

Date: 25th August, 2022

To,
The Manager,
Department of Corporate Services,
BSE Limited
P. J. Tower, Dalal Street,
Fort, Mumbai - 400 001

Dear Sir/Madam,

Sub: Submission of the Annual Report of the Company for the financial year ended 31st March, 2022

In accordance with the provisions of Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith a copy of the Annual Report of the Company for the financial year ended 31st March, 2022.

We request you to kindly take the same on record.

Thanking you,

Yours faithfully,
For Alembic Limited


Drigesh Mittal
Company Secretary



Encl.: A/a.

ALEMBIC LIMITED

REGD. OFFICE : ALEMBIC ROAD, VADODARA-390 003. • TEL : (0265) 2280550 • Fax : (0265) 2282506

Website : www.alembiclimited.com • E-mail : alembic-investors@alembic.co.in • CIN : L26100GJ1907PLC000033 • PAN No. : AABCA7950P

ALEMBIC LIMITED



ANNUAL REPORT 2021-22

24 TOWNHOUSE

3 Towers. 24 Homes. 1 Address.

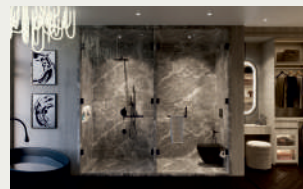
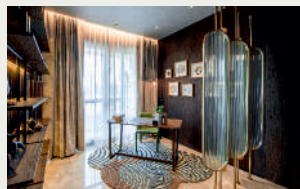


The elegant townhouses of Alembic City are carefully crafted for the crème-de-la-crème of Vadodara society. A rendezvous for the distinguished few. An exclusive enclave for like-minded communities, with strong values and great legacies.

The most prestigious design and architectural techniques meet the purest joys of nature and a refined community at Townhouse24. With a focus on luxury, privacy, beauty and security, the gorgeous townhouses are redefining connected living.



ALEMBIC CITY
WEST



For further information, call Mr. Ujjawal Singh at +91 96876 39702 or send an e-mail to sales@alembic.co.in.

Site address: Behind Bhailal Amin Hospital, Alembic City West, Vadodara 390 003. You can also visit www.townhouse.alembicity.com

Follow us on Facebook and Instagram.

RERA No: PR/GJ/VADODARA/VADODARA/Others/RAAo8783/170721 Website: <https://gujraera.gujarat.gov.in>

Board of Directors

Mr. Chirayu Amin
Chairman
Mrs. Malika Amin
Managing Director & CEO
Mr. Udit Amin
Director
Mr. C. P. Buch
Independent Director
Mr. Sameer Khera
Independent Director
Mr. Mayank Amin
Independent Director
Mrs. Rati Desai
Independent Director
Mr. Abhijit Joshi
Director

Chief Financial Officer

Mr. Rasesh Shah

Company Secretary

Mr. Drigesh Mittal

Statutory Auditors

CNK & Associates LLP
The Nirat, 3rd Floor, 18-Winward Business Park,
Behind Emerald One Complex,
In the lane of Dr. Prashant Buch's Hospital,
Jetalpur Road, Vadodara - 390007

Bankers

Bank of Baroda Limited
Axis Bank Limited
HDFC Bank Limited
Yes Bank Limited
RBL Bank Limited

Registered Office

Alembic Road, Vadodara – 390 003.
CIN: L26100GJ1907PLC000033
Tel : +91 265 2280550
Email Id: alembic.investors@alembic.co.in
Website: www.alembiclimited.com

Registrar and Share Transfer Agent

Link Intime India Pvt. Ltd.
B-102 & 103, Shangrila Complex, First Floor,
Opp. HDFC Bank, Nr. Radhakrishna Char Rasta,
Akota, Vadodara – 390 020.
Tel : +91 265 6136000
Email Id: vadodara@linkintime.co.in

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This report contains forward-looking statements, which may be identified by their use of words like 'plans', 'expects', 'will', 'anticipates', 'believes', 'intends', 'projects', 'estimates' or other words of similar meaning. All statements that address expectations or projections about the future, including but not limited to statements about the Company's strategy for growth, product development, market position, expenditures and financial/results are forward-looking statements. Forward-looking statements are based on certain assumptions and expectations of future events. The Company cannot guarantee that these assumptions and expectations are accurate or will be realized. The Company's actual results performance or achievements could thus differ materially from those projected in any such forward-looking statements. The Company assumes no responsibility to publicly amend, modify or revise any forward-looking statements on the basis of any subsequent developments, information or events.

Notice

Notice is hereby given that the 115th Annual General Meeting (“AGM”) of the Members of **Alembic Limited** will be held on Tuesday, the 20th September, 2022 at 4:00 p.m. IST through Video Conferencing (“VC”) / Other Audio Visual Means (“OAVM”) to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Standalone and Consolidated Financial Statements of the Company for the financial year ended 31st March, 2022 and the Reports of the Board of Directors and Auditors thereon.
2. To declare dividend on equity shares for the financial year 2021-2022.
3. **To consider and if thought fit, pass the following Resolution as a Special Resolution:**

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

“**RESOLVED THAT** pursuant to provision of Section 152 and other applicable provisions of the Companies Act, 2013 (“Act”) read with Regulation 17(1A) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations, 2015”), Mr. Chirayu Amin (DIN: 00242549), who retires by rotation at the ensuing Annual General Meeting, being eligible and willing for reappointment, be reappointed as Director liable to retire by rotation.”

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

Re-Appointment of Statutory Auditors of the Company and to fix their remuneration:

“**RESOLVED THAT** pursuant to the provisions of Sections 139, 141, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) / amendment(s) / re-enactment(s) thereof for the time being in force) (“Act”) and pursuant to the recommendations of Audit Committee and Board of Directors of the Company, M/s. CNK & Associates LLP, Chartered Accountants (Firm Registration No. 10196W), be and are hereby re-appointed as the Statutory Auditors of the Company, for a second term of five years, to hold office from the conclusion of this 115th Annual General Meeting (AGM) till the conclusion of 120th AGM of the Company, on such remuneration and terms and conditions as set out in the explanatory statement to this Notice.”

SPECIAL BUSINESS

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

Approval of material related party transactions with Shreno Limited:

“**RESOLVED THAT** pursuant to Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations, 2015”), as amended, the relevant provisions of the Companies Act, 2013 (the ‘Act’) and other applicable laws (including any statutory modification(s) / amendment(s) / re-enactment(s) thereof for the time being in force), the Company’s Policy on Related Party Transactions and Manner of Dealing with Related Party Transactions (“RPT Policy”) and as per the recommendation of the Audit Committee and the approval of Board of Directors, approval of the members of the Company be and is hereby accorded to enter into and/or to continue with the existing contract(s)/ arrangement(s)/ agreements(s)/ transaction(s)/ renewal(s)/ extension(s)/ modification(s) thereto (whether by way of an individual transaction or transactions taken together with the previous transactions or series of transactions or otherwise undertaken / to be undertaken till the date of next Annual General Meeting) with Shreno Limited, a related party under the provision of Regulation 2(1)(zb) of the SEBI Listing Regulations, 2015, for (i) buying or selling or leasing immovable property; (ii) entering into agreements for Transfer of Development Rights / Floor Space Index (FSI); (iii) entering into Agreements for joint development of projects on revenue sharing / area sharing / profit sharing basis; (iv) entering into Project Management Consultancy Agreements; (v) granting of loans, advances and providing guarantee; (vi) availing or rendering of services; and (vii) reimbursement of expenses (hereinafter collectively referred to as “**related party transactions**”) as detailed in the explanatory statement and as may be agreed with Shreno Limited, for an aggregate value of up to ₹ 30 Crore p.a. and the said contract(s) / arrangement(s) / agreements(s) / transaction(s) so carried out shall at all times be on arm’s length basis and in the ordinary course of business of the Company.

RESOLVED FURTHER THAT for the purpose of giving effect to the above, Members of the Company do hereby accord approval to the Board of Directors of the Company to finalize, execute, modify and amend all agreements, documents and

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writings, make representations in respect thereof and seek approval from relevant authorities and to do all acts, deeds and things necessary and expedient to give effect to the above resolution on behalf of the Company.

RESOLVED FURTHER THAT the Board of Directors of the Company, be and is hereby authorised to delegate all or any of the powers herein conferred, to any Committee, Director(s) or Chief Financial Officer, Company Secretary or any other Officer(s) / Authorised Representative(s) of the Company, to do all such acts and take such steps, as may be considered necessary or expedient, to give effect to the aforesaid resolution.”

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

Approval of material related party transactions with Alembic Pharmaceuticals Limited:

“**RESOLVED THAT** pursuant to Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations, 2015”), as amended, the relevant provisions of the Companies Act, 2013 (the ‘Act’) and other applicable laws (including any statutory modification(s) / amendment(s) / re-enactment(s) thereof for the time being in force), the Company’s Policy on Related Party Transactions and Manner of Dealing with Related Party Transactions (“RPT Policy”) and as per the recommendation of the Audit Committee and the approval of Board of Directors, approval of the members of the Company be and is hereby accorded to enter into and/or to continue with the existing contract(s)/ arrangement(s)/ agreements(s)/ transaction(s)/ renewal(s)/ modification(s) thereto (whether by way of an individual transaction or transactions taken together with the previous transactions or series of transactions or otherwise undertaken / to be undertaken till the date of next Annual General Meeting) with Alembic Pharmaceuticals Limited, a related party under the provision of Regulation 2(1)(zb) of the SEBI Listing Regulations, 2015, for (i) supply / job work / purchase of goods including active pharmaceutical ingredients (‘API’), excipients and spent solvents; (ii) providing various premises on leave and license/lease basis; (iii) receipt of dividend from investment in securities of Alembic Pharmaceuticals Limited; and (iv) reimbursement of expenses (hereinafter collectively referred to as “**related party transactions**”) on such terms and conditions mentioned in the statement placed before the Board for an aggregate value of up to ₹ 63 Crore p.a. excluding receipt of dividend which is not in the control of the Company and the said contract(s)/ arrangement(s)/ agreements(s)/ transaction(s) so carried out shall at all times be on arm’s length basis and in the ordinary course of business of the Company.

RESOLVED FURTHER THAT for the purpose of giving effect to the above, Members of the Company do hereby accord approval to the Board of Directors of the Company to finalize, execute, modify and amend all agreements, documents and writings, make representations in respect thereof and seek approval from relevant authorities and to do all acts, deeds and things necessary and expedient to give effect to the above resolution on behalf of the Company.

RESOLVED FURTHER THAT the Board of Directors of the Company, be and is hereby authorised to delegate all or any of the powers herein conferred, to any Committee, Director(s) or Chief Financial Officer, Company Secretary or any other Officer(s) / Authorised Representative(s) of the Company, to do all such acts and take such steps, as may be considered necessary or expedient, to give effect to the aforesaid resolution.”

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

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

“**RESOLVED THAT** pursuant to the provisions of Regulation 17(6)(ca) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations, 2015”), the applicable provisions of the Companies Act, 2013 and rules framed thereunder (“Act”) (including any statutory modification(s) / amendment(s) / re-enactment(s) thereto), recommendation of the Nomination and Remuneration Committee and the Board of Directors and subject to the maximum remuneration approved by the members at the 111th Annual General Meeting held on 7th August, 2018, approval of the members of the Company be and is hereby accorded for payment of commission of ₹ 192.54 Lacs amounting to 2% (two percent) of the net profits of the Company, computed in accordance with the mechanism provided under Section 198 of the Act to Mr. Udit Amin (DIN: 00244235) for the financial year ending on 31st March, 2022, in addition to the sitting fees and reimbursement expenses being paid by the Company for participating in the Board/Committee Meetings of the Company.

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

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

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

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

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

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

NOTES:

1. The Ministry of Corporate Affairs (“MCA”) has vide its General Circular No. 14/2020 dated 8th April, 2020 read with General Circular No. 17/2020 dated 13th April, 2020, General Circular No. 20/2020 dated 5th May, 2020 and General Circular No. 02/2021 dated 13th January, 2021, 10/2021 dated 23rd June, 2021, 20/2021 dated 8th December, 2021, 21/2021 dated 14th December, 2021 and General Circular No. 2/2022 dated 5th May, 2022 (collectively referred to as “MCA Circulars”) permitted the holding of the Annual General Meeting (“AGM”) through VC / OAVM, without the physical presence of the members at a common venue. In compliance with the MCA Circulars, the AGM of the Company will be held through VC / OAVM. The registered office of the Company shall be deemed to be the venue for the AGM.
2. Since this AGM is being held through VC / OAVM, pursuant to MCA Circulars, physical attendance of the members has been dispensed with. **Accordingly, the facility for appointment of proxies by the members will not be available for the AGM. Hence the Proxy Form, Attendance Slip and Route Map are not annexed to this Notice.**
3. In compliance with the aforesaid MCA Circulars and Securities and Exchange Board of India (“SEBI”) Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated 12th May, 2020 read with SEBI Circular No. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated 15th January, 2021 and SEBI/HO/DDHS/P/CIR/2022/0063 dated 13th May, 2022, Notice of the AGM along with the Annual Report is being sent only through electronic mode to those members whose Email ID are registered with the Company / Depositories. Members may note that the Notice and Annual Report will also be available on the Company’s website www.alembiclimited.com, website of stock exchanges i.e. BSE Limited at www.bseindia.com and National Stock Exchange of India Limited at www.nseindia.com and on the website of National Securities Depository Limited (“NSDL”) at www.evoting.nsdl.com.
4. Members attending the AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
5. An explanatory statement, pursuant to section 102(1) of the Companies Act, 2013 (“Act”) relating to business set out at item no. 3 to 8 of the accompanying Notice are annexed hereto.
6. The details of the Director seeking re-appointment at the AGM, pursuant to the provisions of Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations, 2015”), para 1.2.5 of the Secretarial Standards on General Meetings (SS-2) and other applicable provisions are provided in Annexure – A to this Notice.
7. All documents referred to in the Notice will also be available electronically for inspection without any fee by the members from the date of circulation of this Notice up to the date of AGM. Members seeking to inspect such documents can send a request to the Company at alembic.investors@alembic.co.in from their registered Email ID mentioning their name, DP ID and Client ID / Folio No., PAN and Mobile No.

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8. The Company has fixed Tuesday, 13th September, 2022 as the “record date” for determining the eligibility of Members to receive the dividend for the financial year ended 31st March, 2022, if approved at the AGM.
9. The dividend when sanctioned will be made payable on or before 23rd September, 2022, electronically through various online transfer modes to those members who have updated their bank account details. For members who have not updated their bank account details, dividend warrants / demand drafts / cheques will be dispatched to their registered addresses. To avoid delay in receiving the dividend, members are requested to update their bank details by following the process mentioned at point no. 14 below.
10. In accordance with the prevailing provisions of the Income Tax Act, 1961, the Company is required to deduct tax at source (TDS) at the prescribed rates on the dividend paid to its shareholders. The TDS rate would vary depending on the residential status of the shareholder and the documents submitted by them and accepted by the Company. Therefore, the members are requested to update their PAN and upload applicable documents to avoid deduction of tax at higher rate by complying with the process mentioned herein under.

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

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

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

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

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

| Date of Declaration of Dividend | Dividend for Financial Year | Proposed Month and Year of transfer to IEPF |
|----------------------------------|-----------------------------|---|
| 12 th July, 2015 | 2014-15 | September, 2022 |
| 10 th July, 2016 | 2015-16 | September, 2023 |
| 28 th July, 2017 | 2016-17 | September, 2024 |
| 3 rd August, 2018 | 2017-18 | September, 2025 |
| 27 th September, 2019 | 2018-19 | October, 2026 |
| 7 th August, 2020 | 2019-20 | September, 2027 |
| 6 th August, 2021 | 2020-21 | September, 2028 |

12. All the work related to share registry in terms of both physical and electronic, are being conducted by LI IPL at B-102 & 103, Shangrila Complex, First Floor, Opp. HDFC Bank, Near Radhakrishna Char Rasta, Akota, Vadodara - 390 020, Tel: +91 265 2356573 | 6136000, Email ID: vadodara@linkintime.co.in. The members are requested to send their communication to the aforesaid address.
13. Additionally, the Company has designated an exclusive Email Id: alembic.investors@alembic.co.in for redressal of Shareholders’ / Investors’ complaints / grievance. In case you have any queries, complaints or grievances, then please write to us at the above mentioned Email Id.
14. Process for registration / updation, pertaining to the name, postal address, Email ID, telephone/mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, bank details such as name of the bank and branch details, bank account number, MICR code, IFSC code, etc.:

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- i. In case shares are held in physical mode, members are requested to submit their service requests in the formats prescribed under SEBI Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2021/655 dated 3rd November, 2021. The form(s) are available on the website of the Company at <https://alembiclimited.com/index.html#forms> and on the website of LIIPL at <https://linkintime.co.in/home-KYC.html>.
 - ii. In case shares are held in electronic mode, members are requested to update details with their respective Depository Participants.
15. Members may please note that SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/8 dated 25th January, 2022 has mandated the listed companies to issue securities in dematerialized form only while processing various service requests, as prescribed therein.

Accordingly, Members are requested to make service requests by submitting the applications in the formats prescribed vide the referred circular. The formats are available on the Company's website at <https://www.alembiclimited.com/#forms> and on the website of LIIPL at <https://linkintime.co.in/home-KYC.html>. It may be noted that any service request can be processed only after the folio is KYC Compliant.

16. Voting through Electronic Means and Declaration of Results:

Pursuant to the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 and Regulation 44 of the SEBI Listing Regulations, 2015 and in terms of SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 9th December, 2020 in relation to e-Voting facility provided by Listed Companies, the Company is pleased to provide its members the facility of casting votes electronically ("remote e-Voting"), through the e-Voting services provided by NSDL on all the resolutions set forth in this Notice.

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

- (i) Notice Board of the Company at its Registered Office;
- (ii) Company's website www.alembiclimited.com;
- (iii) NSDL's website www.evoting.nsdl.com; and
- (iv) Stock Exchanges' website www.nseindia.com and www.bseindia.com.

The instructions for casting your vote electronically are as under:

- (i) The remote e-Voting period begins on 17th September, 2022 (9:00 a.m. IST) and ends on 19th September, 2022 (5:00 p.m. IST). During this period, members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 13th September, 2022 may cast their vote electronically. The remote e-Voting module shall be disabled by NSDL for voting thereafter. Members have the option to cast their vote on any of the resolutions using the remote e-voting facility either during the aforesaid voting period or during the AGM.

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

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

- (ii) The members who have cast their votes through remote e-Voting prior to the AGM may also attend / participate in the AGM through VC / OAVM but shall not be entitled to cast their vote again.
- (iii) Those members, who will be present in the AGM through VC / OAVM and have not casted their vote through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting facility during the AGM.

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- (iv) M/s. Samdani Shah & Kabra, Practising Company Secretaries, Vadodara has been appointed as the Scrutinizer to scrutinize the e-Voting process in a fair and transparent manner.
- (v) The details of the process and manner for remote e-Voting and e-Voting during the AGM are as under:

Step I: Access to NSDL e-Voting system:

A. Login method for e-Voting for Individual shareholders holding securities in demat mode:

In terms of SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and Email ID in their demat accounts in order to access e-Voting facility.

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

| Type of shareholders | Login Method |
|---|---|
| Individual Shareholders holding securities in demat mode with NSDL. | <ol style="list-style-type: none"> 1. Existing IDeAS user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section , this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period. 2. If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS Portal" or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period. 4. Shareholders/Members can also download NSDL Mobile App "NSDL Speede" facility by scanning the QR code mentioned below for seamless voting experience. <p style="text-align: center;">NSDL Mobile App is available on</p> <div style="display: flex; justify-content: center; gap: 20px;"> <div style="text-align: center;">  </div> <div style="text-align: center;">  </div> </div> <div style="display: flex; justify-content: center; gap: 20px; margin-top: 10px;">   </div> |

Notice

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|--|---|
| Individual Shareholders holding securities in demat mode with CDSL | <ol style="list-style-type: none"> Existing users who have opted for Easi / Easiest, can login through their User ID and Password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on New System Myeasi. After successful login of Easi / Easiest the user will be also able to see the e-Voting Menu. The Menu will have links of e-Voting service provider i.e. NSDL. Click on NSDL to cast your vote. If the user is not registered for Easi / Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the demat account. After successful authentication, user will be provided links for the respective ESP i.e. NSDL where the e-Voting is in progress. |
| Individual Shareholders (holding securities in demat mode) login through their depository participants | You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. Upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. |

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

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

| Login type | Helpdesk details |
|--|---|
| Individual Shareholders holding securities in demat mode with NSDL | Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800-22-44-30 |
| Individual Shareholders holding securities in demat mode with CDSL | Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022- 23058738 or 022-23058542-43 |

B. Login Method for Shareholders other than Individual Shareholders holding securities in demat mode and Shareholders holding securities in physical mode:

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

- Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
- Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member/Creditor' section.
- A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

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4. Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

5. Your User ID details are given below:

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

6. Password details for shareholders other than Individual shareholders are given below:

- If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
- If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
- How to retrieve your 'initial password'?
 - If your Email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your Email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
 - If your Email ID is not registered, please follow steps mentioned below in **process for those shareholders whose Email IDs are not registered.**

7. If you are unable to retrieve or have not received the "initial password" or have forgotten your password:

- Click on "**Forgot User Details/Password?**" (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
- Click on "**Physical User Reset Password?**" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
- If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name, your registered address and such other documents required by NSDL etc.
- Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.

8. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.

9. Now, you will have to click on "Login" button.

10. After you click on the "Login" button, Home page of e-Voting will open.

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

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

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select "EVEN 121146" of the Company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the AGM. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join General Meeting".
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
5. Upon confirmation, the message "Vote cast successfully" will be displayed and you will receive a confirmation by way of a SMS on your registered mobile number from depository.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

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

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

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

Members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in this Notice.
- ii. Facility of joining the AGM through VC / OAVM shall open 15 minutes before the time scheduled for the AGM and will be available for Members on first come first served basis. Members who would like to express their views or ask questions during the AGM may register themselves as a speaker by sending their request from their registered Email ID mentioning their name, DP ID and Client ID / Folio No., PAN, Mobile No. to the Company at alembic.investors@alembic.co.in from 12th September, 2022 to 16th September, 2022. Those Members who have registered themselves as a speaker will only be allowed to express their views / ask questions during the AGM. Further, Members who would like to have their questions / queries responded to during the AGM, are requested to send such questions / queries in advance within the aforesaid date, by following similar process as mentioned above. The Company reserves the right to restrict the number of questions and number of speakers, as appropriate for smooth conduct of the AGM.

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iii Members who need assistance before or during the AGM, can contact Ms. Pallavi Mhatre, Manager, NSDL on evoting@nsdl.co.in / 1800-1020-990 and 1800-224-430.

18. Recommendation to the Members:

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

Registered Office:

Alembic Road, Vadodara - 390 003
Tel: +91 265 2280550
Web: www.alembiclimited.com
Email ID: alembic.investors@alembic.co.in
CIN: L26100GJ1907PLC000033

Date: 10th August, 2022
Place: Vadodara

By Order of the Board,

Sd/-

Drigesh Mittal
Company Secretary

Notice

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

Item No. 3

Pursuant to the provisions of Section 152(6) of the Act, minimum two third of the total number of directors, excluding Independent Director, shall be the directors who are liable to retire by rotation and one third of such directors who are liable to retire by rotation shall retire at every AGM. Accordingly, Mr. Chirayu Amin (DIN: 00242549), shall retire by rotation at this AGM and he, being eligible, offers himself for reappointment.

The Company had taken approval of members by way of a special resolution at the 114th Annual General Meeting held on 6th August, 2021 for continuation of directorship of Mr. Chirayu Amin as Non-Executive Non-Independent Director in terms of Regulation 17 (1A) of the SEBI Listing Regulations, 2015, after his attaining the age of 75 years on 4th December, 2021.

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

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

None of the Directors, Key Managerial Personnel and relatives thereof, other than Mr. Chirayu Amin, Mrs. Malika Amin, Mr. Udit Amin, and their relatives are concerned or interested, financially or otherwise in the resolution at Item No. 3 of this Notice.

Item No. 4

Pursuant to the provisions of Sections 139 and 141 of the Act and Rules made thereunder, at the 110th AGM of the Company held on 28th July, 2017, the Members appointed M/s. CNK & Associates LLP, Chartered Accountants (Firm Registration No. 10196W), as Statutory Auditors of the Company, for a period of five years from the conclusion of the 110th AGM till the conclusion of the 115th AGM. In terms of provisions of Section 139(2) of the Act, M/s. CNK & Associates LLP, Chartered Accountants are eligible for re-appointment as Statutory Auditors of the Company for a second term of five years.

The Board of Directors at its meeting held on 5th May, 2022, on the recommendation of the Audit Committee, approved the re-appointment of M/s. CNK & Associates LLP, Chartered Accountants, as the Statutory Auditors of the Company to hold office for a term of 5 (five) years from the conclusion of this 115th AGM till the conclusion of the 120th AGM for the financial year 2026-27.

Pursuant to the provisions of Section 139 of the Act and Rule 4 of the Companies (Audit and Auditors) Rules, 2014, the Company obtained written consent and certificate from the M/s. CNK & Associates LLP, certifying that their appointment, if made, would be in compliance with the conditions prescribed by Section 141 of the Act and the applicable provisions of the referred Rules. The M/s. CNK & Associates LLP have confirmed that they are not disqualified to be reappointed as Statutory Auditors in terms of the provisions of Sections 139 and 141 of the Act and the Rules made thereunder and the SEBI Listing Regulations, 2015.

Proposed Fee: Fixed Remuneration for Statutory Audit (including limited review) shall be ₹ 9.50 Lacs plus applicable taxes, travelling and other out-of-pocket expenses incurred by them in connection with the statutory audit of the Company for the financial year 2022-23. The proposed fee is based on knowledge, expertise and industry experience possessed by them. The proposed fee is also in line with the industry benchmarks. The fees for any other professional work including certifications will be in addition to the audit fee as mentioned above and will be decided by the management in consultation with the Auditors. The Board of Directors are authorized to fix the remuneration for the remaining tenure of their appointment in consultation with the Audit Committee.

Credentials

M/s. CNK & Associates LLP, Chartered Accountants is established in 1936 and headquartered in Mumbai, India, with branches in Vadodara, Chennai, Bengaluru and associate firms in Ahmedabad, Gandhinagar (GIFT City) and Delhi. It also has overseas offices in Dubai and Sharjah through which they service clients in the Middle Eastern region. It has large client base spanning Indian business, listed companies and multinationals in India across sectors. They have vast experience of Audit & Assurance and related area of

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services in various sectors like manufacturing, information technology, logistics, chemicals, health, etc. The firm is regularly Peer Reviewed and holds a valid Peer Review Certificate issued by the Institute of Chartered Accountants of India. The firm has an experience in Indian GAAP, IFRS and US GAAP led by expert partners and Directors.

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

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

Item No. 5

Shreno Limited is a 'Related Party' within the meaning of Regulation 2(1)(zb) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015 ('SEBI Listing Regulations, 2015') and Section 2(76) of the Companies Act, 2013 ('Act'). Hence, the contracts, agreements, arrangements and transactions with Shreno Limited falls under the category of Related Party Transactions ('RPT') in terms of the Regulation 23 of SEBI Listing Regulations, 2015 and provisions of Section 188 of the Act and rules framed thereunder.

The Company and Shreno Limited own land parcels at certain locations in Vadodara, Gujarat adjoining / in close vicinity to each other. Hence in order to achieve judicious mixed used development on such land parcels, it would be expedient for both the entities to carry out development in mutual consultation / co-ordination on such land parcels with joint approvals from any regulatory authorities as may be required from time to time. Hence, the Company may enter into various contracts, arrangements, agreements and transactions from time to time in the ordinary course of business and on arm's length basis with Shreno Limited inter-alia for (i) buying or selling or leasing immovable property; (ii) entering into Agreements for Transfer of Development Right / Floor Space Index (FSI); (iii) entering into Agreements for joint development of projects on revenue sharing / area sharing / profit sharing basis; (iv) entering into Project Management Consultancy Agreement; (v) granting of loans, advances and providing guarantee; (vi) availing or rendering of services; and (vii) reimbursement of expenses.

In accordance with the provisions of Regulation 23(1) of SEBI Listing Regulations, 2015, a transaction with a related party shall be considered material, if the transaction(s) to be entered into individually or taken together with previous transactions during a financial year, exceeds ₹ 1,000 Crore or 10% of the annual consolidated turnover of the listed entity as per the last audited financial statements of the listed entity, whichever is lower. Ten percent of the annual consolidated turnover of the Company as per its latest audited financial statements for the financial year 2021-22 is ₹ 7.82 crores. Further, in terms of Regulation 23(4) of SEBI Listing Regulations, 2015, effective from 1st April, 2022, all Material Related Party Transaction shall require prior approval of shareholders by means of an ordinary resolution. The approval of the shareholders under Regulation 23 of the SEBI Listing Regulations, 2015 is required even if the transactions are in the ordinary course of business and at an arm's length basis.

The details of transactions entered into by the Company with Shreno Limited during the previous two financial years i.e. FY. 2021-22 and FY. 2020-21, is given below:

(₹ in Lacs)

| Sr. No. | Nature of transactions | F.Y. 2021-22 | F.Y. 2020-21 |
|---------|------------------------|---------------|---------------|
| 1. | Rendering of Services | 519.48 | 272.28 |
| 2. | Purchase of Goods | 1.08 | - |
| | TOTAL | 520.56 | 272.28 |

Since the transactions entered into / proposed to be entered into with Shreno Limited may exceed the threshold of 10% of the annual consolidated turnover of the Company, it will be classified as a material related party transaction and hence approval of the Members is sought as per the requirements of Regulation 23 of the SEBI Listing Regulations, 2015.

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Details of the proposed transactions (including information required to be provided in terms of the SEBI circular dated 22nd November, 2021) are as follows:

| Sr. No. | Description | Details |
|-----------|--|--|
| 1. | Details of Summary of information provided by the management to the Audit Committee and the Board | |
| a. | Name of the related party and its relationship with the listed entity or its subsidiary, including nature of its concern or interest (financial or otherwise) | Shreno Limited is a Public Limited Company in which Mr. Chirayu Amin and Mr. Udit Amin are Directors and holds majority shareholding jointly with other family members. |
| b. | Type of transaction | <ul style="list-style-type: none"> i. buying or selling or leasing of immovable property; ii. entering into agreements for Transfer of Development Right/ Floor Space Index (FSI); iii. entering into Agreements for joint development of projects on revenue sharing / area sharing / profit sharing basis; iv. entering into Project Management Consultancy Agreement; v. granting of loans, advances and providing guarantee; vi. availing or rendering of services; and vii. reimbursement of expenses. |
| c. | Material terms and particulars of the proposed transaction | The Company has entered / proposes to enter into contracts / arrangements / agreements / transactions with Shreno Limited for the above mentioned purpose on arm's length basis and in the ordinary course of business. |
| d. | Tenure of the proposed transaction | Approval is sought for material RPTs undertaken / proposed to be undertaken by the Company till the date of next Annual General Meeting. |
| e. | Value of the proposed transaction | The cumulative value of all transactions with Shreno Limited shall not exceed ₹ 30 Crore p.a. |
| f. | The percentage of the listed entity's annual consolidated turnover, for the immediately preceding financial year, that is represented by the value of the proposed transaction | 38.35% |
| 2. | Justification as to why the RPT is in the interest of the Company | <p>In the ordinary course of business, the Company has / may enter into RPTs pertaining to buying / selling / leasing immovable properties / management services / reimbursement of overheads etc. to have the optimum utilization of available resources within the group. These transactions are / will be carried out on arm's length basis or cost plus mark-up as applicable to third party.</p> <p>The Company and Shreno Limited own land parcels at certain locations in Vadodara, Gujarat adjoining / in close vicinity to each other. Hence in order to achieve judicious mixed used development on such land parcels, it would be expedient for both the entities to carry out development in mutual consultation / co-ordination on such land parcels with joint approvals from any regulatory authorities as may be required from time to time.</p> |

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| | | These transactions are normal business operations and are envisaged commercially prudent and in the best interest of the parties. The said transactions are necessitated because of the nature of business of the Company. |
| 3. | If the transaction relates to any loans, intercorporate deposits, advances or investments made or given by the listed entity or its subsidiary | |
| a. | details of the source of funds in connection with the proposed transaction | Internal accrual / Debt |
| b. | where any financial indebtedness is incurred to make or give loans, inter-corporate deposits, advances or investments, a. nature of indebtedness; b. cost of funds; and c. tenure | Currently there is no financial indebtedness that is incurred to make and give loans, ICDs, advances and investments. However, the Company may incur indebtedness if the same is commercially prudent for the Company to incur considering the commercial objectives of the Company as may be thought appropriate by the Board of Directors. |
| c. | applicable terms, including covenants, tenure, interest rate and repayment schedule, whether secured or unsecured; if secured, the nature of security | The loan / advances shall be in the nature of unsecured loan and repayable on demand. Interest rate will depend on the prevailing market rates ranging from 8% to 12% p.a. as may be commercially agreed between the parties. |
| d. | the purpose for which the funds will be utilized by the ultimate beneficiary of such funds pursuant to the RPT | For the purpose of transactions as mentioned at Point No. 1 (b) (iii) & (iv) mentioned above. |
| 4. | Percentage of the counter-party's annual consolidated turnover that is represented by the value of the proposed RPT on a voluntary basis; | 32.15% |
| 5. | Any other information that may be relevant | <p>The proposed material RPTs are envisaged as an enabling approval.</p> <p>Since the above transactions are futuristic in nature and cannot be foreseeable for any particular term, it may not be possible for the Company to ascribe an explicit monetary value to each of such transactions at this juncture. However, the maximum value of the aforesaid RPTs will not exceed the amount specified in this table.</p> <p>Further, specific approval of the Audit Committee and/ or Board, wherever required, is / shall be obtained in terms of the provisions of the Act and SEBI Listing Regulations, 2015 (including compliance with independent valuation requirements where consider appropriate by the Board) before undertaking the RPT.</p> |

The Audit Committee and the Board of Directors of the Company in their respective meetings held on 10th August, 2022, accorded their approval for seeking and enabling approval of the members to the proposed material related party transactions as set out in the Item No. 5 of this Notice.

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

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None of the other Directors and Key Managerial Personnel or their relatives other than Mr. Chirayu Amin, Mrs. Malika Amin and Mr. Udit Amin are in any way concerned or interested in the resolution. However, in accordance with the provisions of Regulation 23(4) of the SEBI Listing Regulations, 2015, the resolution above, being a resolution for approval of material related party transaction, all related parties (including the above) shall not vote to approve such resolution.

Item No. 6

Alembic Pharmaceuticals Limited ('APL') is a listed company and an associate company of Alembic Limited and a related party within the meaning of Regulation 2(1)(zb) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015 ('SEBI Listing Regulations, 2015') and Section 2(76) of Companies Act, 2013 ('Act'). Hence, the contracts, arrangements, agreements and transactions with APL falls under the category of Related Party Transactions ('RPT' in terms of the Regulation 23 of SEBI Listing Regulations, 2015 and provisions of Section 188 of the Act and rules framed thereunder.

The Company had entered into various contracts, arrangements, agreements and transactions from time to time in the ordinary course of business and on arm's length basis with APL as per the Act and Regulation 23 of SEBI Listing Regulations, 2015 and in compliance with the Company's Policy on Related Party Transactions and Manner of Dealing with Related Party Transactions ("RPT Policy") inter-alia for supply / job work / purchase of goods including active pharmaceutical ingredients ('API'), excipients and spent solvents, providing various premises on leave and license / lease basis, receipt of dividend from investment in securities of APL and reimbursement of expenses.

In accordance with the provisions of Regulation 23(1) of SEBI Listing Regulations, 2015, a transaction with a related party shall be considered material, if the transaction(s) to be entered into individually or taken together with previous transactions during a financial year, exceeds ₹ 1,000 Crore or 10% of the annual consolidated turnover of the listed entity as per the last audited financial statements of the listed entity, whichever is lower. Ten percent of the annual consolidated turnover of the Company as per its latest audited financial statements for the financial year 2021-22 is ₹ 7.82 crores. Further, in terms of Regulation 23(4) of SEBI Listing Regulations, 2015, effective from 1st April, 2022, all Material Related Party Transaction shall require prior approval of shareholders by means of an ordinary resolution. The approval of the shareholders under Regulation 23 of the SEBI Listing Regulations, 2015 is required even if the transactions are in the ordinary course of business and at an arm's length basis.

The details of transactions entered into by the Company with APL during the previous two financial years i.e. F.Y. 2021-22 and F.Y. 2020-21, are given below:

(₹ in Lacs)

| Sr. No. | Nature of transactions | F.Y. 2021-22 | F.Y. 2020-21 |
|---------|--|------------------|-----------------|
| 1. | Supply / job work / purchase of goods including active pharmaceutical ingredients ('API'), excipients and spent solvents | 2,394.11 | 2,498.81 |
| 2. | Providing various premises on leave and license/lease basis | 1,006.14 | 925.58 |
| 3. | Receipt of dividend from investment in securities of APL | 7,817.11 | - |
| 4. | Reimbursement of expenses | 89.91 | 334.74 |
| | TOTAL | 11,307.27 | 3,759.13 |

The Company had earlier obtained approval of the Members by way of Postal Ballot on 21st March, 2019 for a duration of 5 years. However, the Securities Exchange Board of India vide its circular no. SEBI/HO/CFD/CMD1/CIR/P/2022/47 dated 8th April, 2022 ('SEBI Circular'), provided that in case of omnibus approval for material related party transactions obtained from shareholders in general meeting other than Annual General Meeting ('AGM'), the validity of such approval shall not exceed one year. In order to comply with SEBI Listing Regulations, 2015, SEBI Circular, the Act, rules made thereunder and the policy of the Company in this regard, the material related party transaction entered into / to be entered into with APL till the date of next AGM will require approval of Audit Committee and Board of Directors.

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Details of the proposed transactions (including information required to be provided in terms of the SEBI circular dated 22nd November, 2021) are as follows:

| I. Details of Summary of information provided by the management to the Audit Committee and the Board | | |
|---|--|---|
| a. | Name of the related party and its relationship with the listed entity or its subsidiary, including nature of its concern or interest (financial or otherwise) | Alembic Pharmaceuticals Limited is an Associate of the Company in which Mr. Chirayu Amin is Chairman & CEO and holds majority shareholding jointly with other family members and other promoter group entities. |
| b. | Type of transaction | <p>i. supply / job work / purchase of goods including active pharmaceutical ingredients ('API'), excipients and spent solvents (not exceeding ₹ 40 Crores);</p> <p>ii. providing various premises on leave and license/lease basis (not exceeding ₹ 15 Crores);</p> <p>iii. receipt of dividend* from investment in securities of APL (As may be decided by the Board and shareholders of APL); and</p> <p>iv. reimbursement of expenses (not exceeding ₹ 8 Crores).</p> <p>* Receipt of dividend from investments held in APL, is a non-discretionary transaction for the Company. Dividend is recommended and declared by APL for all its shareholders, including the Company and the Company and its Board has no role in the matter. However, since the definition of RPT includes transfer of resources, the same has been put up for member's approval.</p> |
| c. | Material terms and particulars of the proposed transaction | The Company has entered / proposes to enter into contracts / arrangements / agreements / transactions with APL for the above mentioned purpose for a cumulative value not exceeding ₹ 63 Crore p.a. excluding dividend receipt which is not in the control of the Company. The value / consideration for each transaction shall be determined mutually between the parties depending upon the process / product involved / location of premises and shall be on arm's length basis considering the prevailing market conditions and in the ordinary course of business. |
| d. | Tenure of the proposed transaction | Approval is sought for material RPTs undertaken / proposed to be undertaken till the date of next AGM. |
| e. | Value of the proposed transaction | The cumulative value of all transactions with APL shall not exceed ₹ 63 Crore p.a. excluding dividend receipt which is not in the control of the Company. |
| f. | The percentage of the listed entity's annual consolidated turnover, for the immediately preceding financial year, that is represented by the value of the proposed transaction | 80.54 % |

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|----|---|--|
| 2. | Justification as to why the RPT is in the interest of the Company | <p>The Company and APL have legacy transactions and inter dependencies as the APL was formed as result from demerger from the Company.</p> <p>The Company has entered into various related party transactions with APL on regular basis and all such transactions are on arm's length basis and in the ordinary course of business.</p> <p>Transactions like receipt of dividend are non-discretionary transactions as dividend is declared by APL for all its shareholders, including the Company.</p> <p>The Company had taken approval of the members of the Company by way of Postal Ballot on 21st March, 2019 for a duration of 5 years. However, considering the recent amendments from SEBI which provided that in case of omnibus approval for material related party transactions obtained from shareholders in general meeting other than Annual General Meeting ('AGM'), the validity of such approval shall not exceed one year, the Company is required to take fresh approval from the members in the ensuing AGM.</p> <p>Therefore, the said related party transactions are in the interest of the Company.</p> |
| 3. | If the transaction relates to any loans, intercorporate deposits, advances or investments made or given by the listed entity or its subsidiary | Not Applicable |
| 4. | Percentage of the counter-party's annual consolidated turnover that is represented by the value of the proposed RPT on a voluntary basis; | 1.19% |
| 5. | Any other information that may be relevant | Not Applicable |

The Audit Committee and the Board of Directors of the Company in their respective meetings held on 10th August, 2022, accorded their approval for seeking an enabling approval of the members to the proposed material related party transactions as set out in the resolution at Item No. 6 of this Notice.

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

None of the other Directors and Key Managerial Personnel or their relatives other than Mr. Chirayu Amin, Mrs. Malika Amin and Mr. Udit Amin are in any way concerned or interested in the resolution. However, in accordance with the provisions of Regulation 23(4) of the SEBI Listing Regulations, 2015 the resolution above, being a resolution for approval of material related party transaction, all related parties (including the above) shall not vote to approve such resolution.

Item No. 7 & 8

The Company had obtained approval from its members by way of a Special Resolution passed at the 111th AGM held on 7th August, 2018 enabling the Board of Directors to pay commission of upto 3% (three percent) of the net profits of the Company, computed in accordance with the mechanism provided under Section 198 of the Act to Mr. Udit Amin, (DIN: 00244235), Non-Executive Director for a period of 5 years w.e.f. the financial year ending 31st March, 2018 and upto the financial year ending 31st March, 2022.

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

Notice

Mr. Udit Amin's substantial involvement, expertise and experience across a wide spectrum of functional areas has contributed significantly to the growth of the Company. In order to remunerate Mr. Udit Amin for the responsibilities entrusted upon him, upon recommendation of the Nomination and Remuneration Committee, it was proposed by the Board of Directors to obtain approval from the members for payment of commission for a further period of five years commencing from financial year 2022-23 upto financial year 2026-27 in the manner given hereunder.

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

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

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

The Board of Directors recommends the resolution at Item No. 7 & 8 of this Notice for your approval.

None of the Directors, Key Managerial Personnel and relatives thereof, other than Mr. Chirayu Amin, Mrs. Malika Amin, Mr. Udit Amin and their relatives have any concern or interest, financial or otherwise, in the resolution at Item No. 7 & 8 of this Notice.

Registered Office:

Alembic Road, Vadodara - 390 003

Tel: +91 265 2280550

Web: www.alembiclimited.com

Email ID: alembic.investors@alembic.co.in

CIN: L26100GJ1907PLC000033

Date: 10th August, 2022

Place: Vadodara

By Order of the Board,

Sd/-

Drigesh Mittal
Company Secretary

Notice

Annexure – A

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

| | |
|--|--|
| Name of the Director | Mr. Chirayu Amin |
| Age | 75 Years |
| Qualifications | B.Sc. & M.B.A |
| Experience | 54 Years |
| Terms and Conditions of appointment or re-appointment | Not Applicable |
| Nature of expertise in specific functional areas | Management and Leadership |
| Date of first appointment on to the Board | 20/08/1967 |
| Directorship in other companies as on 31 st March, 2022 | 1. Alembic Pharmaceuticals Limited 2. Paushak Limited 3. Shreno Limited 4. Nirayu Limited |
| Name of the Listed Entities from which he resigned in the past three years | 1. Elecon Engineering Company Limited |
| Chairmanship / Membership of Committees of other Board | Alembic Pharmaceuticals Limited <ul style="list-style-type: none"> • Member of Nomination and Remuneration Committee • Chairman of Corporate Social Responsibility Committee Paushak Limited <ul style="list-style-type: none"> • Member of Nomination and Remuneration Committee Shreno Limited <ul style="list-style-type: none"> • Member of Nomination and Remuneration Committee • Chairman of Stakeholders Relationship Committee • Chairman of Corporate Social Responsibility Committee Nirayu Limited <ul style="list-style-type: none"> • Chairman of Corporate Social Responsibility Committee |

For other details such as number of meetings of the Board attended during the year, remuneration drawn, no. of shares held in the Company as on 31st March, 2022 and relationship with other Directors, Manager and Key Managerial Personnel in respect of above Director please refer Corporate Governance Report which is part of this Annual Report.

BOARD'S REPORT

Dear Members,

Your Directors have pleasure in presenting their 115th Annual Report together with the Audited Statement of Accounts for the year ended on 31st March, 2022.

① Operations and State of Affairs of the Company:

(₹ in Lakhs)

| Particulars | For the Year ended | |
|---|--------------------|---------------|
| | 2022 | 2021 |
| Profit for the year before Interest, Depreciation and Tax | 10,201 | 2,070 |
| Adjusting therefrom: | | |
| Interest (net) | 23 | 27 |
| Depreciation | 450 | 391 |
| Provision for deferred tax liabilities | 21 | 31 |
| Provision for current tax | 1,135 | 284 |
| Profit for the year | 8,571 | 1,336 |
| Add: | | |
| Balance brought forward from previous year | 18,555 | 18,753 |
| Total amount available for Appropriations | 27,126 | 20,089 |
| Other Appropriations | 20 | (6) |
| Less: | | |
| Dividend paid on Equity Shares during the year | 514 | 1,541 |
| Transfer to General Reserve | 2,000 | - |
| Balance carried forward to next year's accounts | 24,593 | 18,555 |

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

② Transfer to General Reserve:

The Company has transferred an amount of ₹ 20.00 Crore to General Reserve out of its net profits for the financial year ended 31st March, 2022.

③ Dividend:

The Board of Directors at their meeting held on 5th May, 2022 has recommended Dividend of ₹ 1.80/- (i.e. 90%) per equity share having face value ₹ 2/- each for the financial year ended 31st March, 2022 as against ₹ 0.20/- (i.e. 10%) per equity share having face value ₹ 2/- each for the financial year ended 31st March, 2021.

④ Management Discussion and Analysis Report:

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

⑤ Subsidiaries, Associates and Joint Ventures:

A statement containing the salient features of the financial statements of subsidiary and associate companies, as per Section 129(3) of the Act, is part of the consolidated financial statements.

In accordance with third proviso of Section 136(1) of the Act, the Annual Report of the Company, containing therein its standalone and the consolidated financial statements has been placed on the website of the Company, www.alembiclimited.com. Further, as per fourth proviso of the said section, audited annual accounts of the subsidiary company has also been placed on the website of the Company. Shareholders interested in obtaining a physical copy of the audited annual accounts of the subsidiary company may write to the Company Secretary requesting for the same.

⑥ Directors:

In accordance with the provisions of Section 152 and other applicable provisions, if any, of the Act and the Articles of Association of the Company, Mr. Chirayu Amin, Non-Executive Chairman of the Company, will retire by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment.

During the year under review, the Board of Directors, based on the recommendation of Nomination and Remuneration Committee, approved the re-appointment of Mrs. Malika Amin as the Managing Director and CEO of the Company, subject to member's approval by way of a Special Resolution. Further, the Company has sought approval of the members for re-appointment of Mrs. Malika Amin as the Managing Director and CEO of the Company for a term of five (5) consecutive years w.e.f. 1st February, 2022 to 31st January, 2027, vide Postal Ballot Notice dated 12th April, 2022.

7 Key Managerial Personnel:

Mrs. Malika Amin, Managing Director and CEO, Mr. Rasesh Shah, CFO and Mr. Drigesh Mittal, Company Secretary are Key Managerial Personnel of the Company.

8 Meetings of the Board:

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

9 Independent Directors:

The Company has received declarations / confirmations from all the Independent Directors of the Company as required under Section 149(7) of the Act read with Rule 6 of the Companies (Appointment and Qualifications of Directors) Rules, 2014 and Regulation 25(8) of the SEBI Listing Regulations, 2015.

10 Performance Evaluation:

Pursuant to the provisions of the Act, SEBI Listing Regulations, 2015 and Nomination and Remuneration Policy of the Company, the Nomination and Remuneration Committee ("NRC") and the Board has carried out the annual performance evaluation of the Board, its Committees and individual Directors by way of individual and collective feedback from Directors. The Independent Directors have also carried out annual performance evaluation of the Chairperson, the non-independent directors and the Board as a whole. Structured questionnaires covering the evaluation criteria laid down by the NRC, prepared after taking into consideration inputs received from Directors, were used for carrying out the evaluation process.

The Directors expressed their satisfaction with the evaluation process.

11 Audit Committee:

The Audit Committee consists of Independent Directors with Mr. C. P. Buch as Chairman and Mr. Sameer Khara and Mr. Mayank Amin as members. The Committee inter alia reviews the Internal Control System, Reports of Internal Auditors, Key Audit Matters presented by the Statutory Auditors and compliance of various regulations. The Committee also reviews the financial statements before they are placed before the Board of Directors.

12 Vigil Mechanism/Whistle Blower Policy:

Pursuant to the provisions of Section 177(9) & (10) of the Act and the applicable provisions of SEBI Listing Regulations, 2015, a Vigil Mechanism or Whistle Blower Policy for directors, employees and other stakeholders to report genuine concerns has been established. The same is also uploaded on the website of the Company and the web-link as required under SEBI Listing Regulations, 2015 is as under:
<https://www.alembiclimited.com/policy/AL-Whistle%20Blower%20Policy.pdf>

13 Internal Control Systems:

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

14 Corporate Social Responsibility:

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

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

15 Policy on Nomination and Remuneration:

In compliance with the requirements of Section 178 of the Act and Regulation 19 of the SEBI Listing Regulations, 2015, the Company has laid down a Nomination and Remuneration Policy which has been uploaded on the Company's website. The web-link as required under the Act is as under:

<https://www.alembiclimited.com/policy/AL-NRC%20Policy.pdf>

The salient features of the NRC Policy are as under:

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

16 Dividend Distribution Policy:

In compliance with the requirements of Regulation 43A of the SEBI Listing Regulations, 2015, the Company has laid down a

BOARD'S REPORT

Dividend Distribution Policy, which has been uploaded on the Company's website. The web-link as required under SEBI Listing Regulations, 2015 is as under:

<https://www.alembiclimited.com/policy/AL-Dividend%20Distribution%20Policy.pdf>

17 Related Party Transactions:

Related party transactions entered into during the financial year were on arm's length basis and were in ordinary course of business. In accordance with the approval obtained from the members, the Company has entered into transactions with the related party as mentioned in Note No. 34(D) of Standalone Financial Statements. However, there are no related party transactions made by the Company which may have potential conflict with the interest of the Company.

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

The Board has approved a policy for related party transactions which has been uploaded on the Company's website. The web-link as required under SEBI Listing Regulations, 2015 is as under:

<https://www.alembiclimited.com/policy/AL-RPT%20Policy.pdf>

18 Corporate Governance Report:

The Report on Corporate Governance as stipulated under Regulation 34 read with Schedule V of the SEBI Listing Regulations, 2015 forms part of this Annual Report.

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

19 Business Responsibility Report:

The Business Responsibility Report as required under Regulation 34 of SEBI Listing Regulation, 2015 forms part of this Annual Report.

20 Listing of shares:

The equity shares of the Company are listed on BSE Limited (BSE) and National Stock Exchange of India Limited (NSE) with security ID/symbol of ALEMBICLTD. The ISIN for equity shares is INE426A01027. The Company confirms that the annual listing fees to both the stock exchanges for the financial year 2022-23 have been paid.

21 Loans, Guarantee or Investments:

During the year under review, the Company has granted Loans, given Guarantees and made investments in compliance with the provisions of Section 186 of the Act read with Companies (Meetings of Board and its Powers) Rules, 2014. The details of the same are provided in the Standalone Financial Statements as follows: loan (inter-corporate deposit) - Note No. 13; Corporate Guarantee – Para III (a) of Annexure "A" to the Independent Auditor's Report; and Investments - Note No. 6 & 9.

22 Auditors:

(a) Statutory Auditors:

In compliance with the provisions of Companies (Audit and Auditors) Rules, 2014, M/s. CNK & Associates LLP, Chartered Accountants, having Firm Registration No. 10196W were appointed as Statutory Auditors of the Company to hold office till the conclusion of 115th AGM. Pursuant to provisions of Section 139 of the Act, M/s CNK & Associates LLP, Chartered Accountants can be re-appointed for another term of five consecutive years as the Statutory Auditors of the Company.

The Audit Committee and the Board of Directors of the Company at their respective meetings held on 5th May, 2022 proposed, subject to the approval of shareholders, re-appointment of M/s. CNK & Associates LLP, Chartered Accountants, as Statutory Auditors of the Company till the conclusion of 120th AGM.

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

(b) Secretarial Auditors:

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

The Secretarial Audit Report of M/s. Samdani Shah & Kabra, Practising Company Secretaries for the financial year ended 2021-22, is annexed as Annexure C.

The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

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

(c) Internal Auditors:

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

23 Risk Management:

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

24 Material Changes:

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

BOARD'S REPORT

25 Annual Return:

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

<https://www.alembiclimited.com/#services>

26 Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo:

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

27 Particulars of employees and related disclosures:

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

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

28 Maintenance of cost records:

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

29 Other Disclosures:

- (a) The Company has not invited/accepted any deposits from public during the period under review. Further, there has been no default in repayment of deposits or interest thereon on unclaimed deposits.
- (b) The Company does not have any scheme of provision of money for the purchase of its own shares by employees or by trustees for the benefit of employees.
- (c) The Managing Director of the Company has received any remuneration or commission from its subsidiary.
- (d) No fraud has been reported by the Auditors to the Audit Committee or the Board.
- (e) No application was made nor is any proceeding pending under the Insolvency and Bankruptcy Code, 2016.
- (f) No settlements have been done with banks or financial institutions.
- (g) No 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.

- (h) The Company has in place a policy on prevention of Sexual Harassment in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and has constituted the Internal Complaints Committee to redress complaints received regarding sexual harassment. During the year, no complaint was received by the Company.

30 Directors' Responsibility Statement:

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

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

For and on behalf of the Board of Directors,

Sd/-

Chirayu Amin
Chairman
(DIN: 00242549)

Registered Office:

Alembic Road, Vadodara - 390 003
CIN: L26100GJ1907PLC000033
Tel: +91 265 2280550
Web: www.alembiclimited.com
Email ID: alembic.investors@alembic.co.in

Date: 5th May, 2022

Place: Vadodara

ANNEXURE A

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Industry Perspective vis-à-vis Company

The Company operates primarily in the manufacture of Bulk Drugs and Real Estate Business.

(A) Segment-wise Performance, Industry structure and Developments, Outlook and Opportunities & Concerns, Risk and Threat:

a) Bulk Drugs Business:

The Company continues to do bulk production on job work basis.

However, the manufacturing business will continue to remain under pressure due to limited scale, competitive business scenario and the ever increasing need for capital intensive asset modernization. The business faces an uncertain future, despite our sincere efforts.

b) Real Estate Business:

The outlook for the Real Estate sector turned positive, after the decline in Covid cases, largely on the back of a long low-base period and improved customer sentiment driven by favourable interest rate scenario and favourable terms offered by developers. While demand for housing was pushed upwards due to low interest rates, healthy wage growth, better affordability levels and the waning fear of pandemic, the demand for commercial spaces was resurgent on account of demand for warehousing, data-centres and office spaces for select industries like BFSI, technology and research. The demand for flex-offices also grew better than the industry in various towns.

While most Tier-I cities witnessed alike growth in demand for residential and commercial spaces, Tier-II and Tier-III cities did not mirror the same sentiments. Further, the sector is heavily constrained by the micro-market where it operates and hence the demand and supply for a residential or commercial project is driven by the factors governing such micro-market like public amenities in the vicinity, distance from available public transportation, locality & surroundings, etc.

Real estate as an industry is highly labour oriented and the increasing cost of labour coupled with other inflationary pressures have put developers in a fix. This coupled with the unprecedented rise in prices of key construction materials like cement and steel in the last couple of months, will eventually put pressure on pricing of the residential units, making them less-affordable for home-buyer, albeit adverse repercussions for developers. The risk of small developers defaulting on timely delivery also cannot be ruled out. Industry bodies have requested for government intervention and support.

Despite the various challenges thrust by Covid, the Company has moved ahead on its construction schedule and has completed close to 46% of the construction on its residential project 'Veda-II', and is in course to deliver the homes on schedule. Veda-II takes pride in having the tallest residential tower in Vadodara. Close to the end of the year, we soft-launched two niche premium residential projects.

The Company focuses on leasing of commercial spaces for having consistent income and with this intent continues to add commercial and retail spaces into its portfolio in an organic manner. The Company has upgraded its campus Alembic City, by improving infrastructure, landscape and roads and is targeting to be a prime mixed-use destination in the city. Alembic Art District has been launched as a city center destination for the city and we are in process of leasing more assets and increasing rental revenues from this unique experiential retail space. The Company believes and is focusing on developing commercial rental assets for long term and desires to grow it as an important vertical for Alembic Real Estate.

(B) Finance:

The gross revenue of the Company was ₹ 7,597.28 Lakhs for the year under review as compared to ₹ 7,230.00 Lakhs for the previous year ended 31st March, 2021. The Company registered a net profit of ₹ 8,567.79 Lakhs as compared to net profit of ₹ 1,336.40 Lakhs for the previous year ended 31st March, 2021.

(C) Key Financial Ratios:

Key financial ratios are provided in the Notes to Financial Statements at Note no. 34(U), with the reasons for major variations, if any.

(D) Internal Control Systems and Adequacy:

The Company maintains a system of well-established policies and procedures for internal control of operations and activities.

The Company has appointed Internal Auditors for the Bulk Drugs division and Real Estate Division to ensure proper system of Internal Control and its adequacy. Further, the real estate business has concurrent auditors for joint measurement verifications and quality audit.

The reports of Internal Auditors are presented on regular basis before the Audit Committee and their recommendations are implemented.

(E) Human Resource Intervention

The Company has optimized the manpower to the right-size. The Company has drawn a strategic plan for leadership development by engaging the reputed agencies and carries

ANNEXURE A

out developmental programs in line with the plan. The annual employee comfort survey done internally continues to give assuring results which is reflective of the efforts put in by the management towards employee engagement. The Company has given the flexibility of work from home to all those who can productively work from home to make a right balance between safety and productivity. This has ensured that teams work with high motivation levels and optimum efficiencies.

(F) Health, Safety, Security and Environment

Health, Safety, Security and Environment is always looked at with its due seriousness along with our business activities and all employees are adequately trained for taking up their individual job accountability. Alembic's operations are well-resourced & they comply with the required norms of Health, Safety, Security and Environment.

Safety audits are carried out regularly by independent government approved consultants. Environmental audits were also carried out and the statutory reports of our compliances are submitted to regulators periodically for their review and inputs. Efforts are made at all levels to conserve energy and resources.

For and on behalf of the Board of Directors,

Sd/-

Chirayu Amin
Chairman
(DIN: 00242549)

Date: 5th May, 2022

Place: Vadodara

ANNEXURE B

Annual Report on CSR Activities for the financial year ended 31st March, 2022

1. Brief outline on CSR Policy of the Company:

The Company's CSR Policy is in adherence to the provisions of Section 135 of the Act read with rules framed thereunder and provides for carrying out CSR activities in the area of Education, Healthcare including preventive healthcare, Rural Development, Sanitation, etc. either directly by the Company or through 'Non-Profit Organisations', viz. Alembic CSR Foundation, Bhailal Amin General Hospital, Rural Development Society, Uday Education Society and others or by way of contribution to Central / State Government Relief Funds.

2. Composition of CSR Committee:

| Sl. No. | Name of Director | Designation/ Nature of Directorship | Number of meetings of CSR Committee held during the year | Number of meetings of CSR Committee attended during the year |
|---------|------------------|--|--|--|
| 1. | Mrs. Malika Amin | Chairperson | 4 | 4 |
| 2. | Mr. C. P. Buch | Member | 4 | 4 |
| 3. | Mr. Sameer Khera | Member | 4 | 4 |

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

<https://www.alembiclimited.com/#CSR>

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

In accordance with the provisions of Rule 8(3) of the Companies (Corporate Social Responsibility Policy) Rules, 2014 notified w.e.f. 22nd January, 2021, the Company is not required to carry out impact assessment for its CSR projects.

5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any: Not Applicable

6. Average net profit of the Company as per section 135(5): ₹ 1,154.50 Lakhs

7. (a) Two percent of average net profit of the Company as per section 135(5): ₹ 23.09 lakhs

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

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

(d) Total CSR obligation for the financial year (7a+7b- 7c): ₹ 23.09 Lakhs

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

| Total Amount Spent for the Financial Year (₹ in Lakhs) | Amount Unspent (₹ in Lakhs) | | | | |
|--|---|------------------|---|--------|------------------|
| | Total Amount transferred to Unspent CSR Account as per section 135(6) | | Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5) | | |
| | Amount | Date of transfer | Name of the Fund | Amount | Date of transfer |
| 23.09 | Nil | - | - | Nil | - |

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

ANNEXURE B

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

(₹ in Lakhs)

| (1) | (2) | (3) | (4) | (5) | | (6) | (7) | (8) | |
|--------------|---|---|---------------------|-------------------------|----------|------------------------------|--|--|----------------------|
| Sl. No. | Name of the Project | Item from the list of activities in schedule VII to the Act | Local area (Yes/No) | Location of the project | | Amount spent for the project | Mode of implementation - Direct (Yes/No) | Mode of implementation - Through implementing agency | |
| | | | | State | District | | | Name | CSR Registration No. |
| I. | Covid Relief / Prevention activities (Across India) | Healthcare including Preventive Healthcare | No | N.A* | N.A* | 23.09 | No | Alembic CSR Foundation | CSR00002984 |
| Total | | | | | | 23.09 | | | |

*Across India

(d) Amount spent in Administrative Overheads: Nil

(e) Amount spent on Impact Assessment, if applicable: Nil

(f) Total amount spent for the Financial Year (8b+8c+8d+8e): ₹ 23.09 Lakhs

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

9. (a) Details of Unspent CSR amount for the preceding three financial years: Nil

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s): Not Applicable, since no amount is unspent.

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details):

(a) Date of creation or acquisition of the capital asset(s) : Not Applicable

(b) Amount of CSR spent for creation or acquisition of capital asset : Not Applicable

(c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.: Not Applicable

(d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset) : Not Applicable

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

For and on behalf of the Committee and the Board of Directors,

Sd/-

Sd/-

Malika Amin
Managing Director and
Chairperson – CSR Committee
(DIN: 00242613)

Chirayu Amin
Chairman
(DIN: 00242549)

Date: 5th May, 2022
Place: Vadodara

ANNEXURE C

Annexure C

Secretarial Audit Report

For the Financial Year ended March 31, 2022

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9

of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Regulation 24A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

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

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

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

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

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

ANNEXURE C

- (l) SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021; However, there were no actions / events pursuant to these regulations, hence not applicable.
- (m) SEBI (Debenture Trustees) Regulations, 1993; However, there were no actions / events pursuant to these regulations, hence not applicable.
- vi. Other sector specific laws as follows:
 - a. National Pharmaceuticals Pricing Policy, 2012;
 - b. The Drugs and Cosmetics Act, 1940;
 - c. The Drugs and Magic Remedies (Objectionable Advertisement) Act, 1954;
 - d. The Drugs (Prices Control) Order, 2013;
 - e. The Food Safety and Standards Act, 2006;
 - f. The Narcotic Drugs and Psychotropic Substances Act, 1985;
 - g. The Pharmacy Act, 1948;
 - h. The Building and other construction workers (RE & COS) Act, 1996;
 - i. The Real Estate (Regulation and Development) Act, 2016.

We have also examined compliance with the applicable Clauses / Regulations of the following:-

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

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

We further report that;

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

S. Samdani

Partner

Samdani Shah & Kabra

Company Secretaries

FCS No. 3677; CP No. 2863

ICSI Peer Review # 1079/2021

UDIN: F003677D000264465

Place: Vadodara

Date: May 05, 2022

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

ANNEXURE C

Appendix A

The Members,
Alembic Limited
Alembic Road,
Vadodara – 390 003,
Gujarat, India.

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

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

S. Samdani
Partner

Samdani Shah & Kabra
Company Secretaries
FCS No. 3677; CP No. 2863
ICSI Peer Review # 1079/2021
UDIN: F003677D000264465

Place: Vadodara
Date: May 05, 2022

ANNEXURE D

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

(A) Conservation of Energy:

1) **Steps taken for energy-savings:**

- (i) Replaced Raw water Plant feed-pump & RO water System with need based reduced capacity.
- (ii) Usage of Variable Frequency Drive (VFD) to reduce consumption of units on high capacity borewell-pumps.

2) **Steps taken for utilizing alternate source of energy /resources:**

- (i) In Brine Utility System, usage of in-house recovered coolant in place of fresh coolant, brought down its raw material cost.
- (ii) Claimed Certified Emission benefit of Wind Mill installed at Bhavnagar under the carbon-credit scheme.

3) **Steps taken for utilizing energy from new technology machines:**

- (i) Installation of a new energy efficient soft water plant, replacing the old & higher power consuming unit.
- (ii) Replaced the existing higher power consuming motor with new energy efficient motor.
- (iii) Replaced existing higher power consuming old air-conditioners with new technology lower power consuming air-conditioners.

(B) Technology Absorption:

1) **Efforts made towards technology absorption:**

The bulk drugs business operates at the same level and there is no significant matter which is to be reported. The real estate business keeps on evaluating and implementing new technologies on an going-concern basis.

2) **Benefits derived like product improvement, cost reduction, product development or import substitution:** Not Applicable

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

4) **Expenditure incurred on Research and Development:**

During the year under review, the Company has incurred expenses of ₹ 102.61 Lakhs as compared to ₹ 38.94 Lakhs for the previous year on Research and Development.

(C) Foreign Exchange Earnings and Outgo:

Foreign exchange earned in term of actual inflows during the financial year 2021-22 was ₹ 155.64 Lakhs.

Foreign exchange outgo in term of actual outflows during the financial year 2021-22 was ₹ 22.68 Lakhs.

For and on behalf of the Board of Directors,

Sd/-

Chirayu Amin

Chairman
(DIN: 00242549)

Date: 5th May, 2022

Place: Vadodara

ANNEXURE E

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

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

| Name | Ratio to median remuneration Employees | % increase in remuneration in the financial year |
|--|--|---|
| Mrs. Malika Amin – Managing Director & CEO | 1:0.02460 | 0.00 |
| Mr. Udit Amin – Non – Executive Non – Independent Director | 1:0.01840 | - |
| Mr. Rasesh Shah – CFO | - | 12.07 |
| Mr. Drigesh Mittal – Company Secretary | - | 12.03 |
| None of the other Directors have received any remuneration other than sitting fees. | | |
| Percentage increase in the median remuneration of employees in the financial year | | 8.49% |
| Number of permanent employees on the rolls of company | | 305 |
| Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration | | 8.72% (Non- Managerial Personnel) Nil (Managerial Personnel) |

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

On behalf of the Board of Directors,

Sd/-

Chirayu Amin
Chairman
DIN: 00242549

Date: 5th May, 2022

Place: Vadodara

Report on Corporate Governance

1 Company's Philosophy

Corporate governance is about commitment to values and ethical business conduct. It is about how an organization is managed. Timely and accurate disclosure of information regarding the financial situation, performance, ownership and governance of the Company is an important part of corporate governance. This improves the understanding of the structure, activities and policies of the organization and enhances the trust and confidence of the stakeholders.

The Company has always been committed to the principles of good corporate governance.

2 Board of Directors

• Composition of the Board

The Board of Directors consist of 1 Executive Promoter Director (Women Director), 2 Non-Executive Promoter Directors, 1 Non-Executive Non-Independent Director and 4 Independent Directors. The Chairman of the Board is a Non-Executive Promoter Director.

As on 31st March, 2022 and on the date of this report, the Board meets the requirement of having at least one Woman Director and not less than 50% of the Board strength comprising of Non-Executive Directors as 4 out of 8 Directors are Non-Executive Independent Directors.

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

Four (4) Meetings of Board of Directors were held during the year ended 31st March, 2022 on 11th May, 2021, 6th August, 2021, 12th November, 2021 and 14th February, 2022. The time gap between any two meetings was not exceeding one hundred and twenty days.

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

| Name of the Director | Category | No. of Board Meetings held & attended during the Financial Year | Attendance at the last AGM | No. of Equity shares held in the Company [#] |
|---|-------------------------------|---|----------------------------|---|
| Mr. Chirayu Amin Chairman | Promoter Non-Executive | 4 out of 4 | Yes | 83,17,644 [^] & |
| Mrs. Malika Amin Managing Director and CEO | Promoter Executive | 4 out of 4 | Yes | 76,78,954 ^{&} |
| Mr. Udit Amin | Promoter Non-Executive | 3 out of 4 | Yes | Nil |
| Mr. C. P. Buch | NED (I) [*] | 4 out of 4 | Yes | Nil |
| Mr. Sameer Khera | NED (I) [*] | 4 out of 4 | Yes | 2,000 |
| Mr. Mayank Amin | NED (I) [*] | 4 out of 4 | Yes | 18,000 ^{&} |
| Mrs. Rati Desai | NED (I) [*] | 4 out of 4 | Yes | Nil |
| Mr. Abhijit Joshi | Professional Non-Executive | 4 out of 4 | Yes | Nil |

[^] 20,53,833 Equity Shares held in the name of Chirayu Amin in representative capacity of Karta of Chirayu Ramanbhai Amin HUF.

[&] Shares held as First holder.

^{*} NED (I) means Non-Executive Director (Independent).

[#] The Company has not issued any convertible instruments.

Report on Corporate Governance

- **Number of other board of directors or committees in which a Director is a director / member / chairperson¹:**

| Name of the Director | No. of Directorships | No. of Committee Memberships | | No. of Committee Chairmanships | |
|----------------------|----------------------|------------------------------|--|--------------------------------|--|
| | | All committees | Only Audit & Stakeholders Relationship Committee | All Committees | Only Audit & Stakeholders Relationship Committee |
| Mr. Chirayu Amin | 4 | 7 | 1 | 4 | 1 |
| Mrs. Malika Amin | Nil | Nil | Nil | Nil | Nil |
| Mr. Udit Amin | 2 | 1 | Nil | Nil | Nil |
| Mr. C. P. Buch | 1 | 3 | 2 | 1 | 1 |
| Mr. Sameer Khera | Nil | Nil | Nil | Nil | Nil |
| Mr. Mayank Amin | 1 | 3 | 2 | 2 | 1 |
| Mrs. Rati Desai | Nil | Nil | Nil | Nil | Nil |
| Mr. Abhijit Joshi | 1 | 2 | 1 | Nil | Nil |

¹ Public Limited Companies

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

| Name of the Director | Name of the listed entities and category of directorship |
|----------------------|--|
| Mr. Chirayu Amin | 1. Alembic Pharmaceuticals Limited, Chairman & CEO 2. Paushak Limited, Non-Executive Chairman |
| Mrs. Malika Amin | - |
| Mr. Udit Amin | 1. Paushak Limited, Non-Executive Director |
| Mr. C. P. Buch | - |
| Mr. Sameer Khera | - |
| Mr. Mayank Amin | - |
| Mrs. Rati Desai | - |
| Mr. Abhijit Joshi | 1. Paushak Limited, Whole-time Director & CEO |

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

- **Disclosure of relationships between directors inter-se**

Mr. Chirayu Amin, Chairman is the spouse of Mrs. Malika Amin, Managing Director & CEO of the Company and they are the parents of Mr. Udit Amin, Non-Executive Director of the Company. None of the other Directors are related to each other.

- **Familiarisation Programs for Independent Directors**

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

<https://www.alembiclimited.com/Familiarization%20Programs.pdf>

Report on Corporate Governance

- Confirmation on the independence of the Independent Directors**

The Board of Directors hereby confirms that in their opinion, the Independent Directors fulfil the conditions specified in the SEBI Listing Regulations, 2015 and are Independent of the Management.

- Matrix setting out the skills/expertise/competence of the Board of Directors**

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

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

| Core skills/ Experience/ Competence | Actual Availability with current Board | Mr. Chirayu Amin | Mrs. Malika Amin | Mr. Udit Amin | Mr. C. P. Buch | Mr. Sameer Khera | Mr. Mayank Amin | Mrs. Rati Desai | Mr. Abhijit Joshi |
|--|--|------------------|------------------|---------------|----------------|------------------|-----------------|-----------------|-------------------|
| Industry Skills | | | | | | | | | |
| (a) API Intermediates or Real Estate or General Industry | Available | √ | √ | √ | - | - | √ | - | √ |
| (b) Domestic Operations | Available | - | √ | √ | - | √ | √ | √ | √ |
| (c) Previous Board Experience | Available | √ | √ | √ | √ | √ | √ | - | √ |
| Technical skills/experience | | | | | | | | | |
| (a) Strategic planning | Available | √ | √ | √ | √ | √ | √ | √ | √ |
| (b) Risk and compliance oversight | Available | - | - | √ | √ | - | - | √ | √ |
| (c) Marketing | Available | √ | √ | √ | - | √ | √ | √ | √ |
| (d) Policy Development | Available | √ | √ | √ | √ | √ | - | √ | - |
| (e) Accounting, Tax, Audit and Finance | Available | √ | - | - | √ | √ | √ | - | - |
| (f) Sales/ Customer Engagement | Available | √ | √ | √ | - | √ | √ | √ | √ |
| (g) Public Relations and Liaisoning | Available | √ | √ | √ | - | √ | √ | √ | √ |
| Behavioural Competencies | | | | | | | | | |
| (a) Integrity & Ethical Standards | Available | √ | √ | √ | √ | √ | √ | √ | √ |
| (b) Mentoring abilities | Available | √ | √ | √ | √ | √ | - | √ | √ |
| (c) Interpersonal relations | Available | √ | √ | √ | √ | √ | √ | √ | √ |

Report on Corporate Governance

3 Audit Committee

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

The Audit Committee comprises of 3 Independent Non-Executive Directors with Mr. C. P. Buch as Chairman, Mr. Sameer Khera and Mr. Mayank Amin as members. The terms of reference of the Committee cover the matters specified for Audit Committee under the SEBI Listing Regulations, 2015 and the Act.

The Statutory Auditors, Internal Auditors and other relevant Senior Management Persons of the Company are invited to attend the meetings of the Audit Committee. The Company Secretary of the Company acts as Secretary to the Committee. Mr. C. P. Buch, Chairman of the Audit Committee was present at the last Annual General Meeting held on 6th August, 2021.

- **Meetings and the attendance during the year**

There were Four (4) meetings of the Audit Committee held during the year ended 31st March, 2022 on 11th May, 2021, 6th August, 2021, 12th November, 2021 and 14th February, 2022.

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

| Name of Director | No. of meetings held | No. of meetings attended |
|------------------|----------------------|--------------------------|
| Mr. C. P. Buch | 4 | 4 |
| Mr. Sameer Khera | 4 | 4 |
| Mr. Mayank Amin | 4 | 4 |

4 Nomination and Remuneration Committee

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

The Nomination and Remuneration Committee comprises of 4 Directors with Mr. Sameer Khera as Chairman, Mr. Chirayu Amin, Mr. C. P. Buch and Mr. Mayank Amin as members. The terms of reference of the Committee cover the matters specified for Nomination and Remuneration Committee under the SEBI Listing Regulations, 2015 and the Act. Mr. Sameer Khera, Chairman of Nomination and Remuneration Committee was present at the last Annual General Meeting held on 6th August, 2021.

- **Meetings and the attendance during the year**

Two (2) meetings of the Nomination and Remuneration Committee held during the year on 11th May, 2021 and 14th February, 2022.

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

| Name of Director | No. of meetings held | No. of meetings attended |
|------------------|----------------------|--------------------------|
| Mr. Chirayu Amin | 2 | 2 |
| Mr. Sameer Khera | 2 | 2 |
| Mr. C. P. Buch | 2 | 2 |
| Mr. Mayank Amin | 2 | 2 |

- **Performance Evaluation Criteria for Independent Directors**

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

Report on Corporate Governance

5 Stakeholders' Relationship Committee

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

The Stakeholders' Relationship Committee comprises of 3 Directors with Mr. C. P. Buch as Chairman, Mr. Mayank Amin and Mr. Udit Amin as members. The terms of reference of the Committee cover the matters specified for Stakeholders' Relationship Committee under the SEBI Listing Regulations, 2015 and the Act. Mr. C. P. Buch was present at the last Annual General Meeting held on 6th August, 2021.

Mr. Drigesh Mittal, Company Secretary is the Compliance Officer of the Company.

No. of shareholders' complaints received during the financial year: 17

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

No. of pending complaints: Nil

- Meetings and attendance during the financial year**

Four (4) meetings of Stakeholders' Relationship Committee were held during the Financial Year ended 31st March, 2022 on 11th May, 2021, 6th August, 2021, 12th November, 2021 and 14th February, 2022.

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

| Name of Director | No. of meetings held | No. of meetings attended |
|------------------|----------------------|--------------------------|
| Mr. C. P. Buch | 4 | 4 |
| Mr. Mayank Amin | 4 | 4 |
| Mr. Udit Amin | 4 | 3 |

6 Risk Management Committee

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

The Risk Management Committee comprises of 2 Directors and 1 Senior Management Personnel with Mr. C. P. Buch as Chairman, Mr. Abhijit Joshi and Mr. Avaneeshnath Sharma as members. The terms of reference of the Committee cover the matters specified for Risk Management Committee under the SEBI Listing Regulations, 2015.

- Meetings and the attendance during the year**

Three (3) meetings of the Risk Management Committee were held during the year on 6th August, 2021, 12th November 2021 and 14th February, 2022.

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

| Name of the Director / senior management personnel | No. of meetings held | No. of meetings attended |
|--|----------------------|--------------------------|
| Mr. C. P. Buch | 3 | 3 |
| Mr. Abhijit Joshi | 3 | 3 |
| Mr. Avaneeshnath Sharma | 3 | 3 |

Report on Corporate Governance

7 Details of Remuneration paid to Directors

• Executive Directors

The details of remuneration paid to the Executive Director for the financial year 2021-22 are given below:

(₹ in Lakhs)

| Name & Designation of the Executive Director | Fixed Salary & Perquisites |
|--|----------------------------|
| Mrs. Malika Amin Managing Director & CEO | 144 |

Notes:

- The Board of Directors of the Company, based on the recommendation of Nomination and Remuneration Committee and subject to member's approval, approved re-appointment of Mrs. Malika Amin as the Managing Director and CEO of the Company for a period of five years effective from 1st February, 2022.
- There are no other elements of remuneration package, other than fixed salary and perquisites.
- The Executive Director and the Company are entitled to terminate the service contracts by giving not less than three months' notice in writing to the other party. There is no provision for payment of severance fees. The Company does not have any Stock Options Scheme.

• Non-Executive Directors

The Non-Executive Directors are paid ₹ 40,000/- as sitting fees for attending Board Meetings, ₹ 25,000/- for Audit Committee Meetings and ₹ 10,000/- for other Committee Meetings.

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

(₹ in Lakhs)

| Name of Director | Sitting Fees for Board Meetings | Sitting Fees for Committee Meetings | Total Fees Paid |
|-------------------|---------------------------------|-------------------------------------|-----------------|
| Mr. Chirayu Amin | 1.60 | 0.20 | 1.80 |
| Mr. Udit Amin | 1.20 | 0.30 | 1.50 |
| Mr. C. P. Buch | 1.60 | 2.10 | 3.70 |
| Mr. Sameer Khara | 1.60 | 1.70 | 3.30 |
| Mr. Mayank Amin | 1.60 | 1.70 | 3.30 |
| Mrs. Rati Desai | 1.60 | 0.10 | 1.70 |
| Mr. Abhijit Joshi | 1.60 | - | 1.60 |

Mr. Udit Amin, Non-Executive Director, will be paid commission of ₹192.54 Lacs for the financial year 2021-22 which is within the limit approved by the members of the Company at the 111th Annual General Meeting of the Company held on 7th August, 2018. Further, the same is subject to approval of the members at the Annual General Meeting for the financial year 2021-22.

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

None of the Non-Executive Independent Directors has any pecuniary relationship or transactions with the Company and its Associates.

Report on Corporate Governance

8 General Body Meetings

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

| Year | Location | Date | Time | No. of Special Resolutions passed |
|---------|--|----------------------------------|------------|-----------------------------------|
| 2020-21 | N.A. ¹ | 6 th August, 2021 | 04.00 p.m. | 1 |
| 2019-20 | N.A. ¹ | 7 th August, 2020 | 12.30 p.m. | 1 |
| 2018-19 | "Sanskriti", Alembic Corporate Conference Centre, Opp. Pragati Sahakari Bank Ltd., Alembic Colony, Vadodara - 390 003. | 27 th September, 2019 | 12.30 p.m. | 1 |

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

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

* Details of special resolution proposed to be conducted through postal ballot: The Company has sought approval of the members by way of a Special Resolution for re-appointment of Mrs. Malika Amin (DIN: 00242613) as a Managing Director and Chief Executive Officer of the Company through postal ballot vide notice dated 12th April, 2022. The postal ballot shall be conducted through electronic means ("remote e-voting") as per the provisions of Section 110 and other applicable provisions, if any of the Companies Act, 2013 read with Rule 22 of the Companies (Management and Administration) Rules, 2014, General Circular Nos. 14/2020 dated 8th April, 2020, 17/2020 dated 13th April, 2020, 22/2020 dated 15th June, 2020, 33/2020 dated 28th September, 2020, 39/2020 dated 31st December, 2020, 10/2021 dated 23rd June, 2021 and 20/2021 dated 8th December, 2021 issued by the Ministry of Corporate Affairs, Regulation 44 of the SEBI Listing Regulations, 2015, Secretarial Standard on General Meetings and other applicable laws, rules and regulations. The voting results will be announced on or before 23rd May, 2022. The Company has appointed M/s. Samdani Shah & Kabra, Practising Company Secretaries, Vadodara as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.

9 Means of Communication

| | |
|--|--|
| Quarterly Results | The results will be published in the newspapers having wide coverage |
| Which Newspapers wherein results normally published | The Indian Express (English) The Financial Express (Gujarati) or any other leading newspapers |
| Any website, where displayed | www.alembiclimited.com |
| Whether it also displays official news releases; and | Yes |
| The presentations made to institutional investors or to the analysts | No |

10 General Shareholder Information

| | | |
|---|---|--|
| a | Annual General Meeting Date, Time and Venue | Tuesday, 20 th September, 2022 at 4:00 p.m. IST The meeting will be held through VC / OAVM. |
| b | Financial Year | 2021-22 |
| c | Dividend Payment Date | On or before 23 rd September, 2022 |
| d | Listing on Stock Exchanges | BSE Limited (BSE) Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001. National Stock Exchange of India Limited (NSE) Exchange Plaza, C-1, Block G, Bandra-Kurla Complex, Bandra (East), Mumbai - 400 051. The Company confirms that the annual listing fees to both the stock exchanges for the FY. 2022-23 have been paid. |

Report on Corporate Governance

| | | |
|---|--|---|
| e | Stock Code | The equity shares of the Company are listed on the BSE and NSE with security ID/symbol of ALEMBICLTD. ISIN: INE426A01027 |
| f | Market price data—high, low during each month in last financial year | Please see Annexure A |
| g | Share Performance of the Company in comparison to BSE Sensex | Please see Annexure B |
| h | In case the securities are suspended from trading, the Board's Report shall explain the reason thereof | Not applicable |
| i | Registrar to an issue and Share Transfer Agents | Link Intime India Pvt. Limited B-102 & 103, Shangrila Complex, First Floor, Opp. HDFC Bank, Near Radhakrishna Char Rasta, Akota, Vadodara – 390 020 Tel: +91 265 6136000 Email ID: vadodara@linkintime.co.in |
| j | Share Transfer System | SEBI has mandated that w.e.f. 1 st April, 2019, shares shall be transferred only in demat form. The request for share transfer in physical form received upto 31 st March, 2019 were processed and transferred by Registrar and Share Transfer Agents in accordance with SEBI circulars in this regard and the share certificates were returned within the stipulated period, if the documents were accurate in all respects. No fresh requests for transfer of shares in physical form can be lodged by the shareholders. Stakeholders' Relationship Committee has delegated powers to Registrar and Share Transfer Agents to effect requests for transmission, name deletion, duplicate share certificates, etc. |
| k | Distribution of Shareholding/ Shareholding Pattern as on 31 st March, 2022 | Please see Annexure C |
| l | Dematerialization of Shares and Liquidity | As on 31 st March, 2022, 25,35,25,152 shares (98.73%) are held in dematerialized form by the shareholders. |
| m | Outstanding GDRs/ADRs/Warrants or any Convertible Instruments, conversion date and likely impact on equity | Not applicable |
| n | Commodity price risk or foreign exchange risk and hedging activities | No major risk envisaged |
| o | Plant Locations / Construction Projects | 1. API manufacturing: Alembic Road, Vadodara - 390 003, Gujarat. 2. Wind mills at village Ukharla/Trambak, Taluka-Ghoga, Dist. Bhavnagar, Gujarat. 3. Construction projects: Chhani, Vadodara and Gorwa, Vadodara. |

Report on Corporate Governance

| | | |
|---|--|--|
| p | Address for Correspondence / Investor Correspondence | <ol style="list-style-type: none"> Company Secretary & Compliance Officer Alembic Limited Alembic Road, Vadodara-390 003. Tel: +91 265 2280550 Email Id: alembic.investors@alembic.co.in Link Intime India Private Limited B-102 & 103, Shangrila Complex, 1st Floor, Opp. HDFC Bank, Radha Krishna Char Rasta, Akota, Vadodara – 390020 Tel: +91 265 2356573 6136000 Email Id: vadodara@linkintime.co.in |
| q | List of credit rating obtained by the entity | The credit rating details are given hereunder: |

| Instrument | Amount ₹ Cr. | Rating Agency | Rating & Outlook | Remarks |
|--|-----------------|------------------|---------------------|--|
| Long-term, Fund-based Facilities | 14.00 | ICRA | ICRA AA- / Stable | Rating assigned on 12 th August, 2021 |
| Long-term Fund-based / Non-Fund based Facilities | 12.00 | ICRA | ICRA AA- / Stable | |
| Long-term Fund-based / Non-Fund based Facilities | 6.00 | ICRA | ICRA AA- / Stable | |
| Long-term Fund-based / Non-Fund based Facilities | 7.50 | ICRA | ICRA AA- / Stable | |
| Short-term, Non-Fund based Facilities | 3.00 | ICRA | ICRA A1 + | |
| Short-term, Fund-based sub-limits* | (20.00) | ICRA | ICRA A1 + | |

* Overall long-term/ short-term, fund-based/ non-fund based limits utilisation should not exceed Rs 42.5 crore.

II Other Disclosures

a) Related Party Transactions:

The details pertaining to the policy on related party transactions are provided at point no. 17 of the Board's Report.

b) Compliance:

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

c) Vigil Mechanism / Whistle Blower Policy:

The details pertaining to vigil mechanism and whistle blower policy established by the Company are provided at point no. 12 of the Board's Report.

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

Report on Corporate Governance

d) **Details of compliance with mandatory requirements and adoption of non-mandatory requirements:**

Mandatory requirements:

The Company complies with all the mandatory requirements of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with regard to Corporate Governance.

Non-Mandatory requirements:

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

e) **Policy for determining 'material subsidiaries':**

The Company has formed the policy for determining 'material subsidiaries'. The same has been placed on the website of the Company and web-link to the same is as under:

<https://www.alembiclimited.com/policy/AL%20-%20Policy%20on%20Material%20Subsidiaries.pdf>

f) **Disclosure of commodity price risks and commodity hedging activities:**

The details are provided at Point No. 10(n) of this report.

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

Not Applicable

h) **Certificate from a Company Secretary in practice:**

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

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

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

j) **Fees to the Statutory Auditors of the Company:**

The total fees for all services paid to the Statutory Auditors of the Company is mentioned at Note 34(F) of the Notes to Financial Statements. The Company has not availed any services from the network firm/network entity of which the Statutory Auditors is a part.

k) **Disclosure of the compliance with corporate governance requirements specified in Regulation 17 to 27 and Clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the SEBI Listing Regulations, 2015:**

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

l) **Independent Directors' Meeting:**

The Independent Directors met on 5th May, 2022 to carry out the evaluation for the financial year 2021-22 and inter alia, discussed the following:

- Evaluation of the performance of Non Independent Directors and the Board of Directors as a whole;

Report on Corporate Governance

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

During the financial year 2021-22, the Independent Directors meeting was held on 11th May, 2021.

All Independent Directors were present at the aforesaid meetings.

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

The details are provided at point no. 29(h) of the Board's Report.

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

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

o) **Details of Unclaimed Suspense Account:**

Disclosure pertaining to Unclaimed Suspense Account as required under Schedule V of the SEBI Listing Regulations, 2015, is annexed herewith as Annexure D. The voting rights on the equity shares which are transferred to Unclaimed Suspense Account shall remain frozen till the rightful owner of such equity shares claims the shares.

Annexure - A

Market price data of the Company's shares traded on BSE Limited (BSE) and National Stock Exchange of India Limited (NSE) during the financial year 2021-22:

(Amount in ₹)

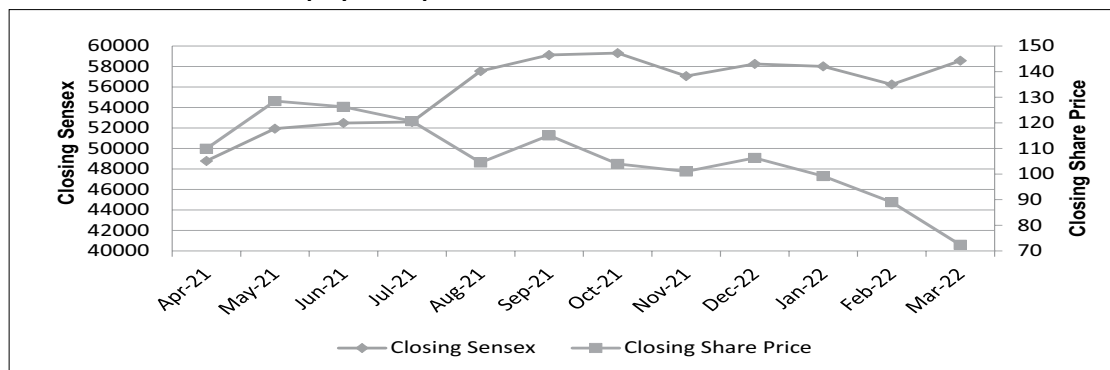
| Month - Year | BSE | | NSE | |
|------------------|------------|-----------|------------|-----------|
| | High Price | Low Price | High Price | Low Price |
| April - 2021 | 114.60 | 99.35 | 114.70 | 99.00 |
| May - 2021 | 143.30 | 110.20 | 143.30 | 111.00 |
| June - 2021 | 139.40 | 120.00 | 139.50 | 120.00 |
| July - 2021 | 139.35 | 120.30 | 139.35 | 120.20 |
| August - 2021 | 125.30 | 97.65 | 125.25 | 97.50 |
| September - 2021 | 124.20 | 102.70 | 125.00 | 102.70 |
| October - 2021 | 117.30 | 103.10 | 117.50 | 103.00 |
| November - 2021 | 113.80 | 96.30 | 114.00 | 95.20 |
| December - 2021 | 108.25 | 94.40 | 108.35 | 90.35 |
| January - 2022 | 114.80 | 95.90 | 114.50 | 97.00 |
| February - 2022 | 102.85 | 76.10 | 102.80 | 75.75 |
| March - 2022 | 89.90 | 72.00 | 89.95 | 72.10 |

On 31st March, 2022 the closing price of the shares of the Company on BSE was ₹ 72.35 and on NSE was ₹ 72.45.

Report on Corporate Governance

Annexure – B

Share Performance of the Company in comparison to BSE Sensex:



Annexure - C

The distribution of shareholding as on 31st March, 2022 is as under:

| Number of Shares | Number of Shareholders | % of total Shareholders | Number of Shares | % of total Shares |
|------------------|------------------------|-------------------------|---------------------|-------------------|
| 1-500 | 67,296 | 82.24 | 88,00,375 | 3.43 |
| 501-1000 | 7,038 | 8.60 | 55,68,414 | 2.17 |
| 1001-2000 | 3,752 | 4.59 | 57,82,326 | 2.25 |
| 2001-3000 | 1,248 | 1.53 | 31,96,810 | 1.24 |
| 3001-4000 | 669 | 0.82 | 24,32,854 | 0.95 |
| 4001-5000 | 455 | 0.56 | 21,24,468 | 0.83 |
| 5001-10000 | 772 | 0.94 | 55,11,637 | 2.15 |
| 10001 and above | 601 | 0.73 | 22,33,64,944 | 86.99 |
| TOTAL | 81,831 | 100.00 | 25,67,81,828 | 100.00 |

Shareholding pattern as on 31st March, 2022:

| Sr. No. | Category | No. of Shares Held | % of (A+B+C) |
|------------|---|---------------------|---------------|
| (A) | Shareholding of Promoter & Promoter Group | | |
| (1) | Indian | 18,20,11,077 | 70.88 |
| (2) | Foreign | - | - |
| | Total Shareholding of Promoter and Promoter Group | 18,20,11,077 | 70.88 |
| (B) | Public Shareholding | | |
| (1) | Institutions | 1,49,11,070 | 5.81 |
| (2) | Non-institutions | 5,98,59,681 | 23.31 |
| | Total Public Shareholding | 7,47,70,751 | 29.12 |
| (C) | Shares held by Custodians and against which Depository Receipts have been issued | | |
| (1) | Promoter and Promoter Group | - | - |
| (2) | Public | - | - |
| | Total (A) + (B) + (C) | 25,67,81,828 | 100.00 |

Report on Corporate Governance

Annexure D

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

| Particulars | No. of shareholders | No. of shares |
|--|---------------------|---------------|
| Aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year | 902 | 4,24,080 |
| Number of shareholders who approached the Company for transfer of shares from suspense account during the year | 11 | 9,800 |
| Number of shareholders to whom shares were transferred from suspense account during the year | 11 | 9,800 |
| Number of shareholders whose shares were transferred to the Investor Education and Protection Fund | 71 | 48,025 |
| Aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year | 820 | 3,66,255 |

For and on behalf of the Board of Directors,

Sd/-

Chirayu Amin

Chairman

(DIN: 00242549)

Date: 5th May, 2022

Place: Vadodara

CODE OF CONDUCT

The Board has adopted code of conduct for all Board Members and Senior Management Personnel of the Company and the said code of conduct is placed on the website of the Company at www.alembiclimited.com. A declaration signed by the Chief Executive Officer on behalf of the Board of Directors is given below:

"I hereby confirm that:

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

On behalf of the Board of Directors,

Sd/-

Malika Amin

Managing Director & CEO

(DIN: 00242613)

Date: 5th May, 2022

Place: Vadodara

Report on Corporate Governance

Corporate Governance Compliance Certificate

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

The Members

Alembic Limited

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

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

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

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

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

S. Samdani

Partner

Samdani Shah & Kabra

Company Secretaries

FCS No. 3677; CP No. 2863

ICSI Peer Review # 1079/2021

UDIN: F003677D000275047

Place: Vadodara

Date: May 05, 2022

Business Responsibility Report

Section A: General Information about the Company

1. Corporate Identity Number (CIN) of the Company: L26100GJ1907PLC000033
2. Name of the Company: Alembic Limited
3. Registered Address: Alembic Road, Vadodara – 390 003
4. Website: www.alembiclimited.com
5. Email Id: alembic.investors@alembic.co.in
6. Financial Year reported: 1st April, 2021 to 31st March, 2022
7. Sector(s) that the Company is engaged in (industrial activity code-wise)

| Industrial Group* | Description |
|-------------------|-------------|
| 210 | API |
| 681 | Real Estate |

* As per National Industrial Classification (NIC) 2008.

8. List three key products/services that the Company manufactures/provides (as in balance sheet):

The Company is primarily engaged in two businesses i.e.

- i) API Manufacturing:
 - a. Estolate
 - b. Biphenyl Valine Oxalate
 - c. Fluoxetine
- ii) Real Estate:
 - a. Residential Projects
 - b. Commercial Projects

9. Total number of locations where business activity is undertaken by the Company:

(a) Number of International Locations: Nil.

(b) Number of National Locations:

- a. API Manufacturing facility situated at Alembic Road, Vadodara - 390 003, Gujarat.
- b. Residential and Commercial Projects in Vadodara.

10. Markets served by the Company – The Company predominantly serves the Indian market.

Section B: Financial Details of the Company

1. Paid up Capital (INR): ₹ 5,135.64 Lakhs
2. Total Turnover (INR): ₹ 7,597.28 Lakhs
3. Total profit after taxes (TCI) (INR): ₹ 19,216.68 Lakhs
4. Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%): The total CSR spend for the year was ₹ 23.09 Lakhs which is 2% of the average net profits of the Company made during the immediately three preceding financial years.
5. List of activities in which expenditure in 4 above has been incurred: Covid Relief / Prevention activities

Business Responsibility Report

Section C: Other Details

1. Does the Company have any Subsidiary Company/Companies?
Yes.
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):
No.
3. Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with participate on the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30%-60%, More than 60%]:
No.

Section D: BR Information

1. Details of Director/Directors responsible for BR
 - (a) Details of the Director/Director responsible for implementation of the BR policy/policies
 1. DIN Number: 00242613
 2. Name: Mrs. Malika Amin
 3. Designation: Managing Director & CEO
 - (b) Details of the BR head

| No. | Particulars | Details |
|-----|------------------|---------------------------------|
| 1. | DIN Number | 00242613 |
| 2. | Name | Mrs. Malika Amin |
| 3. | Designation | Managing Director & CEO |
| 4. | Telephone number | +91 265-2280550 |
| 5. | Email id | alembic.investors@alembic.co.in |

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

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

| No. | Questions | P 1 | P 2 | P 3 | P 4 | P 5 | P 6 | P 7 | P 8 | P 9 |
|-----|---|--|--------|--------|--------|--------|--------|--------|--------|--------|
| 1. | Do you have a policy/policies for... | Y | Y | Y | Y | Y | Y | Y | Y | Y |
| 2. | Has the policy being formulated in consultation with the relevant stakeholders? | Y | Y | Y | Y | Y | Y | Y | Y | Y |
| 3. | Does the policy conform to any national / international standards? If yes, specify? (50 words) | The policies are based on the National Voluntary Guidelines on social, environment and economic responsibilities of business issued by the Ministry of Corporate Affairs, Government of India. | | | | | | | | |
| 4. | Has the policy being approved by the Board? Is yes, has it been signed by MD/owner/CEO/ appropriate Board Director? | Y | Y | Y | Y | Y | Y | Y | Y | Y |
| | | All the policies are signed by Mrs. Malika Amin, Managing Director & CEO. | | | | | | | | |

Business Responsibility Report

| No. | Questions | P 1 | P 2 | P 3 | P 4 | P 5 | P 6 | P 7 | P 8 | P 9 |
|-----|---|-----|-----|-----|-----|-----|-----|-----|-----|-----|
| 5. | Does the company have a specified committee of the Board/Director/ Official to oversee the implementation of the policy? | Y | Y | Y | Y | Y | Y | Y | Y | Y |
| 6. | Indicate the link for the policy to be viewed online? | * | * | * | * | * | * | * | * | * |
| 7. | Has the policy been formally communicated to all relevant internal and external stakeholders? | Y | Y | Y | Y | Y | Y | Y | Y | Y |
| 8. | Does the company have in-house structure to implement the policy/ policies. | Y | Y | Y | Y | Y | Y | Y | Y | Y |
| 9. | Does the Company have a grievance redressal mechanism related to the policy/policies to address stakeholders' grievances related to the policy/ policies? | Y | Y | Y | Y | Y | Y | Y | Y | Y |
| 10. | Has the company carried out independent audit/evaluation of the working of this policy by an internal or external agency? | Y | Y | Y | Y | Y | Y | Y | Y | Y |

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

* <https://www.alembiclimited.com/policy/AL-Business%20Responsibility%20Policies.pdf>

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

3. Governance related to BR

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

Yes, BR is published annually in the Annual Report and available at <https://www.alembiclimited.com/#qr>

Section E: Principle-wise performance

Principle 1: Ethics, Transparency and Accountability

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

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

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

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

Principle 2: Product Sustainability

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

Business Responsibility Report

We strive to incorporate social and/or environmental concerns in our products/services which includes API Manufacturing and Real Estate.

2. For each such product, provide the following details in respect of resource used (energy, water, raw material etc.) per unit of production (optional):
 - (a) Reduction during sourcing/production/distribution achieved since previous year throughout the value chain?

The Company manufactures APIs. As consumption per unit depends on the process efficiency, there are no specific standards to ascertain reduction achieved at product level. In Real Estate business, the Company ensures that the majority of materials used in all our projects are sourced locally.
 - (b) Reduction during usage by consumers (energy, water) has been achieved since the previous year?

In API, the Company's products do not have any broad-based impact on energy and water consumption by consumers. However, the Company has taken several measures to reduce the consumption of energy and water.

In Real Estate, it is difficult to quantify the exact quantity in terms of reduction achieved in energy and water usage by the customers. However, there are STPs installed in our projects and the STP water is used for landscaping, flushing, etc. and thus reducing the usage of fresh water.
3. Does the Company have procedures in place for sustainable sourcing (including transportation)?

If yes, what percentage of your inputs was sourced sustainably? Also, provide details thereof, in about 50 words or so.

The Company has formulated an operating procedure to approve vendors. Materials are procured from approved vendors. The quality assurance team of the Company conducts periodic audit of the vendors, especially those who supply key materials. The Company has longstanding business relations with regular vendors. The Company continues to receive sustained support from its vendors.
4. Has the Company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work?
 - (a) If yes, what steps have been taken to improve their capacity and capability of local and small vendors?

The Company procures goods and avail services from local and small vendors, particularly those located around its manufacturing/construction site/locations and from within the State. As a result of procurement of goods from local vendors, the Company saves on transportation as also on inventory carrying costs.
5. Does the Company have a mechanism to recycle products and waste? If yes what is the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%). Also, provide details thereof, in about 50 words or so.

Yes. The Company has mechanism for recycling of product as well as waste. Around 5-10% of total effluent generation is recycled, recovered and reused for gardening and general purpose applications. About 80-85% solvent inputs are redistilled and recovered for recycling purpose. Further, around 45% condensate water is recycled back to boiler for producing steam. In Real Estate, construction waste is reused on site for backfilling or levelling purpose.

Principle 3: Employees' Well-Being

1. Total number of employees: 305
2. Total number of employees hired on temporary/contractual/casual basis: 27
3. Number of permanent women employees: 22
4. Number of permanent employees with disabilities: Nil
5. Do you have an employee association that is recognized by management: Yes
6. What percentage of your permanent employees is members of this recognized employee association? 42%
7. Number of complaints related to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year.

Business Responsibility Report

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

8. What percentage of your under mentioned employees were given safety & skill up-gradation training in the last year?

- (a) Permanent Employees: 93%
- (b) Permanent Women Employees: 98%
- (c) Casual/Temporary/Contractual Employees: 87%
- (d) Employees with disabilities: NA

Principle 4: Stakeholders Engagement

1. Has the Company mapped its internal and external stakeholders?
Yes.
2. Out of above, has the Company identified the disadvantaged, vulnerable & marginalized stakeholders ?
Yes.
3. Are there are any special initiatives taken by the Company to engage with the disadvantaged, vulnerable and marginalized stakeholders? If so, provide details thereof, in about 50 words or so.

The Company through its Non-Profit Organisations viz. Alembic CSR Foundation, Rural Development Society, Bhailal Amin General Hospital, Uday Education Society and others are taking various initiatives in the area of Education, Healthcare including Preventive Healthcare, Community outreach programs, Sanitation, Employment enhancing vocational skills, etc. to engage with the disadvantaged, vulnerable and marginalized stakeholders.

Principle 5: Human Rights

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

Principle 6: Environment

1. Does the policy related to Principle 6 cover only the Company or extends to the Group/Joint Ventures/Suppliers/Contractors/NGOs/others?
The Company's policy on environment covers the entire Alembic Group.
2. Does the Company have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc.? Y/N. If yes, please give hyperlink for webpage etc.
No.
3. Does the Company identify and assess potential environmental risks?
Yes. Environment Risk is assessed from the design stage of the project & adequate steps are taken to reduce environmental impact at construction & operational stage.

Business Responsibility Report

4. Does the Company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if yes, whether any environmental compliance report is filed?

At present, we do not have any project related to Clean Development Mechanism. However, we have adopted green energy (wind & solar) as an alternate source of energy and installed solar panels at various locations.

5. Has the Company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy, etc? Y/N. If yes, please give hyperlink for webpage etc.

The Company has taken various initiatives on conservation of energy and technology absorption as mentioned in Annexure D to the Board's Report.

<https://www.alembiclimited.com/#qr>

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

Yes.

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

Nil.

Principle 7: Advocacy

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

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

- Federation of Gujarat Industries.
 - Geo Gujarat Employees Organisation
 - Indian Chemical Council
 - Federation of Indian Export Organisations.
 - Confederation of Real Estate Developers Association of India
2. Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes/No; if yes specify the broad areas (drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others)

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

Principle 8: Community Development

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

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

Alembic has been providing gainful employment opportunities to the local population from in and around the manufacturing facilities/construction sites.

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

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

Business Responsibility Report

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

No.

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

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

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

The Company conducts impact assessment of its CSR initiatives through feedbacks collected from the beneficiaries of projects undertaken. Various projects are undertaken with Government and Semi-Government agencies that have their monitoring mechanisms and impact assessment systems. We believe that our initiatives has genuinely covered and benefitted large number of beneficiaries.

Principle 9: Customer Value

1. What percentage of customer complaints/consumer cases are pending as on the end of financial year?

Negligible.

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):

No. The Company follows all legal statues with respect to product labeling and displaying of product information.

3. Is there any case filed by any stakeholder against the Company regarding unfair trade practices, irresponsible advertising and/ or anti-competitive behavior during the last five years and pending as on end of financial year? If so, provide details thereof, in about 50 words or so.

No.

4. Did your Company carry out any consumer survey/ consumer satisfaction trends?

No.

On behalf of the Board of Directors,

Sd/-

Malika Amin
Managing Director & CEO and BR Head
(DIN:00242613)

Independent Auditor's Report

TO THE MEMBERS OF ALEMBIC LIMITED

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying Standalone Financial Statements of **Alembic Limited** ("the Company"), which comprise the Balance Sheet as at 31st March, 2022, 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 Financial Statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone 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 Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2022, its profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the Standalone Financial Statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the independence requirements that are relevant to our audit of the Standalone Financial Statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the Standalone Financial Statements.

Key Audit Matters

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

| Sr no | Key Audit Matter | Auditor's Response |
|-------|---|---|
| 1. | <p>Litigations, Provisions and contingent liabilities</p> <p>The Company has several litigations which also include matters under dispute which involves significant management judgement and estimates on the possible outcome of the litigations and consequent provisioning thereof or disclosure as contingent liabilities.</p> <p>Refer Note 25 and 34(B) to the Standalone Financial Statements.</p> | <p>Principal Audit Procedures</p> <p>As part of the audit process, we obtained from the management details of matters under disputes including ongoing and completed tax assessments, demands and other litigations.</p> <p>Our audit approach for the above consists of the following audit procedures:</p> <ul style="list-style-type: none"> • Evaluation and testing of the design of internal controls followed by the Company relating to litigations and open tax positions for direct and indirect taxes and process followed to decide provisioning or disclosure as Contingent Liabilities; • Discussed with Company's legal team and taxation team for sufficient understanding of on-going and potential legal matters impacting the Company. • We involved our internal expert to evaluate the management's underlying judgements in making their estimates with regard to such matters. |

Information other than the Standalone Financial Statement and Auditor's Report thereon

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

Independent Auditor's Report

Our opinion on the Standalone 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 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 Financial Statements or our knowledge obtained in 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 Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Standalone Financial Statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India, including the accounting Standards specified under Section 133 of the Act. 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 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 Financial Statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so;

The Board of Directors are also responsible for overseeing the company's financial reporting process.

Auditor's Responsibilities for the Audit of Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the Standalone 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 Standalone Financial Statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

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

Independent Auditor's Report

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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 Financial Statements of the current period 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, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the "**Annexure A**", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
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 Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account;
 - (d) In our opinion, the aforesaid Standalone Financial Statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
 - (e) On the basis of the written representations received from the directors as on 31st March, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2022 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 over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "**Annexure B**";
 - (g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act; and
 - (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements –Refer Note 34(B) to the Standalone Financial Statements;
 - ii. The Company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses;
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company;

Independent Auditor's Report

- iv. i. The Management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - ii. The Management has represented, that, to the best of its knowledge and belief, no funds have been received by the company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
 - iii. Based on such audit procedures that we have considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) contain any material mis-statement;
- v. The dividend declared or paid during the year by the Company is in compliance with Section 123 of the Companies Act, 2013.

For **CNK & Associates LLP**

Chartered Accountants

Firm Registration No. 101961W/W-100036

Himanshu Kishnadwala

Partner

Membership No.037391

Place: Kochi

Date: 5th May, 2022

UDIN: 22037391AILALN9755

Annexure “A” to the Independent Auditor’s Report

Referred to in Para I ‘Report on Other Legal and Regulatory Requirements’ in our Independent Auditor’s Report to the members of the Company on the Standalone Financial Statements for the year ended 31st March, 2022.

To the best of our information and according to the explanations provided to us by the company and the books of account and records examined by us in the normal course of audit, we state that:

- I. In respect of the Company’s Property, Plant and Equipment and Intangible Assets:
 - a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment;
 - (B) The Company does not hold any intangible assets and accordingly, the requirements under paragraph 3(i)(a)(B) of the Companies (Auditor’s Report) Order, 2020 (“the Order”) are not applicable to the Company;
 - b) The Company has formulated a phased programme for physical verification of fixed assets, designed to cover all items over a period of three years. According to the programme, the company has during the year, physically verified the relevant assets. In our opinion, the frequency of the verification is reasonable having regard to the size of the company and the nature of its assets. According to the information and explanations given to us, no material discrepancies were noticed on such verification;
 - c) On the basis of our examination of the records of the Company, the title deeds of all the immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee) as disclosed in the financial statements, are held in the name of the Company as at the Balance Sheet date;
 - d) The company has not revalued its Property, Plant and Equipment during the year;
 - e) The Company does not have any proceedings initiated or pending for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder. Hence the requirements under paragraph 3(i)(e) of the Companies (Auditor’s Report) Order, 2020 (“the Order”) are not applicable to the Company;
- II. (a) The inventory have been physically verified by the Management at reasonable intervals. Considering the size of the Company, the frequency of verification is reasonable and the procedures are adequate. No discrepancies have been noticed on such verification;
- (b) The Company has working capital limits sanctioned from banks or financial institutions exceeding ₹ 5 crores during the year and the quarterly returns / statements filed by the Company are generally in agreement with the books of accounts and no material discrepancy was observed;
- III. The Company has made investments in, companies, firms, Limited Liability Partnerships and granted unsecured loans to other parties, during the year, in respect of which:
 - (a) The Company has provided unsecured loan to one party with aggregate amount granted/provided during the year is ₹ 500.00 lakhs during the year and where balance outstanding as at Balance Sheet date is ₹ 504.44 lakhs.
 The company has also provided Corporate Guarantee to its wholly owned subsidiary with aggregate amount granted/provided during the year ₹ 46.74 lakhs during the year and where balance outstanding as at Balance Sheet date is ₹ 46.74 lakhs.
 Further, as informed to us, the company has also given a temporary advance to one of its related party with aggregate amount granted/provided during the year ₹ 176.00 lakhs during the year and where balance outstanding as at Balance Sheet date is ₹ 176.00 lakhs;
 - (b) In our opinion, the investments made and the terms and conditions of the grant of loans, during the year are, prima facie, not prejudicial to the Company’s interest;
 - (c) The repayment of principal and payment of interest is as stipulated and the same are regular;
 - (d) In respect of the aforesaid loan, there is no amount which is overdue for more than ninety days;
 - (e) No loan granted by the Company which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties;
 - (f) The Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment during the year. Hence, reporting under clause 3(iii)(f) is not applicable;

Annexure “A” to the Independent Auditor’s Report

- IV. The Company has complied with the provisions of sections 185 and 186 of the Companies Act 2013 in respect of loans granted, investment made, and guarantee and securities provided, as applicable;
- V. The Company has not accepted any deposits or amounts which are deemed to be deposits within the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed there under, therefore, the provisions of paragraph 3(v) of the Order are not applicable to the Company;
- VI. We have broadly reviewed the books of accounts maintained by the Company pursuant to the rules prescribed by the Central Government for the maintenance of cost records under Section 148(1) of the Act and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the cost records with a view to determine whether they are accurate or complete;

VII. In respect of statutory dues:

- a) In our opinion, the Company is regular in depositing with appropriate authorities undisputed statutory dues including Goods and Service tax, Provident Fund, Employee's State Insurance, Income-Tax, Sales-Tax, Service Tax, duty of Customs, duty of Excise, Value Added Tax, Cess and any other material statutory dues applicable to it;

According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues, were outstanding, as on 31st March 2022, for a period of more than six months from the date they became payable;

- b) Details of statutory dues referred to above which have not been deposited as on March 31, 2022 on account of disputes are given below:

| Name of the statute | Nature of dues | Amounts (₹) | Period to which the amounts relates | Forum where dispute is pending |
|--------------------------|--|----------------|---|-----------------------------------|
| Central Sales Tax Act | Central Sales Tax (Including interest and penalty thereon) | 80,16,782 | 2000-01 | Joint commissioner Appeals |
| Central Sales Tax Act | Central Sales Tax(Including interest and penalty thereon) | 14,42,264 | 2011-12 | Joint commissioner Appeals |
| Central Sales Tax Act | Central Sales Tax (Including interest and penalty thereon) | 17,30,797 | 2012-13 | Joint commissioner Appeals |
| Central Excise Act, 1944 | Excise duty (Including interest and penalty thereon) | 16,97,843 | 2005-09 | CESTAT |

- VIII. Company has no transactions which were not recorded in the books of account, have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961;
- IX. (a) The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender;
- (b) The Company is not declared wilful defaulter by any bank or financial institution or other lender;
- (c) The Company has not taken any term loan during the year and there are no outstanding term loans at the beginning of the year and hence, reporting under clause 3(ix)(c) of the Order is not applicable;
- (d) We report that no funds raised on short-term basis have been used for long-term purposes by the Company;
- (e) The company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures;
- (f) We report that the company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies;
- X. (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year hence reporting under this clause is not applicable;
- (b) 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, the provisions of paragraph 3(x)(b) of the Order are not applicable;

Annexure “A” to the Independent Auditor’s Report

- XI. (a) No fraud by the Company and no material fraud on the company has been noticed or reported during the year;
- (b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report;
- (c) As represented to us by the management, there are no whistle blower complaints received by the company during the year;
- XII. The Company is not a nidhi company and hence the reporting under clause 3(xii) of the order is not applicable to the Company;
- XIII. The Company is in compliance with Section 177 and 188 of the Companies Act where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the Financial Statements as required by the applicable accounting standards;
- XIV. (a) In our opinion, the company has an internal audit system commensurate with the size and nature of its business;
- (b) We have considered report of the internal auditors for the period under audit; issued to the company during the year and till date, in determining the nature, timing and extent of our audit procedures;
- XV. The Company has not entered into any non-cash transactions with its directors or persons connected with him. Therefore, the provisions of paragraph 3(xv) of the Order are not applicable;
- XVI. (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934 and therefore, the provisions of paragraph 3(xvi) (a), (b) and (c) of the Order are not applicable;
- (b) In our opinion and as represented by the management, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable;
- XVII. The Company has not incurred any cash losses in the financial year and in the immediately preceding financial year;
- XVIII. There has been no resignation of the statutory auditors during the year and accordingly the reporting under clause 3(xviii) is not applicable;
- XIX. On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date;
- We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due;
- XX. (a) The company is not required to transfer unspent amount to a fund specified in Schedule VII to the Companies Act for other than ongoing projects. Accordingly, reporting under clause 3(xx)(a) of the Order is not applicable for the year;
- (b) The company has not spent amount towards Corporate Social Responsibility (CSR) on ongoing project. Accordingly, reporting under clause 3(xx)(b) of the Order is not applicable for the year.

For **CNK & Associates LLP**

Chartered Accountants

Firm Registration No. 101961W/W-100036

Himanshu Kishnadwala

Partner

Membership No.037391

Place: Kochi

Date: 5th May, 2022

UDIN: 22037391A1LALN9755

Annexure “B” to the Independent Auditor’s Report

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

We have audited the internal financial controls over financial reporting of **ALEMBIC LIMITED** (“the Company”) as of 31st March, 2022 in conjunction with our audit of the Standalone Financial Statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The Board of Directors of the company is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls with reference to financial statements of the Company that were operating effectively for ensuring the orderly and efficient conduct of its business, 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 Companies Act, 2013;

Auditors’ Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the “Guidance Note”) and the Standards on Auditing prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. 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 of the company were established and maintained and if such controls operated effectively in all material respects;

Our audit involves performing procedures to obtain audit evidence about the internal financial controls with reference to financial statements of the company and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, 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 judgment, including the assessment of the risks of material misstatement of the Standalone 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 system over financial reporting;

Meaning of Internal Financial Controls over Financial Reporting

A company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company’s assets that could have a material effect on the financial statements;

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Annexure “B” to the Independent Auditor’s Report

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an internal financial controls with reference to financial statements of the Company and such internal financial controls over financial reporting were operating effectively as at 31st March, 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **CNK & Associates LLP**

Chartered Accountants

Firm Registration No. 101961W/W-100036

Himanshu Kishnadwala

Partner

Membership No.037391

Place: Kochi

Date: 5th May, 2022

UDIN: 22037391AILALN9755

Balance Sheet

₹ In Lakhs

| Particulars | Notes No | As at 31st March, 2022 | As at 31st March, 2021 |
|---|---------------------|------------------------|------------------------|
| I. ASSETS | | | |
| (1) Non-Current Assets | | | |
| (a) Property, Plant and Equipment | 4 | 13,349.98 | 13,369.34 |
| (b) Capital Work-in-Progress | 4 | 19.26 | 584.16 |
| (c) Investment Property | 5 | 16,022.83 | 12,743.85 |
| (d) Financial Assets | | | |
| (i) Investments | 6 | 70,238.48 | 56,549.51 |
| (ii) Others | 7 | 267.20 | 352.00 |
| (e) Other non-current assets-Capital Advances | | 498.34 | 84.64 |
| (2) Current Assets | | | |
| (a) Inventories | 8 | 8,687.04 | 5,428.21 |
| (b) Financial Assets | | | |
| (i) Investments | 9 | 2,359.25 | 1,567.63 |
| (ii) Trade Receivables | 10 | 1,490.06 | 1,310.07 |
| (iii) Cash and cash equivalents | 11 | 91.81 | 577.64 |
| (iv) Bank balances other than Cash and cash equivalents | 12 | 67.38 | 68.66 |
| (v) Loans | 13 | 504.44 | - |
| (vi) Others | 14 | 277.08 | 80.08 |
| (c) Other Current Assets | 15 | 545.97 | 924.80 |
| (d) Current Tax Assets (Net) | | - | 4.85 |
| TOTAL ASSETS | | 114,419.11 | 93,645.46 |
| II. EQUITY AND LIABILITIES | | | |
| Equity | | | |
| (a) Equity Share Capital | 16 | 5,135.64 | 5,135.64 |
| (b) Other Equity | 17 | 96,249.48 | 77,546.39 |
| Liabilities | | | |
| (1) Non-Current Liabilities | | | |
| (a) Financial Liabilities | | | |
| (i) Other Financial Liabilities | 18 | 192.86 | 383.56 |
| (b) Provisions | 19 | 109.92 | 82.80 |
| (c) Deferred Tax Liability (Net) | 20 | 6,042.66 | 4,658.12 |
| (2) Current Liabilities | | | |
| (a) Financial Liabilities | | | |
| (i) Borrowings | 21 | - | 27.66 |
| (ii) Trade Payables | 22 | | |
| a) total outstanding dues of Micro and Small Enterprises | | 275.24 | 162.72 |
| b) total outstanding dues of Others | | 1,636.33 | 1,571.38 |
| (iii) Other Financial Liabilities | 23 | 336.04 | 345.73 |
| (b) Other Current Liabilities | 24 | 3,081.80 | 2,665.46 |
| (c) Provisions | 25 | 1,092.47 | 1,066.00 |
| (d) Current Tax Liabilities (Net) | | 266.67 | - |
| TOTAL EQUITY AND LIABILITIES | | 114,419.11 | 93,645.46 |
| Significant Accounting Policies and Other Explanatory Notes and Informations | 1,2,3 and 34 | | |

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

As per our report of even date

For and on behalf of the Board

For CNK & Associates LLP
Chartered Accountants
Firm Registration No.: 101961W/W-100036

Chirayu Amin
Chairman
DIN: 00242549

Malika Amin
Managing Director & CEO
DIN: 00242613

C. P. Burch
Director
DIN: 05352912

Himanshu Kishnadwala
Partner
Membership No. 037391
Kochi : 5th May, 2022

Rasesh Shah
Chief Financial Officer

Drigesh Mittal
Company Secretary

Vadodara: 5th May, 2022

Statement of Profit and Loss

₹ In Lakhs

| Particulars | Notes No | For the Year Ended on 31st March, 2022 | For the Year Ended on 31st March, 2021 |
|--|---------------------|--|--|
| I. Revenue from Operations | 26 | 7,597.28 | 7,230.00 |
| II. Other Income | 27 | 8,909.14 | 996.73 |
| III. Total Income (I+II) | | 16,506.42 | 8,226.73 |
| IV. Expenses | | | |
| Cost of Materials Consumed | 28 | 852.59 | 1,177.06 |
| Cost of Construction | 29 | 1,163.60 | 1,285.85 |
| Changes in Inventories of Finished Goods and Work-in-Progress | 30 | 245.64 | (238.88) |
| Employee Benefit Expenses | 31 | 2,147.40 | 2,259.56 |
| Finance Costs | | 23.02 | 26.64 |
| Depreciation and Amortisation expense | 4, 5 | 449.95 | 391.13 |
| Other Expenses | 32 | 1,896.48 | 1,673.50 |
| Total Expenses (IV) | | 6,778.69 | 6,574.86 |
| V. Profit Before Tax (III-IV) | | 9,727.73 | 1,651.87 |
| VI. Tax Expense | | | |
| Current Tax | | 1,150.00 | 290.00 |
| Deferred Tax | | 20.76 | 31.00 |
| Short / (Excess) provision of tax in respect of earlier years | | (14.51) | (5.53) |
| VII. Profit for the year (V-VI) | | 8,571.47 | 1,336.40 |
| VIII. Other Comprehensive Income | 33 | | |
| (A) (i) Items that will not be reclassified to profit or loss | | 12,008.99 | 39,034.53 |
| (ii) Income tax relating to items that will not be reclassified to profit or loss | | (1,363.78) | (4,458.31) |
| IX. Total Comprehensive Income for the period (VII + VIII) | | 19,216.68 | 35,912.62 |
| X. Earning per equity share (FV ₹ 2/- per share) (Refer Note 34(G)) | | | |
| Basic & Diluted (In ₹) | | 3.34 | 0.52 |
| Significant Accounting Policies and Other Explanatory Notes and Information | 1,2,3 and 34 | | |

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

As per our report of even date

For CNK & Associates LLP
Chartered Accountants
Firm Registration No.: 101961W/W-100036

Himanshu Kishnadwala
Partner
Membership No. 037391
Kochi : 5th May, 2022

Chirayu Amin
Chairman
DIN: 00242549

Malika Amin
Managing Director & CEO
DIN: 00242613

Rasesh Shah
Chief Financial Officer

For and on behalf of the Board

C. P. Buch
Director
DIN: 05352912

Drigesh Mittal
Company Secretary

Vadodara: 5th May, 2022

Statement of Changes in Equity

A. Equity Share Capital

Current reporting period

₹ In Lakhs

| Balance at the beginning of current reporting period | Changes in Equity share Capital due to prior period errors | Restated balance at the beginning of current reporting period | Changes in equity share capital during the current period | Balance at the end of current reporting period |
|--|--|---|---|--|
| 5,135.64 | - | 5,135.64 | - | 5,135.64 |

Previous reporting period

| Balance at the beginning of current reporting period | Changes in Equity share Capital due to prior period errors | Restated balance at the beginning of current reporting period | Changes in equity share capital during the current period | Balance at the end of current reporting period |
|--|--|---|---|--|
| 5,135.64 | - | 5,135.64 | - | 5,135.64 |

B. Other Equity - Attributable to Owners

| Particulars | Reserves and Surplus | | | Equity instruments held at FVOCI | Total |
|---|----------------------------|------------------|-------------------|----------------------------------|-------------------|
| | Capital Redemption Reserve | General Reserve | Retained Earnings | | |
| Balance as at 1st April, 2020 (I) | 205.00 | 14,496.62 | 18,752.54 | 9,720.30 | 43,174.46 |
| Profit for the year | - | - | 1,336.40 | - | 1,336.40 |
| Re-measurement of post employment benefit obligation (net of tax) | - | - | 6.42 | - | 6.42 |
| Other Comprehensive Income | - | - | - | 34,569.80 | 34,569.80 |
| Total Comprehensive Income for the year (II) | - | - | 1,342.82 | 34,569.80 | 35,912.62 |
| Equity Dividend (including tax thereon) | - | - | (1,540.69) | - | (1,540.69) |
| Transaction for the year (III) | - | - | (1,540.69) | - | (1,540.69) |
| Balance as at 31st March, 2021 (I+II+III) | 205.00 | 14,496.62 | 18,554.66 | 44,290.10 | 77,546.39 |
| Balance as at 1st April, 2021 (I) | 205.00 | 14,496.62 | 18,554.66 | 44,290.10 | 77,546.39 |
| Profit for the year | - | - | 8,571.47 | - | 8,571.47 |
| Re-measurement of post employment benefit obligation (net of tax) | - | - | (19.89) | - | (19.89) |
| Transfer during the year | - | 2,000.00 | (2,000.00) | - | - |
| Other Comprehensive Income | - | - | - | 10,665.09 | 10,665.09 |
| Total Comprehensive Income for the year (II) | - | 2,000.00 | 6,551.59 | 10,665.09 | 19,216.68 |
| Equity Dividend (including tax thereon) | - | - | (513.56) | - | (513.56) |
| Transaction for the year (III) | - | - | (513.56) | - | (513.56) |
| Balance as at 31st March, 2022 (I+II+III) | 205.00 | 16,496.62 | 24,592.68 | 54,955.19 | 96,249.48 |

As per our report of even date

For CNK & Associates LLP
Chartered Accountants
Firm Registration No.: 101961W/W-100036

Himanshu Kishnadwala
Partner
Membership No. 037391
Kochi : 5th May, 2022

Chirayu Amin
Chairman
DIN: 00242549

Malika Amin
Managing Director & CEO
DIN: 00242613

Rasesh Shah
Chief Financial Officer

For and on behalf of the Board

C. P. Buch
Director
DIN: 05352912

Drigesh Mittal
Company Secretary

Vadodara: 5th May, 2022

Cash Flow Statement

₹ In Lakhs

| Particulars | | For the Year Ended on 31st March, 2022 | For the Year Ended on 31st March, 2021 |
|-------------|---|--|--|
| A | CASH FLOW FROM OPERATING ACTIVITIES: | | |
| | Net Profit before tax | 9,727.73 | 1,651.87 |
| | Add: | | |
| | Depreciation | 449.95 | 391.13 |
| | Interest charged | 23.02 | 26.64 |
| | (Gain) / Loss on sale of Property, Plant and Equipments | (195.76) | (24.37) |
| | Sundry balances written back (Net) | (120.14) | (40.96) |
| | Other Non cash items | (101.57) | (77.45) |
| | Less: | | |
| | Interest Income | (112.99) | (83.28) |
| | Dividend Income | (7,858.21) | (37.96) |
| | Operating Profit before change in working capital | 1,812.03 | 1,805.61 |
| | Working capital changes: | | |
| | Add / (Less) : | | |
| | (Increase) / Decrease in Inventories | (3,258.84) | (1,886.83) |
| | (Increase) / Decrease in Trade Receivables | (179.98) | (420.66) |
| | (Increase) / Decrease in Other Asset | 378.83 | (453.58) |
| | (Increase) / Decrease in Financial Asset | (616.64) | (326.23) |
| | Increase / (Decrease) in Trade Payables | 297.60 | 476.54 |
| | Increase / (Decrease) in Financial Liabilities | (198.88) | (29.18) |
| | Increase / (Decrease) in Other Liabilities | 416.34 | 904.28 |
| | Increase / (Decrease) in Provisions | 27.02 | 13.64 |
| | Cash generated from operations | (1,322.53) | 83.60 |
| | Add / (Less) : | | |
| | Direct taxes paid (Net of refunds) | (863.98) | (195.10) |
| | Net cash inflow from operating activities (A) | (2,186.51) | (111.50) |
| B | CASH FLOW FROM INVESTING ACTIVITIES: | | |
| | Add: | | |
| | Proceeds from sale of Property, Plant and Equipments | 218.71 | 24.93 |
| | Proceeds from sale / redemption of Investments | 10,209.43 | 19,474.15 |
| | Interest received | 112.99 | 83.28 |
| | Dividend received | 7,858.21 | 37.96 |
| | Less: | 18,399.34 | 19,620.32 |
| | Purchase of PPE and Investment Property/increase in CWIP and Capital Advances | 3,581.32 | 4,362.96 |
| | Purchase of Investments (Net) | 12,552.87 | 18,758.82 |
| | Increase in Restricted Bank Balances other than Cash & Cash Equivalents | (1.28) | 13.19 |
| | | 16,132.91 | 23,134.98 |
| | Net cash inflow from Investing activities (B) | 2,266.43 | (3,514.66) |

Cash Flow Statement

₹ In Lakhs

| Particulars | | For the Year Ended on 31st March, 2022 | For the Year Ended on 31st March, 2021 |
|-------------|---|--|--|
| C | CASH FLOW FROM FINANCING ACTIVITIES: | | |
| | Add: | | |
| | Net increase/(decrease) in working capital demand loans | (27.66) | 27.66 |
| | Less: | | |
| | Dividends paid (including distribution tax) | 515.08 | 1,527.67 |
| | Interest and other finance costs | 23.02 | 26.64 |
| | | 538.09 | 1,554.31 |
| | Net cash inflow from Financing activities (C) | (565.76) | (1,526.65) |
| I. | Net (decrease) / Increase in cash and cash equivalents (A+B+C) | (485.83) | (5,152.81) |
| II. | Add: Cash and cash equivalents at the beginning of the period | 577.64 | 5,730.46 |
| | | | |
| | (I+II) | 91.81 | 577.64 |
| III. | Cash and cash equivalents at the end of the period | | |
| | Balances with Bank | 89.78 | 574.72 |
| | Cash on Hand | 2.03 | 2.92 |
| | Cash and cash equivalents (Refer Note I I) | 91.81 | 577.64 |

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

As per our report of even date

For and on behalf of the Board

For CNK & Associates LLP

Chartered Accountants

Firm Registration No.: 101961W/W-100036

Chirayu Amin

Chairman

DIN: 00242549

Malika Amin

Managing Director & CEO

DIN: 00242613

C. P. Buch

Director

DIN: 05352912

Himanshu Kishnadwala

Partner

Membership No. 037391

Kochi : 5th May, 2022

Rasesh Shah

Chief Financial Officer

Drigesh Mittal

Company Secretary

Vadodara: 5th May, 2022

I Company Overview and Significant Accounting Policies:

I.1 Description of Business

The Company is a Public Limited Company domiciled in India and is incorporated under the provisions of the Companies Act applicable in India. Its shares are listed on two recognised stock exchanges in India. The registered office of the Company is located at Alembic Road, Vadodara 390003, Gujarat. The Company is dealing in Active Pharmaceutical Ingredient (API) Business and Real Estate Business.

I.2 Basis of Preparation

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

I.3 Composition of Financial Statements

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

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

I.4 Key Accounting Judgments, Estimates and Assumptions

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

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

2 Significant Accounting Policies and Other Explanatory Notes:

I Significant Accounting Policies

a) Revenue Recognition

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services.

Revenue from the sale of goods is recognized at the point in time when control of the asset is transferred to the customer, generally on the delivery of the goods.

On the basis of the contractual terms with customers for real estate projects, Revenue from project is recognised at a point in time or over time, based on satisfaction of performance obligation/s upon transfer of control of promised products or services to customers.

Revenue is recognisable to the extent of the amount that reflects the consideration (i.e. the transaction price) to which the Company is expected to be entitled in exchange for those goods or services excluding any amount received on behalf of third party (such as indirect taxes). The transaction price is determined on the basis of agreement or letter of allotment entered into with the customer.

The Company satisfies the performance obligation and recognises revenue over time, if one of the criteria prescribed under Ind AS 115 - "Revenue from Contracts with Customers" is satisfied. If a performance obligation is not satisfied over time, then revenue is recognised at a point in time at which the performance obligation is satisfied.

The Company recognises revenue for performance obligation satisfied over time only if it can reasonably measure its progress towards complete satisfaction of the performance obligation. The Company would not be able to reasonably measure its progress towards complete satisfaction of a performance obligation if it lacks reliable information that would be required to apply an appropriate method of measuring progress. In those circumstances, the Company recognises revenue only to the extent of cost incurred until it can reasonably measure outcome of the performance obligation.

Notes

NOTES FORMING PART OF FINANCIAL STATEMENTS

The Company uses cost based input method for measuring progress for performance obligation satisfied over time. Under this method, the Company recognises revenue in proportion to the actual project cost incurred (excluding land cost) as against the total estimated project cost (excluding land cost).

The management reviews and revises its measure of progress periodically and revisions, if any, are considered as change in estimates and accordingly, the effect of such changes in estimates is recognised prospectively in the period in which such changes are determined.

The Company considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated. In determining the transaction price, the Company considers the effects of variable consideration, the existence of significant financing component and consideration payable to the customer like return and trade discounts.

Sales are disclosed excluding net of sales returns and Goods and Service Tax (GST).

Income from operations includes revenue earned on account of job work income which is accounted as per the terms agreed with the customers. Export benefits available under prevalent schemes are accounted to the extent considered receivable.

Revenue from Project Management and Consultancy services is recognized based on the terms and conditions set out in the agreement executed with the service receiver. The revenue is based on one or both of the following components; i.e., at a fixed percentage of total invoicing done by the service receiver and a fixed percentage of the total direct and indirect expenses incurred by the service receiver.

Income from Sale of Wind Operated Power is accounted on accrual basis on confirmation of units generated and supplied to the State Electricity Board as per the agreement.

Other income is comprised primarily of interest income, dividend income, gain / loss on investments and exchange gain/loss on foreign currency transactions. Interest income is recognized using the effective interest method. Dividend income is recognized (gross of tax deducted at source, if any) when the right to receive payment is established.

b) Foreign Currency Transactions

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

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

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

Foreign exchange differences regarded as an adjustment to borrowing costs are presented in the Statement of Profit and Loss, within finance costs. All other foreign exchange gains and losses are presented in the Statement of Profit and Loss on a net basis within other gains/(losses).

c) Employee Benefits

(i) Defined Benefit Obligation Plans:

Gratuity

The Company operates a defined benefit gratuity plan which requires contributions to be made to a separately administered fund by the Life Insurance Corporation of India (LIC) and HDFC Life Insurance Company Limited.

The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method.

The service cost and the net interest cost are charged to the Statement of Profit and Loss. Actuarial gains and losses arise due to remeasurement as result of the actual experience and the assumed parameters and changes in the assumptions used for valuation are recognised in the Other Comprehensive Income (OCI).

Provident Fund

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

Compensated absences

The Company has a policy to allow accumulation of leave by employees up to certain days. The excess leave will either be encashed or funded by the Company to LIC for and on behalf of employees. Accordingly, the excess leave liability is discharged by the Company upon such funding to LIC. Remaining accumulated leave liability as at the year- end is provided as per actuarial valuation.

The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method.

Actuarial gains and losses arise due to difference in the actual experience and the assumed parameters and also due to changes in the assumptions used for valuation. The Company recognizes these actuarial gains and losses in the Statement of Profit and Loss, as income or expense.

(ii) Defined Contribution Plan:

Superannuation fund is administered by the HDFC Life Insurance Company Limited. The contribution to Superannuation fund, Contribution to pension fund, ESIC and Labour Welfare Fund are recognised as an expense in the Statement of Profit and Loss.

d) Inventories

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

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

Work in process is valued at cost plus appropriate share of labour and manufacturing overheads.

Finished Goods are valued at cost plus appropriate share of labour and manufacturing overheads.

Construction work in progress is valued at cost and net realisable value whichever is lower. The cost is determined considering proportionate, cost of value of land, direct construction cost, development expenses and attributable indirect expenses.

e) Property, Plant and Equipments (PPE)

PPE are recorded at cost of acquisition / construction less accumulated depreciation and impairment losses, if any. Cost comprises of the purchase price net of indirect taxes, if any, and any attributable cost of bringing the assets to its working condition for its intended use.

Spare parts are treated as capital assets when they meet the definition of PPE. Otherwise, such items are classified as inventory.

Any gains or losses on their disposal, determined by comparing sales proceeds with carrying amount, are recognised in the Statement of Profit or Loss.

f) Assets held for sale

Assets held for sale are measured at the lower of carrying amount or fair value less costs to sell. The determination of fair value less costs to sell includes use of management estimates and assumptions. The fair value of the assets held for sale has been estimated using valuation techniques which includes unobservable inputs.

g) Investment Properties

Property that is held for long-term rental yields or for capital appreciation or both, 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 Company 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. Though the Company measures investment property using cost based measurement, the fair value of investment property is disclosed in the notes. The Company has used government registration rates for the purpose of determining fair value of Land and Buildings.

h) Depreciation / Amortisation on PPE and Investment Properties

Depreciation on PPE and investment properties is provided on Straight Line Basis as per the useful life prescribed in schedule II of the Companies Act 2013 except for Building where the life of 30-60 years is considered based on internal technical estimates. Depreciation on these assets have been provided on the net restated book value prospectively over the remaining useful life as per Schedule II of Companies Act 2013. Freehold land is not depreciated.

i) Capital Work-in-Progress (CWIP)

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

j) Leases

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Company as a lessee

(A) Lease Liability

At the commencement date, the Company measures the lease liability at the present value of the lease payments that are not paid at that date. The lease payments shall be discounted using incremental borrowing rate.

(B) Right-of-use assets

Initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives.

Subsequent measurement

(A) Lease Liability

Company measure the lease liability by (a) increasing the carrying amount to reflect interest on the lease liability; (b) reducing the carrying amount to reflect the lease payments made; and (c) remeasuring the carrying amount to reflect any reassessment or lease modifications.

(B) Right-of-use assets

Subsequently measured at cost less accumulated depreciation and impairment losses. Right-of-use assets are depreciated from the commencement date on a straight line basis over the shorter of the lease term and useful life of the underlying asset.

Impairment

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

Short term Lease:

Short term lease is that, at the commencement date, has a lease term of 12 months or less. A lease that contains a purchase option is not a short-term lease. If the company elected to apply short term lease, the lessee shall recognise the lease payments associated with those leases as an expense on either a straight-line basis over the lease term or another systematic basis. The lessee shall apply another systematic basis if that basis is more representative of the pattern of the lessee's benefit.

As a lessor

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

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

k) Fair Value Measurement

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

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

l) Impairment of Non-Current Assets

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

If such assets are considered to be impaired, the impairment to be recognized in the Statement of Profit and Loss is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset. An impairment loss is reversed in the Statement of Profit and Loss if there has been a change in the estimates used to determine the recoverable amount.

The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortization or depreciation) had no impairment loss been recognized for the asset in prior years.

m) Cash and Cash equivalents

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

Cash flow statement

Cash flows are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from the operating, investing and financing activities of the Company are segregated.

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

n) Borrowing Costs

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method.

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

o) Taxation

i) Current Income Tax

Income tax expense comprises of current tax and deferred tax. Income tax expense is recognized in the statement of profit and loss except to the extent that it relates to items recognized directly in equity/OCI, in which case it is recognized in other comprehensive income. Current income tax for current and prior periods is recognized at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted on the reporting date.

The Company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

ii) Deferred Tax

Deferred income tax assets and liabilities are recognized for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements.

Deferred income tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward unused tax losses can be utilised.

The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised.

Deferred tax assets and liabilities are measured using substantively enacted tax rates expected to apply to taxable income in the years in which the temporary differences are expected to be received or settled.

p) Financial Instruments

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

(i) Financial Assets

(a) Initial recognition and measurement

All financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that

require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date i.e, the date that the Company commits to purchase or sell the asset.

(b) Subsequent measurement

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

- **Financials Assets at Amortised Cost:**

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

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

- **Financial assets at fair value through Other Comprehensive Income (FVOCI)**

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

- **Financial assets at fair value through Profit or Loss (FVTPL)**

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

(c) De-recognition

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for de-recognition under Ind AS 109.

(d) Impairment

The Company recognizes loss allowances using the Expected Credit Loss (ECL) model for the financial assets which are not fair valued through Profit and Loss / OCI. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised is treated as an impairment gain or loss in Statement of Profit and Loss.

(ii) Financial Liabilities

(a) Initial recognition and measurement

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

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

(b) Subsequent measurement

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

- **Financial liabilities at fair value through Profit and Loss**

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

- **Financial liabilities measured at Amortised Cost**

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

(c) De-recognition

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

q) Segment reporting

Operating Segments are identified based on monitoring of operating results by the Chief Operating Decision Maker (CODM) separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss of the Company.

r) Provisions, Contingent liabilities and Assets**(i) Provisions**

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the Statement of Profit and Loss net of any reimbursement.

(ii) Contingent Liabilities

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

(iii) Contingent Assets

Contingent Assets are not recognised but are disclosed in the notes to the financial statements.

s) Earnings Per Share

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

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

3 Recent pronouncements

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

- Indian Accounting Standard (Ind AS) 103 – Business Combinations – Qualifications prescribed for recognition of the identifiable assets acquired and liabilities assumed, as part of applying the acquisition method – should meet the definition of assets and liabilities in the Conceptual Framework for Financial Reporting under Ind AS (Conceptual Framework) issued by the ICAI at the acquisition date Modification to the exceptions to recognition principle relating to contingent liabilities and contingent assets acquired in a business combination at the acquisition date.
- Indian Accounting Standard (Ind AS) 109 – Financial Instruments – Modification in accounting treatment of certain costs incurred on derecognition of financial liabilities.
- Indian Accounting Standard (Ind AS) 16 - Property, Plant and Equipment – Modification in treatment of excess of net sale proceeds of items produced over the cost of testing as part of cost of an item of property, plant, and equipment.
- Indian Accounting Standard (Ind AS) 37 - Provisions, Contingent Liabilities and Contingent Assets – Modifications in application of recognition and measurement principles relating to onerous contracts.

4 Property, Plant and Equipments (PPE):

₹ In Lakhs

| Particulars | Free Hold Land | Buildings | Employees Quarters | Plant and Equipments | Wind Mill | Furniture and Fixtures | Office Equipments | Vehicles | Total | Capital work in progress |
|--|----------------|-----------|--------------------|----------------------|-----------|------------------------|-------------------|----------|-----------|--------------------------|
| Gross Carrying amount as at 1st April,2021 | 11,751.48 | 524.18 | 1.89 | 1,932.07 | 294.92 | 302.36 | 58.04 | 120.35 | 14,985.33 | 584.16 |
| Additions | - | 106.76 | - | 36.15 | - | 19.38 | 8.46 | - | 170.75 | 62.68 |
| Disposals/transfer | - | (3.32) | - | (36.04) | - | - | - | - | (39.36) | (131.54) |
| Transfer to Stock in trade | (1.07) | - | - | - | - | - | - | - | (1.07) | (496.03) |
| Gross Carrying amount as at 31st March,2022 | 11,750.41 | 627.63 | 1.89 | 1,932.18 | 294.92 | 321.74 | 66.51 | 120.35 | 15,115.65 | 19.26 |
| Accumulated Depreciation as at 1st April,2021 | - | 114.75 | 1.14 | 1,297.35 | 104.62 | 50.79 | 16.72 | 30.61 | 1,615.98 | - |
| Depreciation charge for the year | - | 28.48 | 0.00 | 84.93 | 17.44 | 25.46 | 7.98 | 13.88 | 178.17 | - |
| Disposals | - | (1.85) | - | (26.60) | - | - | - | - | (28.46) | - |
| Accumulated Depreciation as at 31st March,2022 | - | 141.38 | 1.15 | 1,355.68 | 122.06 | 76.24 | 24.70 | 44.48 | 1,765.69 | - |
| Net Carrying Amount as at 31st March, 2022 | 11,750.41 | 486.25 | 0.75 | 576.50 | 172.86 | 245.49 | 41.81 | 75.88 | 13,349.98 | 19.26 |
| Net Carrying Amount as at 1st April, 2021 | 11,751.48 | 409.43 | 0.75 | 634.72 | 190.29 | 251.57 | 41.32 | 89.76 | 13,369.34 | 584.16 |

Note:

I. Buildings: include ₹ 0.025 Lakhs being cost of bonds of Morning Star Co-Operative Housing Society Limited.

| Particulars | Free Hold Land | Buildings | Employees Quarters | Plant and Equipments | Wind Mill | Furniture and Fixtures | Office Equipments | Vehicles | Total | Capital work in progress |
|--|----------------|-----------|--------------------|----------------------|-----------|------------------------|-------------------|----------|-----------|--------------------------|
| Gross Carrying amount as at 1st April,2020 | 11,751.63 | 423.87 | 1.89 | 1,907.70 | 294.92 | 51.47 | 25.10 | 75.62 | 14,532.23 | 307.78 |
| Additions | - | 100.31 | - | 29.50 | - | 250.89 | 32.95 | 44.73 | 458.38 | 635.52 |
| Disposals/transfer | - | - | - | (5.13) | - | - | - | - | (5.13) | (359.14) |
| Transfer to Stock in trade | (0.15) | - | - | - | - | - | - | - | (0.15) | - |
| Gross Carrying amount as at 31st March,2021 | 11,751.48 | 524.18 | 1.89 | 1,932.07 | 294.92 | 302.36 | 58.04 | 120.35 | 14,985.33 | 584.16 |
| Accumulated Depreciation as at 1st April,2020 | - | 96.55 | 1.14 | 1,215.81 | 87.19 | 35.62 | 11.13 | 21.93 | 1,469.36 | - |
| Depreciation charge for the year | - | 18.20 | 0.00 | 86.26 | 17.44 | 15.17 | 5.59 | 8.68 | 151.33 | - |
| Disposals | - | - | - | (4.72) | - | - | - | - | (4.72) | - |
| Accumulated Depreciation as at 31st March,2021 | - | 114.75 | 1.14 | 1,297.35 | 104.62 | 50.79 | 16.72 | 30.61 | 1,615.98 | - |
| Net Carrying Amount as at 31st March, 2021 | 11,751.48 | 409.43 | 0.75 | 634.72 | 190.29 | 251.57 | 41.32 | 89.76 | 13,369.34 | 584.16 |
| Net Carrying Amount as at 1st April, 2020 | 11,751.63 | 327.33 | 0.75 | 691.89 | 207.73 | 15.85 | 13.97 | 53.70 | 13,062.86 | 307.78 |

Note:

I. Buildings: include ₹ 0.025 Lakhs being cost of bonds of Morning Star Co-Operative Housing Society Limited.

Notes

NOTES FORMING PART OF FINANCIAL STATEMENTS

Capital Work in Progress (CWIP) Ageing as at 31st March, 2022

₹ In Lakhs

| CWIP | Amount in CWIP for a period | | | | Total |
|-----------------------------|-----------------------------|-----------|-----------|-------------------|-------|
| | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | |
| Project in progress: | | | | | |
| Project I | 8.03 | 11.24 | - | - | 19.26 |

Capital Work in Progress (CWIP) Ageing as at 31st March, 2021

| CWIP | Amount in CWIP for a period | | | | Total |
|-----------------------------|-----------------------------|-----------|-----------|-------------------|--------|
| | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | |
| Project in progress: | | | | | |
| Project I | 584.16 | - | - | - | 584.16 |

Notes:

- There are no projects which are temporarily suspended as on 31.03.2022 and 31.03.2021.
- There are no projects whose completion is overdue or has exceeded its cost.

5 Investment Property :

| Particulars | Free Hold Land | Buildings | Plant and Equipments | Capital work in progress | Total |
|--|-----------------|-----------------|----------------------|--------------------------|------------------|
| Gross Carrying amount as at 1st April, 2021 | 3,455.12 | 6,701.08 | 93.18 | 3,142.70 | 13,392.08 |
| Additions | 901.92 | 2,496.26 | - | 2,739.31 | 6,137.49 |
| Disposals/transfer | - | (12.79) | - | (2,575.72) | (2,588.51) |
| Gross Carrying amount as at 31st March, 2022 | 4,357.04 | 9,184.55 | 93.18 | 3,306.29 | 16,941.06 |
| Accumulated Depreciation as at 1st April, 2021 | - | 576.57 | 71.66 | - | 648.23 |
| Depreciation charge for the year | - | 269.09 | 2.73 | - | 271.82 |
| Disposals | - | (1.82) | - | - | (1.82) |
| Accumulated Depreciation as at 31st March, 2022 | - | 843.84 | 74.39 | - | 918.23 |
| Net Carrying Amount as at 31st March, 2022 | 4,357.04 | 8,340.71 | 18.79 | 3,306.29 | 16,022.83 |
| Net Carrying Amount as at 1st April, 2021 | 3,455.12 | 6,124.51 | 21.52 | 3,142.70 | 12,743.85 |

Note:

- Refer Note 34 (P) for other disclosures.

| Particulars | Free Hold Land | Buildings | Plant and Equipments | Capital work in progress | Total |
|--|-----------------|-----------------|----------------------|--------------------------|------------------|
| Gross Carrying amount as at 1st April, 2020 | 1,802.42 | 6,391.45 | 93.18 | 1,561.47 | 9,848.52 |
| Additions | 1,652.70 | 309.63 | - | 1,890.86 | 3,853.20 |
| Disposals/transfer | - | - | - | (309.63) | (309.63) |
| Gross Carrying amount as at 31st March, 2021 | 3,455.12 | 6,701.08 | 93.18 | 3,142.70 | 13,392.08 |
| Accumulated Depreciation as at 1st April, 2020 | - | 339.51 | 68.94 | - | 408.44 |
| Depreciation charge for the year | - | 237.07 | 2.73 | - | 239.79 |
| Disposals | - | - | - | - | - |
| Accumulated Depreciation as at 31st March, 2021 | - | 576.57 | 71.66 | - | 648.23 |
| Net Carrying Amount as at 31st March, 2021 | 3,455.12 | 6,124.51 | 21.52 | 3,142.70 | 12,743.85 |
| Net Carrying Amount as at 1st April, 2020 | 1,802.42 | 6,051.94 | 24.24 | 1,561.47 | 9,440.08 |

Note:

- Refer Note 34 (P) for other disclosures.

Notes

NOTES FORMING PART OF FINANCIAL STATEMENTS

₹ In Lakhs

Investment Property CWIP Ageing as at 31st March, 2022

| CWIP | Amount in CWIP for a period | | | | Total |
|-----------------------------|-----------------------------|-----------|-----------|-------------------|----------|
| | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | |
| Project in progress: | | | | | |
| Commercial Project | 2,186.78 | 956.84 | 85.46 | 77.21 | 3,306.29 |

Investment Property CWIP Ageing as at 31st March, 2021

| CWIP | Amount in CWIP for a period | | | | Total |
|-----------------------------|-----------------------------|-----------|-----------|-------------------|----------|
| | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | |
| Project in progress: | | | | | |
| Commercial Project | 2,272.32 | 774.99 | 84.65 | 10.74 | 3,142.70 |

Note:

1. There are no projects which are temporarily suspended as on 31.03.2022 and 31.03.2021.
2. There are no Projects whose completion is overdue or has exceeded its cost.

Non-Current Financial Assets

6 Investments:

| Particulars | As at 31st March, 2022 | As at 31st March, 2021 |
|--|---------------------------|---------------------------|
| (A) Investment at fair value through Other Comprehensive Income (fully paid) | | |
| (a) Equity Shares (Fully paid up): | | |
| <u>Quoted:</u> | | |
| - Jyoti Limited (CY and PY : 84,900 Nos. Equity Shares) | 7.63 | 8.84 |
| - Panasonic Energy India Company Limited (CY and PY: 72,824 Nos. Equity Shares) | 202.49 | 145.32 |
| - Kerbs Biochemicals Limited (CY and PY: 100 Nos. Equity Shares) | 0.14 | 0.09 |
| - Paushak Limited (CY and PY: 5,87,809 Nos. Equity Shares) | 61,101.28 | 49,121.73 |
| | 61,311.54 | 49,275.98 |
| <u>Unquoted:</u> | | |
| - Alembic Employees Co-operative Supply Society Limited (CY and PY: 100 Nos. Equity Shares) | 0.01 | 0.01 |
| - Co-Operative Bank of Baroda Limited (CY and PY: 100 Nos. Equity Shares) | 0.03 | 0.03 |
| - Gujarat Export Corporation Limited (CY and PY: 12,210 Nos. Equity Shares) | 1.14 | 1.14 |
| - Pran Agro Services Private Limited (CY and PY: 18 Nos. Equity Shares) # | 0.00 | 0.00 |
| - Pragati Sahakari Bank Limited (CY and PY: 500 Nos. Equity Shares) | 0.05 | 0.05 |

continued...

Notes

NOTES FORMING PART OF FINANCIAL STATEMENTS

₹ In Lakhs

| Particulars | As at 31st March, 2022 | As at 31st March, 2021 |
|--|---------------------------|---------------------------|
| - Baroda Industrial Development Corporation Limited (CY and PY: 6 Nos. Equity Shares) | 0.06 | 0.06 |
| - Ganesh Co-operative Housing Society Limited (CY and PY: 2 Nos. Equity Shares) # | 0.00 | 0.00 |
| - Gujarat Urban Housing Company (CY and PY: 10 Nos. Equity Shares) | 0.01 | 0.01 |
| - Morning Star Co-operative Housing Society Limited (CY and PY: 1 Nos. Equity Shares) # | 0.00 | 0.00 |
| | 1.29 | 1.29 |
| (b) Preference Shares (Fully paid up): | | |
| Unquoted: | | |
| - 5% Non-Cumulative Redeemable Preference Share of Pran Agro Services Private Limited (CY and PY : 100 Nos. Preference Shares) | 0.50 | 0.50 |
| | 0.50 | 0.50 |
| (B) Investment valued at Cost | | |
| (a) Equity Shares (Fully paid up): | | |
| In Associate Company | | |
| Quoted: | | |
| - Alembic Pharmaceuticals Limited (CY: 5,60,97,544 and PY: 5,58,36,503 Nos. Equity Shares) (Note 1) | 8,665.07 | 6,761.67 |
| In Subsidiary Company | | |
| Unquoted: | | |
| - Alembic City Limited (CY and PY 50,000 Nos. Equity Shares) | 10.07 | 10.07 |
| (b) Debentures (Fully paid up): | | |
| In Subsidiary Company - Alembic City Limited | | |
| - 1% Optionally Fully Convertible Debentures (OFCD) (CY 250 and PY : 500 Nos. Debentures) | 250.00 | 500.00 |
| Total Investments | 70,238.48 | 56,549.51 |
| Aggregate amount of quoted investments | 69,976.61 | 56,037.65 |
| Aggregate market value of quoted investments | 477,190.68 | 588,181.98 |
| Aggregate amount of unquoted investments | 261.87 | 511.87 |

Amount less than Rupees One Thousand.

Note 1 :- During the year, the Company has acquired additional 2,61,041 numbers of equity shares at a cost of ₹ 1,903.40 lakhs. (PY 2,84,975 shares at cost of ₹ 2,665.19 Lakhs)

Notes

NOTES FORMING PART OF FINANCIAL STATEMENTS

7 Other Financial Assets:

₹ In Lakhs

| Particulars | As at 31st March, 2022 | As at 31st March, 2021 |
|---|---------------------------|---------------------------|
| Bank deposits with more than 12 months maturity | 3.12 | 1.01 |
| Finance Lease Receivable (Refer Note 34 (C)(i)) | 264.08 | 350.99 |
| | 267.20 | 352.00 |

8 Inventories:

| Particulars | As at 31st March, 2022 | As at 31st March, 2021 |
|----------------------------|---------------------------|---------------------------|
| (a) Raw Materials* | 151.62 | 317.78 |
| (b) Packing Materials* | 5.13 | 6.39 |
| (c) Finished Goods* | 464.11 | 709.76 |
| (d) Stores and spares | 328.03 | 328.81 |
| Real Estate | | |
| (e) Project Under progress | 7,738.15 | 4,065.48 |
| | 8,687.04 | 5,428.21 |

** The cost of inventory recognised as an expense during the year was ₹ 2.91 Lakhs (PY ₹ 92.07 Lakhs).

Current Financial Assets**9 Investments:**

| Particulars | As at 31st March, 2022 | As at 31st March, 2021 |
|---|---------------------------|---------------------------|
| Investment at Fair Value through Profit or Loss | | |
| Mutual Funds (Quoted) | | |
| - Debt Funds | 1,910.79 | 963.86 |
| Debentures (Quoted) | - | 236.84 |
| Alternative investment fund (AIF Equity Fund) (Unquoted) | 448.45 | 366.94 |
| | 2,359.25 | 1,567.63 |

10 Trade Receivables:

| Particulars | As at 31st March, 2022 | As at 31st March, 2021 |
|---|---------------------------|---------------------------|
| Trade Receivables considered Good-Unsecured | | |
| - Receivable from Related Parties (Refer Note 34 (D)) | 464.30 | 374.49 |
| - Others | 1,025.76 | 935.59 |
| | 1,490.06 | 1,310.07 |
| Trade Receivables which have significant increase in credit risk | - | - |
| Less : Expected Credit Loss Allowance | - | - |
| | 1,490.06 | 1,310.07 |

Note: Refer Note 34 (j) for other disclosures.

Notes

NOTES FORMING PART OF FINANCIAL STATEMENTS

11 Cash and Cash Equivalents:

₹ In Lakhs

| Particulars | As at 31st March, 2022 | As at 31st March, 2021 |
|--------------------|---------------------------|---------------------------|
| Balance with banks | 89.78 | 574.72 |
| Cash on hand | 2.03 | 2.92 |
| | 91.81 | 577.64 |

12 Bank balances other than Cash and cash equivalents:

| Particulars | As at 31st March, 2022 | As at 31st March, 2021 |
|---|---------------------------|---------------------------|
| Other Bank Balances | | |
| - Bank deposits | 2.74 | 2.52 |
| In earmarked accounts | | |
| - Balances held in unpaid dividend accounts | 64.64 | 66.15 |
| | 67.38 | 68.66 |

13 Loans: (Unsecured, considered good)

| Particulars | As at 31st March, 2022 | As at 31st March, 2021 |
|-------------------------------------|---------------------------|---------------------------|
| (Unsecured, considered good) | | |
| Inter Corporate Deposit | 504.44 | - |
| | 504.44 | - |

14 Others:

| Particulars | As at 31st March, 2022 | As at 31st March, 2021 |
|---|---------------------------|---------------------------|
| Security Deposits | 10.80 | 5.86 |
| Finance Lease Receivable (Refer Note 34 (C)(i)) | 86.91 | 72.71 |
| Others(Refer note 34(D)) | 179.38 | 1.52 |
| | 277.08 | 80.08 |

15 Other Current Assets:

| Particulars | As at 31st March, 2022 | As at 31st March, 2021 |
|-------------------------------------|---------------------------|---------------------------|
| Advance to Employees | 8.94 | 15.31 |
| Advance to Suppliers | 390.91 | 670.39 |
| Balance with Government authorities | 28.30 | 106.37 |
| Prepaid Expenses | 41.98 | 73.77 |
| Other Receivables | 75.85 | 58.97 |
| | 545.97 | 924.80 |

16 Equity Share Capital:

₹ In Lakhs

| Particulars | As at 31st March, 2022 | As at 31st March, 2021 |
|---|---------------------------|---------------------------|
| a) Authorized | | |
| 300,000,000 - Equity shares of ₹ 2/- each | 6,000.00 | 6,000.00 |
| | 6,000.00 | 6,000.00 |
| b) Shares issued, subscribed and fully paid | | |
| 256,791,193 (PY: 256,791,193) - Equity shares of ₹ 2/- each | 5,135.82 | 5,135.82 |
| | 5,135.82 | 5,135.82 |
| c) Shares fully paid | | |
| 256,781,828 (PY: 256,781,828) - Equity shares of ₹ 2/- each | 5,135.64 | 5,135.64 |
| | 5,135.64 | 5,135.64 |

d) Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period.

| | As at 31st March, 2022 | | As at 31st March, 2021 | |
|---|------------------------|------------|------------------------|------------|
| | Numbers | ₹ in Lakhs | Numbers | ₹ in Lakhs |
| At the beginning of the period | 256,781,828 | 5,135.64 | 256,781,828 | 5,135.64 |
| Add / (Less) : changes during the year by the Company | - | - | - | - |
| At the end of the period | 256,781,828 | 5,135.64 | 256,781,828 | 5,135.64 |

e) The rights, preferences and restrictions including restrictions on the distribution of dividends and the repayment of capital;

The Company is having only one class of shares i.e Equity carrying a nominal value of ₹ 2/- per share. Every holder of the equity share of the Company is entitled to one vote per share held. In the event of liquidation of the Company, the equity shareholders will be entitled to receive remaining assets of the Company after the distribution / repayment of all creditors. The distribution to the equity shareholders will be in proportion of the number of shares held by each shareholder.

The Company declares and pays dividend as approved by the shareholders at the Annual General Meeting. During the year ended 31st March, 2022 an amount of ₹ 0.20 of dividend per equity share was paid for Financial Year 2020-21.

f) Shares in the company held by each shareholder holding more than 5 percent shares specifying the number of shares held:

| Particulars | As at 31st March, 2022 | | As at 31st March, 2021 | |
|----------------------------------|---------------------------|--------|---------------------------|--------|
| | Numbers | % held | Numbers | % held |
| Nirayu Limited (Holding Company) | 161,915,052 | 63.06% | 161,915,052 | 63.06% |

Notes

NOTES FORMING PART OF FINANCIAL STATEMENTS

g) Shareholding of Promoters

| Promoter Name | As at 31st March, 2022 | | | As at 31st March, 2021 | | |
|---------------------------|------------------------|-------------------|--------------------------|------------------------|-------------------|--------------------------|
| | No of Shares | % of total shares | % change during the year | No of Shares | % of total shares | % change during the year |
| 1. Chirayu Ramanbhai Amin | 8,317,644 | 3.24% | 0.00% | 8,317,644 | 3.24% | 0.00% |
| 2. Malika Chirayu Amin | 7,678,954 | 2.99% | 0.00% | 7,678,954 | 2.99% | 0.00% |

h) Aggregate number of Equity shares bought back during last 5 years : 10,250,000 equity shares of ₹ 80/- per share bought back in Financial year 2018-19.

17 Other Equity :

₹ In Lakhs

| Particulars | As at 31st March, 2022 | As at 31st March, 2021 |
|--|------------------------|------------------------|
| a) Capital Redemption Reserve (on account of Buy back of shares in earlier years) | | |
| Balance as per the last financial statements | 205.00 | 205.00 |
| | 205.00 | 205.00 |
| b) General Reserve (transfer of a portion of the net profit) | | |
| Balance as per the last financial statements | 14,496.62 | 14,496.62 |
| Add: Transferred from Retained Earnings | 2,000.00 | - |
| | 16,496.62 | 14,496.62 |
| c) Retained Earnings | | |
| Balance as per the last financial statements | 18,554.66 | 18,752.54 |
| Profit for the year | 8,571.47 | 1,336.40 |
| Items of Other Comprehensive Income | | |
| Remeasurements of post-employment benefit obligation, net of tax | (19.89) | 6.42 |
| Transfer to General Reserve | (2,000.00) | - |
| Less: Appropriations | | |
| - Equity Dividend including tax thereon | (513.56) | (1,540.69) |
| | 24,592.68 | 18,554.66 |
| d) Equity Instrument held at FVOCI (Refer below note) | | |
| Balance as per the last financial statements | 44,290.10 | 9,720.30 |
| Changes in fair value of FVOCI instruments (net of tax) | 10,665.09 | 34,569.80 |
| | 54,955.19 | 44,290.10 |
| Total | 96,249.48 | 77,546.39 |

Note: EQUITY INSTRUMENT held at FVOCI: The Company has elected to recognise changes in the fair value of certain investment in equity instrument in other comprehensive income. This amount will be reclassified to retained earnings on derecognition of corresponding equity instrument.

18 Non Current - Other Financial Liabilities:

₹ In Lakhs

| Particulars | As at 31st March, 2022 | As at 31st March, 2021 |
|---|---------------------------|---------------------------|
| Security Deposits | | |
| - From related parties (Refer Note 34(D)) | 27.29 | 18.07 |
| - From others | 94.02 | 203.75 |
| | 121.32 | 221.81 |
| Deferred Income | 71.54 | 161.75 |
| | 192.86 | 383.56 |

19 Non Current Provisions:

| Particulars | As at 31st March, 2022 | As at 31st March, 2021 |
|--|---------------------------|---------------------------|
| Provision for employee benefits | | |
| - Provision for gratuity | 23.33 | - |
| - Provision for Compensated absences | 86.59 | 82.80 |
| | 109.92 | 82.80 |

20 Deferred Tax Liability (Net):

| Particulars | As at 31st March, 2022 | As at 31st March, 2021 |
|---------------------------------|---------------------------|---------------------------|
| Deferred Tax Liabilities | | |
| - Depreciation | 264.19 | 244.51 |
| - Financial Assets at FVOCI | 6,068.05 | 4,697.58 |
| - Financial Assets at FVTPL | 42.86 | 19.49 |
| - Others | 82.08 | 4.24 |
| Sub Total (a) | 6,457.18 | 4,965.83 |
| Deferred Tax Assets | | |
| - Deferred Revenue Expenses | (3.31) | (5.91) |
| - Business losses | (77.63) | - |
| - Others | (333.58) | (301.79) |
| Sub Total (b) | (414.52) | (307.71) |
| Total (a+b) | 6,042.66 | 4,658.12 |

Current Financial Liabilities**21 Borrowings:**

| Particulars | As at 31st March, 2022 | As at 31st March, 2021 |
|---|---------------------------|---------------------------|
| Secured | | |
| Loans repayable on demand from banks | - | 27.66 |
| First charged on Pari-Passu basis by hypothecation of entire current assets including Inventory and Trade Receivables at interest rate ranging between 7% to 10% repayable on demand. | | |
| | - | 27.66 |

Notes

NOTES FORMING PART OF FINANCIAL STATEMENTS

22 Trade Payables:

₹ In Lakhs

| Particulars | As at 31st March, 2022 | As at 31st March, 2021 |
|--|---------------------------|---------------------------|
| Dues to Micro and Small Enterprises (Refer Note 34(L)) | 275.24 | 162.72 |
| Others | 1,636.33 | 1,571.38 |
| | 1,911.57 | 1,734.11 |

Refer Note 34 (K) for Other disclosures.

23 Other Financial Liabilities:

| Particulars | As at 31st March, 2022 | As at 31st March, 2021 |
|--|---------------------------|---------------------------|
| Unpaid Dividend | 64.64 | 66.15 |
| Security Deposits | | |
| - from related parties (Refer Note 34 (D)) | 262.85 | 266.69 |
| - from others | 8.55 | 12.89 |
| | 336.04 | 345.73 |

24 Other Current Liabilities:

| Particulars | As at 31st March, 2022 | As at 31st March, 2021 |
|------------------------|---------------------------|---------------------------|
| Statutory Liabilities | 165.49 | 135.88 |
| Others Liabilities | 254.44 | 322.22 |
| Advance from customers | 2,661.87 | 2,207.37 |
| | 3,081.80 | 2,665.46 |

25 Current Provisions:

| Particulars | As at 31st March, 2022 | As at 31st March, 2021 |
|--|---------------------------|---------------------------|
| Provision for employee benefits | | |
| - Provision for gratuity | 42.19 | 24.17 |
| - Provision for Compensated absences | 23.72 | 14.99 |
| - Others | 35.30 | 35.58 |
| | 101.21 | 74.74 |
| Others | 991.26 | 991.26 |
| | 1,092.47 | 1,066.00 |

26 Revenue From Operations:

₹ In Lakhs

| Particulars | For the Year Ended on 31st March, 2022 | For the Year Ended on 31st March, 2021 |
|--------------------------------------|--|--|
| Sale of products | | |
| - Domestic | 1,196.91 | 750.55 |
| - Exports | 173.74 | 120.29 |
| - Real Estate Development | 1,813.52 | 2,175.70 |
| Export Incentives | 3.33 | 4.23 |
| Sale of Services | | |
| - Job work income | 1,256.78 | 1,436.53 |
| - Rent | 2,528.93 | 2,204.63 |
| Other Operating Revenues | | |
| - Others | 624.08 | 538.07 |
| Total Revenue from Operations | 7,597.28 | 7,230.00 |

27 Other Income:

| Particulars | For the Year Ended on 31st March, 2022 | For the Year Ended on 31st March, 2021 |
|---|--|--|
| Interest Income | 112.99 | 83.28 |
| Dividend Income | 7,858.21 | 37.96 |
| Fair Value change of investment held for trading | 101.57 | 77.45 |
| Profit / (Loss) on sale of Investments (Net) | 156.62 | 440.72 |
| Other Non Operating Income | | |
| - Gain on Foreign Currency Transactions (Net) | 0.99 | 5.98 |
| - Gain/(Loss) on sale of Property, Plant and Equipments (Net) | 195.76 | 24.37 |
| - Amount no longer payable written back | 120.14 | 40.96 |
| - Insurance claim received | 36.95 | - |
| - Others | 325.91 | 286.01 |
| | 8,909.14 | 996.73 |

28 Cost of Materials Consumed:

| Particulars | For the Year Ended on 31st March, 2022 | For the Year Ended on 31st March, 2021 |
|--|--|--|
| Inventory at the beginning of the year | 324.16 | 236.98 |
| Add : Purchases | 685.18 | 1,264.24 |
| | 1,009.34 | 1,501.22 |
| Less: Inventory at the end of the year | 156.75 | 324.16 |
| | 852.59 | 1,177.06 |

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NOTES FORMING PART OF FINANCIAL STATEMENTS

29 Cost of Construction:

₹ In Lakhs

| Particulars | For the Year Ended on 31st March, 2022 | For the Year Ended on 31st March, 2021 |
|--|--|--|
| Opening Construction Work under progress | 4,065.48 | 2,497.21 |
| Add : Construction Expenses incurred during the year | 4,836.27 | 2,854.12 |
| Less : Closing Construction Work under progress | 7,738.15 | 4,065.48 |
| | 1,163.60 | 1,285.85 |

30 Changes in Inventories of Finished Goods /Work in Progress:

| Particulars | For the Year Ended on 31st March, 2022 | For the Year Ended on 31st March, 2021 |
|---|--|--|
| Inventory at the end of the year | | |
| - Finished Goods | 464.11 | 709.76 |
| | (a) 464.11 | 709.76 |
| Inventory at the beginning of the year | | |
| - Finished Goods | 709.76 | 470.88 |
| | (b) 709.76 | 470.88 |
| | (b-a) 245.64 | (238.88) |

31 Employee Benefit Expenses:

| Particulars | For the Year Ended on 31st March, 2022 | For the Year Ended on 31st March, 2021 |
|---|--|--|
| Salary and Wages | 1,951.28 | 2,055.01 |
| Contribution to Provident and other funds | 165.12 | 161.38 |
| Staff Welfare Expense | 31.00 | 43.16 |
| | 2,147.40 | 2,259.56 |

Notes

NOTES FORMING PART OF FINANCIAL STATEMENTS

32 Other Expenses:

₹ In Lakhs

| Particulars | For the Year Ended on 31st March, 2022 | For the Year Ended on 31st March, 2021 |
|--|--|--|
| Consumption of Stores, spares and laboratory materials | 230.86 | 163.88 |
| Power and Fuel (Net) | 4.72 | 22.35 |
| Repairs and Maintenance | | |
| - Machinery | 177.79 | 213.02 |
| - Building | 40.76 | 52.61 |
| - Others | 345.70 | 137.06 |
| Marketing, Publicity Expenses and Selling Commission | 69.37 | 88.26 |
| Rent | 0.13 | 0.02 |
| Rates and Taxes | 212.13 | 263.64 |
| Insurance | 60.98 | 72.65 |
| Travelling Expense | 14.13 | 9.12 |
| Legal and Professional Fees | 558.67 | 275.45 |
| Payment to Auditors (Refer Note 34(F)) | 14.15 | 14.88 |
| Bad Debts written off | - | 251.73 |
| Less: Bad Debts provision utilised | - | (64.14) |
| Expenses on CSR related activities (Refer Note 34 (E)) | 23.09 | 27.73 |
| Miscellaneous Expenses | 144.02 | 145.23 |
| | 1,896.48 | 1,673.50 |

33 Other Comprehensive Income:

| Particulars | For the Year Ended on 31st March, 2022 | For the Year Ended on 31st March, 2021 |
|---|--|--|
| Items that will not be reclassified to Profit and Loss | | |
| Changes in fair value of FVOCI instruments | 12,035.56 | 39,025.95 |
| Income Tax relating to this item | (1,370.47) | (4,456.15) |
| Re-measurements of post-employment benefit obligations | (26.58) | 8.58 |
| Income Tax relating to this item | 6.69 | (2.16) |
| | 10,645.21 | 34,576.22 |

Notes

NOTES FORMING PART OF FINANCIAL STATEMENTS

34 Other Explanatory Notes and Informations:

₹ In Lakhs

| | Particulars | As at 31st March, 2022 | As at 31st March, 2021 |
|----------|--|---------------------------|---------------------------|
| A | Commitments | | |
| | a) Capital Commitments | | |
| | Capital expenditure contracted for at the end of the reporting period but not recognised as liabilities is as follows: | | |
| | - Property, Plant and Equipments | 31.63 | 12.36 |
| | - Investment Property | 3,219.58 | 3,422.08 |
| | | 3,251.22 | 3,434.44 |
| B | Contingent Liabilities | | |
| | a) Wage revision and reinstatement of employees and other demands | Unascertained | Unascertained |
| | b) Letter of Credit, Guarantees and counter guarantees | 329.65 | 276.71 |
| | c) Liabilities Disputed in appeals: | | |
| | - Excise Duty | 17.87 | 17.87 |
| | - Sales Tax | 123.76 | 123.76 |
| | - Income Tax | 659.47 | 659.47 |
| | - Green Cess | 19.29 | 19.29 |
| | d) Claims against the Company not acknowledged as debt- (Refer Below Notes) | | |
| | - API Division (Refer below note 1) | 1,060.87 | 1,060.87 |
| | - Real Estate Division (Refer below note 2) | - | - |

Note

1. Towards electricity duty (net of provision of ₹ 991.26 lakhs) and interest of ₹ 2,902 lakhs as demanded by Electricity Department, not acknowledge or accepted by the Company.
2. Represent a litigation filed in National Consumer Forum in respect of one project with frivolous claims, which the Company is confident of being awarded in its favour.

C Disclosure pursuant Leases:**As Lessee:****Short term Leases:**

The Company has obtained premises for its business operations under operating lease or leave and license agreements. These are not non-cancellable and are renewable by mutual consent on mutually agreeable terms.

Lease payments are recognised in Statement of Profit and Loss under the head "Rent Expense" in note no 32.

Notes

NOTES FORMING PART OF FINANCIAL STATEMENTS

As Lessor:

i) Finance Lease Receivable (reconciliation gross/net investment)

The Reconciliation between the total gross investment in the lease and net investment in lease at the statement of financials position date is as follows.

₹ In Lakhs

| Particulars | 31st March 2022 | 31st March 2021 |
|-------------------------------|-----------------|-----------------|
| Gross Receivable | 423.69 | 474.02 |
| Less: unearned finance income | 72.71 | 50.33 |
| Total | 350.99 | 423.69 |
| Of which | | |
| Current Portion | 86.91 | 72.71 |
| Non Current Portion | 264.08 | 350.99 |

ii) The following table sets out a maturity analysis of lease payments, showing the undiscounted lease payments to be received after the reporting date.

| Particulars | ₹ In Lakhs |
|---------------------|------------------|
| Less than one year | 2,602.86 |
| One to Two Year | 2,204.83 |
| Two to Three Year | 2,045.50 |
| Three to Four Year | 2,020.49 |
| Four to Five Year | 1,925.03 |
| More than Five Year | 3,420.54 |
| Total | 14,219.24 |

D Related Party Disclosures:

List of Related Parties with whom the Company has entered into transactions during the year.

(a) **Holding Company:** Nirayu Limited

(b) **Subsidiary:** Alembic City Limited

(c) **Associate Company:** Alembic Pharmaceuticals Limited

(d) Other Related Parties:

1. Shreno Limited
2. Paushak Limited
3. Shreno Publications Limited
4. Rakshak Services Private Limited
5. Shreno Engineering Limited(w.e.f 01.09.2021)
6. Aleor Dermaceuticals Limited
7. Bhailal Amin General Hospital
8. Alembic CSR Foundation
9. Alembic Limited Provident Fund
10. Alembic Limited Gratuity Fund
11. Alembic Limited Superannuation Scheme
12. Viramya Packlight LLP

Notes

NOTES FORMING PART OF FINANCIAL STATEMENTS

(e) Key Managerial Personnel

| | | |
|-----|--------------------|---|
| 1. | Mr. Chirayu Amin | Chairman |
| 2. | Mrs. Malika Amin | Managing Director and Chief Executive Officer |
| 3. | Mr. Udit Amin | Non-Executive Director |
| 4. | Mr. C. P. Buch | Independent Director |
| 5. | Mr. Sameer Khera | Independent Director |
| 6. | Mr. Mayank Amin | Independent Director |
| 7. | Ms. Rati Desai | Independent Director |
| 8. | Mr. Abhijit Joshi | Director |
| 9. | Mr. Rasesh Shah | Chief Financial Officer |
| 10. | Mr. Drigesh Mittal | Company Secretary |

(f) Close Relatives of Key Managerial Personnel

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

(g) Key Managerial Personnel Compensation

₹ In Lakhs

| Particulars | For the year ended 31st March, 2022 | For the year ended 31st March, 2021 |
|------------------------------|--|--|
| Short-term employee benefits | 233.61 | 216.30 |
| Terminal Benefits | 22.64 | 23.01 |
| Other Benefits | 209.44 | 16.00 |
| Total Compensation | 465.69 | 255.31 |

(h) Transactions with Related Parties

During the year, the following transactions were carried out with related parties and relative of Key Managerial Personnel in the ordinary course of the business

| Holding - Nirayu Limited | For the year ended 31st March, 2022 | For the year ended 31st March, 2021 |
|--------------------------|--|--|
| Dividend Paid | 323.83 | 951.27 |
| Receiving of services | 0.96 | - |
| Sale of Goods | 3.25 | - |

Notes

NOTES FORMING PART OF FINANCIAL STATEMENTS

₹ In Lakhs

| Subsidiary - Alembic City Limited | For the year ended 31st March, 2022 | For the year ended 31st March, 2021 |
|--|--|--|
| Rent Income | 804.93 | 400.50 |
| Inter Corporate Deposit (Repaid) (Refer below note) | - | (100.00) |
| Interest on Inter Corporate Deposit | - | 4.83 |
| Investment (Repayment) in 1% Optionally Convertible Debentures | (250.00) | 500.00 |
| Interest on Investment in 1% Optionally Convertible Debentures | 4.79 | 1.92 |
| Commission on Corporate Guarantee | 0.02 | - |
| Reimbursement of Expenses | 36.70 | 28.41 |
| Reimbursement of Expenses Paid | 20.04 | - |
| Security Deposit Received | 5.61 | 31.13 |

Note: Inter Corporate Deposit has been given in accordance with Section 186(4) of the Companies Act, 2013 and the same has been given for general business purpose.

| Associate - Alembic Pharmaceuticals Limited | For the year ended 31st March, 2022 | For the year ended 31st March, 2021 |
|--|--|--|
| Purchase of Goods | 42.98 | 59.75 |
| Sale of Goods | 595.96 | 577.52 |
| Rendering of services | 1,755.16 | 1,861.54 |
| Reimbursement of Expenses | 89.91 | 334.74 |
| Rent Income | 989.66 | 905.57 |
| Dividend Income | 7,817.11 | - |
| Refund Security Deposit | 3.84 | - |
| Security Deposit Received | 12.64 | 20.08 |

| Key Managerial Personnel and their relatives | Name of Parties | For the year ended 31st March, 2022 | For the year ended 31st March, 2021 |
|---|------------------------|--|--|
| Managerial Remuneration | Mrs. Malika Amin | 144.00 | 144.00 |
| | Mr. Udit Amin | 192.54 | - |
| | Mr. Rasesh Shah | 92.11 | 77.35 |
| | Mr. Drigesh Mittal | 20.14 | 17.96 |
| | Dividend Paid | | |
| | Mr. Chirayu Amin | 16.64 | 49.91 |
| | Mrs. Malika Amin | 15.36 | 46.07 |
| | Others | 14.38 | 48.40 |
| Sitting Fees | Mr. Chirayu Amin | 1.80 | 1.70 |
| | Mr. Udit Amin | 1.50 | 2.00 |
| | Mr. C. P. Buch | 3.70 | 3.30 |
| | Mr. Sameer Khara | 3.30 | 2.90 |
| | Mr. Mayank Amin | 3.30 | 3.20 |
| | Ms. Rati Desai | 1.70 | 1.30 |
| | Mr. Abhijit Joshi | 1.60 | 1.60 |
| | | | |

Notes

NOTES FORMING PART OF FINANCIAL STATEMENTS

Significant Transactions with Other Related Parties

₹ In Lakhs

| Other Related Parties | Name of Parties | For the year ended 31st March, 2022 | For the year ended 31st March, 2021 |
|--|---------------------------------------|--|--|
| Purchase of Goods | | | |
| | Paushak Limited | 6.80 | 5.27 |
| | Shreno Publications Limited | 4.30 | 1.33 |
| | Shreno Limited | 1.08 | - |
| Sale of Goods | | | |
| | Paushak Limited | 11.13 | 5.41 |
| Sale of Property, Plant and Equipments | | | |
| | Paushak Limited | 10.62 | 1.56 |
| Rendering of services | | | |
| | Shreno Limited | 519.48 | 272.28 |
| | Paushak Limited | 41.30 | 54.65 |
| Receiving of services | | | |
| | Rakshak Services Private Limited | 18.64 | 36.42 |
| | Bhailal Amin General Hospital | 0.02 | 0.12 |
| Rent Income | | | |
| | Shreno Publications Limited | 73.06 | 73.06 |
| | Paushak Limited | 30.20 | 24.24 |
| | Aleor Dermaceuticals Limited | 0.57 | 0.57 |
| | Shreno Engineering Limited | 0.39 | - |
| CSR Contribution | | | |
| | Alembic CSR Foundation | 23.09 | 27.73 |
| Post Employment Benefit Plans | | | |
| | Alembic Limited Provident Fund | 194.58 | 189.04 |
| | Alembic Limited Gratuity Fund | 25.00 | 45.00 |
| | Alembic Limited Superannuation Scheme | 2.36 | 5.30 |
| Dividend Paid | | | |
| | Others* | 0.00 | 0.01 |
| | Paushak Limited* | 0.00 | 0.01 |
| Dividend Income | | | |
| | Paushak Limited | 35.27 | 35.27 |
| Advance to Related party | | | |
| | Alembic Limited Provident Fund | 176.00 | - |

* Amount less than One thousand

Notes

NOTES FORMING PART OF FINANCIAL STATEMENTS

Outstanding Balances

₹ In Lakhs

| Particulars | As at 31st March, 2022 | As at 31st March, 2021 |
|--|---------------------------|---------------------------|
| Subsidiary-Alembic City Limited | | |
| Deposits Payable | 55.73 | 50.12 |
| Investment in 1% Optionally convertible debentures | 250.00 | 500.00 |
| Investment in Equity Shares | 10.07 | 10.07 |
| Associate-Alembic Pharmaceuticals Limited | | |
| Trade Receivable | 419.11 | 340.64 |
| Trade Payable | 16.37 | 1.05 |
| Deposits Payable | 275.49 | 266.69 |
| Investment in Equity Shares | 8,665.07 | 6,761.67 |
| Other Related Parties | | |
| Trade Receivable | 45.19 | 33.84 |
| Trade Payable | 1.57 | 1.59 |
| Advance | 176.00 | - |
| Investment in Equity Shares | 61,101.28 | 49,121.73 |
| Key Managerial Personnel | | |
| Commission Payable | 192.54 | - |

(i)The company has given advances to one of its related party amounting to ₹ 176 Lakhs during the year and the same is outstanding as on 31st March 2022 (PY Nil)

E Corporate Social Responsibility (CSR) :

As per section 135 of the Companies Act , 2013 , a CSR committee has been formed by the Company. The areas for CSR activities are promoting education, art and culture, healthcare, destitute care and rehabilitation and rural development projects as specified in Schedule VII of the Companies Act, 2013.The details of amount required to be spent and actual expenses spent during the year is as under:

| Particulars | For the year ended 31st March, 2022 | For the year ended 31st March, 2021 |
|--|--|--|
| 1. Amount required to be spent by the company during the year | 23.09 | 27.73 |
| 2.Amount of expenditure incurred | 23.09 | 27.73 |
| 3.Shortfall at the end of the year | - | - |
| 4.Total of previous years shortfall | - | - |
| 5.Reason for shortfall | NA | NA |
| 6.Nature of CSR activities | Refer below Note | Refer below Note |
| 7.Details of Related party | Refer below Note | Refer below Note |
| 8.Provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in Provision during the year shall be shown separately | NA | NA |

Note: Contributed for CSR activities in the area of healthcare, rural development and education through implementing agency - Alembic CSR Foundation, a related party

Notes

NOTES FORMING PART OF FINANCIAL STATEMENTS

F Payment to Auditors:

₹ In Lakhs

| Particulars | For the year ended 31st March, 2022 | For the year ended 31st March, 2021 |
|--|--|--|
| Statutory Auditors | | |
| Audit Fees (Including Limited Review) | 9.50 | 9.50 |
| Other services | - | 1.80 |
| Reimbursement of expenses | 0.05 | 0.01 |
| Cost Auditor | | |
| Other services | - | 0.03 |
| Tax Auditor | | |
| Tax Audit Fees | 3.00 | 2.00 |
| Secretarial Auditor | | |
| Secretarial Audit fees | 1.60 | 1.55 |
| | 14.15 | 14.88 |

G Earnings Per Share (EPS):

| Particulars | For the year ended 31st March, 2022 | For the year ended 31st March, 2021 |
|--|--|--|
| Profit after Tax available for equity shareholders | 8,571.47 | 1,336.40 |
| Weighted Average number of equity shares | 256,781,828 | 256,781,828 |
| Basic and Diluted Earnings per share (Face value per share ₹ 2/- each) | 3.34 | 0.52 |

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

| Particulars | Gratuity Funded | |
|---|-----------------|------------|
| | 31.03.2022 | 31.03.2021 |
| Expense recognised in the Statement of Profit & Loss Account | | |
| Current Service Cost | 37.27 | 34.81 |
| Net Interest Cost | 2.50 | 1.74 |
| Total Charge to Profit & Loss Account | 39.77 | 36.55 |
| Total amount recognised in Other Comprehensive Income | | |
| Components of actuarial gain/losses on obligations: | | |
| Due to Change in financial assumptions | 1.15 | - |
| Due to experience adjustments | 11.58 | 6.57 |
| Return on plan assets excluding amounts included in interest income | 13.84 | (15.15) |
| Amounts recognised in Other Comprehensive Income | 26.58 | (8.58) |

Notes

NOTES FORMING PART OF FINANCIAL STATEMENTS

₹ In Lakhs

| Particulars | Gratuity Funded | |
|---|-----------------|------------|
| | 31.03.2022 | 31.03.2021 |
| Net Asset / (Liability) recognised | | |
| Change in Obligation | | |
| Present value of Defined Benefit Obligations at the beginning of the year | 377.34 | 337.39 |
| Current Service Cost | 37.27 | 34.81 |
| Interest Cost | 25.66 | 21.56 |
| Actuarial (Gain) / Losses due to change in financial assumptions | 1.15 | - |
| Actuarial Losses / (Gain) due to experience adjustments | 11.58 | 6.57 |
| Benefits Payments | (50.25) | (23.00) |
| Present value of Defined Benefit Obligations at the end of the year | 402.75 | 377.34 |
| Change in Assets | | |
| Plan assets at the beginning of the year | 353.17 | 294.60 |
| Interest Income | - | 19.82 |
| Return on plan assets excluding amounts included in interest income | 23.16 | 15.15 |
| Contributions by Employer | 25.00 | 46.60 |
| Actual benefits paid | (50.25) | (23.00) |
| Actuarial (losses)/gains | (13.84) | - |
| Plan assets at the end of the year | 337.23 | 353.17 |
| Actuarial Assumptions: | | |
| Discount Rate | 6.80% | 6.85% |
| Expected rate of return on plan assets | 6.80% | 6.85% |
| Mortality pre retirement | *LIC Rates | *LIC Rates |
| Mortality post retirement | NA | NA |
| Turnover rate | 5% to 1% | 5% to 1% |
| Medical premium inflation | NA | NA |
| Rate of escalation in salary (p.a) | 4.75% | 4.75% |
| * Indian Assured Lives Mortality (2012-14) Ult. | | |
| Sensitivity Analysis: | | |
| Delta Effect of +0.5% Change in Rate of Discounting | (2.77%) | (3.39%) |
| Delta Effect of -0.5% Change in Rate of Discounting | 2.96% | 3.61% |
| Delta Effect of +0.5% Change in Rate of Salary growth | 3.00% | 3.64% |
| Delta Effect of -0.5% Change in Rate of Salary growth | (2.83%) | (3.44%) |
| Delta Effect of +0.5% Change in Rate of Withdrawal | 0.40% | 0.24% |
| Delta Effect of -0.5% Change in Rate of Withdrawal | (0.43%) | (0.25%) |

Notes

NOTES FORMING PART OF FINANCIAL STATEMENTS

₹ In Lakhs

| Particulars | Compensated absences Not Funded | |
|---|---------------------------------|--------------|
| | 31.03.2022 | 31.03.2021 |
| Expense recognised in the Statement of Profit & Loss Account | | |
| Current Service Cost | 21.82 | 20.53 |
| Net Interest Cost | 6.65 | 4.67 |
| Net Value of re-measurements on the obligation and plan assets | - | 17.30 |
| Total expense | 28.47 | 42.50 |
| Actuarial loss / (gain) due to change in financial assumptions | (14.10) | - |
| Actuarial loss / (gain) due to change in experience assumptions | 18.83 | 17.30 |
| Net Actuarial loss / (gain) | 4.74 | 17.30 |
| Net Asset / (Liability) recognised in the Balance Sheet | | |
| Opening Defined Benefit Obligation | 97.79 | 74.62 |
| Current Service Cost | 21.82 | 20.53 |
| Interest Cost | 6.65 | 4.67 |
| Actuarial loss / (gain) due to change in financial assumptions | (14.10) | - |
| Actuarial loss / (gain) due to change in experience assumptions | 18.83 | 17.30 |
| Benefits Paid | (20.69) | (19.33) |
| Closing Defined Benefit Obligation | 110.31 | 97.79 |

Provident Fund

The Company's contribution to the provident fund, administered through a Company managed trust, is recognised as an expense in the Statement of Profit and Loss. The trust pays interest to its beneficiaries based on the minimum rate of return specified by the Government, from time to time. If there is any shortfall in the fund assets of the said trust, then the same is contributed by the Company to the trust and is charged to Statement of Profit and Loss. As on 31st March, 2022, there is no shortfall in the fund assets of the said trust.

I Borrowings secured against current assets :

The Company has borrowings from banks secured against Current Assets and quarterly returns filed for the same with the banks are in agreement with the books of accounts of the Company.

J Trade Receivables Ageing Schedule as on 31.03.2022

| Particulars | Outstanding for following periods from due date of Payment | | | | | | Total |
|---|--|--------------------|-------------------|-----------|-----------|-------------------|----------|
| | Not due | Less than 6 Months | 6 Months - 1 Year | 1-2 years | 2-3 years | More than 3 years | |
| a. Undisputed Trade Receivable-Considered good | 1,043.21 | 430.56 | 12.19 | 4.10 | - | - | 1,490.06 |
| b. Undisputed Trade Receivable - which have significant increase in credit risk | - | - | - | - | - | - | - |
| c. Undisputed Trade Receivable - Credit impaired | - | - | - | - | - | - | - |
| d. Disputed Trade Receivable-Considered good | - | - | - | - | - | - | - |
| e. Disputed Trade Receivable - which have significant increase in credit risk | - | - | - | - | - | - | - |
| f. Disputed Trade Receivable - Credit impaired | - | - | - | - | - | - | - |

Notes

NOTES FORMING PART OF FINANCIAL STATEMENTS

Trade Receivables Ageing Schedule as on 31.03.2021

₹ In Lakhs

| Particulars | Outstanding for following periods from due date of Payment | | | | | | Total |
|---|--|--------------------|-------------------|-----------|-----------|-------------------|----------|
| | Not due | Less than 6 Months | 6 Months - 1 Year | 1-2 years | 2-3 years | More than 3 years | |
| a. Undisputed Trade Receivable-Considered good | 808.58 | 470.62 | 27.95 | 2.92 | - | - | 1,310.07 |
| b. Undisputed Trade Receivable - which have significant increase in credit risk | - | - | - | - | - | - | - |
| c. Undisputed Trade Receivable - Credit impaired | - | - | - | - | - | - | - |
| d. Disputed Trade Receivable-Considered good | - | - | - | - | - | - | - |
| e. Disputed Trade Receivable - which have significant increase in credit risk | - | - | - | - | - | - | - |
| f. Disputed Trade Receivable - Credit impaired | - | - | - | - | - | - | - |

K Trade payable Ageing Schedule as on 31.03.2022

| Particulars | Outstanding for following periods from due date of payment | | | | | Total |
|-------------------------|--|------------------|-----------|-----------|-------------------|----------|
| | Not due | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | |
| a.MSME | 281.03 | - | - | - | - | 281.03 |
| b.Others | 1,530.04 | 46.26 | 13.14 | 18.98 | 22.13 | 1,630.54 |
| c.Disputed dues- MSME | - | - | - | - | - | - |
| d.Disputed dues- Others | - | - | - | - | - | - |

Trade payable Ageing Schedule as on 31.03.2021

| Particulars | Outstanding for following periods from due date of payment | | | | | Total |
|-------------------------|--|------------------|-----------|-----------|-------------------|----------|
| | Not due | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | |
| a.MSME | 166.41 | 1.03 | - | - | - | 167.43 |
| b.Others | 1,427.38 | 71.09 | 41.86 | 21.37 | 4.97 | 1,566.68 |
| c.Disputed dues- MSME | - | - | - | - | - | - |
| d.Disputed dues- Others | - | - | - | - | - | - |

Notes

NOTES FORMING PART OF FINANCIAL STATEMENTS

L Disclosure related to Micro, Small & Medium Enterprises:

On the basis of confirmation obtained from the supplier who have registered themselves under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act, 2006) and based on the information available with the company, the following are the details:

| Particulars | ₹ In Lakhs | |
|--|--------------------------|--------------------------|
| | As at 31st March 2022 | As at 31st March 2021 |
| (a) the principal amount and the interest due thereon remaining unpaid to any supplier at the end of each accounting year (Refer below notes) | 281.03 | 167.43 |
| (b) the amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006), along with the amount of the payment made to the supplier beyond the appointed day during each accounting year; | - | - |
| (c) the amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006; | - | - |
| (d) the amount of interest accrued and remaining unpaid at the end of each accounting year; and | - | - |
| (e) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises | - | - |

Note 1: The principal amount due to Micro, Small and Medium Enterprises includes Retention amount of ₹ 146.10 Lakhs (PY ₹ 136.31 Lakhs.)

Note 2: Out of above, amount pertaining to Medium Enterprises is ₹ 5.79 Lakhs (PY ₹ 4.71 Lakhs)

M SEBI (Listing Obligation & Disclosure Requirements) Regulation 2015:

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

N Disclosures pursuant to Ind AS 115 -Revenue from Contracts with Customers:**Disaggregation of revenue:**

The management determines that the segment information reported under Note 34 (T) Segment reporting is sufficient to meet the disclosure objective with respect to disaggregation of revenue under Ind AS 115 Revenue from contract with Customers. Hence, no separate disclosures of disaggregated revenues are reported.

O Taxes Reconciliation:**(i) Income Tax Expense**

| Particulars | For the year ended 31st March, 2022 | For the year ended 31st March, 2021 |
|---|--|--|
| a) Income tax expense | | |
| i. Current Tax | | |
| Current tax expense | 1,150.00 | 290.00 |
| ii. Deferred Tax | | |
| Decrease/ (Increase) in deferred tax assets | (100.13) | 31.89 |
| (Decrease)/ Increase in deferred tax liabilities | 120.88 | (0.89) |
| Total Deferred tax expenses (Benefits) | 20.76 | 31.00 |
| Total Income tax expenses (i + ii) * | 1,170.76 | 321.00 |
| | | |
| *excludes below tax impact on Other Comprehensive Income | | |
| Tax Benefit on Actuarial | 6.69 | (2.16) |
| Tax Benefit / (Expenses) due to Fair Value of Investments | (1,370.47) | (4,456.15) |

Notes

NOTES FORMING PART OF FINANCIAL STATEMENTS

(ii) Reconciliation of tax expense

₹ In Lakhs

| Particulars | For the year ended 31st March, 2022 | For the year ended 31st March, 2021 |
|---|--|--|
| Profit before Income tax expense | 9,727.73 | 1,651.87 |
| Tax at the Indian Tax Rate # | 2,447.03 | 415.74 |
| Tax effect of amounts which are not deductible (taxable) in calculating taxable income | | |
| Tax impact on items deductible | (152.95) | (140.24) |
| Tax impact on deduction available under Chapter VIA | (1,164.94) | (9.55) |
| Effect of Income on which tax payable u/s 111A, 112, 112A of Income Tax Act, 1961 | - | (8.04) |
| Others (including deferred tax) | 41.62 | 63.09 |
| Income Tax Expense | 1,170.76 | 321.00 |

The Company Opted for Concessional tax rate of Income Tax Act, 1961 and the applicable Indian Statutory Tax Rate for the year ended 31st March, 2022 is 25.17% and for 31st March, 2021 was 25.17%.

(iii) Current Tax (Liabilities) / Assets

| Particulars | As at 31st March, 2022 | As at 31st March, 2021 |
|---|---------------------------|---------------------------|
| Opening balance | 4.85 | 94.22 |
| Income Tax Paid | 863.98 | 195.10 |
| Current Income Tax for the year | (1,150.00) | (290.00) |
| Current Income Tax provision for earlier year | 14.51 | 5.53 |
| Net Current Income Tax Asset / (Liability) at the end | (266.66) | 4.85 |

(iv) Unrecognised Deferred tax assets on losses

Unrecognised deferred tax assets on losses are summarised below:

| Particulars | As at 31st March, 2022 | As at 31st March, 2021 |
|--|---------------------------|---------------------------|
| Unrecognised deferred tax assets on losses | - | 77.63 |

P Investment Property:

| Particulars | For the year ended 31st March, 2022 | For the year ended 31st March, 2021 |
|---|--|--|
| Amount recognised in Statement of Profit or Loss for investment properties Rental Income | 2,544.12 | 2,218.01 |
| Direct operating expenses from property that generated rental income | (239.80) | (206.36) |
| Depreciation | (254.50) | (222.48) |
| Profit from Investment Property | 2,049.81 | 1,789.17 |

| Particulars | As at 31st March, 2022 | As at 31st March, 2021 |
|---|---------------------------|---------------------------|
| Fair Value | | |
| Investment Properties | 22,094.10 | 18,961.39 |
| Add: Investment Property under Construction | 3,306.29 | 3,147.12 |
| Total | 25,400.39 | 22,108.51 |

Estimation of fair value: Method of Estimation

Notes

NOTES FORMING PART OF FINANCIAL STATEMENTS

In the absence of valuation reports of Registered Valuer as defined under rule 2 of Companies (Registered Valuer and valuation) Rules, 2017, the Company has used the government registration rates for the purpose of determining the fair value of Land and Buildings.

Q Financial instruments:**i) Fair value measurement hierarchy**

₹ In Lakhs

| Particulars | As at 31st March, 2022 | | | | As at 31st March, 2021 | | | |
|--|------------------------|------------------------|-------------|----------|------------------------|------------------------|-------------|----------|
| | Carrying amount | Level of input used in | | | Carrying amount | Level of input used in | | |
| | | Level 1 | Level 2 | Level 3 | | Level 1 | Level 2 | Level 3 |
| Financial assets | | | | | | | | |
| At Fair Value through Profit and Loss | | | | | | | | |
| Investments | 2,359.25 | 2,359.25 | - | - | 1,567.63 | 1,567.63 | - | - |
| At FVTOCI | | | | | | | | |
| Investment in Equity instruments | 69,987.98 | 61,311.54 | 1.29 | - | 56,049.01 | 49,275.98 | 1.29 | - |
| Investment in Debt instruments | 250.50 | - | 0.50 | - | 500.50 | - | 0.50 | - |
| At Amortised cost | | | | | | | | |
| Trade Receivables | 1,490.06 | - | - | - | 1,310.07 | - | - | - |
| Cash and cash equivalents | 91.81 | - | - | - | 577.64 | - | - | - |
| Bank balances other than above | 67.38 | - | - | - | 68.66 | - | - | - |
| Loans | 504.44 | - | - | - | - | - | - | - |
| Others | 544.28 | - | - | - | 432.08 | - | - | - |
| Total | 75,295.70 | 63,670.79 | 1.79 | - | 60,505.61 | 50,843.61 | 1.79 | - |
| Financial liabilities | | | | | | | | |
| Borrowings | - | - | - | - | 27.66 | - | - | - |
| Trade Payables | 1,911.57 | - | - | - | 1,734.11 | - | - | - |
| Security Deposit | 464.26 | - | - | - | 663.14 | - | - | - |
| Other Financial liabilities | 64.64 | - | - | - | 66.15 | - | - | - |
| Total | 2,440.47 | - | - | - | 2,491.06 | - | - | - |

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

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

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

There are no transfers between levels 1 and 2 during the year.

The Company's policy is to recognise transfers into and transfers out of fair value hierarchy levels at the end of the reporting period.

ii) Valuation technique used to determine fair value

Specific valuation techniques used to value financial instruments include:

- the use of quoted market prices or dealer quotes for similar instruments.
- the fair value of the remaining financial instruments is determined using discounted analysis.

iii) Valuation Processes

Valuation of unquoted equity shares is done by an external valuation agency.

The main level 3 inputs for unlisted equity securities used by the Company are derived and evaluated as follows:

Discount rates are determined using a capital asset pricing model to calculate a pre-tax rate that reflects current market assessments of the time value of money and the risk specific to the asset.

Earnings growth factor for unlisted equity securities are estimated based on market information for similar types of companies.

Changes in level 2 and 3 fair values are analysed at the end of each reporting period.

R Financial Risk Management:

The Company has exposure to credit risk, liquidity risk and market risk arising from financial instruments.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks. Risk management policies and systems are reviewed periodically to reflect changes in market conditions and the Company's activities.

The Company monitors compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company.

a. Credit Risk

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

Investments

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

Trade Receivables

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

₹ In Lakhs

| Particulars | As at 31st March, 2022 | As at 31st March, 2021 |
|--------------------------------------|---------------------------|---------------------------|
| Balance at the beginning of the year | - | 64.14 |
| Provision made during the year | - | - |
| Provision reversed during the year | - | (64.14) |
| Balance at the end of the year | - | - |

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

b. Liquidity Risk

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

Maturities of Financial Liabilities

The table herewith analyse the Company's Financial Liabilities into relevant maturity groupings based on there contractual maturities for:

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

Notes

NOTES FORMING PART OF FINANCIAL STATEMENTS

Contractual maturities of financial liabilities

₹ In Lakhs

| Particulars | Less than 1 year | More than 1 year | Total |
|---|------------------|------------------|-----------------|
| As at 31st March, 2022 | | | |
| Non-derivatives | | | |
| Other financial liabilities | 336.04 | 192.86 | 528.90 |
| Trade payables | 1,911.57 | - | 1,911.57 |
| Total Non-derivative liabilities | 2,247.61 | 192.86 | 2,440.47 |
| | | | |
| As at 31st March, 2021 | | | |
| Non-derivatives | | | |
| Other financial liabilities | 373.39 | 383.56 | 756.95 |
| Trade payables | 1,734.11 | - | 1,734.11 |
| Total Non-derivative liabilities | 2,107.50 | 383.56 | 2,491.06 |

c. Market Risk**1. Price Risk**

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

Management Policy

The Company maintains its portfolio in accordance with framework set by risk management policies.

2. Currency Risk

The Company has no significant exposure to export revenue and import of raw material and property, plant and equipments so the Company is not subject to significant risk that changes in foreign currency value impact.

S Capital Management:**Risk management**

For the purpose of Company's Capital Management, equity includes equity share capital and all other equity reserves attributable to the equity holders of the Company. The Company manages its capital to optimise returns to the share holders and make adjustments to it in light of changes in economic conditions or its business requirements. The Company's objective is to safe guard continuity, maintain a strong credit rating and healthy capital ratios in order to support its business and provide adequate return to share holders through continuing growth and maximise the share holders value. The Company funds its operations through internal accruals. The Management and Board of Directors monitor the return of capital as well as the level of dividend to share holders.

Notes

NOTES FORMING PART OF FINANCIAL STATEMENTS

T Segment Reporting:**Primary Segment**

The Company has identified “Active Pharmaceutical Ingredient (API)” and “Real Estate” as the primary reportable segment.

Part-I

₹ In Lakhs

| Particulars | API | | Real Estate | | Total | |
|--|-------------------------------------|-------------------------------------|-------------------------------------|-------------------------------------|-------------------------------------|-------------------------------------|
| | For the year ended 31st March, 2022 | For the year ended 31st March, 2021 | For the year ended 31st March, 2022 | For the year ended 31st March, 2021 | For the year ended 31st March, 2022 | For the year ended 31st March, 2021 |
| Segment Revenue | | | | | | |
| Revenue from Operations | 2,630.75 | 2,311.61 | 4,342.45 | 4,380.32 | 6,973.20 | 6,691.93 |
| Other Operating Income | 595.88 | 537.88 | 28.19 | 0.19 | 624.08 | 538.07 |
| Total Revenue from Operations | 3,226.64 | 2,849.49 | 4,370.64 | 4,380.51 | 7,597.28 | 7,230.00 |
| Segment Result | | | | | | |
| Profit before tax | 524.74 | (128.25) | 1,088.13 | 1,250.46 | 1,612.87 | 1,122.21 |
| Add: Unallocated Income | | | | | 8,137.88 | 556.30 |
| Less: Finance Cost | | | | | 23.02 | 26.64 |
| Less: Tax Expense | | | | | 1,170.76 | 321.00 |
| Less: Short/(Excess) Provision of earlier years | | | | | (14.51) | (5.53) |
| Net Profit after tax | | | | | 8,571.47 | 1,336.40 |
| Other Comprehensive Income | | | | | 10,645.21 | 34,576.22 |
| Total Comprehensive Income for the period | | | | | 19,216.68 | 35,912.62 |

Part-II

| Particulars | API | | Real Estate | | Total | |
|---------------------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|
| | As at 31st March, 2022 | As at 31st March, 2021 | As at 31st March, 2022 | As at 31st March, 2021 | As at 31st March, 2022 | As at 31st March, 2021 |
| Segment Assets and Liabilities | | | | | | |
| Segment Assets | 14,882.52 | 15,444.63 | 26,434.44 | 20,283.64 | 41,316.96 | 35,728.27 |
| Segment Liabilities | 1,752.48 | 1,711.77 | 4,972.19 | 4,593.56 | 6,724.66 | 6,305.32 |
| Add: Unallocable Assets | | | | | 73,102.15 | 57,917.19 |
| Less: Unallocable Liabilities | | | | | 6,309.33 | 4,658.12 |
| Capital Employed | 13,130.04 | 13,732.87 | 21,462.25 | 15,690.09 | 101,385.12 | 82,682.02 |
| Addition to Non-Current Assets | (100.42) | (66.21) | 3,208.84 | 4,037.49 | 3,108.42 | 3,971.28 |

Part-III

Amount of revenue from major external customer of API Division ₹ 2,252.74 Lakhs (Previous year ₹ 2,439.06 Lakhs) (including GST)

Notes

NOTES FORMING PART OF FINANCIAL STATEMENTS

U Ratios

| Particulars | 31.03.2022 | 31.03.2021 | % Variance | Reason for variance |
|---|------------|------------|------------|---|
| Current Ratio (in times) Current Assets/Current Liabilities | 2.10 | 1.71 | 22.89 | NA |
| Debt-Equity Ratio (in times) Total Debt/Shareholder's Equity | NA | 0.00 | NA | NA |
| Debt Service Coverage Ratio (in times) (Net profit+ Non cash items)/Finance cost | NA | NA | NA | NA |
| Return on Equity Ratio Net profit/Average Shareholder's equity | 9.31% | 2.04% | 356.45 | Increase in Dividend income and Fair value change of Non current Investments |
| Inventory Turnover Ratio (in times) Sales/Average Inventory | 1.08 | 1.61 | (33.23) | Increase in Inventory- Project under progress |
| Trade Receivables turnover Ratio (in times) Sales/Average Trade Receivables | 5.43 | 6.57 | (17.46) | NA |
| Trade Payable turnover Ratio(in times) Purchases/Average trade payable | 3.03 | 2.72 | 11.52 | NA |
| Net Capital Turnover Ratio Net Sales/Working Capital | 1.04 | 1.75 | (40.93) | Increase in Inventory- Project under progress and Increase in current investments |
| Net Profit Ratio Net Profit/Net Sales | 112.82% | 18.48% | 510.38 | Increase in Dividend income |
| Return on Capital Employed Earning before interest & tax/Capital Employed | 9.08% | 1.92% | 372.44 | Increase in Dividend income and Fair value change of Non current Investments |
| Return on Investment PBIT/Total Assets | 8.52% | 1.79% | 375.45 | Increase in Dividend income and Fair value change of Non current Investments |

V Relationship with Struck off Companies

As per the information available with the company, following are the transactions with struck off companies:

| Name of struck off company | Nature of transactions with struck off company | Balance outstanding/ Nominal share value (₹ in Lakhs) | Relationship with struck off company, if any |
|--|--|---|--|
| Shares held by Struck off Company | | | |
| 1. Vaishak Shares Limited* | Investment in securities -2 Shares | 0.00 | Equity shareholder |
| 2. Synectic Management Services Pvt Ltd* | Investment in securities -2 Shares | 0.00 | Equity shareholder |
| 3. Canny Securities Private Limited | Investment in securities -300 shares | 0.01 | Equity shareholder |

* amount less than thousand rupees

W Other statutory informations

- The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- The Company has not traded or invested in Crypto currency or Virtual Currency during the year.

Notes

NOTES FORMING PART OF FINANCIAL STATEMENTS

- 4) (i) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall: directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- (ii) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
- (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
- (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- 5) The Company does not have any such transaction which is not recorded in the books of accounts and that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961)
- 6) The company holds all the title deeds of immovable property in its name.
- 7) There is no Scheme of Arrangement approved by the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013.
- 8) The company is not declared as wilful defaulter by any bank or financial Institution or other lender.

X Information on Dividend for the year ended 31st March, 2022

Dividends proposed or declared after the balance sheet date but before the financial statements have been approved by the Board of Director for issue are not recognised as a liability at the balance sheet date.

The Board of Director recommended final dividend of ₹ 1.80 per equity share for the financial year ended on 31st March, 2022. The payment is subject to approval of share holder in ensuing Annual General Meeting of the Company. (Previous year ₹ 0.20 per equity share).

- Y** The previous year's figures have been regrouped / rearranged wherever necessary to make it comparable with the current year.
- Z** These Financial Statements were authorised for issue in accordance with the resolution of the Board of Directors in its meeting held on 5th May, 2022.

As per our report of even date

For CNK & Associates LLP
Chartered Accountants
Firm Registration No.: 101961W/W-100036

Himanshu Kishnadwala
Partner
Membership No. 037391
Kochi : 5th May, 2022

Chirayu Amin
Chairman
DIN: 00242549

Malika Amin
Managing Director & CEO
DIN: 00242613

Rasesh Shah
Chief Financial Officer

For and on behalf of the Board

C. P. Buch
Director
DIN: 05352912

Drigesh Mittal
Company Secretary

Vadodara: 5th May, 2022

Independent Auditor's Report

TO THE MEMBERS OF ALEMBIC LIMITED

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying Consolidated Financial Statements of Alembic Limited ("the Company"), its subsidiary company (the Company and its subsidiary together referred to as "the Group"), and its associate which comprise the Consolidated Balance Sheet as at 31st March, 2022, 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 ended on that date and notes to the Consolidated Financial Statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated 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 Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group and its associate as at 31st March, 2022, the consolidated profit and consolidated total comprehensive income, consolidated changes in equity and its consolidated cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the Consolidated Financial Statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group and its associate in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the independence requirements that are relevant to our audit of the Consolidated Financial Statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's 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 Financial Statements.

Key Audit Matters

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

| Sr no | Key Audit Matter | Auditor's Response |
|-------|---|---|
| 1. | <p>Litigations, Provisions and contingent liabilities</p> <p>The Group has several litigations which also include matters under dispute which involves significant management judgement and estimates on the possible outcome of the litigations and consequent provisioning thereof or disclosure as contingent liabilities.</p> <p>Refer Note 25 and 34(C) to the Consolidated Financial Statements.</p> | <p>Principal Audit Procedures</p> <p>As part of the audit process, we obtained from the management details of matters under disputes including ongoing and completed tax assessments, demands and other litigations.</p> <p>Our audit approach for the above consists of the following audit procedures:</p> <ul style="list-style-type: none"> Evaluation and testing of the design of internal controls followed by the Group relating to litigations and open tax positions for direct and indirect taxes and process followed to decide provisioning or disclosure as Contingent Liabilities; Discussed with Company's legal team and taxation team for sufficient understanding of on-going and potential legal matters impacting the Company. We involved our internal expert to evaluate the management's underlying judgements in making their estimates with regard to such matters. |

Key Audit Matters

(As mentioned in the audit report of Alembic Pharmaceuticals Limited ("APL"), an associate company)

| Sr no | Key Audit Matter | Auditor's Response |
|-------|---|---|
| 1. | <p>Provision for return of non-saleable goods (Expiry, Breakage and Spoilage) in the market in India:</p> <p>The Company, under the prevailing trade practice, has an obligation to accept returns of expiry, breakage and spoilage (EBS) products, from the customers in India. This results in deductions to gross amounts invoiced. The methodology and assumptions used to estimate the accruals of EBS are monitored and adjusted regularly by the management in the light of the obligations, historical trends, past experience and prevailing market conditions. This is considered as key audit matter in view of significant estimates and judgements made by the management for recognition and measurement for the same.</p> | <p>Principal Audit Procedures</p> <p>Our audit procedures consisted of following:</p> <ol style="list-style-type: none"> Assessed the appropriateness of the accounting policy in respect of recognition of provision for accrual of EBS estimated in future out of the sales affected during the current period. Tested the operating effectiveness of controls over Company's review of recognition of provision for accrual of EBS. Obtained management's calculations for accruals and assessed management analysis of the historical pattern of accruals to validate management's assumption for creation of such provisions. Examined the historical trend of the Company's estimates to assess the assumptions and judgements used by the Company in accrual of provisions. <p>Conclusion:</p> <p>We found that the calculation and estimates to assess the assumptions and Judgements used by the company are appropriate.</p> |

Independent Auditor's Report

| | | |
|----|---|--|
| 2. | <p>Impairment testing of “Intangible Assets under development”</p> <p>The company is developing various Generic products. The eligible cost related to above are included under “Intangible assets under development”. The above “Intangible assets under development” are tested for Impairments.</p> <p>This is a key audit matter because there is use of significant estimates and judgements by the management which are required for testing the same for impairments.</p> | <p>Principal Audit Procedure:</p> <ul style="list-style-type: none"> • We have assessed the company’s valuation methodology to ensure the recoverable value of Intangible assets under development: • We have considered the recoverable value based on value in use derived from discounted cash flows working provided by the management and certified by the independent external valuer. • We have evaluated the assumptions applied to key inputs such as discount rates, sales volume and prices, long term growth rates and terminal values. • We discussed potential changes in key drivers as compared to previous year / actual performance with management to evaluate whether the inputs and assumptions used in the cash flow forecasts were suitable. • We have verified the application made by the company to external agencies for approval of its various products and also the approval received by the company for some of the products. |
|----|---|--|

Information other than the Consolidated Financial Statement and Auditor’s Report thereon

The Holding Company’s Board of Directors is responsible for other information. The other information comprises the information included Board’s Report including Annexures to that Board’s Report, Corporate Governance and Shareholder’s Information, but does not include the Consolidated Financial Statements and our auditor’s report thereon.

Our opinion on the Consolidated 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 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 Financial Statements or our knowledge obtained during the course of our 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 Consolidated 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 Consolidated Financial Statements that give a true and fair view of the consolidated financial position, consolidated financial performance total comprehensive income, consolidated changes in equity and consolidated cash flows of the Group in accordance with the Ind AS and other accounting principles generally accepted in India. The respective Board of Directors of the companies included in the Group and its associate are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements 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 Consolidated Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error;

In preparing the Consolidated Financial Statements, the respective Board of Directors of the companies included in the Group and its associate are responsible for assessing the ability of the Group and its associate 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 their respective entities 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 and of its associate are responsible for overseeing the financial reporting process of the Group and of its associate.

Auditor’s Responsibilities for the Audit of Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the Consolidated 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 Financial Statements.

Independent Auditor's Report

As part of an audit in accordance with SAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Consolidated Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the Group and its associate has adequate internal financial controls system in place and the operating effectiveness of such controls;
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its associate to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Consolidated Financial 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 and its associate to cease to continue as a going concern;
- Evaluate the overall presentation, structure and content of the Consolidated Financial Statements, including the disclosures, and whether the Consolidated 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 and its associate to express an opinion on the Consolidated Financial Statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the Consolidated Financial Statements of which we are the independent auditor. For the other entities included in the Consolidated Financial Statements, which have been audited by the 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;

Materiality is the magnitude of misstatements in the Consolidated Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Consolidated Financial Statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Consolidated Financial Statements;

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 Consolidated Financial Statements of the current period 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

We did not audit the financial statements of one subsidiary company, whose financial statements reflect total assets of ₹ 6,471.84 Lakhs as at 31st March 2022, total revenues of ₹ 922.38 Lakhs, total loss after tax of ₹ 131.60 Lakhs, total comprehensive loss of ₹ 131.62 Lakhs and net cash inflow of ₹ 14.27 Lakhs for the year then ended, as considered in the Consolidated Financial Statements. The Consolidated Financial Statements also include group's share of total comprehensive income [comprising of profit/(loss) and other comprehensive income] of ₹ 13,626.26 Lakhs (after adjusting impact of qualified opinion in the audit report on consolidated financial statements) for the year ended 31st March, 2022, as considered in the consolidated financial results, of one associate, whose financial statements have not been audited by us;

Independent Auditor's Report

These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our report on the consolidated financial results, in so far as it relates to the aforesaid subsidiary and associate is based solely on the report of the other auditors;

Our opinion on the Consolidated Financial Statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matter with respect to our reliance on the work done and the report of the other auditors.

Report on Other Legal and Regulatory Requirements

- I. As required by Section 143(3) of the Act, 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 Financial Statements;
 - (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid Consolidated Financial Statements have been kept by the Group 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), Consolidated Statement of Changes in Equity and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the Consolidated Financial Statements;
 - (d) In our opinion, the aforesaid Consolidated Financial Statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
 - (e) On the basis of the written representations received from the directors of the Company as on 31st March, 2022 taken on record by the Board of Directors of the company and the report of the statutory auditors of its subsidiary company and associate company, incorporated in India, none of the directors of the Group companies incorporated in India is disqualified as on 31st March, 2022 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 over financial reporting of the Group and its associate and the operating effectiveness of such controls, refer to our separate Report in "Annexure A";
 - (g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act; and
 - (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 Financial Statements disclosed the impact of pending litigations on its financial position of the Group and its associate– Refer Note 34 (C) to the Consolidated Financial Statements;
 - ii. The Group and its associate did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses;
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Group and its associate.
 - iv. i. The Holding Company Management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company, its subsidiaries and its associates to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company, its subsidiaries and its associates ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

Independent Auditor's Report

- ii. The Holding Company Management has represented, that, to the best of its knowledge and belief, no funds have been received by the Holding Company, its subsidiaries and its associates from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company, its subsidiaries and its associates shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
 - iii. Based on such audit procedures that we have considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) contain any material mis-statement.
 - v. The dividend declared or paid during the year by the Holding Company and associate company is in compliance with Section 123 of the Companies Act, 2013. During the year, no dividend is declared by subsidiary of the Holding Company.
2. With respect to the matters specified in paragraphs 3(xxi) and 4 of the Companies (Auditor's Report) Order, 2020 (the "Order"/ "CARO") issued by the Central Government in terms of Section 143(11) of the Act, to be included in the Auditor's report, according to the information and explanations given to us, and based on the CARO reports issued by us for the Company and its subsidiary and its associate included in the consolidated financial statements of the Company, to which reporting under CARO is applicable, we report that there are no qualifications or adverse remarks in these CARO reports.

For **CNK & Associates LLP**

Chartered Accountants

Firm Registration No. 101961W/W-100036

Himanshu Kishnadwala

Partner

Membership No.037391

Place: Kochi

Date: 5th May, 2022

UDIN: 22037391A1LAPO8897

Annexure “A” to the Independent Auditor’s Report

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

We have audited the internal financial controls over financial reporting of **ALEMBIC LIMITED** (“the Company”) and in respect of its subsidiary and associate companies wherein such audit of internal financial controls over financial reporting was carried out by other Auditors whose reports have been forwarded to us and have been appropriately dealt with by us in making this report as on 31st March, 2022 in conjunction with our audit of the Consolidated Financial Statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The respective Board of Directors of the Company and its subsidiary company, associate company, which are companies incorporated in India are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of internal financial controls with reference to financial statements of the Company 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 Companies Act, 2013.

Auditors’ Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company, based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. 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 internal financial controls with reference to financial statements of the Company were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the internal financial controls with reference to financial statements of the company and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, 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 Consolidated 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 auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A Company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company’s internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company’s assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Annexure “A” to the Independent Auditor’s Report

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company, its subsidiary company and its associate company has, in all material respects, an internal financial controls with reference to financial statements of the Company and such internal financial controls over financial reporting were operating effectively as at 31st March, 2022, based on the internal control over financial reporting criteria established by company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Other Matters

Our aforesaid reports under section 143(3)(i) of the Act on the adequacy and the operating effectiveness of the internal financial controls over financial reporting in so far as it relates to subsidiary company and associate companies, which are incorporated in India, are based on the corresponding reports of the auditors of such companies incorporated in India.

Our Opinion is not modified in respect of above matter.

For CNK & Associates LLP

Chartered Accountants

Firm Registration No. 101961W/W-100036

Himanshu Kishnadwala

Partner

Membership No.037391

Place: Kochi

Date: 5th May, 2022

UDIN: 22037391AILAPO8897

Consolidated Balance Sheet

₹ In Lakhs

| Particulars | Notes No | As at 31st March, 2022 | As at 31st March, 2021 |
|---|--------------------|---------------------------|---------------------------|
| I. ASSETS | | | |
| (1) Non-Current Assets | | | |
| (a) Property, Plant and Equipment | 3 | 13,349.98 | 13,369.34 |
| (b) Capital Work-in-Progress | 3 | 19.26 | 584.16 |
| (c) Investment Property | 4 | 16,366.16 | 13,123.52 |
| (d) Goodwill | 5 | 5.07 | 5.07 |
| (e) Financial Assets | | | |
| (i) Investments | 6 | 61,314.37 | 49,278.60 |
| (ii) Investments accounted using Equity Method | 6 | 156,887.01 | 153,779.31 |
| (iii) Others | 7 | 422.79 | 462.18 |
| (f) Other non-current assets-Capital Advances | | 498.34 | 84.64 |
| (2) Current Assets | | | |
| (a) Inventories | 8 | 8,687.04 | 5,428.21 |
| (b) Financial Assets | | | |
| (i) Investments | 9 | 2,584.41 | 1,658.65 |
| (ii) Trade Receivables | 10 | 1,522.14 | 1,380.91 |
| (iii) Cash and cash equivalents | 11 | 117.14 | 588.71 |
| (iv) Bank Balances other than Cash and Cash Equivalents | 12 | 67.38 | 68.66 |
| (v) Loans | 13 | 504.44 | - |
| (vi) Others | 14 | 277.08 | 80.08 |
| (c) Other Current Assets | 15 | 572.66 | 966.99 |
| (d) Current Tax Assets (Net) | | - | 37.14 |
| TOTAL ASSETS | | 263,195.28 | 240,896.19 |
| II. EQUITY AND LIABILITIES | | | |
| Equity | | | |
| (a) Equity Share Capital | 16 | 5,135.64 | 5,135.64 |
| (b) Other Equity | 17 | 244,522.70 | 224,567.17 |
| Liabilities | | | |
| (1) Non-Current Liabilities | | | |
| (a) Financial Liabilities | | | |
| (i) Other Financial Liabilities | 18 | 602.84 | 506.46 |
| (b) Provisions | 19 | 109.92 | 82.80 |
| (c) Deferred Tax Liability (Net) | 20 | 6,047.70 | 4,662.60 |
| (2) Current Liabilities | | | |
| (a) Financial Liabilities | | | |
| (i) Borrowings | 21 | - | 27.66 |
| (ii) Trade Payables | 22 | | |
| a) total outstanding dues of Micro and Small Enterprises | | 275.58 | 181.70 |
| b) total outstanding dues of Others | | 1,651.18 | 1,599.39 |
| (iii) Other Financial Liabilities | 23 | 431.81 | 386.48 |
| (b) Other Current Liabilities | 24 | 3,121.99 | 2,680.29 |
| (c) Provisions | 25 | 1,092.47 | 1,066.00 |
| (d) Current Tax Liabilities (Net) | | 203.45 | - |
| TOTAL EQUITY AND LIABILITIES | | 263,195.28 | 240,896.19 |
| Significant Accounting Policies and Other Explanatory Notes and Informations | I, 2 and 34 | | |

Note: The accompanying notes referred to above which form an integral part of the financial statements.
As per our report of even date

For and on behalf of the Board

For CNK & Associates LLP
Chartered Accountants
Firm Registration No.: 101961W/W-100036

Chirayu Amin
Chairman
DIN: 00242549

Malika Amin
Managing Director & CEO
DIN: 00242613

C. P. Buch
Director
DIN: 05352912

Himanshu Kishnadwala
Partner
Membership No. 037391
Kochi : 5th May, 2022

Rasesh Shah
Chief Financial Officer

Drigesh Mittal
Company Secretary

Vadodara: 5th May, 2022

Consolidated Statement of Profit and Loss

₹ In Lakhs

| Particulars | Notes No | For the Year Ended on 31st March, 2022 | For the Year Ended on 31st March, 2021 |
|--|-------------------|--|--|
| I. Revenue from Operations | 26 | 7,821.75 | 7,351.62 |
| II. Other Income | 27 | 8,918.01 | 1,027.49 |
| III. Total Income (I+II) | | 16,739.76 | 8,379.11 |
| IV. Expenses | | | |
| Cost of Materials Consumed | 28 | 852.59 | 1,177.06 |
| Cost of Construction | 29 | 1,163.60 | 1,285.85 |
| Changes in Inventories of Finished Goods and Work-in-Progress | 30 | 245.64 | (238.88) |
| Employee Benefit Expenses | 31 | 2,147.40 | 2,259.56 |
| Finance Costs | | 38.91 | 36.20 |
| Depreciation and Amortisation expense | 3, 4 | 486.30 | 394.01 |
| Other Expenses | 32 | 2,019.57 | 1,761.19 |
| Total Expenses (IV) | | 6,954.02 | 6,674.99 |
| V. Profit Before Tax (III-IV) | | 9,785.74 | 1,704.12 |
| VI. Tax Expense | | | |
| Current Tax | | 1,159.50 | 290.10 |
| Deferred Tax | | 21.29 | 35.42 |
| Short / (Excess) provision of tax in respect of earlier years | | (14.47) | (5.53) |
| VII. Profit for the year (V-VI) | | 8,619.42 | 1,384.13 |
| VIII. Share of Associate's Profit | | 13,586.48 | 32,900.35 |
| IX. Profit after Tax and Share of Associate's Profit (VII+VIII) | | 22,205.90 | 34,284.48 |
| X. Other Comprehensive Income | 33 | | |
| (A) (i) Items that will not be reclassified to profit or loss | | 11,896.56 | 38,991.53 |
| (ii) Income tax relating to items that will not be reclassified to profit or loss | | (1,343.61) | (4,451.57) |
| (B) (i) Items that will be reclassified to profit or loss | | 132.22 | (75.30) |
| (ii) Income tax relating to items that will be reclassified to profit or loss | | - | - |
| XI. Total Comprehensive Income for the period (IX + X) | | 32,891.06 | 68,749.14 |
| XII. Earning per equity share (FV ₹ 2/- per share) (Refer Note 34 (G)) | | | |
| Basic & Diluted (In ₹) | | 8.65 | 13.35 |
| Significant Accounting Policies and Other Explanatory Notes and Information | 1,2 and 34 | | |

Note: The accompanying notes referred to above which form an integral part of the financial statements.
As per our report of even date

For and on behalf of the Board

For CNK & Associates LLP
Chartered Accountants
Firm Registration No.: 101961W/W-100036

Chirayu Amin
Chairman
DIN: 00242549

Malika Amin
Managing Director & CEO
DIN: 00242613

C. P. Buch
Director
DIN: 05352912

Himanshu Kishnadwala
Partner
Membership No. 037391
Kochi : 5th May, 2022

Rasesh Shah
Chief Financial Officer

Drigesh Mittal
Company Secretary

Vadodara: 5th May, 2022

Consolidated Statement of Changes in Equity

A. Equity Share Capital

Current reporting period

₹ in Lakhs

| Balance at the beginning of current reporting period | Changes in Equity share Capital due to prior period errors | Restated balance at the beginning of current reporting period | Changes in equity share capital during the current period | Balance at the end of current reporting period |
|--|--|---|---|--|
| 5,135.64 | - | 5,135.64 | - | 5,135.64 |

Previous reporting period

| Balance at the beginning of current reporting period | Changes in Equity share Capital due to prior period errors | Restated balance at the beginning of current reporting period | Changes in equity share capital during the current period | Balance at the end of current reporting period |
|--|--|---|---|--|
| 5,135.64 | - | 5,135.64 | - | 5,135.64 |

B. Other Equity - Attributable to Owners

| Particulars | Reserve and Surplus | | | | Equity instruments held at FVOCI | Total |
|--|----------------------------|--------------------|------------------|--------------------|----------------------------------|--------------------|
| | Capital Redemption Reserve | Securities Premium | General Reserve | Retained Earnings | | |
| Balance as at 1st April, 2020 (I) | 205.00 | - | 14,502.65 | 112,240.64 | 9,720.24 | 136,668.54 |
| Profit for the year | - | - | - | 34,284.48 | - | 34,284.48 |
| Re-measurement of post employment benefit obligation (net of tax) | - | - | - | (30.43) | - | (30.43) |
| Exchange differences in translating the financial statements of a foreign operations | - | - | - | (75.30) | - | (75.30) |
| Other Comprehensive Income | - | - | - | - | 34,570.40 | 34,570.40 |
| Total Comprehensive Income for the year (II) | - | - | - | 34,178.74 | 34,570.40 | 68,749.14 |
| Share of Associate in surplus | - | 21,150.56 | - | (460.38) | - | 20,690.18 |
| Equity Dividend (including tax thereon) | - | - | - | (1,540.69) | - | (1,540.69) |
| Transaction for the year (III) | - | 21,150.56 | - | (2,001.07) | - | 19,149.49 |
| Balance as at 31st March, 2021 (I+II+III) | 205.00 | 21,150.56 | 14,502.65 | 144,418.32 | 44,290.64 | 224,567.17 |
| Balance as at 1st April, 2021 (I) | 205.00 | 21,150.56 | 14,502.65 | 144,418.32 | 44,290.64 | 224,567.17 |
| Profit for the year | - | - | - | 22,205.90 | - | 22,205.90 |
| Re-measurement of post employment benefit obligation (net of tax) | - | - | - | (112.32) | - | (112.32) |
| Exchange differences in translating the financial statements of a foreign operations | - | - | - | 132.22 | - | 132.22 |
| Transfer during the year | - | - | 2,000.00 | (2,000.00) | - | - |
| Other Comprehensive Income | - | - | - | - | 10,665.27 | 10,665.27 |
| Total Comprehensive Income for the year (II) | - | - | 2,000.00 | 20,225.79 | 10,665.27 | 32,891.06 |
| Share of Associate in surplus | - | - | - | (12,421.97) | - | (12,421.97) |
| Equity Dividend (including tax thereon) | - | - | - | (513.56) | - | (513.56) |
| Transaction for the year (III) | - | - | - | (12,935.54) | - | (12,935.54) |
| Balance as at 31st March, 2022 (I+II+III) | 205.00 | 21,150.56 | 16,502.65 | 151,708.57 | 54,955.91 | 244,522.70 |

As per our report of even date

For and on behalf of the Board

For CNK & Associates LLP
Chartered Accountants
Firm Registration No.: 101961W/W-100036

Chirayu Amin
Chairman
DIN: 00242549

Malika Amin
Managing Director & CEO
DIN: 00242613

C. P. Buch
Director
DIN: 05352912

Himanshu Kishnadwala
Partner
Membership No. 037391
Kochi : 5th May, 2022

Rasesh Shah
Chief Financial Officer

Drigesh Mittal
Company Secretary

Vadodara: 5th May, 2022

Consolidated Cash Flow Statement

₹ In Lakhs

| Particulars | For the Year Ended on 31st March, 2022 | For the Year Ended on 31st March, 2021 |
|---|--|--|
| A CASH FLOW FROM OPERATING ACTIVITIES: | | |
| Net Profit before tax | 9,785.74 | 1,704.12 |
| Add: | | |
| Depreciation | 486.30 | 394.01 |
| Interest charged | 38.91 | 36.20 |
| (Gain) / Loss on sale of Property, Plant and Equipments | (195.76) | (24.37) |
| Sundry balances written back (Net) | (120.14) | (40.96) |
| Other Non cash items | (104.73) | (78.19) |
| Less: | | |
| Interest Income | (112.31) | (83.84) |
| Dividend Income | (7,858.23) | (37.96) |
| Operating Profit before change in working capital | 1,919.78 | 1,868.99 |
| Working capital changes: | | |
| Add / (Less) : | | |
| (Increase) / Decrease in Inventories | (3,258.84) | (1,886.83) |
| (Increase) / Decrease in Trade Receivables | (141.22) | (482.57) |
| (Increase) / Decrease in Other Asset | 394.32 | (484.66) |
| (Increase) / Decrease in Financial Asset | (662.05) | (450.32) |
| Increase / (Decrease) in Trade Payables | 265.80 | 523.28 |
| Increase / (Decrease) in Financial Liabilities | 143.22 | (7.22) |
| Increase / (Decrease) in Other Liabilities | 441.71 | 910.93 |
| Increase / (Decrease) in Provisions | 27.02 | 13.64 |
| Cash generated from operations | (870.26) | 5.24 |
| Add / (Less) : | | |
| Direct taxes paid (Net of refunds) | (904.43) | (223.41) |
| Net cash inflow from operating activities (A) | (1,774.69) | (218.17) |
| B CASH FLOW FROM INVESTING ACTIVITIES: | | |
| Add: | | |
| Proceeds from sale of Property, Plant and Equipments | 218.71 | 24.93 |
| Proceeds from sale / redemption of Investments | 10,303.41 | 19,548.86 |
| Interest received | 112.31 | 83.84 |
| Dividend received | 7,858.23 | 37.96 |
| Less: | | |
| Purchase of PPE and Investment Property/increase in CWIP and Capital Advances | 3,581.32 | 4,745.53 |
| Purchase of Investments (Net) | 13,027.85 | 18,423.81 |
| Increase in Restricted Bank Balances other than Cash & Cash Equivalents | (1.28) | 13.19 |
| | 16,607.88 | 23,182.53 |
| Net cash inflow from Investing activities (B) | 1,884.78 | (3,486.94) |

Consolidated Cash Flow Statement

₹ In Lakhs

| Particulars | For the Year Ended on 31st March, 2022 | For the Year Ended on 31st March, 2021 |
|--|--|--|
| C CASH FLOW FROM FINANCING ACTIVITIES: | | |
| Add: | | |
| Net increase/(decrease) in working capital demand loans | (27.66) | 27.66 |
| Less: | | |
| Dividends paid (including distribution tax) | 515.08 | 1,527.67 |
| Interest and other finance costs | 38.91 | 36.20 |
| | 553.99 | 1,563.87 |
| Net cash inflow from Financing activities (C) | (581.65) | (1,536.20) |
| I. Net (decrease) / Increase in cash and cash equivalents (A+B+C) | (471.57) | (5,241.32) |
| II. Add: Cash and cash equivalents at the beginning of the period | 588.71 | 5,830.03 |
| (I+II) | 117.14 | 588.71 |
| III. Cash and cash equivalents at the end of the period | | |
| Balances with Bank | 115.01 | 585.65 |
| Cash on Hand | 2.13 | 3.05 |
| Cash and cash equivalents (Refer Note no I I) | 117.14 | 588.71 |

Note: The accompanying notes referred to above which form an integral part of the financial statements.
As per our report of even date

For and on behalf of the Board

For CNK & Associates LLP
Chartered Accountants
Firm Registration No.: 101961W/W-100036

Chirayu Amin
Chairman
DIN: 00242549

Malika Amin
Managing Director & CEO
DIN: 00242613

C. P. Buch
Director
DIN: 05352912

Himanshu Kishnadwala
Partner
Membership No. 037391
Kochi : 5th May, 2022

Rasesh Shah
Chief Financial Officer

Drigesh Mittal
Company Secretary

Vadodara: 5th May, 2022

I Group Overview and Significant Accounting Policies:

I.1 Description of Business

Alembic Limited ('the Company') is a Public Limited Company domiciled in India and is incorporated under the provisions of the Companies Act applicable in India. Its shares are listed on two recognised stock exchanges in India. The registered office of the Company is located at Alembic Road, Vadodara 390003, Gujarat. The Company is dealing in Active Pharmaceutical Ingredient (API) Business and Real Estate Business.

Alembic Limited ('the Company'), its subsidiary and its associate collectively referred to as "Group".

I.2 Basis of Preparation

- (a) The Financial Statement of the subsidiary and associate used in the consolidation are drawn up to the same reporting date as that of the Alembic Limited ("the Company"), i.e. 31st March, 2022.

The Financial Statements of the Group have been prepared in accordance with Indian Accounting Standards (Ind AS) as prescribed under Section 133 of the Act to be read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and the relevant amendment rules issued thereafter.

- (b) **Principles of Consolidation**

The Consolidated Financial Statements consist of Alembic Limited ("the Company") and its subsidiary and associate (collectively referred to as "the Group"). The Consolidated Financial Statements have been prepared on the following basis:

The Financial Statements of the Company and its subsidiary have been consolidated on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after eliminating intra-group balances and intra-group transactions resulting in unrealised profits or losses.

Investment and share of profit of associate has been consolidated as per the equity method as per Ind AS 28 – "Investments in Associates" specified under Section 133 of the Companies Act 2013 read with Companies (Accounts) Rules 2015 and relevant amendment rules issued thereafter.

Associates are entities over which the Group has significant influence but not control. Investments in associate is accounted for using the equity method of accounting. The investment is initially recognized at cost, and the carrying amount is increased or decreased to recognize the investor's share of the profit or loss of the investee after the acquisition date.

Goodwill on Consolidation

The excess of cost of investment in the subsidiary, over group's share in the net assets at the date of acquisition of shares / stake in the subsidiary is recognised as Goodwill in the consolidated financial statements.

I.3 Composition of Financial Statements

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

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

2 Significant Accounting Policies:

The Significant Accounting Policies of the Company and that of its subsidiary and associate are similar – Refer Note No. 2 and 3 of Standalone Financial Statements.

3 Property, Plant and Equipments (PPE):

₹ In Lakhs

| Particulars | Free Hold Land | Buildings | Employees Quarters | Plant and Equipments | Wind Mill | Furniture and Fixtures | Office Equipments | Vehicles | Total | Capital work in progress |
|---|----------------|-----------|--------------------|----------------------|-----------|------------------------|-------------------|----------|-----------|--------------------------|
| Gross Carrying amount as at 1st April, 2021 | 11,751.48 | 524.18 | 1.89 | 1,932.07 | 294.92 | 302.36 | 58.04 | 120.35 | 14,985.33 | 584.16 |
| Additions | - | 106.76 | - | 36.15 | - | 19.38 | 8.46 | - | 170.75 | 62.68 |
| Disposals | - | (3.32) | - | (36.04) | - | - | - | - | (39.36) | (131.54) |
| Transfer | (1.07) | - | - | - | - | - | - | - | (1.07) | (496.03) |
| Gross Carrying amount as at 31st March, 2022 | 11,750.41 | 627.63 | 1.89 | 1,932.18 | 294.92 | 321.74 | 66.51 | 120.35 | 15,115.65 | 19.26 |
| Accumulated Depreciation as at 1st April, 2021 | - | 114.75 | 1.14 | 1,297.35 | 104.62 | 50.79 | 16.72 | 30.61 | 1,615.98 | - |
| Depreciation charge for the year | - | 28.48 | 0.00 | 84.93 | 17.44 | 25.46 | 7.98 | 13.88 | 178.17 | - |
| Disposals | - | (1.85) | - | (26.60) | - | - | - | - | (28.46) | - |
| Accumulated Depreciation as at 31st March, 2022 | - | 141.38 | 1.15 | 1,355.68 | 122.06 | 76.24 | 24.70 | 44.48 | 1,765.69 | - |
| Net Carrying Amount as at 31st March, 2022 | 11,750.41 | 486.25 | 0.75 | 576.50 | 172.86 | 245.49 | 41.81 | 75.88 | 13,349.98 | 19.26 |
| Net Carrying Amount as at 1st April, 2021 | 11,751.48 | 409.43 | 0.75 | 634.72 | 190.29 | 251.57 | 41.32 | 89.76 | 13,369.34 | 584.16 |

Note:

1. Buildings: include ₹ 0.025 Lakhs being cost of bonds of Morning Star Co-Operative Housing Society Limited.

| Particulars | Free Hold Land | Buildings | Employees Quarters | Plant and Equipments | Wind Mill | Furniture and Fixtures | Office Equipments | Vehicles | Total | Capital work in progress |
|---|----------------|-----------|--------------------|----------------------|-----------|------------------------|-------------------|----------|-----------|--------------------------|
| Gross Carrying amount as at 1st April, 2020 | 11,751.63 | 423.87 | 1.89 | 1,907.70 | 294.92 | 51.47 | 25.10 | 75.62 | 14,532.23 | 307.78 |
| Additions | - | 100.31 | - | 29.50 | - | 250.89 | 32.95 | 44.73 | 458.38 | 635.52 |
| Disposals | - | - | - | (5.13) | - | - | - | - | (5.13) | (359.14) |
| Transfer | (0.15) | - | - | - | - | - | - | - | (0.15) | - |
| Gross Carrying amount as at 31st March, 2021 | 11,751.48 | 524.18 | 1.89 | 1,932.07 | 294.92 | 302.36 | 58.04 | 120.35 | 14,985.33 | 584.16 |
| Accumulated Depreciation as at 1st April, 2020 | - | 96.55 | 1.14 | 1,215.81 | 87.19 | 35.62 | 11.13 | 21.93 | 1,469.36 | - |
| Depreciation charge for the year | - | 18.20 | 0.00 | 86.26 | 17.44 | 15.17 | 5.59 | 8.68 | 151.33 | - |
| Disposals | - | - | - | (4.72) | - | - | - | - | (4.72) | - |
| Accumulated Depreciation as at 31st March, 2021 | - | 114.75 | 1.14 | 1,297.35 | 104.62 | 50.79 | 16.72 | 30.61 | 1,615.98 | - |
| Net Carrying Amount as at 31st March, 2021 | 11,751.48 | 409.43 | 0.75 | 634.72 | 190.29 | 251.57 | 41.32 | 89.76 | 13,369.34 | 584.16 |
| Net Carrying Amount as at 1st April, 2020 | 11,751.63 | 327.33 | 0.75 | 691.89 | 207.73 | 15.85 | 13.97 | 53.70 | 13,062.86 | 307.78 |

Note:

1. Buildings: include ₹ 0.025 Lakhs being cost of bonds of Morning Star Co-Operative Housing Society Limited.

Capital Work in Progress (CWIP) Ageing as at 31st March, 2022

| CWIP | Amount in CWIP for a period of | | | | Total |
|----------------------|--------------------------------|-----------|-----------|-------------------|-------|
| | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | |
| Project in progress: | | | | | |
| Project - I | 8.03 | 11.24 | - | - | 19.26 |

Capital Work in Progress (CWIP) Ageing as at 31st March, 2021

| CWIP | Amount in CWIP for a period of | | | | Total |
|----------------------|--------------------------------|-----------|-----------|-------------------|--------|
| | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | |
| Project in progress: | | | | | |
| Project - I | 584.16 | - | - | - | 584.16 |

Note:

- There are no projects which are temporarily suspended as on 31.03.2022 and 31.03.2021.
- There are no Projects whose completion is overdue or has exceeded its cost.

Notes

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

4 Investment Property:

₹ In Lakhs

| Particulars | Free Hold Land | Buildings | Plant and Equipments | Capital work in progress | Total |
|---|-----------------|-----------------|----------------------|--------------------------|------------------|
| Gross Carrying amount as at 1st April,2021 | 3,455.12 | 7,083.64 | 93.18 | 3,142.70 | 13,774.65 |
| Additions | 901.92 | 2,496.26 | - | 2,739.31 | 6,137.49 |
| Disposals / Transfers | - | (12.79) | - | (2,575.72) | (2,588.51) |
| Gross Carrying amount as at 31st March,2022 | 4,357.04 | 9,567.11 | 93.18 | 3,306.29 | 17,323.62 |
| Accumulated Depreciation as at 1st April,2021 | - | 579.46 | 71.66 | - | 651.12 |
| Depreciation charge for the year | - | 305.43 | 2.73 | - | 308.16 |
| Disposals | - | (1.82) | - | - | (1.82) |
| Accumulated Depreciation as at 31st March,2022 | - | 883.07 | 74.39 | - | 957.46 |
| Net Carrying Amount as at 31st March, 2022 | 4,357.04 | 8,684.04 | 18.79 | 3,306.29 | 16,366.16 |
| Net Carrying Amount as at 1 April, 2021 | 3,455.12 | 6,504.18 | 21.52 | 3,142.70 | 13,123.52 |

Note:

1. Refer Note 34 (M) for other disclosures.

| Particulars | Free Hold Land | Buildings | Plant and Equipments | Capital work in progress | Total |
|---|-----------------|-----------------|----------------------|--------------------------|------------------|
| Gross Carrying amount as at 1st April,2020 | 1,802.42 | 6,391.45 | 93.18 | 1,561.47 | 9,848.52 |
| Additions | 1,652.70 | 692.20 | - | 1,890.86 | 4,235.76 |
| Disposals / Transfers | - | - | - | (309.63) | (309.63) |
| Gross Carrying amount as at 31st March,2021 | 3,455.12 | 7,083.64 | 93.18 | 3,142.70 | 13,774.65 |
| Accumulated Depreciation as at 1st April,2020 | - | 339.51 | 68.94 | - | 408.44 |
| Depreciation charge for the year | - | 239.95 | 2.73 | - | 242.68 |
| Disposals | - | - | - | - | - |
| Accumulated Depreciation as at 31st March,2021 | - | 579.46 | 71.66 | - | 651.12 |
| Net Carrying Amount as at 31st March, 2021 | 3,455.12 | 6,504.18 | 21.52 | 3,142.70 | 13,123.52 |
| Net Carrying Amount as at 1 April, 2020 | 1,802.42 | 6,051.94 | 24.24 | 1,561.47 | 9,440.08 |

Note:

1. Refer Note 34 (M) for other disclosures.

Investment Property CWIP Ageing as at 31st March, 2022

| CWIP | Amount in CWIP for a period of | | | | Total |
|-----------------------------|--------------------------------|-----------|-----------|-------------------|----------|
| | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | |
| Project in progress: | | | | | |
| Commercial Project | 2,186.78 | 956.84 | 85.46 | 77.21 | 3,306.29 |

Investment Property CWIP Ageing as at 31st March, 2021

| CWIP | Amount in CWIP for a period of | | | | Total |
|-----------------------------|--------------------------------|-----------|-----------|-------------------|----------|
| | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | |
| Project in progress: | | | | | |
| Commercial Project | 2,272.32 | 774.99 | 84.65 | 10.74 | 3,142.70 |

Note:

1. There are no projects which are temporarily suspended as on 31.03.2022 and 31.03.2021.
2. There are no Projects whose completion is overdue or has exceeded its cost.

5 Goodwill:

₹ In Lakhs

| Particulars | As at 31st March, 2022 | As at 31st March, 2021 |
|-------------|---------------------------|---------------------------|
| Goodwill | 5.07 | 5.07 |
| | 5.07 | 5.07 |

Non-Current Financial Assets

6 Investments:

| Particulars | As at 31st March, 2022 | As at 31st March, 2021 |
|--|---------------------------|---------------------------|
| (A) Investment at fair value through Other Comprehensive Income (fully paid) | | |
| (a) Equity Shares (Fully paid up): | | |
| Quoted: | | |
| - Jyoti Limited (CY and PY : 84,900 Nos. Equity Shares) | 7.63 | 8.84 |
| - Panasonic Energy India Company Limited (CY and PY: 72,824 Nos. Equity Shares) | 202.49 | 145.32 |
| - Kerbs Biochemicals Limited (CY and PY: 100 Nos. Equity Shares) | 0.14 | 0.09 |
| - Paushak Limited (CY and PY: 5,87,819 Nos. Equity Shares) | 61,102.32 | 49,122.56 |
| | 61,312.58 | 49,276.81 |
| Unquoted: | | |
| - Alembic Employees Co-operative Supply Society Limited (CY and PY: 100 Nos. Equity Shares) | 0.01 | 0.01 |
| - Co-Operative Bank of Baroda Limited (CY and PY: 100 Nos. Equity Shares) | 0.03 | 0.03 |
| - Gujarat Export Corporation Limited (CY and PY: 12,210 Nos. Equity Shares) | 1.14 | 1.14 |
| - Pran Agro Services Private Limited (CY and PY: 18 Nos. Equity Shares) # | 0.00 | 0.00 |
| - Pragati Sahakari Bank Limited (CY and PY: 500 Nos. Equity Shares) | 0.05 | 0.05 |
| - Baroda Industrial Development Corporation Limited (CY and PY: 6 Nos. Equity Shares) | 0.06 | 0.06 |
| - Ganesh Co-operative Housing Society Limited (CY and PY: 2 Nos. Equity Shares) # | 0.00 | 0.00 |
| - Gujarat Urban Housing Company (CY and PY: 10 Nos. Equity Shares) | 0.01 | 0.01 |
| - Morning Star Co-operative Housing Society Limited (CY and PY: 1 Nos. Equity Shares) # | 0.00 | 0.00 |
| | 1.29 | 1.29 |
| (b) Preference Shares (Fully paid up): | | |
| Unquoted: | | |
| - 5% Non-Cumulative Redeemable Preference Share of Pran Agro Services Private Limited (CY and PY : 100 Nos. Preference Shares) | 0.50 | 0.50 |
| | 0.50 | 0.50 |
| | 61,314.37 | 49,278.60 |
| (B) Investment valued at Cost | | |
| (a) Equity Shares (Fully paid up): | | |
| In Associate Company | | |
| Quoted: | | |
| - Alembic Pharmaceuticals Limited (CY:5,60,97,644 and PY: 5,58,36,603 Nos. Equity Shares) (Note-I) | 8,665.59 | 6,762.19 |
| - Share in post acquisition profit (net of losses) | 148,221.41 | 147,017.12 |
| | 156,887.01 | 153,779.31 |
| | 156,887.01 | 153,779.31 |
| Total Investments (a+b) | 218,201.38 | 203,057.92 |
| Aggregate amount of quoted investments | 217,949.59 | 202,556.13 |
| Aggregate market value of quoted investments | 477,191.42 | 588,182.95 |
| Aggregate amount of unquoted investments | 1.79 | 1.79 |

Amount less than Rupees One Thousand.

Note 1 :- During the year, the Holding Company has acquired additional 2,61,041 numbers of equity shares at a cost of ₹ 1,903.40 lakhs. (PY 2,84,975 shares at cost of ₹ 2,665.19 Lakhs)

Notes

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

7 Other Financial Assets:

₹ In Lakhs

| Particulars | As at 31st March, 2022 | As at 31st March, 2021 |
|---|---------------------------|---------------------------|
| Bank deposits with more than 12 months maturity | 3.12 | 1.01 |
| Finance Lease Receivable (Refer Note 34 (D)(i)) | 264.08 | 350.99 |
| Security Deposits | 155.58 | 110.18 |
| | 422.79 | 462.18 |

8 Inventories:

| Particulars | As at 31st March, 2022 | As at 31st March, 2021 |
|----------------------------|---------------------------|---------------------------|
| (a) Raw Materials* | 151.62 | 317.78 |
| (b) Packing Materials* | 5.13 | 6.39 |
| (c) Finished Goods* | 464.11 | 709.76 |
| (d) Stores and spares | 328.03 | 328.81 |
| Real Estate | | |
| (e) Project Under progress | 7,738.15 | 4,065.48 |
| | 8,687.04 | 5,428.21 |

* The cost of inventory recognised as an expense during the year was ₹ 2.91 Lakhs (PY ₹ 92.07 Lakhs).

Current Financial Assets**9 Investments:**

| Particulars | As at 31st March, 2022 | As at 31st March, 2021 |
|---|---------------------------|---------------------------|
| Investment at Fair Value through Profit or Loss | | |
| Mutual Funds (Quoted) | | |
| - Debt Funds | 2,135.96 | 1,054.88 |
| Debentures (Quoted) | - | 236.84 |
| Alternative investment fund (AIF Equity Fund) (Unquoted) | 448.45 | 366.94 |
| | 2,584.41 | 1,658.65 |

10 Trade Receivables:

| Particulars | As at 31st March, 2022 | As at 31st March, 2021 |
|---|---------------------------|---------------------------|
| Trade Receivables considered Good-Unsecured | | |
| - Receivable from Related Parties (Refer Note no 34 (E)) | 464.30 | 374.49 |
| - Others | 1,057.83 | 1,006.43 |
| | 1,522.14 | 1,380.91 |
| Trade Receivables which have significant increase in credit risk | - | - |
| Less : Expected Credit Loss Allowance | - | - |
| | 1,522.14 | 1,380.91 |

Note: Refer Note 34 (I) for other disclosures

Notes

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

11 Cash and Cash Equivalents:

₹ In Lakhs

| Particulars | As at 31st March, 2022 | As at 31st March, 2021 |
|--------------------|---------------------------|---------------------------|
| Balance with banks | 115.01 | 585.65 |
| Cash on hand | 2.13 | 3.05 |
| | 117.14 | 588.71 |

12 Bank Balances other than Cash and Cash Equivalents:

| Particulars | As at 31st March, 2022 | As at 31st March, 2021 |
|---|---------------------------|---------------------------|
| Other Bank Balances | | |
| - Bank deposits | 2.74 | 2.52 |
| In earmarked accounts | | |
| - Balances held in unpaid dividend accounts | 64.64 | 66.15 |
| | 67.38 | 68.66 |

13 Loans: (Unsecured, considered Good)

| Particulars | As at 31st March, 2022 | As at 31st March, 2021 |
|-------------------------------------|---------------------------|---------------------------|
| (Unsecured, considered good) | | |
| Inter Corporate Deposit | 504.44 | - |
| | 504.44 | - |

14 Others:

| Particulars | As at 31st March, 2022 | As at 31st March, 2021 |
|--|---------------------------|---------------------------|
| Security Deposits | 10.80 | 5.86 |
| Finance Leave Receivable(Refer Note 34 (D)(i)) | 86.91 | 72.71 |
| Others (Refer Note 34 (E)) | 179.38 | 1.52 |
| | 277.08 | 80.08 |

15 Other Current Assets:

| Particulars | As at 31st March, 2022 | As at 31st March, 2021 |
|-------------------------------------|---------------------------|---------------------------|
| Advance to Employees | 8.94 | 15.31 |
| Advance to Suppliers | 391.10 | 670.43 |
| Balance with Government authorities | 49.90 | 144.10 |
| Prepaid Expenses | 41.98 | 73.77 |
| Other Receivables | 80.75 | 63.38 |
| | 572.66 | 966.99 |

Notes

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

16 Equity Share Capital:

₹ In Lakhs

| Particulars | As at 31st March, 2022 | As at 31st March, 2021 |
|---|---------------------------|---------------------------|
| a) Authorized | | |
| 300,000,000 - Equity shares of ₹ 2/- each | 6,000.00 | 6,000.00 |
| | 6,000.00 | 6,000.00 |
| b) Shares issued, subscribed and fully paid | | |
| 256,791,193 (PY: 256,791,193) - Equity shares of ₹ 2/- each | 5,135.82 | 5,135.82 |
| | 5,135.82 | 5,135.82 |
| c) Shares fully paid | | |
| 256,781,828 (PY: 256,781,828) - Equity shares of ₹ 2/- each | 5,135.64 | 5,135.64 |
| | 5,135.64 | 5,135.64 |

d) Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period.

| Particulars | As at 31st March, 2022 | | As at 31st March, 2021 | |
|---|------------------------|-----------------|------------------------|------------|
| | Numbers | ₹ in Lakhs | Numbers | ₹ in Lakhs |
| At the beginning of the period | 256,781,828 | 5,135.64 | 256,781,828 | 5,135.64 |
| Add / (Less) : changes during the year by the Company | - | - | - | - |
| At the end of the period | 256,781,828 | 5,135.64 | 256,781,828 | 5,135.64 |

e) The rights, preferences and restrictions including restrictions on the distribution of dividends and the repayment of capital;

The Holding Company is having only one class of shares i.e Equity carrying a nominal value of ₹ 2/- per share. Every holder of the equity share of the Company is entitled to one vote per share held. In the event of liquidation of the Company, the equity shareholders will be entitled to receive remaining assets of the Company after the distribution / repayment of all creditors. The distribution to the equity shareholders will be in proportion of the number of shares held by each shareholder.

The Holding Company declares and pays dividend as approved by the shareholders at the Annual General Meeting. During the year ended 31st March, 2022 an amount of ₹ 0.20 of dividend per equity share was paid for Financial Year 2020-21.

f) Shares in the company held by each shareholder holding more than 5 percent shares specifying the number of shares held:

| Particulars | As at 31st March, 2022 | | As at 31st March, 2021 | |
|----------------------------------|------------------------|---------------|------------------------|--------|
| | Numbers | % held | Numbers | % held |
| Nirayu Limited (Holding Company) | 161,915,052 | 63.06% | 161,915,052 | 63.06% |

g) Shareholding of Promoters

| Promoter Name | As at 31st March, 2022 | | | As at 31st March, 2021 | | |
|---------------------------|------------------------|-------------------|--------------------------|------------------------|-------------------|--------------------------|
| | No of Shares | % of total shares | % change during the year | No of Shares | % of total shares | % change during the year |
| 1. Chirayu Ramanbhai Amin | 8,317,644 | 3.24% | 0.00% | 8,317,644 | 3.24% | 0.00% |
| 2. Malika Chirayu Amin | 7,678,954 | 2.99% | 0.00% | 7,678,954 | 2.99% | 0.00% |

h) Aggregate number of Equity shares bought back during last 5 years : 10,250,000 equity shares of ₹ 80/-per share bought back in Financial year 2018-19.

17 Other Equity :

₹ In Lakhs

| Particulars | As at 31st March, 2022 | As at 31st March, 2021 |
|--|---------------------------|---------------------------|
| a) Capital Redemption Reserve (on account of Buy back of shares in earlier years) | | |
| Balance as per the last financial statements | 205.00 | 205.00 |
| | 205.00 | 205.00 |
| b) Securities Premium Reserve | | |
| Balance as per the last financial statements | 21,150.56 | - |
| Add : Share of associate in surplus | - | 21,150.56 |
| | 21,150.56 | 21,150.56 |
| c) General Reserve (transfer of a portion of the net profit) | | |
| Balance as per the last financial statements | 14,502.65 | 14,502.65 |
| Add: Transferred from Retained Earnings | 2,000.00 | - |
| | 16,502.65 | 14,502.65 |
| d) Retained Earnings | | |
| Balance as per the last financial statements | 144,418.32 | 112,240.64 |
| Profit for the year | 22,205.90 | 34,284.48 |
| Items of Other Comprehensive Income | | |
| Remeasurements of post-employment benefit obligation, net of tax | (112.32) | (30.43) |
| Exchange differences in translating the financial statements of a foreign operations | 132.22 | (75.30) |
| Transfer to General Reserve | (2,000.00) | - |
| Share of Associate in Surplus | (12,421.97) | (460.38) |
| Less: Appropriations | | |
| - Equity Dividend including tax thereon | (513.56) | (1,540.69) |
| | 151,708.57 | 144,418.32 |
| e) Equity Instrument held at FVOCI (Refer below note) | | |
| Balance as per the last financial statements | 44,290.64 | 9,720.24 |
| Changes in fair value of FVOCI instruments (net of tax) | 10,665.27 | 34,570.40 |
| | 54,955.91 | 44,290.64 |
| Total | 244,522.70 | 224,567.17 |

Note: EQUITY INSTRUMENT held at FVOCI: The Company has elected to recognise changes in the fair value of certain investment in equity instrument in other comprehensive income. This amount will be reclassified to retained earnings on derecognition of the corresponding equity instrument.

Notes

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

18 Non Current -Other Financials Liabilities:

₹ In Lakhs

| Particulars | As at 31st March, 2022 | As at 31st March, 2021 |
|---|---------------------------|---------------------------|
| Security Deposits | | |
| - From related parties (Refer Note No 34 (E)) | 6.21 | 1.27 |
| - From others | 394.83 | 311.65 |
| | 401.03 | 312.92 |
| Deferred Income | 201.81 | 193.54 |
| | 602.84 | 506.46 |

19 Non Current Provisions:

| Particulars | As at 31st March, 2022 | As at 31st March, 2021 |
|--|---------------------------|---------------------------|
| Provision for employee benefits | | |
| - Provision for gratuity | 23.33 | - |
| - Provision for Compensated absences | 86.59 | 82.80 |
| | 109.92 | 82.80 |

20 Deferred Tax Liability (Net):

| Particulars | As at 31st March, 2022 | As at 31st March, 2021 |
|---------------------------------|---------------------------|---------------------------|
| Deferred Tax Liabilities | | |
| - Depreciation | 268.28 | 248.73 |
| - Financial Assets at FVOCI | 6,068.14 | 4,697.73 |
| - Financial Assets at FVTPL | 43.72 | 19.61 |
| - Others | 82.08 | 4.24 |
| Sub Total (a) | 6,462.22 | 4,970.31 |
| Deferred Tax Assets | | |
| - Deferred Revenue Expenses | (3.31) | (5.91) |
| - Business losses | (77.63) | - |
| - Others | (333.58) | (301.79) |
| Sub Total (b) | (414.52) | (307.71) |
| Total (a+b) | 6,047.70 | 4,662.60 |

Current Financial Liabilities**21 Borrowings**

₹ In Lakhs

| Particulars | As at 31st March, 2022 | As at 31st March, 2021 |
|---|---------------------------|---------------------------|
| Secured | | |
| Loans repayable on demand from banks | - | 27.66 |
| First charged on Pari-Passu basis by hypothecation of entire current assets including Inventory and Trade Receivables at interest rate ranging between 7% to 10% repayable on demand. | | |
| | - | 27.66 |

22 Trade Payables:

| Particulars | As at 31st March, 2022 | As at 31st March, 2021 |
|-------------------------------------|---------------------------|---------------------------|
| Dues to Micro and Small Enterprises | 275.58 | 181.70 |
| Others | 1,651.18 | 1,599.39 |
| | 1,926.76 | 1,781.10 |

Refer Note 34 (J) for Other disclosures.

23 Other Financial Liabilities:

| Particulars | As at 31st March, 2022 | As at 31st March, 2021 |
|--|---------------------------|---------------------------|
| Unpaid Dividend | 64.64 | 66.15 |
| Security Deposits | | |
| - from related parties (Refer Note 34 (E)) | 262.85 | 266.69 |
| - from others | 104.32 | 53.64 |
| | 431.81 | 386.48 |

24 Other Current Liabilities:

| Particulars | As at 31st March, 2022 | As at 31st March, 2021 |
|------------------------|---------------------------|---------------------------|
| Statutory Liabilities | 205.68 | 150.71 |
| Others Liabilities | 254.44 | 322.22 |
| Advance from customers | 2,661.87 | 2,207.37 |
| | 3,121.99 | 2,680.29 |

Notes

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

25 Current Provisions:

₹ In Lakhs

| Particulars | As at 31st March, 2022 | As at 31st March, 2021 |
|--|---------------------------|---------------------------|
| Provision for employee benefits | | |
| - Provision for gratuity | 42.19 | 24.17 |
| - Provision for Compensated absences | 23.72 | 14.99 |
| - Others | 35.30 | 35.58 |
| | 101.21 | 74.74 |
| Others | 991.26 | 991.26 |
| | 1,092.47 | 1,066.00 |

26 Revenue From Operations:

| Particulars | For the Year Ended on 31st March, 2022 | For the Year Ended on 31st March, 2021 |
|--------------------------------------|---|---|
| Sale of products | | |
| - Domestic | 1,196.91 | 750.55 |
| - Exports | 173.74 | 120.29 |
| - Real Estate Development | 1,813.52 | 2,175.70 |
| Export Incentives | 3.33 | 4.23 |
| Sale of Services | | |
| - Job work income | 1,256.78 | 1,436.53 |
| - Rent | 2,695.98 | 2,300.67 |
| Other Operating Revenues | | |
| - Others | 681.49 | 563.64 |
| Total Revenue from Operations | 7,821.75 | 7,351.62 |

27 Other Income:

| Particulars | For the Year Ended on 31st March, 2022 | For the Year Ended on 31st March, 2021 |
|---|---|---|
| Interest Income | 112.31 | 83.84 |
| Dividend Income | 7,858.23 | 37.96 |
| Fair Value change of investment held for trading | 104.73 | 78.19 |
| Profit / (Loss) on sale of Investments (Net) | 162.63 | 441.01 |
| Other Non Operating Income | | |
| - Gain on Foreign Currency Transactions (Net) | 0.99 | 5.98 |
| - Gain/(Loss) on sale of Property, Plant and Equipments (Net) | 195.76 | 24.37 |
| - Amount no longer payable written back | 120.14 | 40.96 |
| - Insurance claim received | 36.95 | - |
| - Others | 326.29 | 315.18 |
| | 8,918.01 | 1,027.49 |

28 Cost of Materials Consumed:

₹ In Lakhs

| Particulars | For the Year Ended on 31st March, 2022 | For the Year Ended on 31st March, 2021 |
|--|--|--|
| Inventory at the beginning of the year | 324.16 | 236.98 |
| Add : Purchases | 685.18 | 1,264.24 |
| | 1,009.34 | 1,501.22 |
| Less: Inventory at the end of the year | 156.75 | 324.16 |
| | 852.59 | 1,177.06 |

29 Cost of Construction:

| Particulars | For the Year Ended on 31st March, 2022 | For the Year Ended on 31st March, 2021 |
|--|--|--|
| Opening Construction Work under progress | 4,065.48 | 2,497.21 |
| Add : Construction Expenses incurred during the year | 4,836.27 | 2,854.12 |
| Less : Closing Construction Work under progress | 7,738.15 | 4,065.48 |
| | 1,163.60 | 1,285.85 |

30 Changes in Inventories of Finished Goods /Work in Progress:

| Particulars | For the Year Ended on 31st March, 2022 | For the Year Ended on 31st March, 2021 |
|---|--|--|
| Inventory at the end of the year | | |
| - Finished Goods | 464.11 | 709.76 |
| | (a) 464.11 | 709.76 |
| Inventory at the beginning of the year | | |
| - Finished Goods | 709.76 | 470.88 |
| | (b) 709.76 | 470.88 |
| | (b-a) 245.64 | (238.88) |

31 Employee Benefit Expenses:

| Particulars | For the Year Ended on 31st March, 2022 | For the Year Ended on 31st March, 2021 |
|---|--|--|
| Salary and Wages | 1,951.28 | 2,055.01 |
| Contribution to Provident and other funds | 165.12 | 161.38 |
| Staff Welfare Expense | 31.00 | 43.16 |
| | 2,147.40 | 2,259.56 |

Notes

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

32 Other Expenses:

₹ In Lakhs

| Particulars | For the Year Ended on 31st March, 2022 | For the Year Ended on 31st March, 2021 |
|--|--|--|
| Consumption of Stores, spares and laboratory materials | 230.86 | 163.88 |
| Power and Fuel (Net) | 14.91 | 41.56 |
| Repairs and Maintenance | | |
| - Machinery | 177.79 | 213.02 |
| - Building | 40.76 | 52.61 |
| - Others | 380.67 | 161.29 |
| Marketing, Publicity Expenses and Selling Commission | 69.37 | 92.37 |
| Rent | 0.13 | 1.16 |
| Rates and Taxes | 261.90 | 288.79 |
| Insurance | 60.98 | 72.65 |
| Travelling Expense | 14.13 | 9.12 |
| Legal and Professional Fees | 560.37 | 276.30 |
| Payment to Auditors (Refer Note 34 (F)) | 14.67 | 15.38 |
| Bad Debts written off | - | 251.73 |
| Less: Bad Debts provision utilised | - | (64.14) |
| Expenses on CSR related activities | 23.09 | 27.73 |
| Miscellaneous Expenses | 169.95 | 157.72 |
| | 2,019.57 | 1,761.19 |

33 Other Comprehensive Income:

| Particulars | For the Year Ended on 31st March, 2022 | For the Year Ended on 31st March, 2021 |
|--|--|--|
| Items that will not be reclassified to Profit and Loss | | |
| Changes in fair value of FVOCI instruments | 12,035.77 | 39,026.61 |
| Income Tax relating to this item | (1,370.50) | (4,456.22) |
| Re-measurements of post-employment benefit obligations | (26.58) | 8.58 |
| Income Tax relating to this item | 6.69 | (2.16) |
| Re-measurements of post-employment benefit obligations of Associate | (112.63) | (43.66) |
| Income Tax relating to this item | 20.19 | 6.81 |
| (a) | 10,552.95 | 34,539.97 |
| Items that will be reclassified to Profit and Loss | | |
| Exchange differences in translating the financial statements of a foreign operations | 132.22 | (75.30) |
| (b) | 132.22 | (75.30) |
| (a+b) | 10,685.16 | 34,464.66 |

34 Other Explanatory Notes to the Consolidated Financial Statement:

A Additional Information:

| I The Subsidiary and Associates considered in the Consolidated Financial Statements are: | | | | | | | | | |
|--|--|--|--------------------------|---|---------------------|-------------------------------------|---------------------|-------------------------------------|---------------------|
| Sr. No. | Name of Company | Subsidiary / Associates | Country of Incorporation | Proportion (%) of Shareholding Year Ended | | | | | |
| | | | | 31st March, 2022 | | 31st March, 2021 | | | |
| 1 | Alembic City Limited | Subsidiary | India | 100.00% | | 100.00% | | | |
| 2 | Alembic Pharmaceuticals Limited | Associate | India | 28.54% | | 28.41% | | | |
| II | Particulars | 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 a % of consolidated Net Assets | Amount (₹ in lakhs) | As a % of consolidated Net Assets | Amount (₹ in lakhs) | As a % of consolidated Net Assets | Amount (₹ in lakhs) | As a % of consolidated Net Assets | Amount (₹ in lakhs) |
| I | Alembic Limited (Parent) | 37.14% | 92,720.06 | 38.60% | 8,571.47 | 99.63% | 10,645.21 | 58.43% | 19,216.68 |
| II | Subsidiary: | | | | | | | | |
| | 1. Foreign : NA | | | | | | | | |
| | 2. Indian : Alembic City Limited | 0.02% | 51.79 | 0.22% | 47.94 | 0.00 | 0.18 | 0.15% | 48.12 |
| | Minority interest in all subsidiaries | - | - | - | - | - | - | - | - |
| III | Associates: | | | | | | | | |
| | (Investments as per Equity method) | | | | | | | | |
| I | Indian: | | | | | | | | |
| | Alembic Pharmaceuticals Limited | 62.84% | 156,886.49 | 61.18% | 13,586.48 | 0.37% | 39.78 | 41.43% | 13,626.26 |
| 2 | Foreign : NA | | | | | | | | |
| | Total | 100.00% | 249,658.33 | 100% | 22,205.90 | 100% | 10,685.16 | 100.00% | 32,891.06 |

B Capital Commitments:

₹ In Lakhs

| Particulars | As at 31st March, 2022 | As at 31st March, 2021 |
|---|---------------------------|---------------------------|
| a) Capital expenditure contracted for at the end of the reporting period but not recognised as liabilities is as follows: | | |
| - Property, Plant and Equipments | 4,728.41 | 7,106.30 |
| - Investment Property | 3,219.58 | 3,422.08 |
| | 7,948.00 | 10,528.38 |

C Contingent Liabilities:

| Particulars | As at 31st March, 2022 | As at 31st March, 2021 |
|---|---------------------------|---------------------------|
| a) Wage revision and reinstatement of employees and other demands | Unascertained | Unascertained |
| b) Letter of Credit, Guarantees and counter guarantees | 2,118.72 | 3,004.86 |
| c) Liabilities Disputed in appeals: | | |
| - Excise Duty | 24.69 | 55.24 |
| - Sales Tax | 141.38 | 215.23 |
| - Income Tax | 659.47 | 659.47 |
| - Green Cess | 19.29 | 19.29 |
| - Export obligation against advance license | 0.85 | 27.27 |

Notes

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

₹ In Lakhs

| Particulars | As at 31st March, 2022 | As at 31st March, 2021 |
|--|---------------------------|---------------------------|
| d) Claims against the Group not acknowledged as debt (Refer Note below) | | |
| - API Division (Refer below note 1) | 1,060.87 | 1,060.87 |
| - Real Estate Division (Refer below note 2) | | - |
| e) Disputed Liability in respect of Ministry of Industry, Department of Chemicals and Petrochemicals in respect of Price of Rifampicin Allowed in formulations and landed cost of import | 9.95 | 9.94 |

Note:

- Towards electricity duty (net of provision of ₹ 991.26 lakhs) and interest of ₹ 2,902 lakhs as demanded by Electricity Department, not acknowledge or accepted by the Company.
- Represent a litigation filed in National Consumer Forum in respect of one project with frivolous claims, which the Company is confident of being awarded in its favour for F.Y. 2020-21.

D Disclosure pursuant Leases:**As Lessee****Short term Leases**

The Group has obtained premises for its business operations under operating lease or leave and license agreements. These are not non-cancellable and are renewable by mutual consent on mutually agreeable terms.

Lease payments are recognised in Statement of Profit and Loss under the head "Rent Expense" in note no 32.

As Lessor

- Finance Lease Receivable (reconciliation gross/net investment)

The Reconciliation between the total gross investment in the lease and net investment in lease at the statement of financials position date is as follows.

| Particulars | 31st March 2022 | 31st March 2021 |
|-------------------------------|-----------------|-----------------|
| Gross Receivable | 423.69 | 474.02 |
| Less: unearned finance income | 72.71 | 50.33 |
| Total | 350.99 | 423.69 |
| Of which | | |
| Current Position | 86.91 | 72.71 |
| Non Current Position | 264.08 | 350.99 |

- The following table sets out a maturity analysis of lease payments, showing the undiscounted lease payments to be received after the reporting date.

| Particulars | ₹ in Lakhs |
|---------------------|------------|
| Less than one year | 2,602.86 |
| One to Two Year | 2,204.83 |
| Two to Three Year | 2,045.50 |
| Three to Four Year | 2,020.49 |
| Four to Five Year | 1,925.03 |
| More than Five Year | 3,420.54 |
| Total | 14,219.24 |

E Related Party Disclosures:

List of Related Parties with whom the Company has entered into transactions during the year.

- (a) **Holding Company :** Nirayu Limited
 (b) **Subsidiary:** Alembic City Limited
 (c) **Associate Company:** Alembic Pharmaceuticals Limited

(d) Other Related Parties:

1. Shreno Limited
2. Paushak Limited
3. Shreno Publications Limited
4. Rakshak Services Private Limited
5. Shreno Engineering Limited(w.e.f 01.09.2021)
6. Aleor Dermaceuticals Limited
7. Bhailal Amin General Hospital
8. Alembic CSR Foundation
9. Alembic Limited Provident Fund
10. Alembic Limited Gratuity Fund
11. Alembic Limited Superannuation Scheme
12. Viramya Packlight LLP

(e) Key Managerial Personnel

- | | |
|------------------------|---|
| 1. Mr. Chirayu Amin | Chairman |
| 2. Mrs. Malika Amin | Managing Director and Chief Executive Officer |
| 3. Mr. Udit Amin | Non-Executive Director |
| 4. Mr. C. P. Buch | Independent Director |
| 5. Mr. Sameer Khera | Independent Director |
| 6. Mr. Mayank Amin | Independent Director |
| 7. Ms. Rati Desai | Independent Director |
| 8. Mr. Abhijit Joshi | Director |
| 9. Mr. Rasesh Shah | Chief Financial Officer |
| 10. Mr. Drigesh Mittal | Company Secretary |

(f) Close Relatives of Key Managerial Personnel

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

(g) Key Managerial Personnel Compensation

₹ In Lakhs

| Particulars | For the year ended 31st March, 2022 | For the year ended 31st March, 2021 |
|------------------------------|--|--|
| Short-term employee benefits | 233.61 | 216.30 |
| Terminal Benefits | 22.64 | 23.01 |
| Other Benefits | 209.44 | 16.00 |
| Total Compensation | 465.69 | 255.31 |

Notes

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

(h) Transactions with Related Parties

During the year, the following transactions were carried out with related parties and relative of Key Managerial Personnel in the ordinary course of the business

₹ In Lakhs

| Holding - Nirayu Limited | For the year ended 31st March, 2022 | For the year ended 31st March, 2021 |
|---------------------------------|--|--|
| Dividend Paid | 323.83 | 951.27 |
| Receiving of services | 0.96 | - |
| Sale of Goods | 3.25 | - |

| Associate - Alembic Pharmaceuticals Limited | For the year ended 31st March, 2022 | For the year ended 31st March, 2021 |
|--|--|--|
| Purchase of Goods | 42.98 | 59.75 |
| Sale of Goods | 595.96 | 577.52 |
| Rendering of services | 1,755.16 | 1,861.54 |
| Reimbursement of Expenses | 92.56 | 335.67 |
| Rent Income | 1,000.28 | 909.99 |
| Dividend Income | 7,817.12 | - |
| Refund Security Deposit | 3.84 | - |
| Security Deposit Received | 12.64 | 23.08 |

| Key Managerial Personnel and their relatives | Name of Parties | For the year ended 31st March, 2022 | For the year ended 31st March, 2021 |
|---|------------------------|--|--|
| i) Managerial Remuneration | Mrs. Malika Amin | 144.00 | 144.00 |
| | Mr. Udit Amin | 192.54 | - |
| | Mr. Rasesh Shah | 92.11 | 77.35 |
| | Mr. Drigesh Mittal | 20.14 | 17.96 |
| ii) Dividend Paid | Mr. Chirayu Amin | 16.64 | 49.91 |
| | Mrs. Malika Amin | 15.36 | 46.07 |
| | Others | 14.38 | 48.40 |
| iii) Sitting Fees | Mr. Chirayu Amin | 1.80 | 1.70 |
| | Mr. Udit Amin | 1.50 | 2.00 |
| | Mr. C. P. Buch | 3.70 | 3.30 |
| | Mr. Sameer Khera | 3.30 | 2.90 |
| | Mr. Mayank Amin | 3.30 | 3.20 |
| | Ms. Rati Desai | 1.70 | 1.30 |
| | Mr. Abhijit Joshi | 1.60 | 1.60 |

Notes

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

Significant Transactions with Other Related Parties

₹ In Lakhs

| Other Related Parties | Name of Parties | For the year ended 31st March, 2022 | For the year ended 31st March, 2021 |
|--|---------------------------------------|--|--|
| Purchase of Goods | | | |
| | Paushak Limited | 6.80 | 5.27 |
| | Shreno Publications Limited | 4.30 | 1.35 |
| | Shreno Limited | 1.08 | - |
| Sale of Goods | | | |
| | Paushak Limited | 11.13 | 5.41 |
| Sale of Property, Plant and Equipments | | | |
| | Paushak Limited | 10.62 | 1.56 |
| Rendering of services | | | |
| | Shreno Limited | 519.48 | 272.28 |
| | Paushak Limited | 41.30 | 54.65 |
| Receiving of services | | | |
| | Rakshak Services Private Limited | 18.64 | 36.42 |
| | Bhailal Amin General Hospital | 0.02 | 0.12 |
| Rent Income | | | |
| | Shreno Publications Limited | 73.06 | 73.06 |
| | Paushak Limited | 46.44 | 35.08 |
| | Aleor Dermaceuticals Limited | 0.57 | 0.57 |
| | Shreno Engineering Limited | 0.39 | - |
| CSR Contribution | | | |
| | Alembic CSR Foundation | 23.09 | 27.73 |
| Post Employment Benefit Plans | | | |
| | Alembic Limited Provident Fund | 194.58 | 189.04 |
| | Alembic Limited Gratuity Fund | 25.00 | 45.00 |
| | Alembic Limited Superannuation Scheme | 2.36 | 5.30 |
| Dividend Paid | | | |
| | Others* | 0.00 | 0.01 |
| | Paushak Limited* | 0.00 | 0.01 |
| Dividend Income | | | |
| | Paushak Limited | 35.27 | 35.27 |
| Reimbursement of Expenses | | | |
| | Paushak Limited | 6.98 | 3.74 |
| Advance to Related party | | | |
| | Alembic Limited Provident Fund | 176.00 | - |

* Amount less than One thousand

Notes

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

Outstanding Balances

₹ In Lakhs

| Particulars | As at 31st March, 2022 | As at 31st March, 2021 |
|--|---------------------------|---------------------------|
| Associate-Alembic Pharmaceuticals Limited | | |
| Trade Receivable | 419.11 | 340.64 |
| Trade Payable | 16.37 | 1.05 |
| Deposits Payable | 278.49 | 269.69 |
| Investment in Equity Shares | 8,665.59 | 6,762.19 |
| Other Related Parties | | |
| Trade Receivable | 45.19 | 33.84 |
| Trade Payable | 1.57 | 1.59 |
| Advance | 176.00 | - |
| Investment in Equity Shares | 61,102.32 | 49,122.56 |
| Key Managerial Personnel | | |
| Commission Payable | 192.54 | - |

(i) The company has given advances to one of its related party amounting to ₹ 176 Lakhs during the year and the same is outstanding as on 31st March 2022 (PY Nil)

F Payment to Auditors:

| Particulars | For the year ended 31st March, 2022 | For the year ended 31st March, 2021 |
|--|--|--|
| Statutory Auditors | | |
| Audit Fees (Including Limited Review) | 10.00 | 10.00 |
| Other services | - | 1.80 |
| Reimbursement of expenses | 0.07 | 0.01 |
| Cost Auditor | | |
| Other services | - | 0.03 |
| Tax Auditor | | |
| Tax Audit Fees | 3.00 | 2.00 |
| Secretarial Auditor | | |
| Secretarial Audit fees | 1.60 | 1.55 |
| | 14.67 | 15.38 |

G Earnings Per Share (EPS)

| Particulars | As at 31st March, 2022 | As at 31st March, 2021 |
|---|---------------------------|---------------------------|
| a) Profit / (Loss) after Tax available for equity shareholders | 22,205.90 | 34,284.48 |
| b) Weighted Average number of equity shares | 256,781,828 | 256,781,828 |
| c) Basic and Diluted Earnings per share (Face value per share ₹ 2/- each) | 8.65 | 13.35 |

H Defined benefit plans / compensated absences - As per actuarial valuation - Refer Note No. 34 H of Standalone Financial Statements.

Notes

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

I Trade Receivables Aging Schedule as on 31.03.2022

₹ in Lakhs

| Particulars | Outstanding for following periods from due date of Payment | | | | | | Total |
|---|--|--------------------|-------------------|-----------|-----------|-------------------|----------|
| | Not due | Less than 6 Months | 6 Months - 1 Year | 1-2 years | 2-3 years | More than 3 years | |
| a. Undisputed Trade Receivable- Considered good | 1,054.67 | 450.84 | 12.53 | 4.10 | - | - | 1,522.14 |
| b. Undisputed Trade Receivable - which have significant increase in credit risk | - | - | - | - | - | - | - |
| c. Undisputed Trade Receivable - credit impaired | - | - | - | - | - | - | - |
| d. Disputed Trade Receivable- Considered good | - | - | - | - | - | - | - |
| e. Disputed Trade Receivable - which have significant increase in credit risk | - | - | - | - | - | - | - |
| f. Disputed Trade Receivable - credit impaired | - | - | - | - | - | - | - |

Trade Receivables Aging Schedule as on 31.03.2021

| Particulars | Outstanding for following periods from due date of Payment | | | | | | Total |
|---|--|--------------------|-------------------|-----------|-----------|-------------------|----------|
| | Not due | Less than 6 Months | 6 Months - 1 Year | 1-2 years | 2-3 years | More than 3 years | |
| a. Undisputed Trade Receivable-Considered good | 815.75 | 534.29 | 27.95 | 2.92 | - | - | 1,380.91 |
| b. Undisputed Trade Receivable - which have significant increase in credit risk | - | - | - | - | - | - | - |
| c. Undisputed Trade Receivable - credit impaired | - | - | - | - | - | - | - |
| d. Disputed Trade Receivable- Considered good | - | - | - | - | - | - | - |
| e. Disputed Trade Receivable - which have significant increase in credit risk | - | - | - | - | - | - | - |
| f. Disputed Trade Receivable - credit impaired | - | - | - | - | - | - | - |

J Trade payable Ageing Schedule as on 31.03.2022

| Particulars | Outstanding for following periods from due date of Payment | | | | | |
|--------------------------|--|------------------|-----------|-----------|-------------------|----------|
| | Not due | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | Total |
| a. MSME | 281.37 | - | - | - | - | 281.37 |
| b. Others | 1,541.23 | 49.92 | 13.14 | 18.98 | 22.13 | 1,645.39 |
| c. Disputed dues- MSME | - | - | - | - | - | - |
| d. Disputed dues- Others | - | - | - | - | - | - |
| e. Unbilled dues | - | - | - | - | - | - |

Notes

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

Trade payable Ageing Schedule as on 31.03.2021

₹ in Lakhs

| Particulars | Outstanding for following periods from due date of payment | | | | | Total |
|--------------------------|--|------------------|-----------|-----------|-------------------|----------|
| | Not due | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | |
| a. MSME | 185.38 | 1.03 | - | - | - | 186.41 |
| b. Others | 1,454.37 | 72.11 | 41.86 | 21.37 | 4.97 | 1,594.69 |
| c. Disputed dues- MSME | - | - | - | - | - | - |
| d. Disputed dues- Others | - | - | - | - | - | - |
| e. Unbilled dues | - | - | - | - | - | - |

K Disclosures pursuant to Ind AS 115 -Revenue from Contracts with Customers:**Disaggregation of revenue**

The management determines that the segment information reported under Note 34 (Q) Segment reporting is sufficient to meet the disclosure objective with respect to disaggregation of revenue under Ind AS 115 Revenue from contract with Customers. Hence, no separate disclosures of disaggregated revenues are reported.

L Taxes Reconciliation:**(i) Income Tax Expense**

| Particulars | For the year ended 31st March, 2022 | For the year ended 31st March, 2021 |
|--|--|--|
| a) Income tax expense | | |
| i. Current Tax | | |
| Current tax expense | 1,159.50 | 290.10 |
| ii. Deferred Tax | | |
| Decrease/ (Increase) in deferred tax assets | (100.13) | 36.20 |
| (Decrease)/ Increase in deferred tax liabilities | 121.42 | (0.78) |
| Total Deferred tax expenses (Benefits) | 21.29 | 35.42 |
| Total Income tax expenses (i + ii) * | 1,180.79 | 325.52 |
| * This excludes below tax impact on Other comprehensive income | | |
| Tax Benefit on Actuarial | 6.69 | (2.16) |
| Tax Benefit / (Expenses) due to Fair Value of Investments | (1,370.50) | (4,456.29) |

(ii) Reconciliation of tax expense

| Particulars | For the year ended 31st March, 2022 | For the year ended 31st March, 2021 |
|--|--|--|
| Profit before Income tax expense | 9,785.74 | 1,704.12 |
| Tax at the Indian Tax Rate # | 2,462.87 | 428.89 |
| Tax impact on items deductible | (152.95) | (140.24) |
| Tax impact on deduction available under Chapter VIA | (1,164.94) | (9.55) |
| Tax effect of amounts which are not deductible (taxable) in calculating taxable income | | |
| Effect of Income on which tax payable u/s 111A, 112, 112A of Income Tax Act, 1961 | - | (8.04) |
| Others (including deferred tax) | 35.81 | 54.46 |
| Income Tax Expense | 1,180.79 | 325.52 |

The Company Opted for Concessional tax rate of Income Tax Act, 1961 and the applicable Indian Statutory Tax Rate for the year ended 31st March, 2022 is 25.17% and for 31st March, 2021 was 25.17%.

Notes

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

(iii) Current Tax (Liabilities) / Assets

₹ In Lakhs

| Particulars | For the year ended 31st March, 2022 | For the year ended 31st March, 2021 |
|---|--|--|
| Opening balance | 37.14 | 98.31 |
| Income Tax Paid | 904.43 | 223.41 |
| Current Income Tax for the year | (1,159.50) | (290.10) |
| Current Income Tax provision for earlier year | 14.47 | 5.53 |
| Net Current Income Tax Asset / (Liability) at the end | (203.45) | 37.14 |

(iv) Unrecognised Deferred tax assets on losses

Unrecognised Deferred tax assets on losses are summarised below:

| Particulars | For the year ended 31st March, 2022 | For the year ended 31st March, 2021 |
|--|--|--|
| Unrecognised Deferred tax assets on losses | - | 77.63 |

M Investment Property:

| (i) Particulars | For the year ended 31st March, 2022 | For the year ended 31st March, 2021 |
|---|--|--|
| Amount recognised in profit or loss for investment properties Rental Income | 2,544.12 | 2,218.01 |
| Direct operating expenses from property that generated rental income | (239.80) | (206.36) |
| Depreciation | (254.50) | (222.48) |
| Profit from Investment Property | 2,049.81 | 1,789.17 |

| (ii) Particulars | As at 31st March, 2022 | As at 31st March, 2021 |
|---|---------------------------|---------------------------|
| Fair Value | | |
| Investment properties | 22,094.10 | 18,961.39 |
| Add: Investment Property under Construction | 3,306.29 | 3,147.12 |
| Total | 25,400.39 | 22,108.51 |

Estimation of fair value: Method of Estimation

In the absence of valuation reports of Registered Valuer as defined under rule 2 of Companies (Registered Valuer and valuation) Rules, 2017, the Group has used the government registration rates for the purpose of determining the fair value of Land and Buildings.

Notes

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

N Financial Instruments:**i) Fair value measurement hierarchy**

₹ In Lakhs

| Particulars | As at 31st March, 2022 | | | | As at 31st March, 2021 | | | |
|--|------------------------|------------------------|-------------|----------|------------------------|------------------------|-------------|----------|
| | Carrying amount | Level of input used in | | | Carrying amount | Level of input used in | | |
| | | Level 1 | Level 2 | Level 3 | | Level 1 | Level 2 | Level 3 |
| Financial assets | | | | | | | | |
| At Fair Value through Profit and Loss | | | | | | | | |
| Investments | 2,584.41 | 2,584.41 | - | - | 1,658.65 | 1,658.65 | - | - |
| At FVTOCI | | | | | | | | |
| Investment in Equity instruments | 218,200.88 | 61,312.58 | 1.29 | - | 203,057.42 | 49,276.81 | 1.29 | - |
| Investment in Debt instruments | 0.50 | - | 0.50 | - | 0.50 | - | 0.50 | - |
| At Amortised cost | | | | | | | | |
| Trade Receivables | 1,522.14 | - | - | - | 1,380.91 | - | - | - |
| Cash and cash equivalents | 117.14 | - | - | - | 588.71 | - | - | - |
| Bank balances other than above | 67.38 | - | - | - | 68.66 | - | - | - |
| Loans | 504.44 | - | - | - | - | - | - | - |
| Others | 699.87 | - | - | - | 542.26 | - | - | - |
| Total | 223,696.76 | 63,896.99 | 1.79 | - | 207,297.12 | 50,935.47 | 1.79 | - |
| Financial liabilities | | | | | | | | |
| Borrowings | - | - | - | - | 27.66 | - | - | - |
| Trade Payables | 1,926.76 | - | - | - | 1,781.10 | - | - | - |
| Security Deposit | 970.01 | - | - | - | 826.80 | - | - | - |
| Other Financial liabilities | 64.64 | - | - | - | 66.15 | - | - | - |
| Total | 2,961.41 | - | - | - | 2,701.70 | - | - | - |

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

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

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

There are no transfers between levels 1 and 2 during the year.

The Group's policy is to recognise transfers into and transfers out of fair value hierarchy levels at the end of the reporting period.

ii) Valuation technique used to determine fair value

Specific valuation techniques used to value financial instruments include:

- the use of quoted market prices or dealer quotes for similar instruments
- the fair value of the remaining financial instruments is determined using discounted analysis

iii) Valuation Processes

Valuation of unquoted equity shares/preference shares is done by an external valuation agency.

The main level 3 inputs for unlisted equity securities used by the Group are derived and evaluated as follows:

Discount rates are determined using a capital asset pricing model to calculate a pre-tax rate that reflects current market assessments of the time value of money and the risk specific to the asset.

Earnings growth factor for unlisted equity securities are estimated based on market information for similar types of companies.

Changes in level 2 and 3 fair values are analysed at the end of each reporting period.

O Financial Risk Management

The Group has exposure to credit risk, liquidity risk and market risk arising from financial instruments.

The Group's risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls and to monitor risks. Risk management policies and systems are reviewed periodically to reflect changes in market conditions and the Group's activities.

The Group 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.

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 receivables from customers, loans and investments. Credit risk is managed through continuous monitoring of receivables and follow up for overdues.

Investments

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

Trade Receivables

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

₹ in Lakhs

| Particulars | As at 31st March, 2022 | As at 31st March, 2021 |
|--------------------------------------|---------------------------|---------------------------|
| Balance at the beginning of the year | - | 64.14 |
| Provision made during the year | - | - |
| Provision reversed during the year | - | (64.14) |
| Balance at the end of the year | - | - |

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

b. Liquidity Risk

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

Maturities of Financial Liabilities

The table herewith analyse the Group's Financial Liabilities into relevant maturity groupings based on there contractual maturities for:

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

Notes

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

Contractual maturities of financial liabilities

₹ In Lakhs

| Particulars | Less than 1 year | More than 1 year | Total |
|---|------------------|------------------|-----------------|
| As at 31st March, 2022 | | | |
| Non-derivatives | | | |
| Other financial liabilities | 431.81 | 602.84 | 1,034.65 |
| Trade payables | 1,926.76 | - | 1,926.76 |
| Total Non-derivative liabilities | 2,358.57 | 602.84 | 2,961.41 |
| As at 31st March, 2021 | | | |
| Non-derivatives | | | |
| Other financial liabilities | 414.14 | 506.46 | 920.61 |
| Trade payables | 1,781.10 | - | 1,781.10 |
| Total Non-derivative liabilities | 2,195.24 | 506.46 | 2,701.70 |

c. Market Risk**1. Price Risk**

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

Management Policy

The Group maintains its portfolio in accordance with framework set by risk management policies.

2. Currency Risk

The Group has no significant exposure to export revenue and import of raw material and property, plant and equipments so the Group is not subject to significant risk that changes in foreign currency value impact.

P Capital Management**Risk management**

For the purpose of Group's Capital Management, equity includes equity share capital and all other equity reserves attributable to the equity holders of the Group. The Group manages its capital to optimise returns to the share holders and make adjustments to it in light of changes in economic conditions or its business requirements. The Group's objective is to safe guard continuity, maintain a strong credit rating and healthy capital ratios in order to support its business and provide adequate return to share holders through continuing growth and maximise the share holders value. The Group funds its operations through internal accruals. The Management and Board of Directors monitor the return of capital as well as the level of dividend to share holders.

Notes

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

Q Segment Reporting**Primary Segment**

The Company has identified "Active Pharmaceutical Ingredient (API)" and "Real Estate" as the primary reportable segment.

Part-I

₹ In Lakhs

| Particulars | API | | Real Estate | | Total | |
|---|-------------------------------------|-------------------------------------|-------------------------------------|-------------------------------------|-------------------------------------|-------------------------------------|
| | For the year ended 31st March, 2022 | For the year ended 31st March, 2021 | For the year ended 31st March, 2022 | For the year ended 31st March, 2021 | For the year ended 31st March, 2022 | For the year ended 31st March, 2021 |
| Segment Revenue | | | | | | |
| Revenue from Operations | 2,630.75 | 2,311.61 | 4,509.50 | 4,476.37 | 7,140.26 | 6,787.97 |
| Other Operating Income | 595.88 | 537.88 | 85.60 | 25.76 | 681.49 | 563.64 |
| Total Revenue from Operations | 3,226.64 | 2,849.49 | 4,595.11 | 4,502.13 | 7,821.75 | 7,351.62 |
| Segment Result | | | | | | |
| Profit before tax | 524.74 | (128.25) | 1,162.02 | 1,312.26 | 1,686.75 | 1,184.01 |
| Add: Unallocated Income | | | | | 8,137.89 | 556.30 |
| Less: Finance Cost | | | | | 38.91 | 36.20 |
| Less: Tax Expense | | | | | 1,180.79 | 325.52 |
| Less: Short/(Excess) Provision of earlier years | | | | | (14.47) | (5.53) |
| Net Profit after tax | | | | | 8,619.42 | 1,384.13 |
| Share of Associate's Profit | | | | | 13,586.48 | 32,900.35 |
| Profit after tax and share of associate's profit | | | | | 22,205.90 | 34,284.48 |
| Other Comprehensive Income | | | | | 10,685.16 | 34,464.66 |
| Total Comprehensive Income for the period | | | | | 32,891.06 | 68,749.14 |

Part-II

| Particulars | API | | Real Estate | | Total | |
|---------------------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|
| | As at 31st March, 2022 | As at 31st March, 2021 | As at 31st March, 2022 | As at 31st March, 2021 | As at 31st March, 2022 | As at 31st March, 2021 |
| Segment Assets and Liabilities | | | | | | |
| Segment Assets | 14,882.52 | 15,444.63 | 27,247.70 | 21,493.67 | 42,130.22 | 36,938.31 |
| Segment Liabilities | 1,752.48 | 1,711.77 | 5,533.32 | 4,819.01 | 7,285.80 | 6,530.78 |
| Add: Unallocable Assets | | | | | 221,065.06 | 203,957.88 |
| Less: Unallocable Liabilities | | | | | 6,251.15 | 4,662.60 |
| Capital Employed | 13,130.04 | 13,732.87 | 21,714.38 | 16,674.66 | 249,658.33 | 229,702.81 |
| Addition to Non-Current Assets | (100.42) | (66.21) | 3,172.49 | 4,417.17 | 3,072.08 | 4,350.96 |

Part-III

Amount of revenue from major external customer of API Division ₹ 2,351.12 Lakhs (Previous year ₹ 2,439.06 Lakhs) (including GST)

R Borrowings secured against current assets :

The Group has borrowings from banks secured against Current Assets and quarterly returns filed for the same with the banks are in agreement with the books of accounts of the Company.

Notes

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

S Other statutory information

- 1) The Group does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- 2) The Group has not traded or invested in Crypto currency or Virtual Currency during the year.
- 3) (i) The Group has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall: directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- (ii) The Group has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
 - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
 - (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- 4) The Group does not have any such transaction which is not recorded in the books of accounts and that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961)
- 5) There is no Scheme of Arrangement approved by the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013.

T The previous year's figures have been regrouped / rearranged wherever necessary to make it comparable with the current year.

U These Financial Statements were authorised for issue in accordance with the resolution of the Board of Directors in its meeting held on 5th May, 2022.

As per our report of even date

For and on behalf of the Board

For CNK & Associates LLP

Chartered Accountants
Firm Registration No.: 101961W/W-100036

Chirayu Amin

Chairman
DIN: 00242549

Malika Amin

Managing Director & CEO
DIN: 00242613

C. P. Buch

Director
DIN: 05352912

Himanshu Kishnadwala

Partner
Membership No. 037391
Kochi : 5th May, 2022

Rasesh Shah

Chief Financial Officer

Drigesh Mittal

Company Secretary

Vadodara: 5th May, 2022

Notes

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

Form AOC-I

(Pursuant to first provision to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Part "A": Subsidiaries

₹ in Lakhs

| Sr No | Name of Subsidiary | Date of Acquisition | Lastest Audited Balance sheet Date | Reporting Currency | Exchange Rate | Share Capital | Reserves and Surplus | Total Assets | Total Liabilities | Profit/ (Loss) before taxation | Provision for taxation | Profit/ (Loss) after taxation | Proposed Dividend | % shareholding |
|-------|----------------------|---------------------|------------------------------------|--------------------|---------------|---------------|----------------------|--------------|-------------------|--------------------------------|------------------------|-------------------------------|-------------------|----------------|
| 1 | Alembic City Limited | 20-07-2017 | 31-03-2022 | INR | NA | 5.00 | (134.24) | 6,414.27 | 6,543.51 | (180.13) | (48.52) | (131.60) | - | 100% |

- Names of subsidiaries which are yet to commence operations - NA
- Names of subsidiaries which have been liquidated or sold during the year - NA
- Reporting period for all the above subsidiaries is same as that of Holding company

Part "B": Associates and Joint Ventures

| Sr No | Name of Associate | Date of Acquisition | Lastest Audited Balance sheet Date | Shares of Associate/Joint Ventures held by the company on the year end | | | Description of how there is significant influence | Reason why the associate/ joint venture is not consolidated | Networth attributable to Shareholding as per latest audited Balance Sheet | Profit / (Loss) for the year | |
|-------|---------------------------------|---------------------|------------------------------------|--|------------------------------------|---------------------|---|---|---|------------------------------|---------------------------------|
| | | | | No. | Amount of Investment in Associates | Extent of Holding % | | | | Considered in Consolidation | Not Considered in Consolidation |
| 1 | Alembic Pharmaceuticals Limited | 15-04-2011 | 31-03-2022 | 56,097,644 | 8,665.59 | 28.54% | More than 20% of Holding | NA | 156,887.01 | 13,586.48 | NA |

- Names of associates or joint ventures which are yet to commence operations. - NA
- Names of associates or joint ventures which have been liquidated or sold during the year. - NA

For and on behalf of the Board

Chirayu Amin
Chairman
DIN: 00242549

Malika Amin
Managing Director & CEO
DIN: 00242613

C. P. Buch
Director
DIN: 05352912

Rasesh Shah
Chief Financial Officer

Drigesh Mittal
Company Secretary
Vadodara: 5th May, 2022



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