295.90	346.94

Note 11: Equity share capital and other equity**11 (a) Equity share capital***Authorised equity share capital*

Particulars	Number of shares	(₹) in crores
As at 31st March, 2018	17,02,50,000	34.05
Addition during the year	-	-
As at 31st March, 2019	17,02,50,000	34.05
Addition during the year	-	-
As at 31st March, 2020	17,02,50,000	34.05

(i) Issued and subscribed & paid up capital

Particulars	Number of shares	Face Value	"Equity share capital (par value) (₹) in crores"
As at 31st March, 2018	16,13,94,272	2.00	32.28
Issued during the year			-
As at 31st March, 2019	16,13,94,272	2.00	32.28
Issued during the year			
Buy back during the year	(45,31,177)	2.00	(0.90)
As at 31st March, 2020	15,68,63,095	2.00	31.38

(ii) Shares of the company held by holding/ultimate holding company

(₹ in crores)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Adimans Technologies LLP	9,90,91,898	9,90,91,898

(iii) Details of shareholders holding more than 5% shares in the company

Particulars	As at 31 March 2020		As at 31 March 2019	
	Number of shares	% holding	Number of shares	% holding
Adimans Technologies LLP	9,90,91,898	63.16%	9,90,91,898	61.40%

(iv) The Company has only one class of shares referred to as equity shares having a par value of ₹ 2/- per share. Each holders of equity shares carry one vote per share without restrictions and are entitled to dividend, as and when declared. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive the remaining assets of the Company, after distribution of all preferential amounts. All shares rank equally with regard to the Company's residual assets.

(v) The Company has made payment of dividend of ₹ 0.20/- per equity share of ₹ 2/- each of share capital of ₹ 32,27,88,544/- (@10%) during the year, as approved by its members in the Annual General Meeting.

11(b) Other Equity

(₹ in crores)

Particulars	As at 31st March, 2020	As at 31st March, 2019
(a) Securities Premium Reserve	4,741.07	4,777.72
(b) Capital Redemption Reserve	0.90	
(c) Surplus in Statement of Profit and Loss	536.86	399.75
(d) Other Comprehensive Income		
- Equity instruments through OCI	8.06	6.96
- Cash flow hedge reserves	(87.38)	8.85
- Foreign currency translation reserve	506.80	153.53
Total reserves and surplus	5,706.31	5,346.81

Movement in Reserves**(i) Retained earnings**

(₹ in crores)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Surplus in Statement of Profit and Loss		
Opening Balance	399.75	201.87
Add: Net profit for the year	180.30	210.33
Add: Remeasurements of the defined benefit plans	(39.96)	(12.44)
Add : Dividend payment	(3.23)	-
Closing balance	536.86	399.75

Retained earnings represents surplus/ accumulated earnings of the Corporation and are available for distribution to shareholders.

(ii) Equity instruments through Other Comprehensive Income

This represents the cumulative gains and losses arising on the revaluation of equity instruments measured at fair value through Other Comprehensive Income, under and irrevocable option, net of amounts reclassified to retained earnings when such assets are disposed off.

(iii) Cash flow hedge reserve

The Company has designated its hedging instruments as cash flow hedges and any gain / loss on cash flow hedge is maintained in the said reserve. At the time of settlement of instrument, the gain / loss is recognised in the Statement of Profit and Loss.

(iv) Securities Premium movement

The Company has transferred amount from Security Premium Reserves to Capital Redemption Reserve on account of buy back of shares during the year.

(v) Capital Redemption Reserve

The Company has created Capital Redemption Reserve because of buy back of shares during the year.

Note 12: Financial liabilities**12 (a) Borrowings**

(₹ in crores)

Particulars	Note	As at 31st March, 2020	As at 31st March, 2019
Secured			
Term loans			
From banks	(a)	222.41	277.20
Long-term maturities of Hire purchase obligations	(b)	-	0.14
Obligations under finance leases	(b)	-	33.20
Unsecured			
Term loans			
From Banks		18.89	51.87
Total borrowings		241.30	362.41

Note:**(a) (i) Term loans**

(₹ in crores)

Name of the bank	Terms of repayment and security	As at 31st March, 2020	As at 31st March, 2019
Bank of Baroda	The Corporate Loan is secured by first Pari-passu charge on the Company's immovable and movable fixed assets at Bavla unit and second charge on SEZ land of M/s Dishman Infrastructure Ltd and Corporate Guarantee of M/s Dishman Infrastructure Ltd., repayable in 24 quarterly installment starting from June 2015 in ballooning fashion and ending on 31 March 2021.	-	22.63
Bank of Baroda	The term loan is secured by first pari-passu charge in the Company's fixed assets at Bavla unit alongwith existing term lenders and second pari-passu charge on current assets of the Company with existing term lenders, repayable in 20 quarterly installments starting from May, 2019 and ending February, 2024.	19.37	22.96
State Bank of India	The term loan is secured by first pari-passu charge on the Company's fixed assets including mortgage over land & Buildings and Hypothecation of plant & machinery at Bavla unit alongwith existing term lenders and second pari-passu charge on the entire current assets including stocks of RM, WIP and FG and receivables of the company ranking pari passu with other term lenders, repayable in 36 monthly installment starting from June 2017 and ending on May 2020.	0.00	0.00
State Bank of India	The term loan secured by first pari-passu charge on company's fixed assets including mortgage over land & Buildings and Hypothecation of plant & machinery at Bavla unit alongwith existing term lenders and second pari-passu charge on the entire current assets including stocks of RM, WIP and FG and receivables of the Company ranking pari passu with other term lenders, repayable in 36 monthly installment starting from June, 2017 and ending on May, 2020.	-	6.28
HDFC Bank Ltd.	The term loan is secured by charge on Dishman Corporate House property, Ambli Road, Opp. Annapurna Farm House, Satellite Area, Ahmedabad. Repayable in 17 equal quarterly installments starting from April, 2018 ending on March, 2022.	17.35	31.24
Bajaj Finance Limited	The Term Loan is secured by Fixed Deposits.	1.97	-
Qatar National Bank	The External Commercial Borrowing is secured by first pari-passu charge in the Company's fixed assets at Bavla unit alongwith existing term lenders and second pari-passu charge on current assets of the Company with existing term lenders, repayable in 20 quarterly installment starting from October, 2017 and ending July, 2022.	101.18	119.49
Credit Suisse AG	Loan is secured by Building No 167, Repayment 0.005 Mn CHF per quarter ending on December, 2047.	4.21	3.86
Credit Suisse AG	Loan is secured by Building No 145, Repayment 0.085 Mn CHF per quarter ending on March, 2043.	58.52	54.07
Credit Suisse AG	Loan is secured by mortgage land in Hunzenschwil, Repayment 0.012 mn CHF per quarter ending on March, 2045.	9.06	-
ABN AMRO Bank N.V.	The term loan is secured by mortgage of all Land and Buildings and Investment Property, pledge on all Inventories, pledge on trade receivables, pledge on plant & equipments of CARBOGEN AMCIS BV. The term loan is repayable in equal monthly installments of EURO 0.02 mn. and ending on February, 2029.	10.75	16.68
Total secured borrowings		222.41	277.20

Bank of Baroda	The term loan is unsecured and repayable in equal quarterly installments of USD 1.25 mn. and ending on September, 2021.	18.89	51.87
Total unsecured borrowings		18.89	51.87

(b) Long-term maturities of Hire purchase obligations

(₹ in crores)

Name of the bank	Note	As at 31st March, 2020	As at 31st March, 2019
Corporation Bank	Hire Purchase Finances are secured by hypothecation of respective assets	-	0.14
Credit Suisse AG	Finance Lease secured by hypothecation of respective assets	-	29.30
CIC Bail	Finance Lease secured by hypothecation of respective assets	-	1.86
Lombard	Finance Lease secured by hypothecation of respective assets	-	2.04
Total of Long-term maturities of Hire purchase obligations		-	33.34

Note :

(a) The interest from banks range from LIBOR+0.95% (in foreign currency Term loans) To MCLR+2.70 % (in rupee currency loans).

(b) For current maturities of long term borrowings, refer Note -12 (c)

(c) The Holding Company has availed benefit of moratorium on term loans under COVID-19 announcements by RBI for the period of six months, except for the ECB from Qatar National Bank. However, the repayment within one year under other financial liabilities has been kept under original repayment terms.

12 (b) Current borrowings

(₹ in crores)

Particulars	Note	As at 31st March, 2020	As at 31st March, 2019
Secured			
Loans repayable on demand			
From banks & Financial institution	(a)	558.01	466.76
Others		8.45	-
Unsecured			
Loan from banks- Foreign Currency		87.60	53.34
Others		34.17	-
Total Current borrowings		688.23	520.09

Note:**(a) Details of current borrowings**

(₹ in crores)

Name of the bank	Terms of repayment and security	As at 31st March, 2020	As at 31st March, 2019
Corporation Bank	Hypothecation of Inventories, collateral security of book debts, first charge on the Company's fixed asset at Naroda DTA plant located at Plot No. 1216/12, 1216/20 to 23, Phase IV, and Plot No. 67, Phase I, GIDC Estate, Naroda, Ahmedabad unit and second charge on fixed asset at Bavla.	32.81	30.01
Bank of Baroda		98.63	54.06
State Bank of India		69.49	53.89
Doha Bank		45.44	40.24
IDFC Bank		0.00	23.18
Societe Generale bank	First Charge on the Company's fixed asset at Naroda EOU plant situated at Plot No. 1216/24 to 1216/27 and 1216/11, Phase IV, GIDC Estate, Naroda, Ahmedabad.	-	29.15
ABN AMRO Bank	Mortgage of all land and buildings and investment properties, pledge on all inventories, pledge on trade receivables, pledge on plant and equipments of CARBOGEN AMCIS BV.	-	37.89
Bank of Baroda - New York	Loan is secured by first charge on entire current assets, existing and future including stock, finished goods, products, account receivables, cash and bank balances and equipment and furniture of Dishman USA Inc.	-	1.74
ICBC Bank, China	Hypothecation of Inventories, Collateral security of book debts, first charge on the Company's fixed asset at CARBOGEN AMCIS (Shanghai) Co. Ltd.	19.18	20.59
Credit Suisse Bank	Hypothecation of Inventories, collateral security of book debts, Negative Pledge of fixed assets of CARBOGEN AMCIS AG.	292.47	176.01
Bajaj Finance Ltd. - Overdraft account	Secured against Fixed Deposits.	8.45	-
Abudhabi Commercial Bank		-	42.27
HDFC Bank Ltd.	Unsecured	20.81	11.06
Axis Bank		39.85	-
DCB Bank		26.93	-
Loan from Directors		34.17	-
Total Current borrowings		688.23	520.09

12 (c) Trade payables

(₹ in crores)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Current		
Trade payables	283.52	194.57
Total trade payables	283.52	194.57

Note:

- All trade payables are current
- The company's exposure to currency and liquidity risks related to trade payable is disclosed in Note 34.
- Out of the above trade payable, payable to related party is ₹1.31 crores.

12 (d) Other financial liabilities

(₹ in crores)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Current		
(i) Current maturities of long-term debt	126.63	138.99
(ii) Current maturities of finance-lease obligations	-	20.68
(iii) Interest accrued but not due on borrowings	1.49	0.68
(iv) Unpaid dividends	0.12	0.13
(v) Employee related provisions	99.01	82.81
(vi) Payable towards hedge instruments	39.46	-
(vii) Others	30.46	20.27
Total other current financial liabilities	297.17	263.56

Note 13: Provisions

(₹ in crores)

Particulars	As at 31st March, 2020			As at 31st March, 2019		
	Current	Non Current	Total	Current	Non Current	Total
(a) Provision for Employee Benefits:						
(i) Compensated absences (Refer Note 31)	0.88	0.58	1.46	3.11	0.71	3.82
(ii) Gratuity (net) (Refer Note. 31)	1.26	8.64	9.90	1.12	7.32	8.44
(iii) Pension (Refer Note. 31)	-	262.58	262.58	-	214.04	214.04
(b) Other Provisions:						
(i) Asset Retirement Obligation	-	22.28	22.28	1.75	24.55	26.30
(ii) Provision for onerous Contract	12.03	-	12.03	11.70	-	11.70
(iii) Environmental Provision	1.82	-	1.82	1.63	1.69	3.32
Total Provisions	15.99	294.08	310.07	19.31	248.31	267.62

Information about provisions

(a) Asset Retirement Obligation

A provision has been recognised for decommissioning costs obligation as per lease agreement for factory located at Switzerland. The provision has been made to include the present value of expected future decommissioning cost of the site in total.

(b) Provision for onerous Contract

In Switzerland, a provision has been recognised where cost to fulfil the terms of project contracts are higher than financials and economic benefits to be received. The provision is measured at best estimate of expenditure required to settle the present obligation.

(c) Environmental Provision

In accordance with Netherland law, land contamination done to the manufacturing activities by the Group's subsidiary in Netherland must be restored to its original condition when it was bought. Because of the long term nature of the

liability, the biggest uncertainty in estimating the provision is the costs that will be incurred. In particular, the Group has assumed that the site will be restored using technology and materials that are available currently. The provision has been calculated using a discount rate of 1% which is the risk free rate in Netherland. The rehabilitation is expected to occur progressively over the next 5 years.

(ii) Movements in provisions

Movements in each class of provision during FY 2019-20, are set out below:

(₹ in crores)

Particulars	Asset Retirement Obligation	Onerous Contract	Environmental Provision	Total
As at 1st April, 2019	26.30	11.70	3.32	41.32
Charged/(credited) to profit or loss				
Additional provisions recognised	-	10.92	-	10.92
Unused amounts reversed	(2.03)	(4.55)	0.07	(6.51)
Unwinding of discount	0.86	-	-	0.86
Amounts used during the year	-	(7.52)	(1.82)	(9.34)
Translation Adjustments	(2.85)	1.48	0.25	(1.12)
As at 31st March, 2020	22.28	12.03	1.82	36.13

Note 14: Other current liabilities

(₹ in crores)

Particulars	As at 31st March, 2020	As at 31st March, 2019
(a) Statutory tax payables	9.90	9.47
(b) Advances from customers	200.39	156.02
(c) EMD and Retention money	6.05	0.28
(d) Other payables	-	1.02
Total other current liabilities	216.34	166.79

Note 15 : Revenue from Operations

The entity derives the following types of revenue:

(₹ in crores)

Particulars	Year ended 31st March, 2020	Year ended 31st March, 2019
(a) Sale of products (Refer Note (i))	1,337.99	1,244.54
(b) Sale of services (Refer Note (ii))	635.28	675.39
(c) Other operating revenue (Refer Note (iii))	70.33	138.66
Total revenue from operations	2,043.60	2,058.60

(₹ in crores)

Particulars	Year ended 31st March, 2020	Year ended 31st March, 2019
Note:		
(i) Sale of products comprises :		
Sale of manufactured goods	1,337.99	1,244.54
Total - Sale of products	1,337.99	1,244.54
(ii) Sale of services comprises		
Export Services	635.28	675.39
Total - Sale of services	635.28	675.39
(iii) Other operating revenues comprise:		
Sale of scrap	0.76	0.29
Duty drawback income	11.43	14.85
Forex gain on forward contracts against sales	42.40	111.32
Sales of raw material	15.70	12.01
Others	0.04	0.19
Total - Other operating revenues	70.33	138.66

Note 16 : Other Income

(₹ in crores)

Particulars	Year ended 31st March, 2020	Year ended 31st March, 2019
(a) Interest income (Refer Note (i))	25.30	13.86
(b) Dividend income from Long term Investments	0.00	2.87
(c) Net gain on Long Term Investments	-	4.49
(d) Income from Travel Business	0.56	0.48
(e) Other Income	18.60	26.48
(f) Financial Expenses ARO	-	5.64
Total other income	44.46	53.82

(₹ in crores)

Particulars	Year ended 31st March, 2020	Year ended 31st March, 2019
Note (i) : Interest income comprises:		
Interest on loans and advances given to related parties	5.18	7.76
Interest on loans and advances given to others	2.59	6.10
Other interest	17.53	0.00
Total - Interest income	25.30	13.86

Note 17 : Cost of materials Consumed

(₹ in crores)

Particulars	Year ended 31st March, 2020	Year ended 31st March, 2019
Raw materials at the beginning of the year	173.75	81.60
Add: Purchases	491.88	470.16
	665.63	551.76
Less: Raw material at the end of the year	(201.22)	(173.75)
Total cost of materials consumed	464.41	378.01

Note 18 : Changes in inventories of finished goods, stock-in-trade and work-in-progress (₹ in crores)

Particulars	Year ended 31st March, 2020	Year ended 31st March, 2019
Inventories at the beginning of the year		
Work-in progress	218.12	272.05
Finished goods	151.59	123.43
Total opening balance	369.71	395.48
Inventories at the end of the year		
Work-in progress	219.35	218.12
Finished goods	180.93	151.59
Total closing balance	400.27	369.71
Total changes in inventories of finished goods, stock-in-trade and work-in-progress	(30.57)	25.77

Note 19: Employee benefit expense

(₹ in crores)

Particulars	Year ended 31st March, 2020	Year ended 31st March, 2019
(a) Salaries and wages (for gratuity and leave encashment Refer Note 31)	669.90	652.25
(b) Contributions to provident and other funds	64.97	44.59
(c) Staff welfare expenses	27.40	17.81
Total employee benefit expense	762.27	714.64

Note 20: Finance costs

(₹ in crores)

Particulars	Year ended 31st March, 2020	Year ended 31st March, 2019
(a) Interest on debts and borrowings	48.77	47.62
(b) Other Borrowing Cost	4.00	1.13
(c) Forex loss considered as finance cost	9.18	7.80
Total Finance costs	61.95	56.55

Note 21: Depreciation and amortisation expense

(₹ in crores)

Particulars	Year ended 31st March, 2020	Year ended 31st March, 2019
Depreciation of property, plant and equipment	145.47	139.42
Depreciation of Right of use asset	38.30	-
Amortisation of intangible assets and Goodwill	99.10	100.96
Total depreciation and amortisation expense	282.87	240.38

Note 22: Other expenses

(₹ in crores)

Particulars	Year ended 31st March, 2020	Year ended 31st March, 2019
Consumption of stores and spare parts	0.99	1.09
Other manufacturing expenses	15.90	14.65
Power and fuel	59.72	56.14
Laboratory expenses	5.60	6.23
ETP Expenses	5.16	5.80
Rent including lease rentals (Refer Note 26)	4.76	52.39
Repairs and maintenance - Buildings	20.47	19.48
Repairs and maintenance - Machinery	56.13	57.38
Repairs and maintenance - Others	13.78	10.06
Insurance	16.16	10.70
Telephone and Communication	8.37	7.41
Travelling and conveyance	19.91	22.16
Printing and stationery	3.36	3.75
Freight and forwarding	17.62	15.76
Sales commission	0.81	0.37
Sales promotion	4.97	4.77
Donations and contributions	2.89	3.22
Legal and professional	30.69	54.37
Bad trade and other receivables, loans and advances written off	0.73	1.02
Membership & Subscription	2.68	2.57
Office Electricity	0.54	0.65
Recruitment Expenses	4.49	4.45
Loss on Property, Plant and Equipment sold / scrapped / written off	0.16	0.21
Net loss on sale of investments	5.86	-
Provision for doubtful trade and other receivables, loans and advances (net)	-	0.04
Foreign exchange loss	11.69	22.89
Miscellaneous expenses	11.61	10.72
Total other expenses	325.05	388.28

Note 23: Income tax expense

(₹ in crores)

Particulars	For the year ended 31st March 2020	For the year ended 31 March 2019
(a) Income tax expense		
Current tax		
Current tax on profits for the year	26.96	89.06
Total current tax expense	26.96	89.06
Deferred tax		
Increase in deferred tax liabilities	19.52	24.52
MAT credit entitlement	(4.70)	(15.12)
Total deferred tax expense/(benefit)	14.82	9.40
Income tax expense	41.78	98.46

(b) Reconciliation of tax expense and the accounting profit multiplied by India's tax rate:

(₹ in crores)

Particulars	For the year ended 31st March 2020	For the year ended 31 March 2019
Profit before income tax expense	222.08	308.79
Enacted income tax rate in India applicable to the Company 34.944% (PY 34.944%)	77.60	107.90
Tax effect of:		
Permanent Disallowances	0.11	(2.44)
Tax effect of Remeasurement of the defined benefit plans	0.57	2.78
Foreign tax credit	-	1.89
Deferred tax assets not created on unabsorbed losses	-	(5.08)
Difference due to differential Tax rates	(1.02)	(12.98)
Deferred tax on stock reserve	3.76	0.00
Adjustment prior year tax	(11.79)	11.05
Tax impact due to foreign dividend income	(5.50)	-
Differences in tax rate of foreign jurisdiction and intercompany adjustments	(3.25)	-
R&D Tax relieve	(3.50)	-
Participation deduction	(5.58)	-
Others	(9.62)	(4.66)
Income tax expense	41.78	98.46
Weighted average tax rate for the year	18.81%	31.88%

(c) Amounts recognised in Other Comprehensive Income

(₹ in crores)

Particulars	For the Year Ended 31st March, 2020			For the Year Ended 31st March, 2019		
	Before tax	Tax exp. (benefit)	Net of tax	Before tax	Tax exp. (benefit)	Net of tax
Items that will not be reclassified to profit or loss						
Remeasurement of the defined benefit plans	(39.82)	(0.14)	(39.96)	(15.46)	3.02	(12.44)
Equity instruments through Other Comprehensive income- net change in fair value	1.69	(0.59)	1.10	4.09	(1.43)	2.66
Items that will be reclassified to profit or loss						
foreign exchange fluctuation in respect of cash flow hedge	(96.23)	-	(96.23)	41.90	-	41.90

(d) Amounts recognised directly in equity

No aggregate amounts of current and deferred tax have arisen in the reporting period which have been recognised in equity and not in Statement of Profit or Loss or Other Comprehensive Income.

(e) No deferred tax has been recognised in respect of temporary differences associated with investments in subsidiaries where the Company is in a position to control the timing of the reversal of the temporary differences and it is probable that such differences will not reverse in the foreseeable future. The temporary differences associated with such investments in subsidiaries is represented by the contribution of those investments to the Group's retained earnings.

Note 24: Earnings per share

(₹ in crores)

Particulars	For the year ended 31st March 2020	For the year ended 31 March 2019
(a) Basic earnings per share		
From continuing operations attributable to the equity holders of the Company	11.20	13.03
(b) Diluted earnings per share		
From continuing operations attributable to the equity holders of the Company	11.20	13.03

(c) Reconciliations of earnings used in calculating earnings per share

(₹ in crores)

Particulars	For the year ended 31st March 2020	For the year ended 31 March 2019
Basic earnings per share		
Profit attributable to the equity holders of the Company used in calculating basic earnings per share:		
From continuing operations	180.30	210.33
Diluted earnings per share		
Profit from continuing operations attributable to the equity holders of the Company:		
Used in calculating basic earnings per share	180.30	210.33
Adjustments	-	-
Profit attributable to the equity holders of the Company used in calculating diluted earnings per share	180.30	210.33

(d) Weighted average number of shares used as the denominator

Particulars	31 March 2020 Number of shares	31 March 2019 Number of shares
Weighted average number of equity shares used as the denominator in calculating basic earnings per share	16,09,98,443	16,13,94,272
Adjustments for calculation of diluted earnings per share:	-	-
Weighted average number of equity shares and potential equity shares used as the denominator in calculating diluted earnings per share	16,09,98,443	16,13,94,272

Note 25: Contingent liabilities and contingent assets

(₹ in crores)

Particulars	As at 31st March, 2020	As at 31st March, 2019
a) Labour Law claims against the Company not acknowledged as debt	3.42	0.12
b) Outstanding guarantees furnished to the bank in respect of former subsidiaries and a joint venture company	11.27	10.38
c) Disputed central excise duty (including service tax) liability	28.00	3.97
d) Disputed income tax liability for various assessment years for which appeals are pending with Appellate authorities, out of the said amount, the Company has paid ₹. 56.01 crores (Previous year ₹. 55.76 crores) under protest.*	356.61	336.15
e) Disputed sales tax and central sales tax liability	4.34	4.34

*The Income -Tax Assessments of the Company have been completed up to Assessment Year 2015-16. The total contingent liabilities is ₹ 356.61 crore as on March 31, 2020. Based on the management evaluation, advice of tax consultants, on the decisions of the various Appellate authorities and the interpretations of other relevant provisions of the Income tax Act, the management of the company is of the opinion that the demand raised is likely to be either deleted or substantially reduced and accordingly no provision is considered necessary. Further, the Commissioner

of Income Tax and Hon'ble ITAT has given the judgment/rulings in favour of the Company in certain cases. However, as the Department or the company has contested the judgment/rulings in Hon'ble ITAT or High Court, the amount has been shown as contingent liabilities.

As a Part of a working relationship between CARBOGEN AMCIS BV and Netherlands Tax and Customs Administration is that the management of CARBOGEN AMCIS BV is expected to submit relevant (tax) standpoints they have adopted or plan to adopt to the Netherlands Tax and Customs Administration. Management has therefore provided the Netherlands Tax and Customs Administration an insight into the relevant facts and circumstances of the acquisition of the technology and supply agreement of Dishman FZE in April 2018. Management was informed by the Netherlands Tax and Customs Administration that a reaction concerning this preliminary consultation will not be shared with the management of CARBOGEN AMCIS BV before reporting dates. At the time of preparation of this reporting package, management is not in the position to determine and estimate a possible impact on the financial accounts as per 31 March 2020. However the outcome of this consultation could give material financial effects in future periods. No provision has been recorded.

Note 26: Commitments

(a) Capital commitments

Capital expenditure contracted for at the end of the reporting period but not recognised as liabilities is as follows:

(₹ in crores)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Property, plant and equipment	236.63	222.32
Intangible assets	7.62	1.19

(b) Non-cancellable operating leases

The total of minimum lease installments payable for assets taken on operating lease:

(₹ in crores)

Particulars	As at 31st March, 2020	As at 31st March, 2019
(i) As Lessee		
Future minimum lease payments		
Within one year	41.58	43.80
Later than one year but not later than five years	164.10	172.64
Later than five years	111.10	140.70
	316.78	357.13

Rental expense relating to operating leases

(₹ in crores)

Particulars	For the year ended 31st March 2020	For the year ended 31 March 2019
Rent expense relating operating lease	4.76	52.39

Finance lease in respect of lease hold land.

The Company has entered into finance lease for land. These leases are generally for a period of 99 years. These leases can be extended for further 99 years. No part of the land has been sub leased. Except for the initial payment, there are no material annual payments for the aforesaid leases:

(c) Disclosures in respect of Assets acquired under Hire Purchase Arrangements

The total of minimum hire installments payable for vehicle acquired at the Balance sheet date are as under

(₹ in crores)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Commitments for minimum lease payments in relation to non-cancellable finance leases are payable as follows:		
Within one year	0.14	0.25
Later than one year but not later than five years	-	0.14
Later than five years	-	-
	0.14	0.39

(D) Disclosure as per Ind AS 116

(In accordance with IND AS 116, the details of lease asset and lease liabilities has been given w.e.f 1.4.2019.)

(i) Movement in Right of use assets (Refer Note 2)**(ii) Movement in lease liability**

(₹ in crores)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Opening balance	-	-
Additions	222.24	-
Interest charged during the year	5.58	-
Repayment	(47.00)	-
Closing balance	180.82	-

(iii) Lease payment to be made in

(₹ in crores)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Within one year	44.15	-
Later than one year but not later than five years	100.97	-
Later than five years	35.70	-
	180.82	-

Note 27 : Merger of Dishman Pharmaceuticals and Chemicals Ltd with the Company

The amalgamation had been accounted in the year 2016-17 under the "Purchase Method" as per the then prevailing Accounting Standard 14 – Accounting for Amalgamations, as referred to in the Scheme of Amalgamation approved by the Hon'ble High Court, Gujarat, which is different from Ind AS 103 "Business Combinations". The excess of consideration payable over net assets acquired had been recorded as goodwill amounting ₹ 1326.86 crores, represented by underlying intangible assets acquired on amalgamation and is being amortized over the period of 15 years from the Appointed Date.

Had the goodwill not been amortized as required under Ind AS 103, the Depreciation and Amortization expense for the year ended March 31, 2020 would have been lower by ₹ 88.46 crores (Previous Year ₹ 88.46 crores), and the Profit Before Tax for the year ended March 31, 2020 would have been higher by an equivalent amount.

Note 28: Interests in other entities**(a) Subsidiaries**

The group's subsidiaries at 31st March, 2020 are set out below. Unless otherwise stated, they have share capital consisting solely of equity shares that are held directly by the group, and the proportion of ownership interests held equals the voting rights held by the group. The country of incorporation or registration is also their principal place of business.

Name of Entity	Place of Business/ Country of Incorporation	Ownership Interest Held by the Group	Ownership Interest held by Non-Controlling Interests
		31st March, 2020	31st March, 2020
Subsidiaries		%	%
Dishman Europe Ltd.	UK	100%	0%
Dishman USA. Inc.	USA	100%	0%
Dishman Middle East FZE	UAE	100%	0%
Dishman Australasia Pty Ltd.	Australia	100%	0%
Dishman International Trading (Shanghai) Co. Ltd.	China	100%	0%
Shanghai Yiqian International Trade Co. Ltd. *	China	100%	0%
CARBOGEN AMCIS Holding AG	Switzerland	100%	0%
CARBOGEN AMCIS Innovacions AG ^	Switzerland	100%	0%
CARBOGEN AMCIS Specialities AG ^	Switzerland	100%	0%
CARBOGEN AMCIS (Shanghai) Co. Ltd. **	China	100%	0%
CARBOGEN AMCIS Ltd. **	UK	100%	0%
CARBOGEN AMCIS AG **	Switzerland	100%	0%
CARBOGEN AMCIS SAS **	France	100%	0%
Dishman Carbogen Amcis (Japan) Ltd. **	Japan	100%	0%
CARBOGEN AMCIS B.V. &	Holland	100%	0%
Dishman Carbogen Amcis (Singapore) Pte Ltd. \$	Singapore	100%	0%
Dishman Carbogen Amcis AG @	Switzerland	100%	0%
Dishman Biotech Ltd.	India	100%	0%
Dishman IT Xellence Pvt.Ltd.	India	100%	0%
Dishman Engineering Xellence Pvt.Ltd.	India	100%	0%

\$ Through Dishman Europe Ltd.

^ Through CARBOGEN AMCIS Holding AG

* Through Dishman International Trading (Shanghai) Co. Ltd.

** Through CARBOGEN AMCIS Innovacions AG

& Through CARBOGEN AMCIS Specialities AG

@ Though Dishman Carbogen Amcis (Singapore) Pte. Ltd.

Note 29: Related party disclosure as per Ind AS 24 Related party disclosure**a) Details of related parties:**

Description of relationship	Name of the related party
Holding Company	Bhadra Raj Holdings Pvt. Ltd. (upto 30.11.2018)
Holding Company	Adimans Technologies Pvt. Ltd. (from 01.12.2018 to 27.01.2019)
Holding Company	Adimans Technologies LLP (w.e.f. 28.01.2019)

Key Management Personnel (KMP) - Non Executive Director	Mr. Janmejy R.Vyas
Key Management Personnel (KMP) - Executive Director	Mrs. Deohooti J.Vyas
Key Management Personnel (KMP) - Executive Director	Mr. Arpit J.Vyas
Key Management Personnel (KMP) - Non Executive Director	Mr. Mark C. Griffiths
Key Management Personnel (KMP) - Non Executive Director	Mr. Sanjay S. Majmudar
Key Management Personnel (KMP) - Non Executive Director	Mr. Ashok C. Gandhi
Key Management Personnel (KMP) - Non Executive Director	Mr. Subir Kumar Das
Key Management Personnel (KMP) - Non Executive Director	Mr. Rajendra S. Shah
Key Management Personnel (KMP) - Non Executive Director	Ms. Maitri K. Mehta
Key Management Personnel (KMP) - Global CFO	Mr. Harshil R. Dalal
Key Management Personnel (KMP) - Company Secretary and Compliance Officer	Ms. Shrima G. Dave
Relative of Key Management Personnel	Ms. Aditi J Vyas
Relative of Key Management Personnel	Ms. Mansi J Vyas
Relative of Key Management Personnel	Mrs. Saloni A. Vyas
Relative of Key Management Personnel	Mrs. Pankti H. Dalal
Key Management Personnel is Karta	Mr. J. R.Vyas HUF
Key Management Personnel is Karta	Mr. Harshil R. Dalal HUF
Entity in which KMP can exercise significant influence	Dishman Biotech Ltd. (up to 29.09.2019)*
Entity in which KMP can exercise significant influence	Azafran Innovacion Ltd.*
Entity in which KMP can exercise significant influence	Dishman Infrastructure Ltd.*
Entity in which Relatives of KMP can exercise significant influence	Discus IT Pvt. Ltd.*
Entity in which Relatives of KMP can exercise significant influence	Discus Business Services LLP*

* Only where transactions have taken place during the year.

b) Details of related party transactions for the year ended on 31st March, 2020 and balances outstanding as at March, 2020:

(₹ in crores)

Particulars	Holding Company	KMP	Relatives of KMP	Entities in which KMP / relatives of KMP have significant influence	Total
Purchase of goods	-	-	-	9.28	9.28
	(-)	(-)	(-)	(0.20)	(0.20)
Sale of goods / services	-	-	-	0.21	0.21
	(-)	(-)	(-)	(42.98)	(42.98)
Receiving of services	-	1.61	0.09	3.02	4.72
	(-)	(0.20)	(0.08)	(3.97)	(4.25)
Interest income	-	-	-	4.57	4.57
	(-)	(-)	(-)	(4.55)	(4.55)
Remuneration	-	13.02	2.49	-	15.51
	(-)	(10.77)	(1.94)	(-)	(12.71)
Sitting fees to Non Executive Directors	-	0.12	-	-	0.12
	(-)	(0.12)	(-)	(-)	(0.12)
Commission to Non Executive Directors	-	0.52	-	-	0.52
	(-)	(0.44)	(-)	(-)	(0.44)
Trade advances given	-	-	-	124.37	124.37
	(-)	(-)	(-)	(17.44)	(17.44)

Trade advances received back	-	-	-	94.84	94.84
	(-)	(-)	(-)	(34.94)	(34.94)
Dividend paid	1.98	0.00	0.00	-	1.98
	(-)	(-)	(-)	(-)	-

(₹ in crores)

Particulars	Holding Company	KMP	Relatives of KMP	Entities in which KMP / relatives of KMP have significant influence	Total
Balances outstanding at the end of the year					
Trade receivables	-	-	-	0.22	0.22
	(-)	(-)	(-)	(44.69)	(44.69)
Trade advances given	-	-	-	6.73	6.73
	(-)	(-)	(-)	(42.51)	(42.51)
Loan taken	-	34.17	-	-	34.17
	(-)	(-)	(-)	(-)	(-)
Guarantees given by Dishman Infrastructure Ltd. on behalf of the company	-	-	-	20.55	20.55
	(-)	(-)	(-)	(40.13)	(40.13)
Loans and advances given	-	-	-	102.49	102.49
	(-)	(-)	(-)	(97.49)	(97.49)
Lease advances given	-	-	-	47.97	47.97
	(-)	(-)	(-)	(-)	(-)
Trade payables	-	0.32	0.17	0.82	1.31
	(-)	(0.16)	(-)	(0.20)	(0.36)

Note: Figures in bracket relates to the previous year

c) Disclosure in respect of significant transactions with related parties

Particulars	Name of the related party	F.Y. 2019-20 (₹ in Crores)	F.Y. 2018-19 (₹ in Crores)
Purchase of goods	Azafran Innovacion Ltd.	-	0.06
	Dishman Biotech Ltd.	9.28	0.14
Sale of goods	Dishman Biotech Ltd.	0.20	1.09
	Aamanya AG	-	41.88
Receiving of services	Dishman Biotech Ltd.	-	1.56
	Discus IT Pvt. Ltd.	2.37	1.87
	Mr. Janmejay R.Vyas	1.43	0.02
Interest income	Dishman Infrastructure Ltd.	5.51	4.55
Loan taken	Mr. Arpit J.Vyas	30.00	-
Remuneration does not include post-employment benefits and Other long term benefits.	Mr. Janmejay R.Vyas	1.13	2.43
	Mrs. Deohooti J.Vyas	1.20	1.20
	Mr. Arpit J.Vyas	5.85	3.70
Sitting fees to Non Executive Directors	Mr. Sanjay S. Majmudar	0.04	0.04
	Mr. Ashok C. Gandhi	0.04	0.04
	Mr. Subir Kumar Das	0.02	0.03
	Mr. Rajendra S. Shah	0.01	0.01
	Ms. Maitri K. Mehta	0.01	-

Commission to Non Executive Directors	Mr. Sanjay S. Majmudar	0.15	0.15
	Mr. Ashok C. Gandhi	0.11	0.11
	Mr. Subir Kumar Das	0.11	0.10
	Mr. Rajendra S. Shah	0.08	0.08
Trade advances given	Dishman Biotech Ltd.	69.63	17.44
	Azafran Innovacion Ltd.	54.74	-
Trade advances received back	Dishman Biotech Ltd.	40.10	34.94
	Azafran Innovacion Ltd.	54.74	-
Dividend paid	Adimans Technologies LLP	1.98	-
Outstanding trade advances given	Dishman Biotech Ltd.	-	42.51
	Azafran Innovacion Ltd.	6.73	-
Outstanding balance of loans and advances	Dishman Infrastructure Ltd.	102.49	97.49
Outstanding balance of trade receivables	Aamanya AG	-	41.88
Outstanding balance of lease advances	Dishman Infrastructure Ltd.	47.97	-
Outstanding balance of loan taken	Mr. Arpit J.Vyas*	30.00	-
	Mr. Janmejay R. Vyas	4.17	-

* Out of the above loan taken from Mr. Arpit Vyas of ₹ 30 crores, ₹ 20 crores has been repaid before the signing the balance sheet.

Note 30: Capital Management

For the purpose of the group's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders of the group. The primary objective of the group's capital management is to safeguard the group's ability to remain as a going concern and maximise the shareholder value.

The group manages its capital structure and makes adjustments in light of changes in economic conditions, annual operating plans and long term and other strategic investment plans. In order to maintain or adjust the capital structure, the group may adjust the amount of dividends paid to shareholders or return capital to shareholders.

The group's goal is to continue to be able to return excess liquidity to shareholders by continuing to distribute annual dividends in future periods. The amount of future dividends of equity shares will be balanced with efforts to continue to maintain an adequate liquidity status.

The group monitors capital using a ratio of 'adjusted net debt' to 'equity'. For this purpose, adjusted net debt is defined as total liabilities, comprising interest-bearing loans and borrowings less cash and cash equivalents. Equity comprises all components of equity including share premium and all other equity reserves attributable to the equity share holders.

The group's adjusted net debt to equity ratio at 31st March, 2020 was as follows. (₹ in crores)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Borrowings		
Long term and Short term borrowings	929.53	882.50
Current maturities of Long term borrowings	126.63	159.67
Less: cash and cash equivalents	160.98	95.67
Adjusted net debt	895.18	946.51
Total Equity	5,737.68	5,379.09
Adjusted net equity	5,737.68	5,379.09
Adjusted net debt to adjusted equity ratio	0.16	0.18

In order to achieve this overall objective, the group's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current period.

No changes were made in the objectives, policies or processes for managing capital of the group during the current year. The group has current and non-current investments in marketable instruments of ₹ 139.40 crores (P.Y. ₹ 117.60 crores) as on March 31, 2020.

Note 31: Employee benefits in respect of Holding Company

The Company has an obligation towards gratuity, a defined benefit obligation. The benefits are governed by the Payment of Gratuity Act, 1972. The company makes lumpsum payment to vested employees an amount based on 15 days last drawn basic salary including dearness allowance (if any) for each completed year of service or part thereof in excess of six months. Vesting occurs upon completion of five years of service.

The most recent actuarial valuation of the defined benefit obligation was carried out at the balance sheet date. The present value of the defined benefit obligations and the related current service cost and past service cost were measured using the Projected Unit Credit Method.

Based on the actuarial valuation obtained in this respect, the following table sets out the details of the employee benefit obligation as at balance sheet date:

(₹ in crores)

A : Defined benefit plans -		For the year ended 31st March, 2020	For the year ended 31st March, 2019
		Gratuity (Non-funded)	Gratuity (Non-funded)
I	Expenses recognised in statement of profit and loss during the year:		
1	Current Service Cost	0.91	0.84
2	Past Service Cost	-	-
3	Interest cost	0.60	0.56
	Total Expenses	1.51	1.40
II	Expenses recognised in OCI		
1	Actuarial changes arising from changes in demographic assumptions	(0.01)	-
2	Actuarial changes arising from changes in financial assumptions	(0.97)	0.03
3	Actuarial changes arising from changes in experience adjustments	1.04	(0.49)
	Total Expenses	0.07	(0.52)
III	Net Asset /(Liability) recognised as at balance sheet date:		
1	Present value of defined benefit obligation	9.38	8.44
2	Net (Asset) /Liability - Current	1.17	1.13
	Net (Asset) /Liability - Non- Current	8.21	7.31
IV	Reconciliation of Net (Asset) / Liability recognised as at balance sheet date:		
1	Defined benefit obligation at the beginning of the year	8.44	8.03
2	Current Service Cost	0.91	0.84
3	Past Service Cost	-	-
4	Interest cost	0.60	0.56
5	Actuarial loss/(gain) due to change in financial assumptions	(0.97)	(0.03)
6	Actuarial loss/(gain) due to change in demographic assumption	(0.01)	0.00
7	Actuarial loss/ (gain) due to experience adjustments	1.04	(0.49)
8	Benefit paid	(0.64)	(0.47)
	Net (asset) / liability at the end of the year	9.38	8.44

V Maturity profile of defined benefit obligation			
1	Within the next 12 months (next annual reporting period)	1.17	1.13
2	Between 2 and 5 years	4.10	3.50
3	Between 6 and 10 years	4.11	3.81

VI Quantitative sensitivity analysis for significant assumptions is as below:			
1	Increase/(decrease) on present value of defined benefit obligation at the end of the year		
	(i) 0.5% increase in discount rate	(0.29)	(0.28)
	(ii) 0.5% decrease in discount rate	0.31	0.29
	(iii) 0.5% increase in rate of salary increase	0.28	0.25
	(iv) 0.5% decrease in rate of salary increase	(0.27)	(0.24)
	(v) 10% increase in employee turnover rate	0.09	0.05
	(vi) 10% decrease in employee turnover rate	(0.10)	(0.06)

2 Sensitivity analysis method

Sensitivity analysis 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.

VII Actuarial Assumptions:		As at 31st March, 2020	As at 31st March, 2019
1	Discount rate	6.55% p.a	7.65% p.a
2	Expected rate of salary increase	3.00% p.a	6.00% p.a
3	Attrition rate		
	Age Band		
	25 & Below	15.00% p.a	15.00% p.a
	26 to 35	12.00% p.a	12.00% p.a
	36 to 45	9.00% p.a	9.00% p.a
	46 to 55	6.00% p.a	6.00% p.a
	56 & above	3.00% p.a	3.00% p.a
4	Mortality	Indian Assured Lives Mortality (2006-08) Ultimate	Indian Assured Lives Mortality (2006-08) Ultimate

Notes:

a) Amount recognised as an expense in the Statement of Profit and Loss and included in Note 19 under "Salaries and wages Gratuity 1.51 crores (Previous year - ₹ 1.40 crores) and Leave encashment 0.07 crores (Previous year - ₹ 0.98 crores)

b) The estimates of future salary increases considered in the actuarial valuation take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

B Defined contribution plan

The Company makes contributions towards provident fund and super annuation fund which are in the nature of defined contribution post employment benefit plans. Under the plan, the Company is required to contribute a specified percentage of payroll cost to fund the benefits. Amount recognised as an expense in the Statement of Profit and Loss - included in Note 19 - "Contribution to provident and other funds" ₹. 2.53 crore (Previous Year - ₹. 2.23 crore). The contributions payable to these plans by the Company are at rates specified in the rules of the schemes.

Employee Benefits plan

a) Defined Benefit Plan of CARBOGEN AMCIS AG

(i) Pension Plan

Defined benefit plans -		For the year ended 31st March, 2020	For the year ended 31st March, 2019
I	Expenses recognised in statement of profit and loss during the year:		
1	Current Service Cost	(0.73)	3.88
2	Interest cost	0.11	0.18
	Total Expenses	(0.62)	4.06
II	Expenses/(Income) recognised in OCI		
1	Actuarial changes arising from changes in demographic assumptions	-	-
2	Actuarial changes arising from changes in financial assumptions	4.03	-
3	Actuarial changes arising from changes in experience adjustments	2.55	0.49
3	Actuarial changes arising from changes in demographic assumptions	(0.07)	(0.11)
4	Return on plan assets excluding interest income	0.18	(1.54)
	Total Expenses/(Income)	6.68	1.16
III	Net Asset /(Liability) recognised as at balance sheet date:		
1	Present value of defined benefit obligation	103.77	92.41
2	Fair value of Plan asset	74.59	64.74
3	Net Asset /(Liability) - Current	-	-
4	Net Asset /(Liability) - Non- Current	(29.17)	(27.67)
IV	Reconciliation of Defined Benefit Obligation recognised as at balance sheet date:		
1	Defined benefit Obligation at beginning of the year	92.41	89.29
2	Current Service Cost	5.50	4.46
3	Past Service Cost	(6.28)	(0.63)
4	Interest cost	0.39	0.66
5	Contributions by plan participants	2.79	2.80
6	Administration cost (excl. cost for managing plan assets)	0.05	0.04
7	Actuarial loss/(gain)	6.50	3.84
8	Benefit paid	2.41	2.82
9	Others (pensioners staying with AXA)	-	(10.89)
10	Net asset / (liability) at the end of the year	103.77	92.41
V	Reconciliation of fair value of plan assets:		
1	Fair value of plan assets at the beginning of the year	64.74	63.78
2	Interest income on plan assets	0.28	0.48
3	Contributions by the employer	4.19	4.21
4	Contributions by plan participants	2.79	2.80
5	Benefits (paid) / deposited	2.41	2.82
6	Return on plan assets excl. interest income	0.18	1.54
7	Others (pensioners staying with AXA)	-	(10.89)
8	Fair value of plan assets at the end of the year	74.59	64.74

VI The major categories of plan assets as a percentage of the fair value of total plan assets are as follows:			
	Others - 100%	74.59	64.74
	Total	74.59	64.74
VII Maturity profile of defined benefit obligation			
1	Weighted average duration of defined benefit obligation in years	18.60	18.50
2	Weighted average duration of dbo in years for active members	18.60	18.50
3	Weighted average duration of dbo in years for pensioners	19.30	19.10
VIII Quantitative sensitivity analysis for significant assumptions is as below:			
1	Increase/(decrease) on present value of defined benefit obligation at the end of the year		
	(i) 0.25% increase in discount rate	99.15	88.34
	(ii) 0.25% decrease in discount rate	108.77	96.82
	(iii) 0.25% increase in interest rate	105.60	NA
	(iv) 0.25% decrease in discount rate	101.99	NA
	(v) 0.25% increase in rate of salary increase	104.72	93.27
	(vi) 0.25% decrease in rate of salary increase	102.82	91.56
	(vii) 1 year increase in life expectancy	105.35	93.83
	(viii) 1 year decrease in life expectancy	102.21	91.00

2 Sensitivity analysis method

Sensitivity analysis 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.

IX	Actuarial Assumptions:	As at March 31, 2020	As at March 31, 2019
1	Discount rate	0.30%	0.70%
2	Mortality decrement	BVG 2015 GT	BVG 2015 GT
3	Disability decrement	85% of BVG 2015	85% of BVG 2015
4	Expected benefit increase	0%	0%
5	Long-term interest on retirement accounts	0.60%	1%
6	Expected rate of salary increase		
	"Age 25 – 29	2.00%	2.00%
	Age 30 – 34	2.00%	2.00%
	Age 35 – 39	1.50%	1.50%
	Age 40 – 44	1.50%	1.50%
	Age 45 – 49	1.50%	1.50%
	Age 50 – 54	1.00%	1.00%
	Age 55 – 65"		

7	Attrition rate	Men	Women	Men	Women
	"Age 25 – 29	20.00%	18.00%	20.00%	18.00%
	Age 30 – 34	15.00%	14.00%	15.00%	14.00%
	Age 35 – 39	11.00%	11.00%	11.00%	11.00%
	Age 40 – 44	8.00%	8.00%	8.00%	8.00%
	Age 45 – 49	6.00%	7.00%	6.00%	7.00%
	Age 50 – 54	4.00%	5.00%	4.00%	5.00%
	Age 55 – 59	2.00%	2.00%	2.00%	2.00%
	Age 60 – 65"	1.00%	1.00%	1.00%	1.00%

8	"Retirement probabilities	Men	Women	Men	Women
	Age 64	-	100%	-	100%
	Age 65"	100%	-		

(ii) Jubilee Plan

Defined benefit plans -		For the year ended 31st March, 2020	For the year ended 31st March, 2019
		Jubilee Plan	Jubilee Plan
I	Expenses recognised in statement of profit and loss during the year:		
1	Current Service Cost	0.45	0.39
2	Interest cost	0.02	0.02
	Total Expenses	0.47	0.42
II	Expenses recognised in OCI		
1	Actuarial changes arising from changes in demographic assumptions		-
2	Actuarial changes arising from changes in financial assumptions	0.10	-
3	Actuarial changes arising from changes in demogr. assumptions	(0.00)	0.00
4	Actuarial changes arising from changes in experience adjustments	0.29	0.00
	Total Expenses	0.39	0.00
III	Net Asset /(Liability) recognised as at balance sheet date:		
1	Present value of defined benefit obligation	3.66	3.14
2	Net Asset /(Liability) - Current	-	-
	Net Asset /(Liability) - Non- Current	3.66	3.14
IV	Reconciliation of Net Asset / (Liability) recognised as at balance sheet date:		
1	Defined benefit Obligation at beginning of the year	3.14	2.92
2	Current Service Cost	0.45	0.39
3	Interest cost	0.02	0.02
4	Contributions by plan participants	-	-
5	Administration cost (excl. cost for managing plan assets)	0.00	0.00
6	Actuarial loss/(gain)	0.39	0.00
7	Benefits (paid) / deposited	(0.34)	(0.20)
8	Net asset / (liability) at the end of the year	3.66	3.14
V	Maturity profile of defined benefit obligation		
1	Weighted average duration of defined benefit obligation in years	6.80	7.00

VI Quantitative sensitivity analysis for significant assumptions is as below:			
1	Increase/(decrease) on present value of defined benefit obligation at the end of the year		
	(i) 0.25% increase in discount rate	3.60	3.08
	(ii) 0.25% decrease in discount rate	(3.72)	(3.19)
	(iii) 0.25% increase in rate of salary increase	3.72	3.19
	(iv) 0.25% decrease in rate of salary increase	(3.61)	(3.09)
	(v) 1 year increase in life expectancy	3.66	3.13
	(vi) 1 year decrease in life expectancy	(3.66)	(3.14)

2 Sensitivity analysis method

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.

VII Actuarial Assumptions:		As at 31st March, 2020			
1	Discount rate	0.30%		0.70%	
2	Mortality decrement	BVG 2015 GT		BVG 2015 GT	
3	Disability decrement	BVG 2015		BVG 2015	
4	Expected benefit increase	0%		0%	
5	Long-term interest on retirement accounts	0.60%		1%	
6	Expected rate of salary increase				
	Age 25 – 29	2.00%		2.00%	
	Age 30 – 34	2.00%		2.00%	
	Age 35 – 39	1.50%		1.50%	
	Age 40 – 44	1.50%		1.50%	
	Age 45 – 49	1.50%		1.50%	
	Age 50 – 54	1.50%		1.50%	
	Age 55 – 65	1.00%		1.00%	
7	Attrition rate				
		Men	Women	Men	Women
	Age 25 – 29	20.00%	18.00%	20.00%	18.00%
	Age 30 – 34	15.00%	14.00%	15.00%	14.00%
	Age 35 – 39	11.00%	11.00%	11.00%	11.00%
	Age 40 – 44	8.00%	8.00%	8.00%	8.00%
	Age 45 – 49	6.00%	7.00%	6.00%	7.00%
	Age 50 – 54	4.00%	5.00%	4.00%	5.00%
	Age 55 – 59	2.00%	2.00%	2.00%	2.00%
	Age 60 – 65"	1.00%	1.00%	1.00%	1.00%
8	Retirement probabilities	Men	Women	Men	Women
	Age 64	-	100%	-	100%
	Age 65	100%	-	100%	-

1 The Discount rate is based on the prevailing market yields of Swiss Bonds as at the Balance Sheet date for the estimated terms of the obligations.

2 Salary Escalation Rate: The estimates of future salary increases considered takes into account the inflation, seniority, promotion and other relevant factors.

3 Carbogen Amcis AG has taken an insurance for covering all risks arising from the pension plan for its employees from AXA Life Insurance Co. Ltd.

Defined Contribution Pension Scheme (In respect of Carbogen Amcis SAS, Carbogen Amcis Ltd., UK and CARBOGEN AMCIS B.V.) During the year, the group operated a defined contribution pension scheme. The assets of the scheme are held separately from those of the Group in an independently administered fund. The pension cost charge represents contributions payable by the group to the fund and amounted to ₹ 4.75 crores (Previous Year. : ₹ 5.37 crores) and the outstanding pension liability as at 31st March 2020 is ₹. 3.32 crores (Previous Year : ₹. 6.14 crores).

Note 32: Segment Reporting

Identification of Segments:

The chief operational decision maker monitors the operating results of its Business segment separately for the purpose of making decision about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the financial statements. Operating segment have been identified on the basis of nature of products and other quantitative criteria specified in the Ind AS 108.

Operating Segments:

The Company is in the business of manufacturing and marketing of -

A. Contract Research & Contract Manufacturing Services (CRAMS).

B. Vitamin D Analogues, Cholesterol, Bulk Drugs, Intermediates, Quats and Specialty Chemicals.

Segment revenue and results:

The expenses and income which are not directly attributable to any business segment are shown as unallocable expenditure (net of unallocable income).

Segment assets and Liabilities:

As certain assets of the Group including manufacturing facilities, development facilities and financial assets and liabilities are often deployed interchangeably across segment, it is impractical to allocate these assets and liabilities to each segment. Hence, the details for segment assets and segment liabilities has not been disclosed.

(a) Summary of Segmental Information for the year ended 31st March, 2020

(₹ in crores)

Particulars	CRAMS	Vitamin - D, Bulk Drugs, Quats, Speciality Chemicals and traded goods	Unallocated/ Others	Total
Revenue	1,510.33	462.94	-	1,973.27
	(1,470.75)	(449.19)	-	(1,919.94)
Revenue from Operations	1,510.33	462.94	-	1,973.27
Segment Result	215.61	23.96	19.16	258.73
	(251.78)	(59.74)	(39.96)	(351.48)
Add : Interest Income	-	-	25.30	25.30
			(13.86)	(13.86)
Less : Interest Expenses	-	-	61.95	61.95
			(56.55)	(56.55)
Less : Tax Expense (Income+Deferred Tax)	-	-	41.78	41.78
			(98.47)	(98.47)
Net Profit				180.30
				(210.32)

(b) Summary of Segment Revenue and Segment assets for the year ended 31st March, 2020

	India	Rest of the world	Total
Segment Revenue*	32.39	1,940.88	1,973.27
	(28.33)	(1,897.61)	(1,919.94)
Carrying cost of total assets **	2,763.79	5,458.63 #	8,222.42
	(2,908.58)	(4,419.88)	(7,328.46)
Carrying cost of non current assets@	2,167.16	4,250.29 #	6417.45
	(2,275.94)	(3,498.96)	(5,774.90)

* Based on location of customers

** Based on location of assets

@ Excluding Financial Assets, Investments accounted for using equity method and deferred tax asset.

The increase is mainly on account of FX impact and implementation of Ind AS 116.

Information about major customers: Revenues from one of the customers of the Group's CRAMS segment was approximately ₹ 189 crores (Previous year ₹ 215 Crores) representing approximately 9.59% (Previous year : 11.20 %) of the Group's total revenues, for the year ended 31 March 2020.

Note 33: Fair Value Measurements**A. Accounting classification and fair values**

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

(₹ in crores)

Financial Assets and Liabilities as at 31st March, 2020	Carrying Value		Routed through Profit and Loss			Routed through OCI			Carried at amortised cost			Total Amount	Total Fair Value			
	Non Current	Current	Total	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3	Level 1	Level 2			Level 3	Total	
				Level 1	Level 2	Level 3	Level 1	Level 2	Level 3	Level 1	Level 2			Level 3		
Financial Assets																
Investments																
- Equity instruments	54.39	1.61	56.00	4.77	-	-	4.77	0.01	-	51.23	51.24	-	0.00	0.00	56.00	56.00
- Debt instruments	-	25.41	25.41	-	-	-	-	-	-	-	-	-	25.41	25.41	25.41	25.41
- Fixed deposit	-	79.60	79.60	-	-	-	-	-	-	-	-	-	79.60	79.60	79.60	79.60
- Held till maturity	29.62	-	29.62	-	-	-	-	-	-	-	-	-	29.62	29.62	29.62	23.75
Loans	39.78	6.27	46.04	-	-	-	-	-	-	-	-	-	46.04	46.04	46.04	46.04
Trade receivable	-	577.43	577.43	-	-	-	-	-	-	-	-	-	577.43	577.43	577.43	577.43
Cash and Cash equivalents	-	121.94	121.94	-	-	-	-	-	-	-	-	-	121.94	121.94	121.94	121.94
Other Bank Balance	-	39.04	39.04	-	-	-	-	-	-	-	-	-	39.04	39.04	39.04	39.04
Other Financial Assets	7.47	50.91	58.38	-	-	-	-	-	-	-	-	-	58.38	58.38	58.38	58.38
Total	131.26	902.20	1,033.46	4.77	-	-	4.77	0.01	-	51.23	51.24	-	977.46	977.46	1,033.46	1,027.59
Financial Liabilities																
Borrowings	241.30	688.23	929.53	-	-	-	-	-	-	-	-	-	929.53	929.53	929.53	929.53
Trade Payables	-	283.52	283.52	-	-	-	-	-	-	-	-	-	283.52	283.52	283.52	283.52
Derivative financial liabilities	-	39.46	39.46	-	-	-	-	-	-	-	-	-	39.46	39.46	39.46	39.46
Other Financial Liabilities	-	257.72	257.72	-	-	-	-	-	-	-	-	-	257.72	257.72	257.72	257.72
Total	241.30	1,268.92	1,510.22	-	-	-	-	-	-	-	-	-	1,510.22	1,510.22	1,510.22	1,510.22

(₹ in crores)

Financial Assets and Liabilities as at 31st March, 2019	Carrying Value		Routed through Profit and Loss			Routed through OCI			Carried at amortised cost			Total Amount	Total Fair Value		
	Non Current	Current	Total	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3	Level 1	Level 2			Level 3	Total
				Level 1	Level 2	Level 3	Level 1	Level 2	Level 3	Level 1	Level 2			Level 3	
Financial Assets															
Investments															
- Equity instruments	54.32	2.05	56.37	6.82	-	-	6.82	0.02	-	49.52	49.54	-	0.00	56.37	
- Debt instruments	93.09	17.67	110.76	100.44	-	-	100.44	-	-	-	-	-	10.32	110.76	
Loans	37.64	4.17	41.80	-	-	-	-	-	-	-	-	41.80	41.80	41.80	
Trade receivable	-	445.30	445.30	-	-	-	-	-	-	-	-	445.30	445.30	445.30	
Cash and Cash equivalents	-	76.32	76.32	-	-	-	-	-	-	-	-	76.32	76.32	76.32	
Other Bank Balance	-	19.35	19.35	-	-	-	-	-	-	-	-	19.35	19.35	19.35	
Derivative Assets	-	43.98	43.98	-	-	-	-	43.98	-	43.98	-	-	-	43.98	
Other Financial Assets	2.51	49.18	51.69	-	-	-	-	-	-	-	-	51.69	51.69	51.69	
Total	187.56	658.01	845.56	107.26	-	-	107.26	0.02	43.98	49.52	93.52	-	644.78	845.56	
Financial Liabilities															
Borrowings	522.09	520.09	1,042.19	-	-	-	-	-	-	-	-	-	1,042.19	1,042.19	
Trade Payables	-	194.57	194.57	-	-	-	-	-	-	-	-	-	194.57	194.57	
Other Financial Liabilities	-	263.56	263.56	-	-	-	-	-	-	-	-	-	263.56	263.56	
Total	522.09	978.22	1,500.32	-	-	-	-	-	-	-	-	-	1,500.32	1,500.32	

B. Measurement of fair value

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The following methods and assumptions were used to estimate the fair values:

1. Fair value of cash and short-term deposits, trade and other short term receivables, trade payables, other current liabilities, short term loans from banks and other financial institutions approximate their carrying amounts largely due to short term maturities of these instruments.
2. Financial instruments with fixed and variable interest rates are evaluated by the Group based on parameters such as interest rates and individual credit worthiness of the counterparty. Based on this evaluation, allowances are taken to account for expected losses of these receivables.
3. The fair values for investment in equity shares other than subsidiaries, joint venture and associate were calculated based on cash flows discounted using a current lending rate. They are classified as level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs.
4. Forward pricing - The fair value is determined using quoted forward exchange rate at the reporting date and respective present value calculations based on high quality credit yield curves in the respective currency.

C. Fair Value Hierarchy

The fair value of financial instruments as referred to above have been classified into three categories depending on the inputs used in the valuation technique. The hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and lowest priority to unobservable inputs (Level 3 measurements).

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

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. This is the case for unlisted equity securities included in level 3.

(D) The carrying amount of financial assets and financial liabilities measured at amortised cost in the financial statements are a reasonable approximation of their fair values since the Group does not anticipate that the carrying amounts would be significantly different from the values that would eventually be received or settled.

(E) Valuation technique used to determine fair value

The following is the valuation technique used in measuring Level 2 and Level 3 fair values, for the financial instruments measured at fair value in the statement of financial position, as well as significant unobservable inputs used.

Financial Instruments measured at fair value

Type	Valuation technique	Significant unobservable input	Inter-relationship between significant unobservable input and fair valuation
Investments in unquoted instruments accounted for as Fair value through Other Comprehensive Income	DCF method	(i) Discounting rate: March 2020: 8.25 % (Previous Year: 9.53 %) (ii) Growth rate: March 2020: 9% (Previous Year: 7%)	Increase/ (Decrease) in significant unobservable input will Increase/ (Decrease) fair value of the instrument
Derivative instruments-forward exchange contracts	Forward pricing: The fair value is determined using quoted forward exchange rate at the reporting date.	Not applicable	Not applicable

(F) For the fair value of unquoted equity shares, reasonable possible change at the reporting date to one of the significant observable inputs, holding other inputs constant, would have the following effect

(₹ in crores)

Significant unobservable inputs		Profit or Loss	Profit or Loss
		As at 31st March 2020	As at 31st March 2019
+/- 0.5% Discount rate and Growth rate	Increase	1.88	4.62
	Decrease	1.85	4.34

(G) Fair value measurements using significant unobservable inputs (level 3)

The following table presents the changes in level 3 items for the periods ended 31 March 2020:

(₹ in crores)

Unlisted equity securities	
As at 31st March, 2018	45.42
Gains/(losses) recognised in other comprehensive income	4.09
As at 31st March, 2019	49.51
Gains/(losses) recognised in other comprehensive income	1.69
As at 31st March, 2020	51.20

Note 34: Financial Risk Management

The group's financial risk management is an integral part of how to plan and execute its business strategies. The group's activities expose it to a variety of its financial risk including

- Credit risk
- Liquidity risk
- Market risk

Risk management framework

The group's board of directors has overall responsibility for the establishment and oversight of the group's risk management framework.

The group's activities expose it to market risk, liquidity risk and credit risk. The group seeks to minimise the effects of these risks by using derivative financial instruments to hedge risk exposures. The use of financial derivatives is governed by the group's policies approved by the Board of directors, which provides principles on foreign exchange risk, interest rate risk, credit risk, use of financial derivatives etc. Compliance with policies and exposure limits is reviewed by internal auditors. The group does not enter into or trade financial instruments, including derivative financial instruments, for speculative purpose.

The Company's audit committee also oversees how management monitors compliance with the group's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the group. The audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the audit committee.

Note 34: Financial Risk Management

(A) Credit risk

Credit risk is the risk of financial loss to the group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the group's trade and other receivables. The carrying amounts of financial assets represent the maximum credit risk exposure.

Trade and Other receivables

The group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the customer, including the default risk of the industry and country in which the customer operates,

also has an influence on credit risk assessment. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the group grants credit terms in the normal course of business. The group has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults.

The group has established a credit policy under which each new customer is analysed individually for creditworthiness before the standard payment and delivery terms and conditions are offered. The group's review includes external ratings, if they are available, financial statements, credit agency information, industry information and in some cases bank references. Sale limits are established for each customer and reviewed periodically.

As at 31st March, 2020, Group did not have any significant concentration of credit risk with any external customers.

Expected credit loss assessment for Trade and Other receivables as at 31st March, 2020

An impairment analysis is performed at each reporting date. The expected credit losses over lifetime of the asset are estimated by adopting the simplified approach using a provision matrix. The loss rates are computed using a 'roll rate' method based on the probability of receivable progressing through successive stages till full provision for the trade receivable is made.

The following table provides information about the exposure to credit risk and expected credit loss for trade and other receivables.

(₹ in crores)

	Gross Carrying amount	Loss allowances	Net Carrying amount
As at 31st March, 2020	587.37	9.94	577.43
As at 31st March, 2019	457.21	11.91	445.30

The movement in the loss allowance in respect of trade and other receivables during the year was as follows

(₹ in crores)

Balance as at 31st March, 2018	11.52
Movement during the year	0.39
Balance as at 31st March, 2019	11.91
Movement during the year	(1.97)
Balance as at 31st March, 2020	9.94

Cash and cash equivalents

The group held Bank balance of ₹ 160.98 crores as at 31st March, 2020 (Previous Year : ₹ 95.67 crores). The same are held with bank and financial institution counterparties with good credit rating.

Derivatives

The forward cover has been entered into with banks /financial institution counterparties with good credit rating.

Others

Other than trade receivables reported above , the group has no other financial assets which carries any significant credit risk.

(B) Liquidity risk

Liquidity risk is the risk that the group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The group's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the group's reputation.

Management monitors rolling forecasts of the group's liquidity position (comprising the undrawn borrowing facilities) and cash and cash equivalents on the basis of expected cash flows. The group's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdraft/ cash credit facility. The group also monitors the level of expected cash inflows on trade receivables and loans together with expected cash outflows on trade payables and other financial liabilities. The group has access to a sufficient variety of sources of short term funding with existing lenders. The group has arrangements with the reputed banks and has unused line of credit that could be drawn upon should there be need.

The group manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cashflows, and by matching the maturity profile of financial assets and liabilities. Note below set out details of additional undrawn facilities that the group has at its disposal to further reduce liquidity risk.

(i) Maturities of financial liabilities

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include contractual interest payments and exclude the impact of netting agreements.

(₹ in crores)

Contractual maturities of financial liabilities 31st March, 2020	1 year or less	1-2 years	2- 5 years	More than 5 year	Total
Non-derivatives					
Long term borrowings (inclusive of accumulated interest)	136.72	85.54	107.84	65.81	395.91
Working Capital Facility and Short term loans and borrowings	688.23	-	-	-	688.23
Trade payables	283.52	-	-	-	283.52
Other financial liabilities	129.60	-	-	-	129.60
Total non-derivative liabilities	1,238.07	85.54	107.84	65.81	1,497.26
Derivatives (net settled)					
Foreign exchange forward contracts	39.46	-	-	-	39.46
Total derivative liabilities/(assets)	39.46	-	-	-	39.46

(₹ in crores)

Contractual maturities of financial liabilities 31st March, 2019	1 year or less	1-2 years	2- 5 years	More than 5 year	Total
Non-derivatives					
Long term borrowings (inclusive of accumulated interest)	156.93	128.61	161.95	-	447.48
Working Capital Facility and Short term loans and borrowings	520.09	-	-	-	520.09
Trade payables	194.57	-	-	-	194.57
Other financial liabilities	103.89	-	-	-	103.89
Total non-derivative liabilities	975.48	128.61	161.95	-	1,266.03
Derivatives (net settled)					
Foreign exchange forward contracts	(43.98)	-	-	-	(43.98)
Total derivative liabilities/(assets)	(43.98)	-	-	-	(43.98)

(C) Market risk

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from adverse changes in market rates and prices (such as interest rates and foreign currency exchange rates) or in the price of market risk-sensitive instruments as a result of such adverse changes in market rates and prices. Market risk is attributable to all market risk-sensitive financial instruments, all foreign currency receivables and payables and all short-term and long-term debt. The group is exposed to market risk primarily related to foreign exchange rate risk and interest rate risk.

(i) Foreign currency risk

The group operates internationally and is exposed to foreign exchange risk arising from foreign currency transactions, primarily with respect to the USD, EURO, GBP, Chinese renminbi (RMB), SGD and CHF. The group has in place the Risk management policy to managed the foreign exchange exposure.

The Foreign currency excahnge rate exposure is partly balanced through natural hedge, where in the group's borrowing is in foreign currency and cash flow generated from financial assets is also in same foreign currency.

In respect of other monetary assets and liabilities denominated in foreign currencies, the group's policy is to ensure that its net exposure is kept to an acceptable level by buying or selling foreign currencies at spot rates when necessary to address short-term imbalances.

The group can enter into foreign currency forward contracts and other authorized derivative contracts, which are not intended for trading or speculative purposes but for hedge purposes to establish the amount of reporting currency required or available at the settlement date of certain payables/receivables and borrowings.

The group uses derivative instruments, mainly foreign exchange forward contracts to mitigate the risk of changes in foreign currency exchange rates in line with the policy.

The group hedges 75% to 80% of its estimated foreign currency exposure in respect of forecast sales and purchases and repayment of borrowings over the following 12 months. The group uses forward exchange contracts to hedge its currency risk, most with a maturity of less than one year from the reporting date.

Foreign currency risk exposure:

The Company exposure to foreign currency risk at the end of the reporting period expressed in ₹, are as follows

Sr no	Particulars	Currency	Standalone		Subsidiary		As at 31st March, 2020	
			(₹ in crores)	(FC in Mn.)	(₹ in crores)	(FC in Mn.)	(₹ in crores)	(FC in Mn.)
A	Financial assets							
		EURO	5.42	0.65	34.07	4.09	39.49	4.74
			(30.26)	(3.90)	(33.82)	(4.36)	(64.08)	(8.26)
		USD	44.35	5.87	177.83	23.54	222.18	29.41
(i)	Trade receivables		(47.72)	(6.90)	(156.67)	(22.66)	(204.39)	(29.56)
		GBP	-	-	0.85	0.09	0.85	0.09
			(-)	(-)	(1.70)	(0.19)	(1.70)	(0.19)
		CHF	25.71	3.27	8.90	1.13	34.61	4.40
			(4.71)	(0.68)	(2.26)	(0.33)	(6.97)	(1.00)
		USD	61.30	8.11	80.28	10.63	141.58	18.74
(ii)	Loans and Advances		(96.88)	(14.01)	-	-	(96.88)	(14.01)
		CHF	16.56	2.11	4.47	0.57	21.03	2.68
			(-)	(-)	(-)	(-)	(-)	(-)
(iii)	Interest receivable	USD	0.58	0.08	-	-	0.58	0.08
			(-)	(-)	-	-	(-)	(-)
		USD	-	-	-	-	-	-
(iii)	Bank balance in EEFC accounts		(0.02)	(-)	(-)	(-)	(0.02)	(-)
		EURO	-	-	-	-	-	-
			(0.04)	(-)	(-)	(-)	(0.04)	(-)
B	Financial liabilities							
	Foreign currency loan							

Notes to Consolidated Financial Statements

	USD	490.60	64.94	31.96	4.23	522.55	69.17
		(351.54)	(50.84)	(20.66)	(2.99)	(372.20)	(53.82)
	EURO	-	-	-	-	-	-
(iv) Bank loan		(57.42)	(7.40)	0.00	(0.00)	(57.42)	(7.40)
	GBP	-	-	-	-	-	-
		(84.48)	(9.38)	(0.00)	0.00	(84.48)	(9.38)
	CHF	26.93	3.43	-	-	26.93	3.43
		(-)	(-)	(-)	(-)	(-)	(-)
	USD	0.54	0.07	-	-	0.54	0.07
(v) Interest Payable		(-)	(-)	(1.34)	(0.19)	(1.34)	(0.19)
	USD	22.38	2.96	2.23	0.30	24.62	3.26
		(9.95)	(1.44)	(14.58)	(2.11)	(24.52)	(3.55)
	EURO	1.74	0.21	9.72	1.17	11.45	1.37
(vi) Trade payables		(1.43)	(0.18)	(6.65)	(0.86)	(8.08)	(1.04)
	GBP	1.24	0.13	1.56	0.17	2.80	0.30
		(0.06)	(0.01)	0.00	0.00	(0.06)	(0.01)
	CHF	-	-	17.75	2.26	17.75	2.26
		(-)	(-)	(-)	(-)	(-)	(-)

(Figures in bracket and italics reflects of previous year)

The group has entered into forward contract transactions, which are not intended for trading or speculative purpose but to hedge the export receivables including future receivables. The group has following forward cover outstanding.

Type of transaction	Purpose	Currency	Buy or Sell	Cross Currency	31st March, 2020	
					Amount in Foreign currency in Mn.	(₹ in crores)
		USD	Sell	INR	74.00	559.07
					<i>(95.83)</i>	<i>(662.68)</i>
		CHF	Sell	USD	-	-
					<i>(4.18)</i>	<i>(28.90)</i>
		GBP	Sell	USD	-	-
					<i>(15.64)</i>	<i>(140.93)</i>
		CHF	Sell	INR	106.25	835.47
					<i>(20.00)</i>	<i>(138.97)</i>
Forward Cover	To hedge export receivables	CHF	Buy	INR	-	-
					<i>(3.34)</i>	<i>(23.18)</i>
		USD	Sell	CHF	-	-
					<i>(29.00)</i>	<i>(200.54)</i>
		EURO	Buy	CHF	-	-
					<i>(3.87)</i>	<i>(29.98)</i>
		USD	Sell	GBP	-	-
					<i>(5.00)</i>	<i>(34.58)</i>
		GBP	Buy	USD	-	-
					<i>(4.30)</i>	<i>(38.75)</i>

Swap Cover	To hedge Foreign Currency Loan	CHF	Sell	USD	29.79	234.27
					(-)	(-)
	CHF	Sell	INR	4.40	34.56	
				<i>(4.31)</i>	<i>(29.93)</i>	

(Figures in bracket and italics reflects on previous year)

(c) Sensitivity

A reasonably possible strengthening (weakening) of the Indian Rupee, US dollars, Swiss franc against all other currency at March 31 would have affected the measurement of financial instruments denominated in foreign currency and affected equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases.

Particulars	Profit / (loss) before tax gain / (loss)		Equity, gross of tax	
	Strengthening	Weakening	Increased	(Decreased)
31st March, 2020				
Effect in INR				
1 % movement				
USD	3.29	(3.29)	3.29	(3.29)
EUR	0.95	(0.95)	0.95	(0.95)
GBP	0.02	(0.02)	0.02	(0.02)
CHF	(11.33)	11.33	(11.33)	11.33
31st March, 2019				
Effect in INR				
1 % movement				
USD	10.90	(10.90)	10.90	(10.90)
EUR	0.32	(0.32)	0.32	(0.32)
GBP	2.62	(2.62)	2.62	(2.62)
CHF	(2.32)	2.32	(2.32)	2.32

(ii) Cash flow and fair value interest rate risk

Interest rate risk is the risk that the fair value or future cashflows of a financial instrument will fluctuate because of changes in market interest rates. The group main interest rate risk arises from long-term borrowings with variable rates, which expose the group to cash flow interest rate risk. During 31 March 2020 and 31 March 2019, the group's borrowings at variable rate were mainly denominated in USD and EURO.

The group's fixed rate borrowings are carried at amortised cost. They are therefore not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

The group's approach to managing interest rate risk is to have a judicious mix of borrowed funds with fixed and floating interest rate obligation.

(a) Interest rate risk exposure

The exposure of the entity's borrowing to interest rate changes at the end of the reporting period are as follows:

(₹ in crores)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Variable rate borrowings	1,056.16	1,042.17
Fixed rate borrowings	-	-
Total borrowings	1,056.16	1,042.17

(b) As at the end of the reporting period, the group had the following variable rate borrowings and interest rate swap contracts outstanding:

(₹ in crores)

Particulars	As at 31st March, 2020		As at 31st March, 2019	
	Balance	% of total loans	Balance	% of total loans
Bank loans	1,056.16	100.00	1,042.17	97.14
Interest rate swaps (notional principal amount)		-	29.82	-
Total borrowings	1,056.16	100.00	1,012.35	97.14

(c) Cash flow sensitivity analysis for variable-rate instruments

A reasonably possible change of 50 basis points in interest rates at the reporting date would have increased (decreased) profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency exchange rates, remain constant.

(₹ in crores)

Particulars	Impact on profit after tax	Impact on profit after tax
	As at 31st March, 2020	As at 31st March, 2019
Interest rates – increase by 50 basis points *	(5.28)	(5.21)
Interest rates – decrease by 50 basis points *	5.28	5.21

* Holding all other variables constant.

(D) Hedge Accounting

The Company's business objective includes safe-guarding its earnings against adverse effect of foreign exchange and interest rates. The Company has adopted a structured risk management policy to hedge all these risks within an acceptable risk limit and an approved hedge accounting framework which allows for Cash Flow hedges. Hedging instruments include forwards and swap as derivative instruments to achieve this objective. The table below shows the position of hedging instruments and hedged items as on the balance sheet date.

Cash Flow Hedge

Hedging instruments

(₹ in crores)

Particulars	Nominal Value	Carrying amount		Change in fair value	Hedge maturity	Line item in Balance sheet
		Assets	Liabilities			
Foreign Currency Risk						
Forward contract	1,394.54	-	-	(44.48)	April, 2020 to September, 2021	Other current liabilities
Interest and currency Swap	34.56	-	35.11	0.55	October, 2019 to March 2022	Long term borrowings and Other financial liabilities
Foreign currency term loans	281.51	-	238.18	(43.33)	Till July 2022	Long term and short term borrowings

Hedge items

(₹ in crores)

Particulars	Nominal Value	Change in fair value	Hedge reserve	Line item in Balance sheet
Foreign Currency Risk				
Highly probable exports	1,654.15	(89.05)	(89.05)	Other equity
For loans	56.47	1.79	1.79	Other equity

Fair Value Hedge

Hedging instruments

(₹ in crores)

Particulars	Nominal Value	Carrying amount		Change in fair value	Hedge maturity	Line item in Balance sheet
		Assets	Liabilities			
Foreign Currency Risk						
Foreign currency swap contracts	132.92	-	133.57	0.65	October, 2019 to April, 2021	Other current liabilities

Note 35: Offsetting financial assets and financial liabilities

The are no financial instruments which are offset, or subject to enforceable master netting arrangements and other similar agreements but not offset, as at 31st March, 2020 and 31st March, 2019.

Note 36: (i) Details of research and development expenditure recognised as revenue expense (Other than contract research expenses)

(₹ in crores)

Particulars	For the year ended 31 March, 2020	For the year ended 31 March, 2019
Annual Maintenance	0.07	0.14
Consumables	0.42	0.31
Conveyance	0.08	0.15
Laboratory Expenses	3.16	3.36
Others	0.15	0.55
Repair & maintenance	0.19	0.43
Raw Material Consumption	2.02	0.41
Salary & Wages	8.80	7.87
Subscription Expenses	1.06	0.54
Total	15.95	13.77

Note 36: (ii) Details of research and development expenditure recognised as capital expenses

(₹ in crores)

Particulars	For the year ended 31 March, 2020	For the year ended 31 March, 2019
Plant & Machinery	0.04	0.45
Office Equipments and Computers	0.04	0.13
Laboratory equipment	0.96	-
CWIP - Laboratory equipment	-	0.03
Intangible assets under development	-	0.21
Total	1.04	0.82

Note 37 : Buy back of shares

The Board of Directors of the Company at its meeting held on January 16, 2020, has inter-alia approved the Buyback proposal for purchase by the Company of its fully paid-up equity shares of face value of ₹ 2/- each ("Equity Shares" and such buyback, the "Buyback"), from the shareholders/beneficial owners of the Company, at a price not exceeding ₹ 150 (Rupees One Hundred Fifty Only) per Equity Share ("Maximum Buyback Price") from the open market through stock exchange mechanism in such manner as may be prescribed in the Securities and Exchange Board of India (Buy Back of Securities) Regulations, 1998 ("Buy-back Regulations") and the Companies Act, 2013 ("Act") (including any statutory modification(s) or re-enactment of the Act or Buy-back Regulations, for the time being in force).

The Buyback shall not exceed ₹ 72 crore (Rupees Seventy two crores only), excluding brokerage costs, fees, turnover charges, taxes such as securities transaction tax and goods and service tax (if any), stamp duty and other transaction charges ("Maximum Buyback Size"). The Maximum Buyback Size represents 1.48% and 1.38% of the total paid-up

equity share capital and free reserves (including securities premium account) as per the standalone audited financial statements and the audited consolidated financial statements respectively of the Company as at March 31, 2019, which is in accordance with Section 68(2) of the Companies Act, 2013. The Board of Directors of the Company at its meeting held on January 16, 2020, has inter-alia approved the Buyback proposal for purchase by the Company of its fully paid-up equity shares of face value of ₹ 2/- each ("Equity Shares" and such buyback, the "Buyback"), from the shareholders/beneficial owners of the Company, at a price not exceeding ₹ 150 (Rupees One Hundred Fifty Only) per Equity Share ("Maximum Buyback Price") from the open market through stock exchange mechanism in such manner as may be prescribed in the Securities and Exchange Board of India (Buy Back of Securities) Regulations, 1998 ("Buy-back Regulations") and the Companies Act, 2013 ("Act") (including any statutory modification(s) or re-enactment of the Act or Buy-back Regulations, for the time being in force).

The scheme of buyback was commenced from January 27, 2020 and the Company bought back 45,31,177 equity shares resulted in cash outflow of ₹ 35.75 crores. In line with the requirement of the Companies Act 2013, an amount of ₹ 35.75 crores has been utilized from the securities premium account for the buy back. Further, capital redemption reserve of ₹ 0.90 lacs (representing the nominal value of the shares bought back and extinguished) has been created.

Note 38 : The officials of Income-Tax Department had visited the Company's Head Offices and Manufacturing sites in connection with search under Section 132 of the Income-Tax Act on 19th December, 2019 and search was concluded thereafter. The Company had extended full cooperation to the officials during the search and provided all the information sought. The Company has not received any official communication, letter or notice from Income tax department for any tax demand in this regard.

Note 39 : The Company continues to monitor the impact of Covid-19 on its business, including its impact on customers, supply-chain, employees and logistics. Due care has been exercised, in concluding on significant accounting judgements and estimates, including in relation to recoverability of receivables, assessment of impairment of goodwill and intangibles, investments and inventory, based on the information available to date, while preparing the Company's financial statement as of and for the year ended March 31, 2020.

Note 40 : Additional Information, as required under Schedule III to the Companies Act, 2013, of enterprises consolidated as Subsidiary / Associates / Joint Ventures

(₹ in crores)

Name of the enterprise	Net Assets i.e. total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount ₹ in crores	As % of consolidated profit or loss	Amount ₹ in crores	As % of consolidated other comprehensive income	Amount	As % of consolidated total comprehensive income	Amount
Parent								
Dishman Carbogen Amcis Ltd.	0.84	4795.85	21.36%	38.52	(45.04%)	(94.93)	(14.42%)	(56.41)
Subsidiaries								
Dishman Europe Ltd.	1.78%	102.24	4.56%	8.23	-	-	2.10%	8.23
Dishman USA Inc.	0.56%	31.94	3.35%	6.05	-	-	1.55%	6.05
CARBOGEN AMCIS Holding AG	21.12%	1211.71	52.03%	93.83	-	-	23.99%	93.83
CARBOGEN AMCIS AG	8.15%	467.57	76.29%	137.57	-19.10%	(40.25)	24.88%	97.32
CARBOGEN AMCIS Specialities AG	(0.01%)	(0.60)	(0.30%)	(0.55)	-	-	(0.14%)	(0.55)
Dishman International Trading (Shanghai) Co. Ltd.	0.14%	7.86	(0.06%)	(0.10)	-	-	(0.03%)	(0.10)
CARBOGEN AMCIS (Shanghai) Co. Ltd.	1.42%	81.52	(13.33%)	(24.03)	-	-	(6.14%)	(24.03)
CARBOGEN AMCIS Ltd. (UK)	12.29%	705.39	(0.81%)	(1.46)	-	-	(0.37%)	(1.46)
CARBOGEN AMCIS B.V.	5.45%	312.49	28.36%	51.15	-	-	13.08%	51.15

CARBOGEN AMCIS Innovations AG	(0.02%)	(0.89)	(0.45%)	(0.81)	-	-	(0.21%)	(0.81)
Dishman Australasia (Pty) Ltd.	0.02%	1.04	0.07%	0.13	-	-	0.03%	0.13
Dishman Middleeast FZE	0.00%	(0.16)	(0.54%)	(0.97)	-	-	(0.25%)	(0.97)
Dishman Carbogen Amcis (Japan) Ltd.	0.20%	11.56	2.12%	3.83	-	-	0.98%	3.83
CARBOGEN AMCIS SAS	0.57%	32.43	3.60%	6.49	-	-	1.66%	6.49
Dishman Carbogen Amcis (Singapore) Pte. Ltd.	15.44%	886.12	3.39%	6.11	-	-	1.56%	6.11
Dishman Engineering Xellence Pvt. Ltd.	0.00%	0.01	0.00%	0.00	-	-	0.00%	0.00
Dishman IT Xellence Pvt. Ltd.	0.00%	0.01	0.00%	0.00	-	-	0.00%	0.00
Dishman Biotech Ltd.	0.18%	10.08	(1.16%)	(2.09)	-	-	(0.53%)	(2.09)
Sub Total	150.87%	8656.16	178.51%	321.90	(64.14%)	(135.18)	47.74%	186.72
Less : Effect of Inter Company elimination/ adjustment	(50.87%)	(2918.48)	78.51%	(141.57)	(164.14%)	345.94		204.37
Total	100.00%	5737.68	100.00%	180.33	100.00%	210.76	100.00%	391.09

Note 41 : The financial statement were authorised for issue by the Holding Company's Board of Direction on 3rd June 2020.

As per our attached report of even date

For and on behalf of the Board of Directors

For Haribhakti & Co. LLP
Chartered Accountants.
ICAI Firm Registration
No. 103523W/W100048

For V.D.Shukla & Co.
Chartered Accountants
ICAI Firm Registration
No. 110240W

Arpit J. Vyas
Global Managing Director
DIN: 01540057
Place: Vitznau

Deohooti J. Vyas
WholeTime Director
DIN: 00004876

Hemant J. Bhatt
Partner
Membership No. 036834

Vimal D. Shukla
Proprietor
Membership No. 036416

Harshil R. Dalal
Global CFO

Shrima G. Dave
Company Secretary
ACS 29292

Place: Ahmedabad
Date : 3rd June, 2020

Place: Ahmedabad
Date : 3rd June, 2020

“Form AOC-1 - (Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014) Statement containing salient features of the financial statement of subsidiaries or associate companies or joint ventures”

Part A Subsidiaries

Sr. No.	Name of the Subsidiary	Dishman USA Inc. (OUS) (DEL)	Dishman Europe Limited (DEL)	Dishman USA Inc. (OUS) (DEL)	CARBODEN Holding AG (CAHAG)	CARBODEN AMCIS AG (CAAG)	Carbogen Amcis AG (CAAG)	CARBODEN AMCIS SPECIALITIES AG	CARBODEN AMCIS AG (Shanghai) Co. Ltd. (CASCL)	Carbogen Amcis Limited (UK)	CARBODEN AMCIS INNOVATIONS AG	Dishman Australasia (Pty) Ltd	Dishman Middle East FZE Co. Ltd	Dishman Carbogen AMCIS (Japan) Ltd	CGAMRIOM	CARBODEN Amcis (Singapore) Pte. Ltd.**	Dishman Engineering Xcellence Pvt. Ltd.	Dishman Xcellence Pvt. Ltd.	Dishman Biotech Ltd.
The Date since when subsidiary was created/ created		21/07/1998	15/07/1997	08/08/2006	22/08/2006	26/09/2019	17/02/2004	13/06/2006	21/04/2005	09/04/2003	26/09/2019	27/07/2007	22/03/2011	03/04/2007	01/12/2012	13/07/2016	12/09/2018	13/07/2018	30/09/2019
Reporting Period of the Subsidiary		31/03/2020	31/03/2020	31/03/2020	31/03/2020	31/03/2020	31/03/2020	31/03/2020	31/03/2020	31/03/2020	31/03/2020	31/03/2020	31/03/2020	31/03/2020	31/03/2020	31/03/2020	31/03/2020	31/03/2020	31/03/2020
Currency of presentation		US Dollar	British Pound	CHF	CHF	CHF	CNY	CNY	British Pound	Euro	CHF	AU \$	UAE Dirhams	JPY	Euro	SGD	INR	INR	INR
1	Share Capital																		
	In Foreign Currency (in Min.)	0.03	0.02	3.64	0.15	0.10	0.17	19.60	0.00	0.44	0.10	0.01	0.10	15.32	0.12	16.95	0.01	0.01	6.50
	In Indian Rupees (in Cr.)	2.27	1.49	286.24	11.40	7.86	1.77	209.14	0.00	30.12	7.86	0.46	1.95	10.77	10.00	898.25	0.01	0.01	6.50
2	Reserve																		
	In Foreign Currency (in Min.)	0.39	8.13	18.18	5.80	9.38	0.57	(11.96)	0.54	3.31	14.10	0.01	(0.10)	1.13	0.27	0.13	(0.00)	(0.00)	3.59
	In Indian Rupees (in Cr.)	29.67	762.86	1,429.78	456.16	737.66	6.09	(127.62)	50.24	137.15	1,108.73	0.58	(2.13)	0.80	22.43	7.01	(0.00)	(0.00)	3.59
3	Total Assets																		
	In Foreign Currency (in Min.)	1.99	8.42	24.14	22.74	9.49	1.09	16.40	1.06	4.30	14.22	0.06	0.00	17.09	0.73	18.22	0.01	0.01	125.09
	In Indian Rupees (in Cr.)	150.66	789.87	1,898.42	1,788.30	746.12	11.67	174.94	99.01	230.33	1,118.41	2.69	0.05	12.01	60.92	965.45	0.01	0.01	125.09
4	Total Liabilities																		
	In Foreign Currency (in Min.)	1.57	0.27	2.32	16.80	0.01	0.36	8.76	0.52	0.55	0.02	0.04	0.01	0.63	0.34	1.14	0.00	0.00	115.00
	In Indian Rupees (in Cr.)	118.72	25.52	182.39	1,320.73	0.60	3.82	93.42	48.77	45.56	1.82	1.65	0.23	0.44	28.49	60.20	0.00	0.00	115.00
5	Investments																		
	In Foreign Currency (in Min.)	NII	NII	NII	NII	NII	NII	NII	NII	NII	NII	NII	NII	NII	NII	NII	NII	NII	NII
	In Indian Rupees (in Cr.)	NII	NII	NII	NII	NII	NII	NII	NII	NII	NII	NII	NII	NII	NII	NII	NII	NII	NII

6 Turnover																	
In Foreign Currency (in Min.)	3.04	2.00	-	14.57	-	1.03	5.66	1.08	3.23	0.00	0.04	-	8.88	0.44	-	-	2.92
In Indian Rupees (in Cr.)	285.03	151.42	-	1,145.32	-	11.03	60.37	101.07	268.93	0.01	2.04	-	6.24	37.02	-	-	2.92
7 Profit Before Tax																	
In Foreign Currency (in Min.)	0.07	0.11	1.32	1.71	(0.01)	(0.02)	(1.96)	(0.02)	0.76	(0.01)	0.00	(0.05)	7.19	0.10	0.18	0.00	(2.10)
In Indian Rupees (in Cr.)	6.58	7.99	103.53	134.62	(0.60)	(0.26)	(20.89)	(1.56)	63.60	(0.89)	0.14	(1.05)	5.05	8.40	9.60	0.00	(2.10)
8 Provision for tax																	
In Foreign Currency (in Min.)	(0.01)	0.03	0.01	0.09	-	(0.01)	0.41	0.00	0.17	-	0.00	-	1.32	0.02	0.06	-	0.01
In Indian Rupees (in Cr.)	(1.35)	2.24	0.91	6.74	-	(0.08)	4.34	0.29	14.35	-	0.02	-	0.93	1.54	3.36	-	0.01
9 Profit After Tax																	
In Foreign Currency (in Min.)	0.08	0.08	1.31	1.63	(0.01)	(0.02)	(2.37)	(0.02)	0.59	(0.01)	0.00	(0.05)	5.87	0.08	0.12	0.00	(2.09)
In Indian Rupees (in Cr.)	7.93	5.76	102.62	127.88	(0.60)	(0.18)	(25.24)	(1.85)	49.25	(0.89)	0.12	(1.05)	4.13	6.86	6.24	0.00	(2.09)
10 Proposed Dividend																	
In Foreign Currency (in Min.)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
In Indian Rupees (in Cr.)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
% of shareholding	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Note:- The Foreign Currency Figures (including Capital) have been converted into Indian Rupees using the exchange rates prevailing as on 31.03.2020.																	
Conversion Rate	British Pound	US Dollar	CHF	CHF	CHF	CNY	CNY	British Pound	Euro	CHF	AUS \$	Dhram	Japanese Yen	Euro	SGD	INR	INR
Foreign Currency in Rupee on 31.03.2020	93.82	75.55	78.63	78.63	78.63	10.67	10.67	93.82	83.32	78.63	46.35	20.51	0.70	83.32	52.98	1	1

Note:-

- 1) Name of the subsidiary which is yet to commence operation: (1) Dishman Engineering Xcellence Pvt. Ltd. , (2) Dishman IT Xcellence Pvt. Ltd. and (3) Dishman Carbogen Amcis AG.
- 2) Name of the subsidiaries which have been liquidated or sold during the year: None
- 3) * The Financials of the Shanghai Yiqian International Trade Co. Ltd. has been merged with Dishman International trading (Shanghai) Co. Ltd.
- 4) ** The Financials of the Dishman Carbogen Amcis AG Ltd. has been merged with Dishman CARBOGEN Amcis (Singapore) Pte. Ltd.

Date : 3rd June, 2020

Arpit J. Vyas
Global Managing Director
DIN: 01540057
Place: Vitznau

Deehooti J. Vyas
Whole Time Director
DIN: 00004876
Place: Ahmedabad

Harshil R. Dalal
Global CFO
Place: Ahmedabad

Shrma G Dave
Company Secretary
ACS 29292
Place: Ahmedabad

“Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures”
Part B Associates and Joint Ventures

Sr. No.	Name of associates / Joint Ventures	Latest audited Balance sheet Date	Date on which the Associate or Joint Venture was associated or acquired	Shares of Associate/Joint Ventures held by the company on the year end		Description of how there is significant influence	Reason why the associate/ Jointventure is not consolidated	Network attributable to Shareholding as per latest audited Balance Sheet	Profit / (Loss) for the Year	
				No. Of Shares	Amount of Investment in Associates/Joint ventures				Extend of Holding%	Considered in Consolidation
NIL										

Note:-

- Names of associates or joint ventures which are yet to commence operations: NIL
- Names of associates or joint ventures which have been liquidated or sold during the year: NIL

Date : 3rd June, 2020

Arpit J. Vyas
Global Managing Director
DIN: 01540057
Place: Vitznau

Dechooti J. Vyas
Whole Time Director
DIN: 00004876
Place: Ahmedabad

Harshil R. Dalal
Global CFO
Place: Ahmedabad

Shrima G Dave
Company Secretary
ACS 29292
Place: Ahmedabad



Investment Lab

The Investment Lab product



Dishman Carbogen Amcis Limited

Dishman Corporate House, Iscon-Bopal
Road, Ambli, Ahmedabad - 380 058.

Tel. No.: 91-2717-420102/124

www.dishmangroup.com

Dishman is a global, dynamic group of companies offering a continuum of services to the pharmaceutical industry. We are a global outsourcing partner for pharmaceutical companies, offering a portfolio of products and development, scale-up and manufacturing services.

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