



**Date:** 26<sup>th</sup> July, 2022

To,  
**BSE Limited**  
P. J. Towers, Dalal Street, Fort,  
Mumbai – 400 001.

To,  
**National Stock Exchange of India Limited**  
Exchange Plaza, Bandra Kurla Complex,  
Bandra (East), Mumbai – 400 051.

**Ref.:** BSE Scrip Code No. “533138”

**Ref.:** “ASTEC”

**Sub.: Outcome of the 28<sup>th</sup> (Twenty Eighth) Annual General Meeting**

Dear Sir / Madam,

With reference to our letter dated 2<sup>nd</sup> July, 2022 in respect of the Notice of the 28<sup>th</sup> (Twenty Eighth) Annual General Meeting (“**AGM**”) of Astec LifeSciences Limited (“**the Company**”) scheduled on **Monday, 25<sup>th</sup> July, 2022 at 4.00 p.m. (IST) through Video Conference (“VC”) / Other Audio Visual Means (“OAVM”)**, we would like to inform that the AGM was duly held and business was transacted thereat as per the Notice of the AGM dated 2<sup>nd</sup> May, 2022 and in terms of the various Circulars issued by the Ministry of Corporate Affairs (“**MCA**”), including the latest General Circular No. 2/2022 dated 5<sup>th</sup> May, 2022 and in compliance with the provisions of the Companies Act, 2013 (“**the Act**”) and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“**SEBI Listing Regulations**”).

In this connection, please find enclosed, the following disclosures pursuant to the SEBI Listing Regulations and the Act:

1. Summary of proceedings of the AGM pursuant to Regulation 30 read with Part A of Schedule III of the SEBI Listing Regulations – **Enclosed as Annexure 1;**
2. Report of Scrutinizer dated 25<sup>th</sup> July, 2022 pursuant to Section 108 of the Act, read with the Companies (Management and Administration) Rules, 2014 – **Enclosed as Annexure 2;**
3. Annual Report for the Financial Year 2021-22 duly approved and adopted by the Shareholders at the AGM, pursuant to Regulation 34 of the SEBI Listing Regulations– **Enclosed as Annexure 3.**





Astec LifeSciences Ltd.

We request you to take the above on your records.

Thanking you,

Yours sincerely,

**For Astec LifeSciences Limited**

**Tejashree Pradhan**  
**Company Secretary & Compliance Officer**  
**(FCS 7167)**

Encl.: As above



Regd. Office :  
"Godrej One", 3<sup>rd</sup> Floor,  
Pirojshanagar, Eastern Express Highway,  
Vikhroli (East), Mumbai-400079,  
Maharashtra, India  
Telephone No.: 022- 25188010  
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Website: [www.astecsl.com](http://www.astecsl.com)  
CIN : L99999MH1994PLC076236



## Annexure 1

### Summary of Proceedings of the 28<sup>th</sup> (Twenty Eighth) Annual General Meeting of Astec LifeSciences Limited

The **28<sup>th</sup> (Twenty Eighth) Annual General Meeting** (“AGM” or “the Meeting”) of the Shareholders of **Astec LifeSciences Limited** (“the Company”) was duly convened and held on **Monday, 25<sup>th</sup> July, 2022 at 4.00 p.m. (IST)** through Video Conferencing (“VC”) / Other Audio Visual Means (“OAVM”).

Mr. Nadir B. Godrej (Chairman) chaired the AGM.

Ms. Tejashree Pradhan, Company Secretary & Compliance Officer welcomed all the Shareholders and briefed them about certain procedural and technical aspects of the AGM with respect to joining the Meeting through Video Conferencing and the manner of asking questions by speaker Shareholders.

The Chairman welcomed all the Shareholders.

All the Directors of the Company (including Chairman of the Audit Committee, Chairman of the Nomination and Remuneration Committee, Chairman of the Stakeholders’ Relationship Committee, Chairman of the Risk Management Committee, Chairman of the Corporate Social Responsibility Committee and Chairman of the Managing Committee), the Chief Financial Officer and the representatives of M/s. B S R & Co. LLP, Chartered Accountants (Statutory Auditors), M/s. BNP & Associates, Practicing Company Secretaries (Secretarial Auditors) and Bigshare Services Private Limited (Registrar and Share Transfer Agents) attended the AGM through Video Conference.

The requisite quorum being present, the Chairman called the Meeting to order.

With the consent of the Shareholders present, the Chairman took the Notice of the Meeting and the Report of the Statutory Auditors on the Standalone and Consolidated Audited Financial Statements for the Financial Year ended 31<sup>st</sup> March, 2022 and the Secretarial Audit Report for the Financial Year ended 31<sup>st</sup> March, 2022 as read.

The Chairman then delivered his speech to the Shareholders.

The Chairman informed the Shareholders that the Company had provided to the Shareholders, the facility to cast their vote electronically through remote e-voting facility



provided by National Securities Depository Limited (“**NSDL**”) which had commenced on Thursday, 21<sup>st</sup> July, 2022 at 9.00 a.m. (IST) upto Sunday, 24<sup>th</sup> July, 2022 till 5.00 p.m. (IST), on all resolutions set forth in the Notice of the AGM. Shareholders who were present at the AGM and had not cast their vote electronically were provided an opportunity to cast their votes though e-voting during the Meeting.

The Shareholders were informed that the Board of Directors had appointed Mr. Vikas R. Chomal, Practicing Company Secretary as the Scrutinizer to supervise the remote e-voting and e-voting process during the AGM.

The Chairman also informed that the results of the voting shall be declared within 2 (two) working days of conclusion of the AGM.

The following resolutions set out in the Notice convening the AGM were put to vote by remote e-voting and remote e-voting during the Meeting:

1. Adoption of Financial Statements for the Financial Year ended 31<sup>st</sup> March, 2022.
2. Declaration of Final Dividend on Equity Shares for the Financial Year ended 31<sup>st</sup> March, 2022.
3. Re-appointment of Mr. Nadir B. Godrej as a “Director”, liable to retire by rotation, who has offered himself for re-appointment.
4. Re-appointment of B S R & Co. LLP, Chartered Accountants as the “Statutory Auditors” of the Company for a second term of 5 (Five) years.
5. Ratification of Remuneration of M/s. NNT & Co., Cost Accountants, Mumbai as the “Cost Auditors” of the Company for the Financial Year ending 31<sup>st</sup> March, 2023.
6. Approval for Increase in Remuneration of Mr. Anurag Roy, Whole Time Director & Chief Executive Officer.

Clarifications were then provided to the queries raised by the Shareholders on the financials and performance of the Company for the Financial Year 2021-22.

The AGM ended at 5.13 p.m. (IST) with a vote of thanks by the Chairman.



Astec LifeSciences Ltd.

The Chairman thanked the Shareholders, for attending and participating in the Meeting and also the employees of the Company, Government agencies and other stakeholders for their continued support. The e-voting facility was kept open for the next 15 (fifteen) minutes to enable the Members to cast their vote.

As per the Report of the Scrutinizer dated 25<sup>th</sup> July, 2022 issued by Mr. Vikas R. Chomal, Practicing Company Secretary, all the above mentioned 6 (six) Resolutions stand passed with requisite majority.

**For Astec LifeSciences Limited**

**Tejashree Pradhan**  
**Company Secretary & Compliance Officer**  
**(FCS 7167)**



Regd. Office :  
"Godrej One", 3<sup>rd</sup> Floor,  
Pirojshanagar, Eastern Express Highway,  
Vikhroli (East), Mumbai-400079,  
Maharashtra, India  
Telephone No.: 022- 25188010  
Fax No.: 022-22618289  
Email id: [astecinfo@godrejastec.com](mailto:astecinfo@godrejastec.com)  
Website: [www.astecils.com](http://www.astecils.com)  
CIN : L99999MH1994PLC076236

**VIKAS R CHOMAL AND ASSOCIATES  
PRACTICING COMPANY SECRETARIES**

**Head Office:** A/B-201, Manas Bldg, Kharkar Alley, Thane West – 400601

**Branch office:** C/O Dalal Desai & Kumana, Chartered Accountants,  
Union Co.op Insurance Bldg, 2<sup>nd</sup> Flr, 23, P M Road, Fort Mumbai- 01.

Email: [csvrca@gmail.com](mailto:csvrca@gmail.com)/[vikas@vrca.co.in](mailto:vikas@vrca.co.in), Phone: 022-25410931/9867811641

**COMBINED SCRUTINIZER REPORT FOR THE RESULT OF THE REMOTE E-VOTING TOGETHER  
WITH THAT OF VOTING CONDUCTED DURING THE ANNUAL GENERAL MEETING THROUGH  
E-VOTING**

To,

**Mr. Anurag Roy**

**Whole Time Director & Chief Executive Officer**

**Astec LifeSciences Limited**

“Godrej One”, 3<sup>rd</sup> Floor,

Pirojshanagar, Eastern Express Highway,

Vikhroli (East), Mumbai-400 079,

Maharashtra

**Sub: Consolidated Scrutinizer's Report on remote e-voting conducted pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended from time to time and e-voting conducted during the Annual General Meeting, for the 28<sup>th</sup> Annual General Meeting of Astec LifeSciences Limited held on Monday, July 25, 2022 at 4:00 p.m. through Video Conferencing ('VC') / OTHER AUDIO VISUAL MEANS ('OAVM').**

I, Vikas R. Chomal, of Vikas R Chomal and Associates, Practising Company Secretaries, had been appointed as the Scrutinizer by the Board of Directors of Astec LifeSciences Limited pursuant to Section 108 of the Companies Act, 2013 ("the Act") read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended, to conduct the remote e-voting process in respect of the below mentioned resolutions proposed at the 28<sup>th</sup> Annual General Meeting ("AGM") of Astec LifeSciences Limited on Monday, July 25, 2022 at 4:00 p.m. through VC.

I was also appointed as Scrutinizer to scrutinize the e-voting process during the said AGM.

The Notice dated May 02, 2022, as confirmed by the Company was sent to the Shareholders in respect of the below mentioned resolutions passed at the AGM of the Company through electronic mode, to those Members whose email addresses are registered with the Company / Depositories, in compliance with the MCA Circulars dated May 5, 2020 and January 13, 2021 read with circulars dated December 8, 2021, December 14, 2021 and May 05, 2022 (collectively referred to as "MCA Circulars") and SEBI Circular dated May 12, 2020, January 15, 2021 and May 13, 2022.



The Company had availed the e-voting facility offered by National Securities Depository Limited ("NSDL") for conducting remote e-voting by the Shareholders of the Company.

The voting period for remote e-voting commenced on **Thursday, July 21, 2022 (9:00 a.m. IST)** and ended on **Sunday, July 24, 2022 (5:00 p.m. IST)** and the NSDL e-voting platform was blocked thereafter.

The Company had also provided e-voting facility to the Shareholders present at the AGM through VC / OAVM and who had not cast their vote earlier.

The Shareholders of the Company holding shares as on the "cut-off" date of **Monday, July 18, 2022** were entitled to vote on the resolutions as contained in the Notice of the AGM.

After the closure of e-voting at the AGM, the report on e-voting done at the AGM and the votes cast under remote e-voting facility prior to the AGM were unblocked and downloaded from the e-voting website of NSDL (<https://www.evoting.nsdl.com>) in the presence of two witnesses, who are not in the employment of the Company. The e-voting data/results downloaded from the e-voting system of NSDL were scrutinized and reviewed, the votes were counted and the results were prepared.

I have scrutinized and reviewed the remote e-voting and e-voting done during the AGM and votes cast therein based on the data downloaded from the NSDL e-voting system.

The Management of the Company is responsible to ensure compliance with the requirements of the Act and rules relating to remote e-voting and e-voting during the AGM on the resolutions contained in the notice of the AGM.

My responsibility as scrutinizer for the remote e-voting and e-voting during the AGM is restricted to making a Scrutinizer's Report of the votes cast in favour or against the resolutions.

The Result of the Remote E-voting together with that of E-voting conducted at the venue of AGM is as under:



## RESOLUTION 1: ORDINARY BUSINESS (Ordinary Resolution)

### Adoption of Financial Statements for the Financial Year ended 31<sup>st</sup> March, 2022:

To consider and adopt the Audited Financial Statements (including Standalone and Consolidated Financial Statements) of the Company for the Financial Year ended 31<sup>st</sup> March, 2022 and the Reports of the Board of Directors and the Statutory Auditors thereon, including Annexures thereto.

#### (i) Voted in favour of the Resolution:

Number of members voted	Number of valid votes cast by them	% of total number of valid votes cast
86	1,36,11,610	95.10

#### (ii) Voted against the Resolution:

Number of members voted	Number of valid votes cast by them	% of total number of valid votes cast
3	7,01,869	4.90

#### (iii) Invalid Votes:

Number of members whose votes were declared invalid	Number of invalid votes cast by them
0	0





## RESOLUTION 2: ORDINARY BUSINESS (Ordinary Resolution)

### Declaration of Final Dividend on Equity Shares for the Financial Year ended 31<sup>st</sup> March, 2022:

To declare Final Dividend on Equity Shares @ 15% (Fifteen per cent) [i.e., @ ₹ 1.50 (Rupee One and Paise Fifty Only) per Equity Share of Face Value of ₹ 10/- (Rupees Ten Only)] for the Financial Year ended 31<sup>st</sup> March, 2022.

#### (i) Voted in favour of the Resolution:

Number of members voted	Number of valid votes cast by them	% of total number of valid votes cast
88	1,43,13,478	100

#### (ii) Voted against the Resolution:

Number of members voted	Number of valid votes cast by them	% of total number of valid votes cast
1	1	Negligible

#### (iii) Invalid Votes:

Number of members whose votes were declared invalid	Number of invalid votes cast by them
0	0



### RESOLUTION 3: ORDINARY BUSINESS (Ordinary Resolution)

**Re-appointment of Mr. Nadir B. Godrej as a “Director”, liable to retire by rotation, who has offered himself for re-appointment:**

To appoint a Director in place of Mr. Nadir B. Godrej [Director Identification Number (DIN): 00066195]], Non-Executive, Non-Independent Director & Chairman, who retires by rotation and, being eligible, offers himself for re-appointment, as a “Director” of the Company.

**(i) Voted in favour of the Resolution:**

Number of members voted	Number of valid votes cast by them	% of total number of valid votes cast
86	1,43,13,355	100

**(ii) Voted against the Resolution:**

Number of members voted	Number of valid votes cast by them	% of total number of valid votes cast
2	16	Negligible

**(iii) Invalid Votes:**

Number of members whose votes were declared invalid	Number of invalid votes cast by them
0	0



**RESOLUTION 4: SPECIAL BUSINESS (Ordinary Resolution)**

**Re-appointment of B S R & Co. LLP, Chartered Accountants as the “Statutory Auditors” of the Company for a second term of 5 (Five) years:**

To consider and approve re-appointment of B S R & Co. LLP, Chartered Accountants as the “Statutory Auditors” of the Company for a second term of 5 (Five) years.

**(i) Voted in favour of the Resolution:**

Number of members voted	Number of valid votes cast by them	% of total number of valid voted cast
86	1,36,11,610	95.10

**(ii) Voted against the Resolution:**

Number of members voted	Number of valid votes cast by them	% of total number of valid voted cast
3	7,01,869	4.90

**(iii) Invalid Votes:**

Number of members whose votes were declared invalid	Number of invalid votes cast by them
0	0



**RESOLUTION 5: SPECIAL BUSINESS (Ordinary Resolution)**

**Ratification of Remuneration of M/s. NNT & Co., Cost Accountants, Mumbai as the “Cost Auditors” of the Company for the Financial Year ending 31<sup>st</sup> March, 2023:**

To consider and ratify the remuneration of M/s. NNT & Co., Cost Accountants, Mumbai as the “Cost Auditors” of the Company for the Financial Year ending 31<sup>st</sup> March, 2023.

**(i) Voted in favour of the Resolution:**

Number of members voted	Number of valid votes cast by them	% of total number of valid voted cast
87	1,43,13,460	100

**(ii) Voted against the Resolution:**

Number of members voted	Number of valid votes cast by them	% of total number of valid voted cast
2	19	Negligible

**(iii) Invalid Votes:**

Number of members whose votes were declared invalid	Number of invalid votes cast by them
0	0



**RESOLUTION 6: SPECIAL BUSINESS (Special Resolution)**

**Approval for Increase in Remuneration of Mr. Anurag Roy, Whole Time Director & Chief Executive Officer:**

To consider and approve increase in remuneration of Mr. Anurag Roy, Whole Time Director & Chief Executive Officer.

**(i) Voted in favour of the Resolution:**

Number of members voted	Number of valid votes cast by them	% of total number of valid voted cast
79	1,42,64,259	99.66

**(ii) Voted against the Resolution:**

Number of members voted	Number of valid votes cast by them	% of total number of valid voted cast
10	49,220	0.34

**(iii) Invalid Votes:**

Number of members whose votes were declared invalid	Number of invalid votes cast by them
0	0

All the 6 (Six) Resolutions mentioned in the Notice of AGM dated 2<sup>nd</sup> May, 2022 as per the details mentioned above stand "PASSED" under Remote E-voting and voting conducted during the AGM through E-voting with requisite majority and hence deemed to be passed as on the date of AGM.

I hereby confirm that I am maintaining the Register received from NSDL electronically in respect of Remote E-voting conducted before the AGM and E-voting conducted during the AGM. I shall arrange to hand over these records to the Authorized Director(s) of the Company for safe keeping, after the Chairman signs the Minutes.

**FOR VIKAS R CHOMAL AND ASSOCIATES**

  
**VIKAS R CHOMAL**  
**PRACTICING COMPANY SECRETARIES**  
**ACS NO: 24941**  
**COP: 12133**

**Date: 25/07/2022**  
**Place: Mumbai, Maharashtra**

**ICSI Firm Peer Review Reg. No: S2013MH216500**  
**ICSI UDIN: F011623D000683107**





**Investing for the FUTURE**

# ANNUAL REPORT

**2021 - 22**

**Astec LifeSciences  
Limited**

Chemistry at Work





## Investing for the FUTURE

With robust and consistent growth over the last many years, Astec LifeSciences is gearing up to capitalize on the new opportunities through sharpened focus on Research and Development (R&D) and increased manufacturing capacities. We have planned our significant capital expenditures over the next few years with the aim to augment our manufacturing capabilities and new products with focus on CDMO. Our new state-of-the-art R&D centre to be commissioned in FY 2022-23 would boost our offering in chemistries and capabilities. This along with our planned greenfield multi-purpose plant and capacity additions over the next few years will also enhance our ability to provide end-to-end solutions right from the R&D stage development to commercialization of products for exports and domestic market.

We are committed to deliver value to our partners by developing a product portfolio which is not just diversified but also sustainable. Our robust financials give us a solid positioning to embark upon the journey of transformation and innovation through focussed Strategic Partnerships and Collaborations, Operational Excellence and Cost Leadership that will not only drive growth for the Company but will also augment the value creation process.

Our planned capital investments will put us on the accelerated growth path of not only becoming one of the leading players in the agrochemical sector but also in becoming the 'Most Attractive Partner' for multi-national companies by addressing and adapting to the dynamic business needs of our customers.



# Inside the Report...

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### Disclaimer

The statements in the "Management Discussion and Analysis Report" describe your Company's objectives, projections, estimates and expectations which may be "forward-looking statements" within the meaning of the applicable laws and regulations. The actual results could differ materially from those expressed or implied, depending upon the economic and climatic conditions, government policies, taxation and other laws and other incidental factors.



## Our Values



### Trust

- We hold ourselves to the highest standards of personal and business integrity.
- Our word is stronger than any contract.
- We put people and our planet alongside profits.



### Be Bold

- We have bold ambitions. We set the bar high. We outperform expectations.
- We adapt. We are agile and resilient.
- We continuously innovate. We champion new ideas. We take risks.



### Create Delight

- We place our consumers at the heart of all we do.
- We obsess over current and future needs of our consumers. And then deliver.
- We offer consumers amazing quality products at great value.



### Own It

- We are 100/0. Take 100% accountability with 0 excuses.
- We speak our mind. We challenge the status quo.
- We focus on the details, but never forget the bigger picture.



### Be Humble

- We own up to and learn from our mistakes.
- We ask for feedback. And then grow with it.
- We give credit wherever due.



### Show Respect

- We treat people like we would want to be treated.
- We embrace and celebrate diversity.
- We foster collaboration

# Business Overview



## From CEO's Desk



### *Dear Shareholders,*

I hope this letter finds you and your families well and safe.

FY 2021-22 was a year of revival for Indian economy from Covid-induced disruption. The country made rapid progress in vaccination and closed the year with majority of the adult population vaccinated with both the doses. India's GDP growth rebounded to an estimated 8.7% in FY 2021-22 from contraction in the previous year, fastest in the world. India's merchandise exports reached a record high of \$418 billion in FY 2021-22, a 40% growth over the previous year.

### **Another Year of Stellar Performance**

For your Company, it was another of stellar performance, with the growth of 22.1% in total income and 38.1% in profit after tax, year-on-year, respectively. Your Company achieved its highest ever total income and profits primarily driven by higher realisations from exports, favourable product mix and operational efficiencies.

During the year, your Company commissioned a new herbicide plant and started production of CDMO products with satisfactory results. The construction of a new state-of-the-art R&D centre is on track and is expected to be completed in FY 2022-23. Your Company launched two new CDMO products in FY 2021-22.

We are following a focused strategy of making significant investments to augment our Capacity, Product Portfolio and our R&D capabilities. This will provide impetus to the organic growth of our CDMO portfolio, which is our key focus area for future.

### **We care**

Our Environment, Health and Safety (EHS) team continued to work with highest level of dedication and commitment to safety standards. Our safety record was excellent and we had no lost time injuries. Our Corporate Social Responsibility (CSR) activities continued in line with the Godrej Group's Good and Green philosophy and positively impacted our communities. We worked on projects in the area of agriculture and rural livelihoods, women empowerment, water security, education and community development. Under our Grameen Vikas initiative, we organised trainings for farmers in 9 villages in animal husbandry leading to visible improvement in yield and income levels. We also facilitated drip irrigation facilities, community seed bank and kitchen gardens for rural households. As a part of community education programme, we expanded our support for digital education to 978 students and 15,000+ hours of education content.

We continued our work on COVID-19 relief programme during the year and facilitated vaccination of 16,787 community members spread over 16 villages.

### Way Forward

Going forward, your Company will continue to work towards expanding contract manufacturing business and also focus on diversification into other chemistries. Your Company's newly commissioned herbicides plant and new R&D centre, once completed, will provide a solid launchpad for achieving these targets.

We have our eyes set on the opportunities that the future holds for the agrochemicals sector of India owing to the factors such as China plus One Strategy and Atmanirbhar Bharat, to capitalize on the opportunities of tomorrow.

### Note of Thank

To conclude, on behalf of the Board and management team, I would like to express our sincere appreciation and deep gratitude to all our employees, business partners, customers, vendors, shareholders, investors and other stakeholders for their continued trust, efforts and contribution to the Company.

I would also like to thank Mr. Ashok Hiremath for his immense contribution and guidance during his tenure as the "Managing Director" of the Company. Mr. Hiremath retired on 31<sup>st</sup> March, 2022 post completion of his term and he shall continue to act as a "Non-Executive (Non-Independent) Director" of the Company. Mr. Hiremath founded Astec LifeSciences in 1994 and provided tremendous leadership for the past 28 years. We look forward to benefit from his insights as a member of the Board.

Regards,

**Anurag Roy**

**Chief Executive Officer**



# World of Astec LifeSciences

## About Us

### A Proud Member of the Godrej Family

Since our inception in the year 1994, we have come a long way and have successfully established ourselves as a significant player in the agrochemical business segment. We are a part of highly reputed “Godrej Group”, an Indian multinational conglomerate and a legacy that was established in the year 1897.

We primarily undertake the production and sales of active ingredients, intermediates and formulations used in the agrochemical segment. We have strong export presence in more than 25 countries worldwide. Apart from this, through our contract-manufacturing business, we deliver value and quality to our multi-national clients by undertaking production for them.



# Corporate Information

## Board of Directors

**Mr. Nadir B. Godrej**  
Chairman

**Mr. Ashok V. Hiremath**  
Managing Director  
(upto 31<sup>st</sup> March, 2022)  
Non-Executive Director  
(w.e.f. 1<sup>st</sup> April, 2022)

**Mr. Anurag Roy**  
Whole Time Director  
& Chief Executive Officer  
w.e.f. 28<sup>th</sup> July, 2021

**Mr. Balram Singh Yadav**  
Non-Executive,  
Non-Independent Director

**Mr. R. R. Govindan**  
Non-Executive,  
Independent Director

**Mr. Vijay Kashinath Khot**  
Non-Executive,  
Independent Director

**Dr. Brahma Nand Vyas**  
Non-Executive,  
Independent Director

**Mr. Nandkumar Dhekne**  
Non-Executive,  
Independent Director

**Ms. Anjali Gupte**  
Non-Executive,  
Independent Director

**Mr. Rakesh Dogra**  
Non-Executive,  
Non-Independent Director  
upto 1<sup>st</sup> May, 2022

**Mr. Arijit Mukherjee**  
Non-Executive,  
Non-Independent Director  
upto 27<sup>th</sup> July, 2021

## Chief Financial Officer

**Mr. Saurav Bhala**

## Statutory Auditors

**B S R & Co. LLP**  
Chartered Accountants

## Secretarial Auditors

**BNP & Associates**  
Company Secretaries

## Cost Auditors

**NNT & Co.**  
Cost Accountants

## Bankers

**ICICI Bank Ltd. / HDFC Bank Ltd.**  
**Axis Bank Ltd. / RBL Bank Ltd.**

## R & D Centre

F - 39, MIDC-Phase-II,  
Dombivli (East),  
District Thane – 421 204,  
Maharashtra

## Factories

Plot Nos. B-16, B-17, B-18  
& B-21, MIDC Mahad,  
Birwadi Industrial Area,  
Taluka Mahad,  
District Raigad – 402 302,  
Maharashtra

Plot No. K-2/1/1,  
Additional MIDC Mahad,  
Village Kalinj, Taluka  
Mahad, District Raigad –  
402 302, Maharashtra

Plot No. K-2/1/2,  
Additional MIDC Mahad,  
Village Kalinj, Taluka  
Mahad, District Raigad –  
402 302, Maharashtra

Plot No. K-2/2, K-2/3/1,  
Additional MIDC Mahad,  
Village Kalinj, Taluka  
Mahad, District Raigad –  
402 302, Maharashtra

## Company Secretary

**Ms. Tejashree Pradhan**

## Registered Office

“Godrej One”, 3<sup>rd</sup> Floor, Pirojshanagar,  
Eastern Express Highway,  
Vikhroli (East),  
Mumbai – 400 079, Maharashtra  
Telephone No.: 022 – 2518 8010  
Fax No.: 022 – 2261 8289  
Website: www.astecls.com  
E-mail: astecinfo@godrejastec.com  
Corporate Identity Number (CIN):  
L99999MH1994PLC076236

## Registrar & Share Transfer Agent

**Bigshare Services Private Limited,**  
Office No S6-2, 6<sup>th</sup> Floor,  
Pinnacle Business Park,  
Next to Ahura Centre,  
Mahakali Caves Road,  
Andheri (East), Mumbai – 400 093  
Tel. No.: 022 – 6263 8200  
Fax: 022 – 6263 8299  
Website: www.bigshareonline.com  
E-mail: investor@bigshareonline.com

## Board of Directors



Mr. Nadir Burjor Godrej  
Chairman – Non Executive



Mr. Ashok V. Hiremath  
Non-Executive Director



Mr. B. S. Yadav  
Non-Executive Director



Mr. Vijay Kashinath Khot  
Non-Executive, Independent  
Director



Dr. Brahma Nand Vyas  
Non-Executive, Independent  
Director



Mr. Anurag Roy  
Whole – Time Director &  
Chief Executive Officer



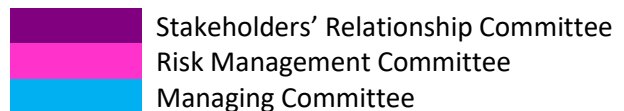
Mr. R. R Govindan  
Non-Executive, Independent  
Director



Mr. Nandkumar Vasant Dhekne  
Non-Executive, Independent  
Director

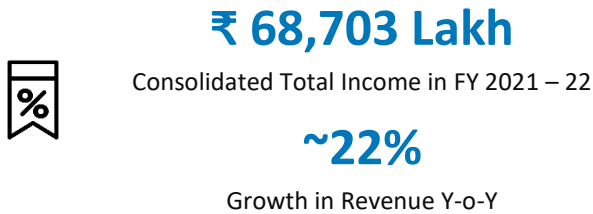


Ms. Anjali Rajesh Gupte,  
Independent Director



# Astec LifeSciences – At a Glance

Strong Parentage as a part of Godrej Group



**AA- (Positive)**

ICRA Long term Rating



**A1+**

ICRA Short term Rating

**₹ 16,454 Lakh**

EBITDA (in FY 2021– 22)



**~38%**

Growth in EBITDA Y-o-Y



Exports to

**25+ Countries**



**44%**

Exemplary Growth in  
Exports Y-o-Y

**# 4**



Manufacturing  
Plants in Maharashtra

**State-of-Art R&D Centre**

Under Construction (to be completed in FY 2022-23)



**PIONEER**

in Triazole Fungicides  
in India and Globally



Product Diversification  
Through Commissioning of

**Herbicide Plant**

in August 2021

**500+**

Regular  
Employee force

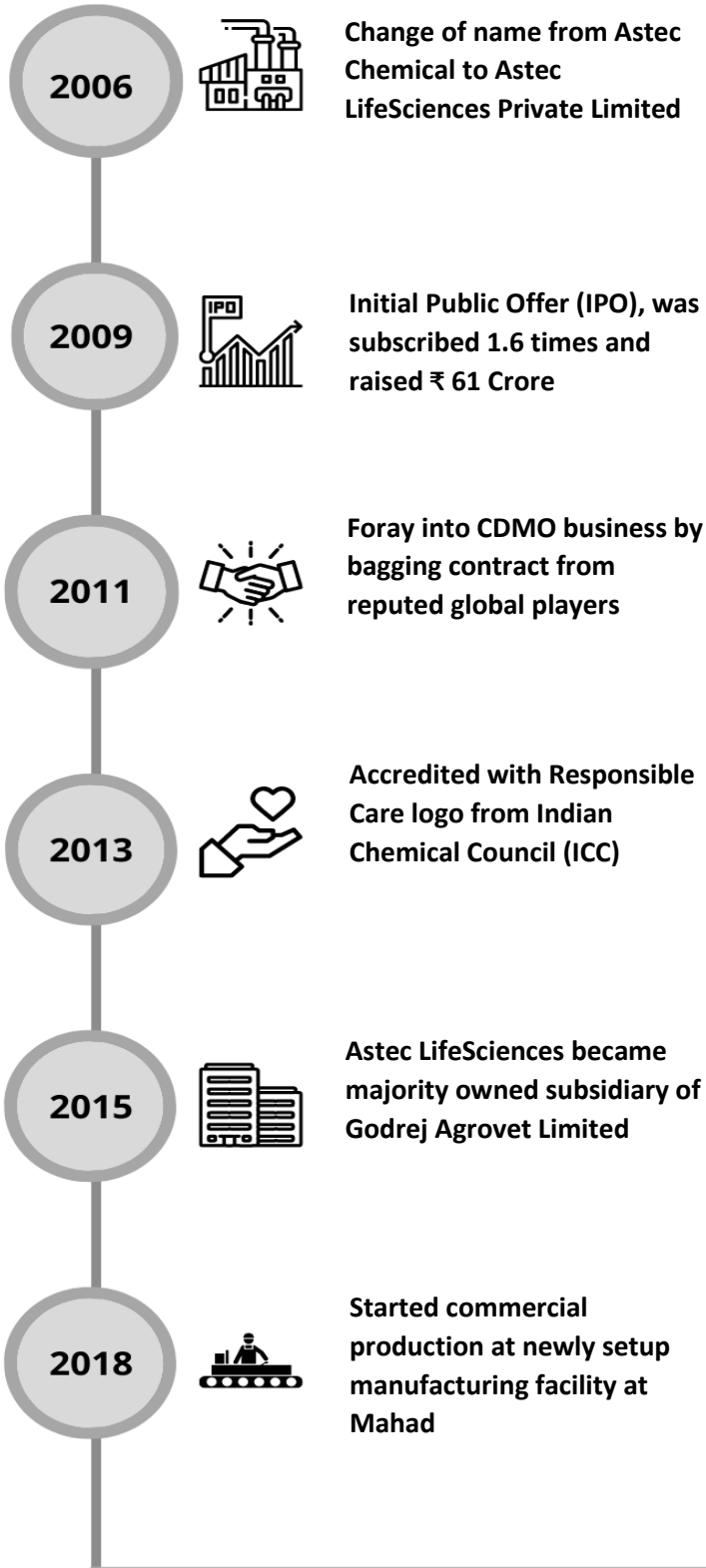


**# 2 New**

CDMO Products







# Journey



ICRA revised long-term ratings outlook to positive following strong performance



2022

Achieve highest ever revenues, Profitability of ₹ 687 Crore, and ₹. 90 Crore respectively



2022

Commissioned newly built herbicide plant at Mahad, Maharashtra



2021

Construction of state-of-the-art R&D centre started at Rabale, Maharashtra



2021

ICRA upgraded long-term rating to AA-



2019

## Financial Highlights – At a Glance

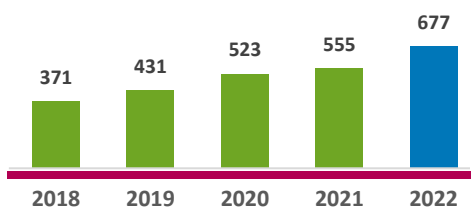
Despite the numerous challenges at a wider macroeconomic environment, Astec LifeSciences delivered its best-ever financial results in FY 2021-

22, which speak volumes about its strong foundation, resilience of business operations and diligence of team of employees

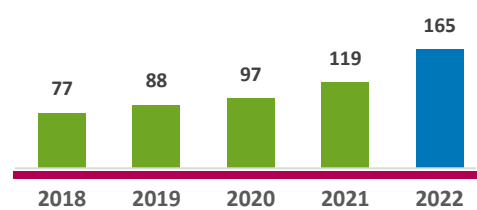
### Key Financial Outcomes of FY 2021 – 22

- Strong top line performance backed by robust margin expansion
- Total Revenue grew by 22.1% Y-o-Y with a CAGR of 16% in last 5 years
- Geographically, Exports were the main driver for growth that grew by 44.4% Y-o-Y
- EBITDA Margin expansion of 24.3% vs 21.5% in FY 2020 -21
- Return on Net Worth improved by 206 bps to 25.5% in FY 2022 from 23.4% in FY 2021

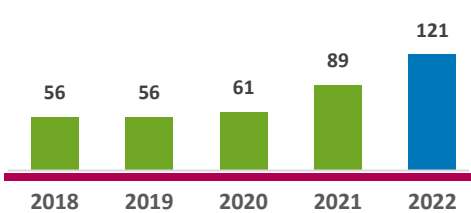
**Total Revenue in ₹ Crore**



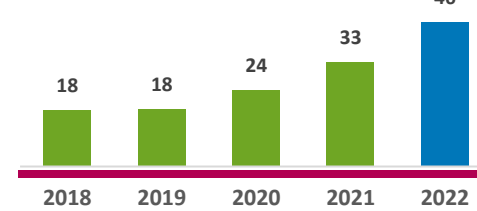
**EBITDA in ₹ Crore**



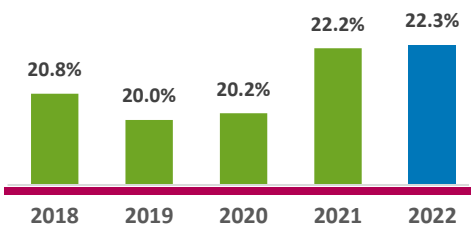
**Profit Before Tax in ₹ Crore**



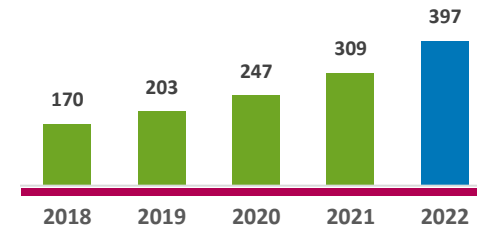
**Earning Per Share in ₹**



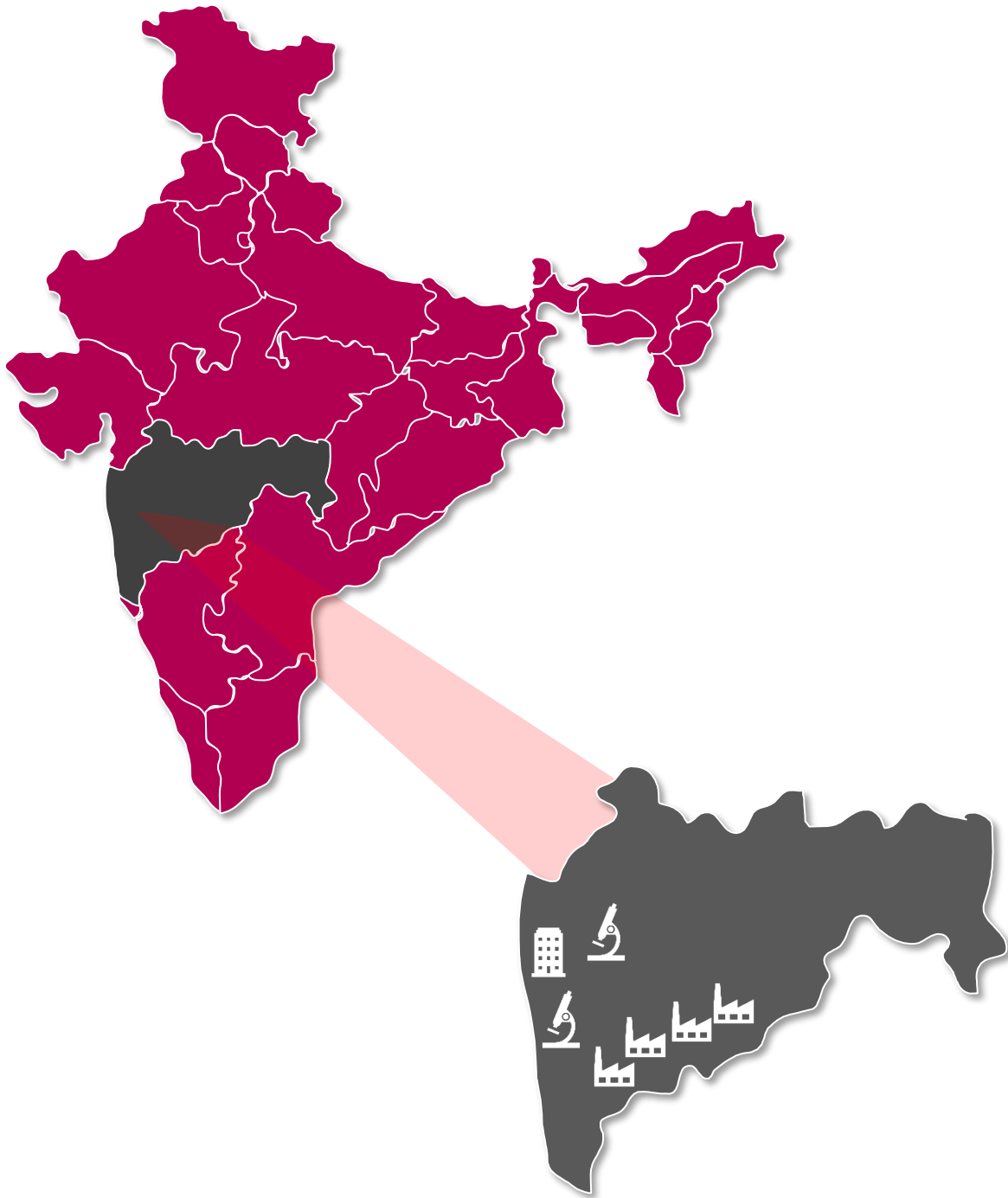
**Return on Capital Employed (%)**



**Net Worth in ₹ Crore**



## Geographical Footprints



**Registered Office** – Godrej One, Vikhroli (East), Mumbai



**4 Manufacturing Plants** – All are in Mahad, Maharashtra



**1 R&D Centre** - Dombivli, District Thane, Maharashtra



**1 New R&D Centre (under construction)** in Rabale, Maharashtra (To be operational in FY 2022-23)



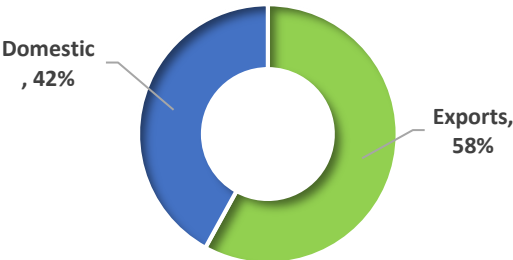
## Customer Footprints

- Australia
- Austria
- Brazil
- France
- India
- Israel
- Japan
- Russia
- Spain
- South Africa
- UK
- USA



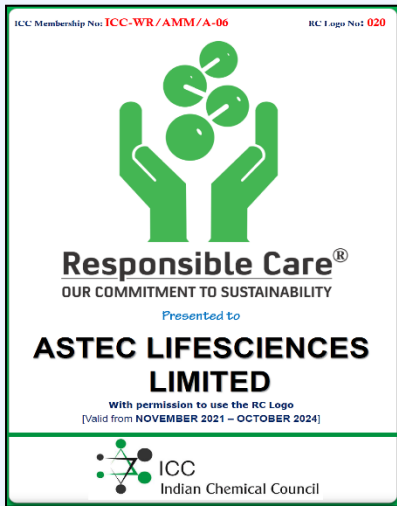
### Key Revenue Split

Exports vs. Domestic





# Awards and Certifications



ICC EH & S Award



ICC CSR Award



ICC EH & S Award



ICC CSR Award

# Management Discussion and Analysis

## Economic and Industry Overview

### Global Economy and Outlook



Global economic growth rate in 2021 **~6.1%**



Global economic growth rate estimated for 2022 **~3.6%**

In 2021, world witnessed a rebound in the economic recovery from the outbreak of coronavirus in December 2019. Global economy registered the growth of 6.1%, as per IMF. This was largely powered by the large-scale vaccination drives across the globe, that made lives return to normalcy gradually as compared to the previous year.

The recent geopolitical situation due to Russia-Ukraine crisis has decelerated the economic growth prospect which is now estimated to be at 3.6% in 2022, as per global outlook shared by the IMF. The resultant inflationary pressure is expected to stay longer than envisioned driven by increased prices of several commodities and supply chain bottlenecks. The elevated inflation should decrease gradually, once the demand-supply imbalances reduce and tightening monetary policies start showing its effect.

### Indian Economy and Outlook

While India forayed into the 2<sup>nd</sup> consecutive year of Covid-19 Pandemic, another fresh wave of Covid led by the Omicron variant took India into its grip that peaked in the month of May 2021. However, due to the widespread vaccine coverage and the necessary steps taken by the government, the

fatality rate and the dent suffered by the economy was much lower as compared to the previous year.

Although many industries were significantly impacted by the pandemic, agriculture sector has been largely sheltered from the worst impacts given the essential nature of food production. Agricultural input manufacturing and supply have largely been excluded from lockdown restrictions. However, some impacts to our industry included reduced availability of migrant farm labour, issues surrounding delays of shipments in ports, availability of raw materials boosting product prices and there have also been some significant currency movements due to the influence on the wider economy. The Indian economy witnessed a contraction by 7.3% in FY 2020-21 due to the nation-wide Covid induced lockdown, but quickly recovered the lost ground and is projected to expand by 8.7% in FY 2021-22, as per the latest estimates released by Central Statistical Office (CSO). Economic impact of second wave in Quarter 1 of FY 2021-22 was limited and much smaller than that of the first wave. Except for private consumption, all the other expenditure components are estimated to have crossed pre-pandemic levels, led by sharp uptick in Government spending. Overall GDP growth is estimated to be 1.5% above pre-pandemic levels. The recent geopolitical situation owing to the Russia-Ukraine conflict has clouded the growth projections for India too in FY 2022-23. The surge in crude oil, commodity, energy and food prices, demand-supply imbalances and supply chain disruptions has dented India's growth prospects just like other developed as well as emerging economies of the world.





As per consensus forecasts, India's GDP growth in FY 2022-23 is expected to be in the range of 7.0% - 8.2%. The growth is expected to be backed by the Government's thrust on capital expenditure through infrastructure spending and other initiatives as reflected in Central Government's budgetary allocations for 'Atmanirbhar Bharat'. Most high-frequency indicators have exceeded pre-pandemic levels and indicate that the economic growth is on the firm ground in FY 2022-23.

India's overall exports have registered a positive growth in FY 2021-22 despite the supply chain and logistic disruptions and are also expected to maintain this momentum in FY 2022-23 with some downside risks emanating from geopolitical tensions.

### Agrochemical Industry and Implications for the Company

India is the 4<sup>th</sup> largest producer of agrochemicals in the world, after the US, Japan, and China and accounts for around 15% of the global agrochemical market. Over the past few years, agrochemicals industry has been expanding at an accelerated pace owing to conducive macroeconomic environment. As per the Crisil report, industry is estimated to have grown by 12-13% in FY 2021-22 and is expected to maintain double-digit growth in FY 2022-23 as well. The growth is expected to be largely driven by exports while domestic market will grow at a slightly lower pace. The overall industry is expected to grow at a CAGR of 8-10% by 2025.

#### KEY DRIVERS

a) India ranks amongst lowest in terms of application of crop protection chemicals per hectare as compared to other advanced agriculture producing nations. At the same time, India also has one of the lowest yields per hectare amongst its global peers. Given the high focus on increasing the yield per hectare, limited arable land and rising labour

costs, there is a huge growth potential for crop protection products in the country.

- b) In terms of exports, Indian agrochemical companies have been witnessing sharp rise in demand for crop protection intermediates and active ingredients. As per the CRISIL research, the uptick in demand is being driven by multiple tailwinds such as 'China plus one strategy' adopted by global companies to reduce dependency on Chinese markets. This along with growing operational and compliance costs in China, import substitution and favourable currency are driving demand growth.
- c) Furthermore, Indian companies also benefit from R&D expertise, skilled manpower and improving regulatory framework.

In 2021, fungicide sales increased by 4.3% to reach ~ \$17.7 billion, representing a ~ 27% share of the global crop protection market. Out of this, triazole-based fungicide accounted for ~ \$3.1 billion with a global market share of 4.4%. Your Company is one of the leading players in triazole fungicides and is well placed to capitalize on opportunities arising in the domestic as well as the international markets with well-established market credentials coupled with newly commissioned herbicides plant. The Company has 4 manufacturing facilities in Mahad, Maharashtra. Moreover, a state-of-the-art Research and Development (R&D) centre is expected to be completed by FY 2022-23, which will further augment your Company's R&D capabilities. Company exports its products to 25+ countries worldwide. The Company believes in manufacturing quality crop protection products through innovation and expertise. Strong progress made in backward integration projects is also expected to aid in margin expansion. While demand for triazole fungicides is expected to remain strong in both global as well as domestic markets, your Company is also focused on diversifying its operations by increasing proportion of contract manufacturing (CDMO) business.

## Company's Financial and Operational Performance

## Company registered its best ever financial performance in FY 2021-22

Revenue up by **~22%** Y-o-Y ↑ EBITDA up by **~38%** Y-o-Y ↑ Exports up by **~44%** Y-o-Y ↑

In FY 2021-22, your Company registered its best performance till date as total income and profit after tax grew by 22.1% and 38.1%, year-on-year, respectively. Total income reached ₹ 68,703.39 lakh in FY 2021-22 from ₹ 56,279.32 Lakh in FY 2020-21 and profits after tax increased to ₹ 8,988.26 Lakh in FY 2021-22 from ₹ 6,506.88 lakh in FY 2020-21. Geographically, exports were the main driver growing by 44.4% year-on-year while in terms of segment, growth was led by enterprise sales. The proportion of exports increased to 58% of the total income from 49% in the previous year. Domestic sale was 42% of total income and grew by 0.5% year-on-year.

During the year, your Company also commissioned new herbicide plant and completed first batch of CDMO product successfully. We also remain on track to launch the state-of-the-art R&D facility by FY 2022-23. During the year, your Company commercialized two new CDMO products.

Strong top line performance was accompanied by robust improvement in margin profile as well. Your Company achieved Gross margin of 42.8% in FY 2021-22 as compared to 38.4% in FY 2020-21. The margin expansion was driven by higher realisations, favourable product mix and benefits from investment in backward integration. The EBITDA margin expanded to 24.3% in FY 2021-22 from 21.5% in the previous year. As a result, your Company's Return on net worth improved by 206 bps to 25.5% in FY 2021-22 from 23.4% in FY 2020-21.

In the next Financial Year, Astec LifeSciences will continue to focus on boarding new relationships for contract manufacturing business and to diversify into other chemistries. Investment in R&D centre will significantly increase the research capabilities and will support the growth aspirations in the medium to long-term.

(₹ in lakh)

Particulars	FY 2021-22	FY 2020-21
Total Income	68,703.39	56,279.32
Earnings Before Exceptional Items, Interest, Tax, Depreciation and Amortization	16,453.98	11,947.76
Profit Before Tax	12,112.58	8,907.09
Profit After Tax	8,988.26	6,506.88
Total Comprehensive Income	8,987.54	6,488.48

### Key Financial Ratios for Consolidated Financials:

Particulars	FY 2021-22	FY 2020-21
Debtors Turnover Ratio	2.92	3.12
Inventory Turnover Ratio	2.64	3.01
Interest Coverage Ratio #	14.37	19.75
Current Ratio	1.05	1.03
Debt Equity Ratio*	0.70	0.61
Operating Profit Margin (%)	19.24%	16.91%
Net Profit Margin (%)	13.28%	11.73%
Return on Net worth (%)	25.46%	23.40%

# Consolidated Interest Coverage Ratio is lower than the previous Financial Year 2020-21 on account of higher interest expenses due to rise in short-term borrowings.

\*Consolidated Debt Equity Ratio has increased due to increase in short term borrowings on account of higher working capital requirements.

The formulae used for computation of key financial ratios are as follows:

<b>Debtors Turnover Ratio</b>	Net Credit Sales / Average Trade Receivable
<b>Inventory Turnover Ratio</b>	Cost of Goods Sold / Average Inventory
<b>Interest Coverage Ratio</b>	Profit Before Interest and Taxes / Finance Costs
<b>Current Ratio</b>	Current Assets / Current Liabilities
<b>Debt Equity Ratio</b>	Total Debt / Shareholders' Equity
<b>Operating Profit Margin (%)</b>	Profit Before Interest and Taxes / Net Sales
<b>Net Profit Margin (%)</b>	Profit After Tax / Net Sales
<b>Return on Net worth (%)</b>	Profit After Tax / Average of Total Equity

## Opportunities, Strengths and Concerns

### Opportunities:

Indian chemical companies are expected to rapidly gain market share on the back of multiple favourable factors listed below:

- China plus one strategy** - As global companies look for alternate manufacturing locations outside China, the opportunity available to Indian manufacturers, including your Company, will be huge. Organizations with deep expertise in respect of technical or intermediate chemistries are likely to gain from this shift/diversification of the manufacturing base.
- Growth expectation in Exports** - 50% of the Indian agrochemical industry's value is derived from exports which are expected to grow at a faster pace in the coming years, as compared to the domestic market owing to improved agricultural policies and reforms by the government aiming to double India's share in world's agri-exports.
- Strong R&D and manufacturing capabilities of domestic players** – Government has a huge focus on R&D within the sector. This factor coupled with the R&D skills and relatively lower labour costs in India sets a good platform to capitalise on the new opportunities in the agrochemical space
- Improving domestic business environment** - led by Government's focus on Make-in-India / Atmanirbhar Bharat projects / Performance Linked Incentive (PLI) schemes and ease of doing business, opens new doors for the Indian agrochemical players including your Company.

- **Ingredients going off-patent** - Globally, around 22 active ingredients are expected to go off-patent over the next 10 years. The estimated market size for these products will be around \$4.1 billion by 2026. Indian chemical sector is well placed to capitalise on such opportunities and to build a strong manufacturing base.
- **Growing population and food security for the world** -The agrochemicals have a significant role to play in supporting the agriculture sector thus contributing towards catering to the food and nutritional needs of the rising population of the world.
- **Pest attacks due to climate change conditions** - There is an increase in the emergence of pests-attacks and occurrence of diseases in plants due to the fluctuating climatic patterns emanating from the climate change. A substantial percentage of agricultural yield is lost to the pest attacks each year.
- **Low consumption in India** - India has relatively low per capital consumption of agrochemicals leaving room for a significant upside.

### Strengths

- Your Company has established presence in agrochemical business, leadership position in triazole fungicides manufacturing coupled with reputed clientele, comprising MNC's in domestic and export markets.
- Your Company's new state-of-the-art R&D centre, once commissioned, will provide strong impetus to cater to rapidly growing contract development and manufacturing (CDMO) business and attract large numbers of innovators across the globe. By entering into

partnerships with innovators at an early stage of a product cycle, we intend to build a stable and sustainable business.

- The new herbicide plant commissioned in August 2021, is set to diversify our product portfolio and augment your Company's manufacturing capacity
- Strong balance sheet with short term credit rating of A1+ from ICRA

### Concerns:

- Unfavourable and erratic weather patterns and monsoon failure – Agrochemical sector is highly vulnerable to unfavourable local and global weather patterns since it directly impacts the application of crop protection products. Erratic and uneven South West monsoon can have material adverse impact on the overall demand for the products of the agrochemical companies. Your Company's presence into wider geographies through exports limits the risk, to a significant extent.
- Unavailability of raw materials - A large part of your Company's operations is dependent on imports of raw materials which may not be available in the domestic market. Your Company is exposed to risks associated with the non-availability of these materials from overseas markets.
- Foreign currency volatility and interest rates – Company's exports to the foreign markets leads to profits getting impacted by the volatility in the foreign currency and the interest rates. Company has foreign exchange policy in place to hedge the risk.



### Segment-wise Performance or Product-wise performance:

Your Company has only 1 (One) reportable segment, i.e., Agrochemicals. The total Income from agrochemicals was ₹ 68,703.39 Lakh for the FY 2021-22

### Internal Control System:

Your Company has adequate internal controls in place designed and developed to:

- a) Safeguard its assets from unauthorised use or losses
- b) Conduct its business operations efficiently in line with companies' policies
- c) Maintain accuracy, completeness and reliability of the Financial and accounting records
- d) Compliance on laws and regulations
- e) Detect and prevent any fraud the frauds in the accounting and reporting system








The Audit Committee of the Board oversees and evaluates the internal financial controls and risk

managements system as well as spearheads the internal audit mechanism, on a regular basis.

### Human Resources

The Company has adopted progressive Human Resources (HR) policies to develop and empower its valuable employee force. We provide ample, equal and fair opportunities to groom our employees and put them on career progression paths, without any form of discrimination in terms of religion, gender, race, colour, caste, etc. We take several initiatives to inspire our workforce and to care for them. As a part of Godrej group, we have Whistleblower Policy and Prevention of Sexual Harassment Act Policy to empower our employees to be able to identify and report any wrong doings in the system. The Company believes in being the employer that provides all tools and guidance to its employees so that they can discover their full potential and add value to the organization through their skills and behaviour.

## Our Value Proposition

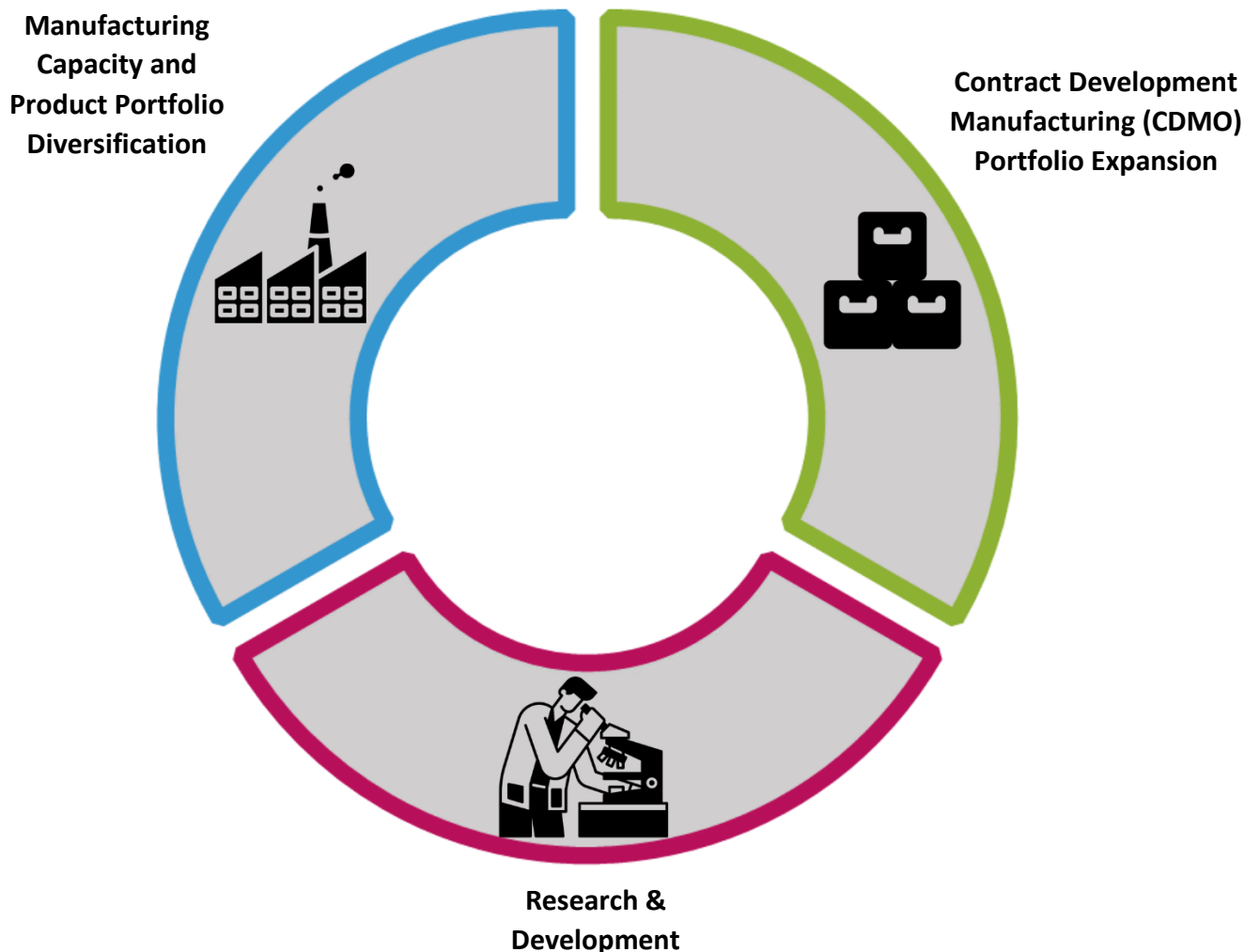
 <p><b>Deep Knowledge</b></p>	<ul style="list-style-type: none"> <li>• Our specialization in multi-step synthesis undertaking complex chemical reactions to produce key specialty chemicals with a focus on developing innovative manufacturing processes</li> </ul>
 <p><b>Strong Financials</b></p>	<ul style="list-style-type: none"> <li>• Revenue CAGR of 16% for last 5 years</li> <li>• EBITDA CAGR of 21% for last years</li> </ul>
 <p><b>Timely Delivery</b></p>	<ul style="list-style-type: none"> <li>• Our proven track record of timely delivery of products and services to our partners without compromising on compliance and quality, despite of tight deadlines</li> </ul>
 <p><b>Focus on Safety</b></p>	<ul style="list-style-type: none"> <li>• Astec LifeSciences is a 'Responsible Care' Company</li> <li>• DuPont's 14 element-based Process Safety Management System to be implemented across our Plants to ensure Safe Operations</li> </ul>
 <p><b>Assets – Infrastructure and Capability</b></p>	<ul style="list-style-type: none"> <li>• 4 multipurpose and multi-product manufacturing plants rendering us ability to handle multi-synthesis and complex chemistries</li> <li>• Our upcoming R&amp;D Centre which is expected to be completed in FY 2022-23, will further add impetus to our R&amp;D capabilities</li> </ul>
 <p><b>Quality governance</b></p>	<ul style="list-style-type: none"> <li>• Best in class accreditations including Responsible Care, ISO 14001:2015 (EMS), ISO 9001:2015 (QMS), OHSAS 18001:2007 (OHSAS), for all our manufacturing locations</li> </ul>
 <p><b>Strong Team</b></p>	<ul style="list-style-type: none"> <li>• Our team of visionary leaders along with the strong and dedicated management as well as highly experienced R&amp;D &amp; technology team together plan, develop and deliver solutions tailored to fit the needs of the customer.</li> </ul>

# Key Growth Drivers

The capacity to look ahead will define the success in future.

Agrochemical landscape is quite dynamic. In order to be at the forefront of this sector, your Company is focused on expansion of its Contract Development and Manufacturing Operations (CDMO) portfolio backed by prudent manufacturing capacity in conjunction with R&D adroitness. We believe that these factors will propel our medium to long growth.

We have chosen our growth enablers with a vision to create a basket of chemistries, products and solutions to cater to the demands of tomorrow. We will grow by strengthening our intangibles on the foundation of our values, safety and responsibility, sustainability, quality, cost leadership and speed to market.



# Contract Development and Manufacturing (CDMO)

Astec’s unique and agile approach to Contract Development and Manufacturing Operations (CDMO) business gives our customers speed to market and cost leadership in pricing

The overall agrochemical industry is estimated to grow at a CAGR of 8-10% by 2025. Global CDMO market is expected to grow at a CAGR of 10% up to 2024 owing to the increasing trends in contract manufacturing and innovators looking for alternate low-cost destinations. We believe we are well positioned to cater to the rapidly increasing market demand for outsourced development and manufacturing of complex chemistries to support new products in the sector. Your Company is working on developing a robust pipeline for its Contract Development and Manufacturing (CDMO) business. Our unique and agile approach, focuses on cost and quality leadership, dynamic research infrastructure together with our deeply embedded culture of trust and integrity in all our practices. This makes Astec LifeSciences an Attractive Partner for companies with an outsourcing requirement.

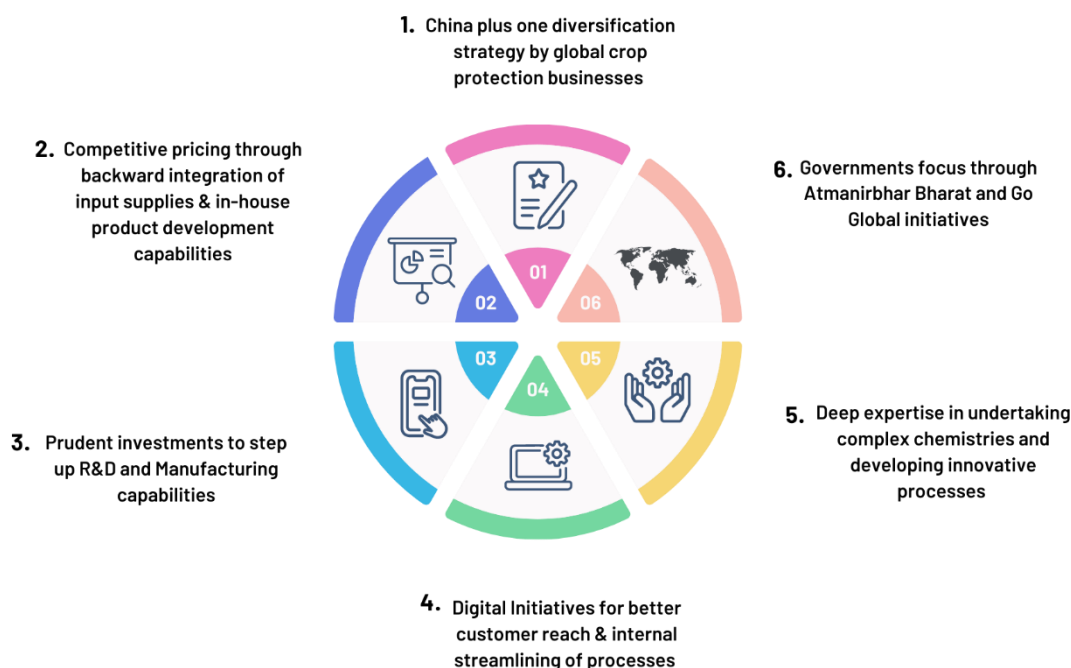
## Our Contract Development and Manufacturing (CDMO) Highlights for FY 2021-22

- Launch of 2 new CDMO products and a new production process for an enterprise product
- These two CDMO products were the first ones, outside the ambit of triazole fungicides, marking our ability to handle diversified range of chemicals

### Way forward...

- We are on track towards expanding the CDMO business and adding new customers to our portfolio
- We are focussing on diversification into other chemistries and also plan to launch two new contract manufacturing products

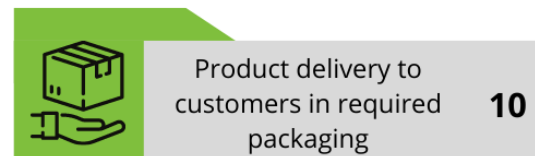
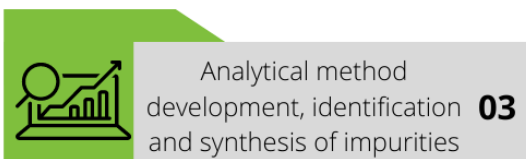
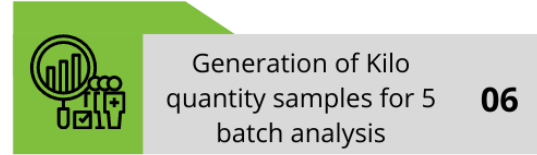
## Factors favouring our CDMO Play





## R&D to Commercialisation Capabilities

We build long-term enduring relationships with customers in our Contract Development and Manufacturing (CDMO) portfolio and engage with them through our R&D capabilities.



### Our upcoming State-of-Art R&D Centre

The Company continues to stay on track to launch the state-of-the-art R&D facility at Rabale, Maharashtra in FY 2022-23. The facility will be equipped for New Product Generation, Process Optimization and Scale-up, and Product Lifecycle Management. It will further augment our chemistries and capabilities making us an

attractive partner for the Contract Development and Manufacturing (CDMO) requirement of Multi-national companies of all sizes across the world. We believe that our investment in the new state-of-the-art facility will support the growth aspirations in the medium to long-term.

## Manufacturing Capabilities

Astec LifeSciences is a significant player in agrochemical segment with a pioneer position in manufacturing of triazole based fungicides.

Your Company commissioned a greenfield herbicide plant in August 2021 which acts as a significant milestone in the Company's trajectory to diversify the product portfolio.

This makes us one of the very few companies in India to have such high potent herbicide facility which will play a paramount role in making our pipeline healthy along with our other 3 manufacturing plants located in Mahad, Maharashtra. Your Company is proactively working on achieving a Zero-Liquid Discharge (ZLD) status keeping the utmost environmental standards in place.



# Health and Safety

Safety goes beyond Statistics and reflects through behavior and culture...

Process Safety is of paramount importance in Agrochemicals sector. Astec LifeSciences is committed to create operations that focus on the

“For us, Safety is not just a priority but the core value upon which we have created our high-functioning culture.”

well-being of our employees and the communities. It is widely recognized and proven that managing EHS risks have a positive impact on staff morale and employee productivity, in addition to improved financial performance. We continue to go the extra mile in ensuring the health, safety and wellbeing of our workforce.



For our business to flourish sustainably, our operations need to be conducted in a responsible manner. And for our talent to thrive, it is imperative that we provide our people with a safe working environment. Therefore, we continuously strive to build a culture of safety which goes beyond mere statistics. We believe that any amount of profits and progress is not more than the safety of the people.

## Our Approach to EHS



### Safety, Health and Environment Policy (EHS)

Our EHS Policy demonstrates our commitment towards Health & Safety of employees and communities, which is integral to our operations.

#### Safety is a Law



### Commitment for improvement

We continuously strive to improve our performance on EHS parameters. By being signatory to 'Responsible Care', we demonstrate our....

#### Commitment to Sustainability



### Knowledge Dissemination

We impart Safety trainings followed by refresher trainings to our employees to inculcate the...

#### Behavior of Safety

## Safety Credentials for FY 2021 - 22



**2.7 Million Hrs**

Safe Man-Hours Worked



**Zero**

Lost Time Injury



**80%**

Improvement in  
UA/UC Compliance



**92.1%**

Safety And Health  
Management System  
Score showing an 8% rise from  
FY 2020-21



**100%**

safe disposal  
of 2256 MT of  
Hazardous waste



**Process Automation**

of critical Reactors  
to eliminate the  
risk of a runaway reaction

All our manufacturing plants are certified on EHS Management Standards. Competent teams are tasked with the responsibility for the implementation of the management system and continuous improvement of the plans in each site.

Our management systems ensure that we go one step further from mere compliance to local laws and regulations to exceeding the expectations of the regional rules, Astec's internal requirements and customer expectations.

## Safety has no price, It is Priceless

Focus on Process Safety across our manufacturing plants is our key strategy for ensuring safe operations. At Astec, our continued exemplary safety performance is driven by Dupont's world class PSM system which lends us an important competitive edge in the market. The System focuses on 14-elements of process safety and helps us achieve Operational Excellence through

Operational Discipline. Process Safety Management is increasingly becoming the standard that is applied to many hazardous processes around the globe. Process safety principles and systems not only help manage our risks, they are effective tools for increasing the safety of our operations while also improving productivity, cost efficiency and quality.

# Sustainability and CSR

Less is What You Need More

Rooted in the principle of Godrej Group's 'Good & Green', Astec LifeSciences is focused on creating a more inclusive & greener India and protecting the environment and assorted resources of the Mother Earth.

Your Company is committed towards reducing the environment stress and demonstrating highest standards of Health, Safety and Environmental Sustainability. We, being the part of the Godrej legacy, see sustainability at the nucleus and not

At the Group level, Godrej Agrovet, our major stakeholder, has set clear cut sustainability targets for 2025 to reduce the environmental impact.

just the periphery of our business. We are a sensitive and Responsible Company allowed to use the 'Responsible Care' logo until 2024. We are making conscious efforts towards reducing our carbon footprint by bringing down our energy consumption, waste generation and water consumption/wastage. The Company has a dedicated team that focuses on cleaner production technologies with higher yields and minimum waste generation supporting principles of waste reduction, recycle and reuse to demonstrate its commitment to "Good and Green". All the manufacturing activities of the Company conform to statutory Pollution Control Standards.

**In FY 2022, your Company has taken several steps towards reducing our energy and water consumption.**

## Measures taken to conserve energy in FY 2021 – 22

- Replacement of coal by briquettes for steam boiler
- Replacement of plant Mercury Lamp (ML) to Light Emitting Diode (LED)
- Variable Frequency Drive (VFD) Installation of cooling tower, Ejector system
- Reduction of operating pressure of compressed air system

### Benefits Derived

- Substantial reduction in energy consumption
- Reduction in the boiler emissions and boiler fuel cost
- Savings in electricity cost

## Technology absorption related measures taken in FY 2021 – 22 to conserve natural resources

- Using Jet aerator system in effluent treatment plant
- Introducing process control atomization in plant by using transmitters and controllers
- Modified agitator assembly of idle reactor and utilised in process.
- Recycling of aqueous stream from process through rainwater harvesting and recycling of steam condensate

### Benefits Derived

- Reduction of Dissolved Oxygen (DO) level in Effluent Treatment Plant (ETP).
- Improved process control in plant operations
- Reduction in batch time cycle by utilising idle equipment in plant.
- Reduction in water consumption

# Corporate Social Responsibility

## Catalyst for Change

At Astec LifeSciences, we understand the value of investing in our communities and our environment, the two pillars that underpin our business. Through the CSR programmes, our purpose is to actively improve the lives of the communities we work with and to promote the protection of ecosystems and our natural capital. In a year of unprecedented challenges, we came together to deliver on our purpose.

**“Prosperity is best achieved in an inclusive society**

At Astec, we are committed to being good corporate citizens with a positive impact on the communities and environment we operate in. Through our Good and Green CSR policy we align our CSR strategy with the Godrej group's Good and Green vision and goals of creating a more inclusive and greener India. The policy focuses on

### Grameen Vikas – Brighter Farming



This flagship initiative of Astec involves building the skills and capacities of marginal and landless men and women farmers to diversify their income sources by improving their agricultural and animal husbandry practices.

This year, we delivered capacity building programmes on organic farming and animal husbandry to 166 farmers in 9 villages. As a result, an increase in income of Rs 80,000 per cropping and an additional yield of 6 quintal per hectare was observed.

10 farmers were equipped with drip irrigation systems, allowing them to have greater control on the volume of water being utilized on their lands.

addressing critical social, environmental and economic needs of the marginalized and underprivileged sections of the society.

Astec's CSR Policy, approved by the Board of Directors, guides the activities it undertakes to positively impact its identified stakeholders. These programmes fall within the purview of Schedule VII of the provisions of Section 135 of the Companies Act, 2013 and the Companies Corporate Social Responsibility Policy) Rules, 2014.

The CSR Committee of the Board, inter alia, reviews, monitors and provides strategic direction to the Company's CSR practices. The Management Committee including heads of individual departments, is tasked with the responsibility of ensuring the smooth execution of all the CSR projects within the Company.

The key areas of CSR focus include Agriculture and rural livelihoods, Women empowerment, Water security, Education and Community Development.



Recognizing that farmers and local communities are at the heart of conservation, Astec enabled the establishment of a Community-managed Seed Bank (CSB) at the cluster level.

With the aim of creating supplemental food production, as well as an opportunity to improve livelihoods for the communities, kitchen gardens were created with 125 families. An average income of Rs 4,500 was generated every quarter.

Astec also extended support to 75 microenterprises within Self-help groups (SHG) on poultry, dairy and other activities

### Our Impact:



**₹80,000**

Income increase



**6**

Quintal per hectare



**Seed Bank**

Community Managed

**125**

Kitchen Gardens



**₹4,500**

Additional Income  
Generated



**75**

Micro-Enterprises  
Supported



### Pragati: Community based Education



Astec actively supports schools in our communities for facilitating a better environment for holistic education.



**978**

Students



**15,000+**

Hours of Digital Education Content Accessed



- We supported the needs of digital education of 978 students from grades 6th -10th in Maharashtra.
- 15,000+ hours of digital education content were accessed by the students.

### Addressing the needs of the Community

#### Facilitating government entitlements

- 1495 entitlements were facilitated in communities (supported by Godrej Agrovet Limited (GAVL) funds).
- 15 people were supported on Ayushman Bharat Yojana and 384 were assisted to receive their Health IDs.

Government scheme linkage to 7 SHGs was enabled with a loan support of 19.32 lakh (as part of MH State Rural Livelihood Mission). 357 community members were also assisted in accessing entitlements on insurance cover, pension and other documents.

### Covid-19 relief



# 16,787

Community Members

We conducted awareness sessions on Covid-19 and arranged vaccinations for over 16,787 community members (exceeding our target of 16k) in 16 villages.

### Disaster relief

The Company extended support to the local communities affected by flooding in the Mahad tehsil of Raigad District by providing food, first aid kits etc.





# Our Employees, Our Human Muscle

## Nurturing a culture that our employees can take pride in

**Staying true to our organizational objectives, we are an employer of inclusivity and diversity that provides equal developmental and growth opportunities to its employees without any bias and discrimination.**

Our success journey is incomplete and impossible without the commitment and diligence of our human muscle. It is due to the resilience and unstinted support received from our employees that our Company remained strong even during the challenging times of the pandemic in last 2 years. For this, we remain grateful to our workforce. We are committed to go to all lengths to foster the culture in which our employees are groomed to become the leaders of future and good human beings. We aspire to create individual success stories for our all our employees.

We create memories with our employees; be it Coffee with our COO or acknowledging our women force on Women's Day. Not just them, their families are also a part of Astec's ecosystem. We engage with their families who conditionally support them mentally to be able to deliver high performances.

### **Our chemistry to create a empowering and high performing work culture is made up of the following molecules:**

- Learning & Development
- Career Progression & Succession Planning
- Offering Constructive Feedback
- Recognising & Rewarding Exemplary Attitude & Performances
- Ensuring Safety & Well-being of our Employees
- Engaging through Dialogues & Other Initiatives

# Robust Corporate Governance

## Doing Business, the Godrej Way...

Our value creation process towards our Shareholders is founded on the grounds of good governance driven by our ethics and values. Goodness + Trust is the Godrej way to do the Business

Strong Ethics is at the heart of our business. We do not just focus on what's enough for the business but we believe in doing business the right way. Accountability, Transparency, Disclosures and Fairness are the pillars of our governance system. Our strong internal and

external governance structure sets a robust ground standing on which we have been creating value for our Shareholders and society. Good Governance is not just a requisite but culture and mind-set in our organization. We are always conscious of the fact that growth and success of the Company is a function of its values, conduct, professionalism demonstrated by its employees and management. We are committed towards adoption and adherence of the highest standards of ethical behaviour and good governance and carry out our business with utmost sincerity and integrity.

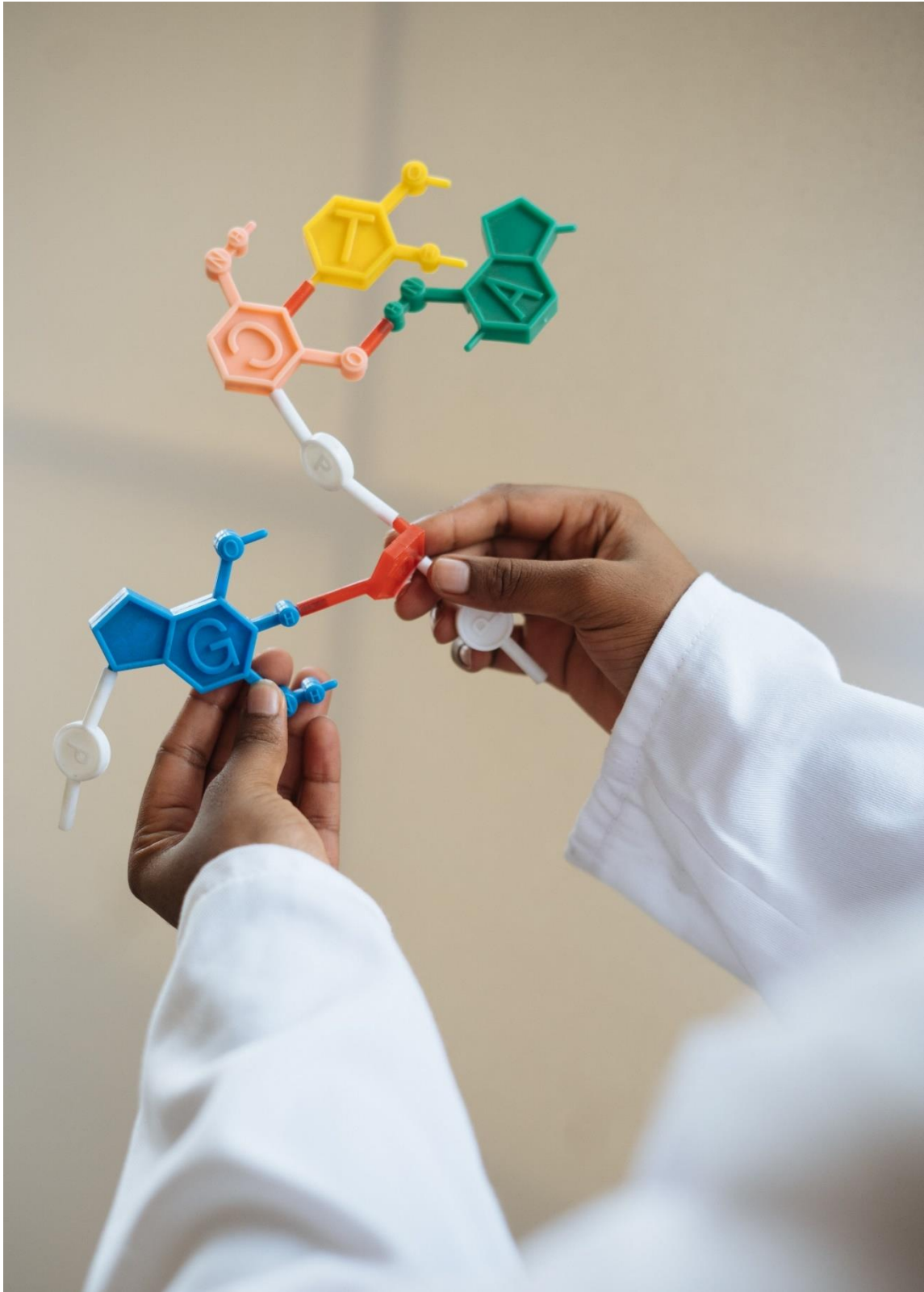
## Governance Framework





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# Statutory Reports





## AGM Notice



**ASTECL**

**ASTECL LIFESCIENCES LIMITED**

**Corporate Identity Number (CIN): L99999MH1994PLC076236**

**Registered Office:** "Godrej One", 3<sup>rd</sup> Floor, Pirojshanagar, Eastern Express Highway, Vikhroli (East),  
Mumbai – 400 079, Maharashtra

**Tel.:** +91 22 2518 8010; **Fax:** +91 22 2261 8289; **Website:** [www.astecls.com](http://www.astecls.com);

**E-mail:** [astecinvestors@godrejastec.com](mailto:astecinvestors@godrejastec.com)

### NOTICE OF THE 28<sup>TH</sup> (TWENTY EIGHTH) ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the 28<sup>th</sup> (Twenty Eighth) Annual General Meeting ("AGM") of the Shareholders of **ASTECL LIFESCIENCES LIMITED** ("Company") will be held on **Monday, 25<sup>th</sup> July, 2022 at 4.00 p.m. (IST)** through **Video Conferencing ("VC") / Other Audio Visual Means ("OAVM")**, to transact the following business:

#### Ordinary Business:

#### 1. Adoption of Financial Statements for the Financial Year ended 31<sup>st</sup> March, 2022:

To consider and adopt the Audited Financial Statements (including Standalone and Consolidated Financial Statements) of the Company for the Financial Year ended 31<sup>st</sup> March, 2022 and the Reports of the Board of Directors and the Statutory Auditors thereon, including Annexures thereto.

#### 2. Declaration of Final Dividend on Equity Shares for the Financial Year ended 31<sup>st</sup> March, 2022:

To declare Final Dividend on Equity Shares @ 15% (Fifteen per cent) [i.e., @ ₹ 1.50 (Rupee One and Paise Fifty Only) per Equity Share of Face Value of ₹ 10/- (Rupees Ten Only)] for the Financial Year ended 31<sup>st</sup> March, 2022.

#### 3. Re-appointment of Mr. Nadir B. Godrej as a "Director", liable to retire by rotation, who has offered himself for re-appointment:

To appoint a Director in place of Mr. Nadir B. Godrej [Director Identification Number (DIN): 00066195], Non-Executive, Non-Independent Director & Chairman, who retires by rotation and, being eligible, offers himself for re-appointment, as a "Director" of the Company and if thought fit, to pass the following resolution as an **Ordinary Resolution**:

**"RESOLVED THAT** pursuant to the provisions of Section 152 and other applicable provisions of the Companies Act, 2013 and/or the Rules framed thereunder, the approval of the Shareholders of the Company be and is hereby accorded to the re-appointment of Mr. Nadir B. Godrej [Director Identification Number (DIN): 00066195] as a "Director" of the Company, who shall be liable to retire by rotation."

#### 4. Re-appointment of B S R & Co. LLP, Chartered Accountants as the "Statutory Auditors" of the Company for a second term of 5 (Five) years:

To consider and approve re-appointment of B S R & Co. LLP, Chartered Accountants as the "Statutory Auditors" of the Company for a second term of 5 (Five) years and if thought fit, to pass, the following as an **Ordinary Resolution**:

“**RESOLVED THAT** pursuant to Sections 139, 142 and all other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 [including any statutory amendment(s), modification(s) or re-enactment(s) thereof, for the time being in force] and pursuant to the recommendations of the Audit Committee and the Board of Directors of the Company, B S R & Co. LLP, Chartered Accountants, having Firm Registration No. 101248W/W-100022, be and are hereby re-appointed as the “Statutory Auditors” of the Company for a second term of 5 (Five) consecutive years, commencing from the conclusion of the 28<sup>th</sup> (Twenty Eighth) Annual General Meeting till the conclusion of the 33<sup>rd</sup> (Thirty Third) Annual General Meeting (i.e., to conduct of Statutory Audit of the Company from the Financial Year 2022-23 upto the Financial Year 2026-27), at such remuneration as may be mutually agreed between the Board of Directors and Statutory Auditors.”

“**RESOLVED FURTHER THAT** any Director of the Company and/or the Chief Financial Officer and/or the Company Secretary be and is hereby authorized to do all such acts, deeds, matters and things and to take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

#### Special Business:

#### 5. Ratification of Remuneration of M/s. NNT & Co., Cost Accountants, Mumbai as the “Cost Auditors” of the Company for the Financial Year ending 31<sup>st</sup> March, 2023:

To consider and ratify the remuneration of M/s. NNT & Co., Cost Accountants, Mumbai as the “Cost Auditors” of the Company for the Financial Year ending 31<sup>st</sup> March, 2023 and if thought fit, to pass the following resolution as an **Ordinary Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Section 148 and other applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 and the Companies (Cost Records and Audit) Rules, 2014 [including any statutory amendment(s), modification(s) or re-enactment(s) thereof, for the time being in force]

and based on the recommendation of the Audit Committee and the Board of Directors, the remuneration of M/s. NNT & Co., Cost Accountants, Mumbai (Firm Registration Number: 100911), the “Cost Auditors” appointed by the Board of Directors of the Company, for conducting audit of the cost records of the Company for the Financial Year ending 31<sup>st</sup> March, 2023, upto ₹ 80,000/- (Rupees Eighty Thousand Only) per annum inclusive of XBRL compilation and Goods and Service Tax (GST) as applicable and reimbursement of out-of-pocket expenses at actuals, be and is hereby ratified and approved.”

“**RESOLVED FURTHER THAT** the Board of Directors and/or the Chief Financial Officer and/or the Company Secretary be and is hereby authorized to do all such acts, deeds, matters and things and to take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

#### 6. Approval for Increase in Remuneration of Mr. Anurag Roy, Whole Time Director & Chief Executive Officer:

To consider and approve increase in remuneration of Mr. Anurag Roy, Whole Time Director & Chief Executive Officer and if thought fit, to pass, the following as a **Special Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Sections 196, 197, 203 and any other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 [including any statutory modification(s), amendment(s) or re-enactment(s) thereof for the time being in force], read with Schedule V to the Companies Act, 2013 (as may be amended from time to time), and based on the recommendation made by the Nomination and Remuneration Committee and the Board of Directors, the approval of the Shareholders of the Company be and is hereby accorded for the increase in remuneration of Mr. Anurag Roy [Director Identification Number (DIN: 07444595)], Whole Time Director & Chief Executive Officer of the Company with effect from 28<sup>th</sup> July, 2021 for a term of 3 (Three) years, i.e., upto 27<sup>th</sup> July, 2024, by way of Long Term Incentive (LTI) for an amount not exceeding ₹10 Crore (Rupees Ten Crore Only),



in the form of cash and/or stock options under the Company's existing stock option plan or scheme, on the terms and conditions as set out in the Explanatory Statement annexed to the Notice of the 28<sup>th</sup> Annual General Meeting."

**"RESOLVED FURTHER THAT** the increased remuneration and perquisites as set out in the Explanatory Statement be paid and allowed to Mr. Anurag Roy for any Financial Year, notwithstanding any loss or inadequacy of profit during such Financial Year, subject to necessary compliance with the provisions of the Companies Act, 2013 and the Rules framed thereunder [including any statutory modification(s), amendment(s) or re-enactment(s) thereof for the time being in force]."

**"RESOLVED FURTHER THAT** the approval of the Shareholders be and is hereby granted to the Board of Directors and/or the Nomination and Remuneration Committee to increase / alter / vary the terms and conditions of the remuneration of Mr. Anurag Roy at its discretion, as it may deem fit from time to time, subject to compliance with the provisions of the Companies Act, 2013 and the Rules framed thereunder [including any statutory modification(s), amendment(s) or re-enactment(s) thereof for the time being in force]."

**"RESOLVED FURTHER THAT** the Board of Directors be and is hereby authorized to do all such acts, deeds and things and execute all such documents, instruments and writings as may be required and to delegate all or any of its powers herein conferred to the Nomination and Remuneration Committee and/or any other Committee of Directors and/or Director(s) to give effect to the aforesaid resolution."

#### Notes:

1. In view of the continuing COVID-19 pandemic, the Ministry of Corporate Affairs ("**MCA**") has, vide its General Circular No. 14/2020 dated 8<sup>th</sup> April, 2020, General Circular No.17/2020 dated 13<sup>th</sup> April, 2020, General Circular No. 20/2020 dated 5<sup>th</sup> May, 2020, General Circular No.02/2021 dated 13<sup>th</sup> January, 2021, General Circular No. 19/2021 dated 8<sup>th</sup> December 2021, General Circular No. 21/2021 dated 14<sup>th</sup> December, 2021 and General Circular No. 2/2022 dated 5<sup>th</sup> May, 2022 (collectively referred to as "**MCA Circulars**"), permitted the holding of the Annual General Meeting ("**AGM**") through Video Conferencing ("**VC**") or Other Audio Visual Means ("**OAVM**"), without the physical presence of the Members at a common venue. In compliance with the provisions of the Companies Act, 2013 ("**the Act**"), the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**SEBI Listing Regulations**") and MCA Circulars, the 28<sup>th</sup> (Twenty Eighth) AGM of the Company is being held through VC / OAVM. The National Securities Depository Limited ("**NSDL**") will be providing facility for voting through remote e-voting, for participation in the AGM through VC / OAVM facility and for e-voting during the AGM. The procedure for participating in the AGM through VC / OAVM is explained hereunder and is also available on the website of the Company, viz., [www.astecls.com](http://www.astecls.com).
2. The relative Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013, setting out all the material facts relating to Ordinary / Special Businesses to be transacted at the AGM, as set out in this Notice, is annexed hereto.
3. Further, additional information pursuant to Regulation 36(3) of SEBI Listing Regulations and Secretarial Standard on General Meetings ("**SS-2**") issued by the Institute of Company Secretaries of India ("**ICSI**"), in respect of Director seeking re-appointment at this AGM as mentioned in Item No. 3 of this AGM Notice is also annexed hereto.
3. Since this AGM is being held pursuant to the MCA Circulars through VC / OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form, Attendance Slip and Route Map are not annexed to this Notice.

4. Corporate Shareholders intending to appoint their Authorized Representative(s) to attend the AGM, pursuant to Section 113 of the Companies Act, 2013, are requested to send to the Scrutinizer (Mr. Vikas R. Chomal, Practicing Company Secretary), NSDL and the Company, a scanned certified true copy of the Board Resolution with attested specimen signature of the duly authorized signatory(ies) who are authorized to attend and vote on their behalf at the AGM. The said Resolution / authorization shall be sent by e-mail to Mr. Vikas R. Chomal, Scrutinizer on [csvrca@gmail.com](mailto:csvrca@gmail.com), through the registered e-mail address of the corporate Shareholder, with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) and [agm.astec@godrejastec.com](mailto:agm.astec@godrejastec.com).
5. In case of joint holders attending the AGM, only such joint holder who is higher in the order of names will be entitled to vote.
6. The attendance of the Members attending the AGM through VC / OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
7. Any request for inspection of the Register of Directors and Key Managerial Personnel and their Shareholding maintained under Section 170 of the Act, the Register of Contracts and Arrangements in which the Directors are interested maintained under Section 189 of the Act and the Certificate from the Secretarial Auditors of the Company in accordance with the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, may please be sent to [agm.astec@godrejastec.com](mailto:agm.astec@godrejastec.com).
8. The Register of Members and Share Transfer Books of the Company will remain closed **from Thursday, 21<sup>st</sup> July, 2022 to Sunday, 24<sup>th</sup> July, 2022 (both days inclusive)** for annual closing and determining the entitlement of the Shareholders to the Final Dividend, if declared by the Shareholders at the ensuing 28<sup>th</sup> AGM, for the Financial Year 2021-22.
9. All the documents in connection with the accompanying Notice and Explanatory Statement are available for inspection through electronic mode on the basis of request being sent on [agm.astec@godrejastec.com](mailto:agm.astec@godrejastec.com).
10. Shareholders are requested to register / intimate changes, if any, pertaining to their name, postal address, e-mail address, telephone / mobile numbers, Permanent Account Number (PAN), bank details including change in bank account number, IFSC Code, MICR Code, name of bank and branch details:
  - a. **In case of Equity Shares held in Electronic form:** To their Depository Participant(s) (DPs);
  - b. **In case of Equity Shares held in Physical form:** To the Company or Bigshare Services Private Limited, Registrar and Share Transfer Agent of the Company ("Bigshare") in prescribed Form ISR-1 and other forms pursuant to Circular issued by the Securities and Exchange Board of India (SEBI), bearing No. SEBI/HO/ MIRSD /MIRSD\_RTAMB/P/CIR/2021/655 dated 3<sup>rd</sup> November, 2021. The formats of the forms are available on the Company's website at <http://www.astecsl.com/investor-service-request.aspx> and on the website of the Bigshare at [www.bigshareonline.com](http://www.bigshareonline.com).
11. Shareholders are also requested note that SEBI, vide its Circular No. SEBI/HO/MIRSD/MIRSD\_RTAMB/P/CIR/2022/8 dated 25<sup>th</sup> January, 2022 has mandated the listed companies to issue securities in dematerialized form only while processing service requests, viz., issue of duplicate share certificate, claim from unclaimed suspense account, renewal / exchange of share certificate, endorsement, sub-division, splitting of share certificate, consolidation of share certificates / folios, transmission and transposition. Accordingly, the Shareholders are requested to make service requests by submitting a duly filled and signed Form ISR-4, the format of which is available on the Company's website at <http://www.astecsl.com/investor-service-request.aspx> and on the website of the Bigshare at [www.bigshareonline.com](http://www.bigshareonline.com).





12. In accordance with, the General Circular No. 20/2020 dated 5<sup>th</sup> May, 2020, General Circular No.02/2021 dated 13<sup>th</sup> January, 2021, General Circular No. 19/2021 dated 8<sup>th</sup> December, 2021, General Circular No. 21/2021 dated 14<sup>th</sup> December, 2021 and General Circular No. 2/2022 dated 5<sup>th</sup> May, 2022 issued by the MCA, Circular No. SEBI/ HO /CFD /CMD1 /CIR /P/2020/79 dated 12<sup>th</sup> May, 2020, Circular No. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated 15<sup>th</sup> January, 2021, Circular No. SEBI /HO /CFD /CMD2/CIR/P/2022/62 dated 13<sup>th</sup> May, 2022 issued by SEBI and Sections 101 and 136 of the Companies Act, 2013 read with the relevant Rules framed thereunder, the Standalone and Consolidated Financial Statements of the Company for the Financial Year ended 31<sup>st</sup> March, 2022, including the Report of Board of Directors, Statutory Auditors' Report and/or other documents required to be attached therewith and the Notice of AGM are being sent through electronic mode to Members whose e-mail addresses are registered with the Company or the Depository Participant(s) or Bigshare. Members are requested to support the "Green Initiative" by registering / updating their e-mail address(es) in the manner specified in Point No. 10 above, to enable the Company to send electronic communications.

13. Members may also note that the Notice of AGM and the Annual Report for the Financial Year 2021-22 will be available on the Company's website [www.astecls.com](http://www.astecls.com), on the websites of the Stock Exchanges where the Equity Shares of the Company are listed, i.e., BSE Limited (at [www.bseindia.com](http://www.bseindia.com)) and National Stock Exchange of India Limited (at [www.nseindia.com](http://www.nseindia.com)) and on the website of NSDL at [www.evoting.nsdl.com](http://www.evoting.nsdl.com).

14. The Final Dividend for the Financial Year 2021-22, as recommended by the Board of Directors, if declared at the ensuing 28<sup>th</sup> AGM, would be paid by Friday, 29<sup>th</sup> July, 2022, subject to deduction of tax at source, to those Shareholders or their mandates:

(a) whose names appear as Beneficial Owners as at the end of the business hours on **Wednesday, 20<sup>th</sup> July, 2022** in the list of Beneficial Owners to be furnished by National Securities Depository Limited and Central Depository Services (India) Limited in respect of the Equity Shares held in electronic form; and

(b) whose names appear as Shareholders in the Register of Members of the Company after giving effect to valid share transfers in physical form lodged with the Company / Bigshare on or before **Wednesday, 20<sup>th</sup> July, 2022**.

#### 15. Compulsory Transfer of Equity Shares to Investor Education and Protection Fund ("IEPF"):

Pursuant to the provisions of Sections 124 and 125 of the Companies Act, 2013 and the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (as amended), all the Equity Shares of the Company on which dividend has not been paid or claimed for 7 (Seven) consecutive years or more shall be transferred to the Investor Education and Protection Fund (IEPF) authority established by the Central Government, after complying with the procedure laid down under the said Rules.

The Company in compliance with the aforesaid provisions and the said Rules has transferred 1,175 (One Thousand One Hundred and Seventy Five) Equity Shares of the Face Value of ₹ 10/- (Rupees Ten Only) each belonging to 11 (Eleven) Shareholders underlying the unclaimed dividends for the Financial Year 2013-14. The market value of the Equity Shares transferred is approximately ₹ 20.59 Lakh, considering the Share Price as on 31<sup>st</sup> March, 2022. Shareholders are requested to take note of the provisions of the Companies Act, 2013 with regard to unclaimed dividends and claim their unclaimed dividends immediately, in order to avoid transfer of the underlying Equity Shares to the IEPF.

Shareholders may note that the dividend and Equity Shares transferred to IEPF can be claimed back by the concerned Shareholders from the IEPF Authority after making an online application to the Authority in web Form No. IEPF-5 available on [www.iepf.gov.in](http://www.iepf.gov.in) after complying with the procedure prescribed under the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016.

#### Unclaimed / Unpaid Dividend:

Shareholders are informed that the dividend amount for the Financial Year 2014-15 remaining unclaimed shall become due for transfer on 22<sup>nd</sup> October, 2022 to IEPF in terms of Section 124 of the Companies Act, 2013, upon expiry of 7 (Seven) years from the date of its declaration.

Financial Year	Date of Declaration of Dividend	Dividend (%)	Dividend per Equity Share (in ₹)	Amount lying in the Unpaid Dividend Account as on 31 <sup>st</sup> March, 2022 (in ₹)	Last Date for claiming Unpaid / Unclaimed Dividend
2014-15	22.09.2015	12.50	1.25	1,13,678.75	22.10.2022
2015-16	-	-	-	-	-
2016-17	28.07.2017	15.00	1.50	1,38,915.00	28.08.2024
2017-18	01.08.2018	15.00	1.50	1,24,218.00	01.09.2025
2018-19	26.07.2019	15.00	1.50	87,949.50	26.08.2026
2019-20	22.07.2020	15.00	1.50	54,621.00	22.08.2027
2020-21	28.07.2021	15.00	1.50	41,518.00	27.08.2028

The Shareholders who have a valid claim to any unclaimed dividends which are not yet transferred, may claim the same from the Company immediately.

Also, pursuant to Section 124(2) of the Companies Act, 2013, the Company has uploaded details of unpaid and unclaimed amounts lying with the Company in respect of dividends declared for the Financial Year 2020-21, on the website of the Company, [www.astecls.com](http://www.astecls.com).

16. Shareholders who have not encashed the demand drafts / dividend warrants for the previous year/s so far, are requested to make

Shareholders are requested to note that no claim shall lie against the Company in respect of any amount of dividend remaining unclaimed / unpaid for a period of 7 (Seven) years from the dates they became first due for payment.

Any Shareholder, who has not claimed the dividend in respect of the Financial Year 2014-15 is requested to approach the Company / Registrar and Share Transfer Agents of the Company for claiming the same as early as possible, preferably **on or before 7<sup>th</sup> October, 2022**. The Company intends to send reminders to all such Shareholders at their registered addresses for claiming the unpaid / unclaimed dividend, which will be transferred to IEPF in due course.

their claim with Bigshare at their Office No. S6-2, 6<sup>th</sup> Floor, Pinnacle Business Park, Next to Ahura Centre, Mahakali Caves Road, Andheri (East), Mumbai – 400 093, well in advance of the above due dates. Pursuant to the provisions of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, the Company has uploaded the details of unpaid and unclaimed dividend amount(s) lying with the Company as on 28<sup>th</sup> July, 2021 (date of last AGM) on the website of the Company, viz., [www.astecls.com](http://www.astecls.com), as also on the website of the MCA.



17. Shareholders may note that the Income Tax Act, 1961, as amended by the Finance Act, 2020, mandates that dividends paid or distributed by a Company after 1<sup>st</sup> April, 2020 shall be taxable in the hands of the Shareholders. The Company shall, therefore, be required to deduct Tax at Source (TDS) at the time of making payment of Final Dividend, if declared by the Shareholders. In order to enable the Company to determine the appropriate TDS rate as applicable, Members are requested to submit the documents in accordance with the provisions of the Income Tax Act, 1961.

- (a) For Resident Shareholders, TDS shall be deducted under Section 194 of the Income Tax Act, 1961, at rate in force on the amount of Dividend declared and paid by the Company during Financial Year 2022-23, provided Permanent Account Number (PAN) is registered by the Shareholder. If PAN is not registered or if they are specified person (non-filers) as per Section 206AB of the Income Tax Act, 1961, TDS would be deducted at rate in force (at present 20%) as per provisions of the Income Tax Act, 1961 and/or the Rules framed thereunder.

However, no tax shall be deducted on the Dividend payable to a resident individual if the total dividend to be received by such resident individual during the Financial Year 2022-23 does not exceed ₹5,000/-. Please note that this includes future dividends, if any, which may be declared by the Company during the Financial Year 2022-23.

Separately, in cases where a Shareholder provides Form 15G (applicable to any resident person other than a company or a firm) / Form 15H (applicable to a resident individual above the age of 60 years), provided that the eligibility conditions are being met, no TDS shall be deducted.

- (b) For Mutual Fund Shareholders, TDS is exempt under Section 10(23D), provided Mutual Funds provide SEBI Registration /

Central Board of Direct Taxes (CBDT) notification and a declaration that their income is exempt under Section 10(23D) of the Income Tax Act, 1961.

- (c) For Foreign Institutional Investors (FII) / Foreign Portfolio Investors (FPI), tax will be deducted under Section 196D of the Income Tax Act, 1961, at applicable rate, including surcharge and cess.

- (d) For Other Non-Resident Shareholders, taxes are required to be withheld in accordance with the provisions of Section 195 of the Income Tax Act, 1961, at the rates in force. However, as per Section 90 of the Income Tax Act, 1961, the Non-Resident Shareholder has the option to be governed by the provisions of the Double Tax Avoidance Agreement (DTAA) between India and the country of tax residence of the Shareholder, if they are more beneficial to them. For this purpose, i.e., to avail the Tax Treaty benefits, the Non-Resident Shareholder will have to provide the following:

- Self-attested copy of Tax Residency Certificate (TRC) obtained from the tax authorities of the country of which the Shareholder is resident;
- Self-declaration in Form 10F;
- Self-attested copy of the Permanent Account Number (PAN) Card allotted by the Indian Income Tax authorities;
- Self-declaration, certifying the following points:
  - i) Member is and will continue to remain a tax resident of the country of its residence during the Financial Year 2022-23;
  - ii) Member is eligible to claim the beneficial DTAA rate for the purposes of tax withholding on dividend declared by the Company;

- iii) Member has no reason to believe that its claim for the benefits of the DTAA is impaired in any manner;
- iv) Member is the ultimate beneficial owner of its shareholding in the Company and dividend receivable from the Company; and
- v) Member does not have a taxable presence or a permanent establishment in India during the Financial Year 2022-23.

Please note that the Company is not obligated to apply the beneficial DTAA rates at the time of tax deduction / withholding on dividend amounts. Application of beneficial DTAA rate shall depend upon the completeness and satisfactory review by the Company, of the documents submitted by Non-Resident Shareholder.

Shareholders may make submission of Form 15G / 15H and Form 10F, along with the requisite supporting documents as mentioned above, as applicable through e-mail Bigshare at [tds@bigshareonline.com](mailto:tds@bigshareonline.com) and to the Company at [agm.astec@godrejastec.com](mailto:agm.astec@godrejastec.com). The Shareholders may also download these forms from Bigshare's website (at [www.bigshareonline.com](http://www.bigshareonline.com)) and send physical copies of the duly filled forms / documents to Bigshare's Office at Office No. S6-2, 6<sup>th</sup> Floor, Pinnacle Business Park, Next to Ahura Centre, Mahakali Caves Road, Andheri (East), Mumbai – 400 093, Maharashtra. The aforesaid declarations and documents need to be submitted by the Shareholders **on or before Wednesday, 20<sup>th</sup> July, 2022 by 11.59 p.m. (IST)** to Bigshare.

It may please be noted that Forms received after the said date and incomplete or incorrect forms shall not be considered and shall not be eligible for non-deduction or lower deduction of tax. No claim shall lie against the Company for such taxes deducted.

In case of any queries / difficulties, Shareholders may write to Bigshare at [investor@bigshareonline.com](mailto:investor@bigshareonline.com) and [tds@bigshareonline.com](mailto:tds@bigshareonline.com).

It may be further noted that in case the tax on said dividend is deducted at a higher rate in absence of receipt of the aforementioned details / documents from a Shareholder, there would still be an option available with such Shareholder to file the return of income and claim an appropriate refund, if eligible.

The Company shall arrange to send the soft copy of TDS certificate to a Shareholder on its registered email ID or make such functionality available on its website in due course, post payment of the said Dividend.

18. Shareholders can avail the facility of nomination in respect of shares held by them in physical form, pursuant to the provisions of Section 72 of the Companies Act, 2013 read with the Rules framed thereunder and the SEBI Circular dated 3<sup>rd</sup> November 2021. Members desiring to avail of this facility may send their nomination in the prescribed Form No. SH-13 duly filled in, to Bigshare. If a Member desires to 'Opt Out' or 'Cancel the nomination' or 'Change the nomination', he/she may submit the same in Form ISR-3 or SH-14 as the case may be, the format of which is available on the Company's website at <http://www.astecls.com/investor-service-request.aspx> and on the website of the Bigshare at [www.bigshareonline.com](http://www.bigshareonline.com). Members holding shares in electronic form may contact their respective Depository Participants for availing this facility.

19. SEBI has made it mandatory for all listed companies to use the Bank account details furnished by the Depositories and the Bank account details maintained by the RTA for payment of Dividend through Electronic Clearing Service (ECS) to investors wherever ECS and Bank details are available.



In the absence of ECS facilities, the Company will print the Bank account details, if available, on the payment instrument for distribution of Dividend. The Company will not entertain any direct request from Members holding shares in electronic mode for deletion of / change in such Bank account details. Further, instructions if any, already given by them in respect of shares held in physical form will not be automatically applicable to shares held in the electronic mode. Members who wish to change such Bank account details are, therefore, requested to advise their Depository Participant(s) about such change, with complete details of Bank account.

20. Shareholders holding the shares in electronic mode may please note that their Dividend would be paid through National Electronic Clearing System (NECS) or Electronic Clearing Services (ECS) at the available RBI locations or NEFT. The Dividend would be credited to their Bank account as per the mandate given by the Shareholders to their Depository Participant(s). In the absence of availability of NECS / ECS / NEFT facility, the Dividend would be paid through demand drafts / dividend warrants and the Bank details as furnished by the respective Depositories to the Company will be printed on their demand drafts / dividend warrants as per the applicable regulations. For Shareholders who have not updated their Bank account details, dividend warrants / demand drafts will be sent to their registered addresses.

Shareholders are requested to send their Bank account particulars (viz. Account No., Name & Branch of the Bank and the MICR Code) to their Depository Participants (DPs) in case the shares are held in electronic mode or to Bigshare, the Registrar and Share Transfer Agent in case the shares are held in physical mode for printing on demand draft / dividend warrant, to ensure that there is no fraudulent encashment.

21. SEBI has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in dematerialized form are, therefore, requested to submit their PAN to the Depository Participant(s) with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to Bigshare.

22. Shareholders holding shares in electronic form are hereby informed that Bank particulars registered against their respective Depository accounts will be used by the Company for payment of dividend. For the safety and interest of the Shareholders, it is important that Bank account details are correctly provided to the Depository Participants and registered against their demat account. Shareholders holding shares in physical form are requested to submit duly filled Form ISR-1 along with the requisite supporting documents at [www.bigshareonline.com](http://www.bigshareonline.com), for updating / registering their Bank details with the Company. The said form is available on the Company's website at the weblink <http://www.astecls.com/investor-service-request.aspx>.

23. Stock Broker(s), Custodian(s) or any other person(s) / entity(ies) holding Equity Shares of the Company as the Registered Owner(s), for and on behalf of the Beneficial Owner(s) of the Company on the cut-off date for payment of Final Dividend (if declared), i.e., on Wednesday, 20<sup>th</sup> July, 2022, is / are requested to provide the details of the Beneficial Owner(s) of the Equity Shares so as to reach the Company **on or before Wednesday, 20<sup>th</sup> July, 2022**, in the below format, to enable the Company to ensure / make suitable arrangements, to provide TDS credit to the actual beneficiary:

Sr. No.	Particulars of the Registered Owner						Particulars of the Beneficial Owner			
	Name of the Registered Owner	DP-ID	Client ID / Folio- No.	No. of Equity Shares	Category – Individual / Firm / Trust / Company / FPI / NRI, etc.	PAN	Name of the Beneficial Owner	Address of the Beneficial Owner	Category – Individual / Firm / Trust / Company / FPI / NRI, etc.	PAN

24. The Certificates with respect to TDS on Final Dividend paid by the Company for the Financial Year 2020-21, as declared by the Shareholders at the previous 27<sup>th</sup> AGM held on 28<sup>th</sup> July, 2021 (payment made during the Financial Year 2021-22 and pertaining to the Assessment Year 2022-23), are available for the concerned Shareholders to download from the Company's website at the weblink <http://www.astecls.com/tds-certificates-shareholders/>, through a simple and secure OTP-based downloading process. In case of any doubt / query / difficulty, the concerned Shareholder(s) may please write to us at [agm.astec@godrejastec.com](mailto:agm.astec@godrejastec.com).

25. As per Regulation 40 of SEBI Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialized form with effect from 1<sup>st</sup> April, 2019, except in case of request received for transmission or transposition and re-lodged transfers of securities. In order to avail various benefits of dematerialization and to eliminate all risks associated with physical shares and for ease of portfolio management, Shareholders are advised to dematerialize shares held by them in physical form. Shareholders can contact the Company or Bigshare for assistance in this regard.

Shareholders holding shares in more than one folio in the same name(s) are requested to send the details of their folios along with Share Certificates so as to enable the Company to consolidate their holding into one folio.

26. Shareholders are requested to send in their queries at least a week in advance of the AGM, to the Company Secretary & Compliance Officer

at [agm.astec@godrejastec.com](mailto:agm.astec@godrejastec.com), in order to facilitate clarifications during the AGM.

27. The venue of the AGM shall be deemed to be the Registered Office of the Company at "Godrej One", 3<sup>rd</sup> Floor, Pirojshanagar, Eastern Express Highway, Vikhroli (East), Mumbai – 400 079, Maharashtra, India.

#### 28. INSTRUCTIONS FOR E-VOTING AND JOINING THE AGM:

- a) Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI Listing Regulations (as amended), and the Circulars issued by the MCA, the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the ensuing 28<sup>th</sup> AGM. For this purpose, the Company has entered into an agreement with NSDL for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a Shareholder using remote e-voting system as well as e-voting on the day of the AGM will be provided by NSDL.
- b) The remote e-voting period commences on **Thursday, 21<sup>st</sup> July, 2022 (at 9.00 a.m. IST)** and ends on **Sunday, 24<sup>th</sup> July, 2022 (at 5.00 p.m. IST)**. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date), i.e., **Monday, 18<sup>th</sup> July, 2022**, may cast their vote electronically.



- c) The voting rights of Members shall be in proportion to their share in the Paid-up Equity Share Capital of the Company as on the cut-off date, i.e., **Monday, 18<sup>th</sup> July, 2022.**

**Instructions for Members for Remote E - Voting and Joining General Meeting:**

**How do I vote electronically using NSDL e-Voting system?**

The way to vote electronically on NSDL e-Voting system consists of “Two Steps” which are mentioned below:





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

Type of Shareholders	Login Method
Individual Shareholders holding Securities in Demat mode with NSDL	<ol style="list-style-type: none"> <li data-bbox="560 860 1444 1249">1. If you are already registered for <b>NSDL IDeAS facility</b>, please visit the e-Services website of NSDL. Open web browser by typing the following URL: <a href="https://eservices.nsd.com/">https://eservices.nsd.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the “<b>Beneficial Owner</b>” icon under “Login” which is available under “<b>IDeAS</b>” section. A new screen will open. You will have to enter your 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 options available against Company name or <b>e-Voting service provider - NSDL</b> and you will be re-directed to NSDL e-Voting website for casting your vote during the remote e-Voting period or joining virtual AGM and voting during the AGM.</li> <li data-bbox="560 1283 1444 1377">2. If the user is not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsd.com/">https://eservices.nsd.com/</a>. Select “<b>Register Online for IDeAS</b>” Portal or click at <a href="https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li data-bbox="560 1417 1444 1771">3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsd.com/">https://www.evoting.nsd.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e., your 16-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 options available against company name or <b>e-Voting service provider - NSDL</b> and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual AGM and voting during AGM.</li> <li data-bbox="560 1812 1444 1904">4. Shareholders / Members can also download NSDL Mobile App “<b>NSDL Speede</b>” facility by scanning the QR code mentioned below for seamless voting experience.</li> </ol>

**STEP 1: ACCESS TO NSDL E-VOTING SYSTEM**

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

In terms of Circular dated 9<sup>th</sup> December, 2020 issued by SEBI on e-Voting facility provided by listed companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and e-mail Id in their demat accounts in order to access e-Voting facility.

Type of Shareholders	Login Method
Individual Shareholders holding Securities in Demat mode with NSDL	<p data-bbox="620 315 1106 347"><b>NSDL Mobile App is available on</b></p> <div data-bbox="620 376 1106 427">  App Store            Google Play         </div> <div data-bbox="667 450 815 600">  </div> <div data-bbox="919 450 1067 600">  </div>
Individual Shareholders holding Securities in Demat mode with CDSL	<ol data-bbox="568 651 1436 1249" style="list-style-type: none"> <li>Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on New System Myeasi.</li> <li>After successful login of Easi / Easiest the user will be also able to see the E Voting Menu. The Menu will have links of e-Voting service provider i.e. NSDL. Click on NSDL to cast your vote.</li> <li>If the user is not registered for Easi / Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></li> <li>Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN from a link in <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered mobile and e-mail as recorded in the Demat Account. After successful authentication, user will be provided links for the respective ESP, i.e., <b>NSDL</b> where the e-Voting is in progress.</li> </ol>
Individual Shareholders (holding Securities in Demat mode) login through their Depository Participants	<p data-bbox="568 1288 1436 1541">User can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. Once login, you will be able to see e-Voting option. Once you 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 options available against the company name or <b>e-Voting service provider-NSDL</b> and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual AGM and voting during the AGM.</p>

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

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





Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at 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 <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at 022- 23058738 or 022-23058542-43

**B. Login Method for e-Voting and joining virtual AGM for Shareholders other than Individual Shareholders holding Securities in Demat Mode and Shareholders holding Securities in Physical Mode:**

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

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon “Login” which is
4. Your User ID details are given below :

available under ‘Shareholder/Member’ section.

3. 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.

*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.*

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 (120262) of the Company, followed by Folio Number registered with the Company  For example, if Folio Number is 001*** and EVEN is 120262 then user ID is 120262001***

5. Password Details for Shareholders other than Individual Shareholders are given below:
- a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
  - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
  - c) How to retrieve your 'initial password'?
    - i) If your email ID is registered in your Demat Account or with the Company, your 'initial password' is communicated to you on your e-mail ID. Trace the e-mail sent to you from NSDL 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'.
    - ii) If your e-mail ID is not registered, please follow steps mentioned below in process for those shareholders whose email ids are not registered.
6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
- a) Click on "Forgot User Details/Password?" (If you are holding shares in your Demat Account with NSDL or CDSL) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
    - b) Physical User Reset Password?" (If you are holding shares in Physical mode) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
    - c) If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) mentioning your Demat Account number / Folio Number, your PAN, your name, your registered address etc.
    - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on "Agree to Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.
- Step 2: Cast your Vote Electronically and Join General Meeting on NSDL e-Voting system:**
- How to cast your vote electronically and join General Meeting on NSDL e-Voting system?**
1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.
  2. Select "EVEN" of Company, which is 120262, for which you wish to cast your vote during the remote e-Voting period or cast your vote during the AGM. For joining virtual AGM, you need to click on "VC/OAVM" link placed under "Join 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 Equity 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.
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:

1. Institutional Shareholders (i.e., other than individuals, Hindu Undivided Family (HUF), NRI etc.) are required to send scanned copy (PDF/JPG format) of the relevant Board Resolution Power of Authority / Authority Letter, etc., with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to [csvrca@gmail.com](mailto:csvrca@gmail.com), with a copy marked to [agm.astec@godrejastec.com](mailto:agm.astec@godrejastec.com) and [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in). Institutional Shareholders can also upload their Board Resolution / Power of Authority / Authority Letter, etc. by clicking on “Upload Board Resolution / Authority Letter” displayed under “e-voting” tab in their login.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the “Forgot User Details/Password?” or “Physical User Reset Password?” option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for

Shareholders and E-voting User Manual for Shareholders available at the download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request to Ms. Pallavi Mhatre, Manager, NSDL at the designated e-mail ID: [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).

#### Process for those Shareholders whose E-mail Ids are not registered with the Depositories for procuring User Id and Password and Registration of E-mail Ids for E-voting for the Resolutions set out in the Notice of the AGM:

1. In case shares are held in physical mode, please provide Folio No., Name of Shareholder, scanned copy of the Share Certificate (front and back), Permanent Account Number (PAN) Card (self-attested scanned copy), Aadhaar Card (self-attested scanned copy) to Bigshare on its website at [www.bigshareonline.com](http://www.bigshareonline.com).
2. In case shares are held in demat mode, please provide DPID-CLID (16-digit DPID + CLID or 16-digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy), Aadhaar Card (self-attested scanned copy) to your Depository Participant (DP). If you are an Individual shareholder holding securities in demat mode, you are requested to refer to the login method explained at Step 1(A), i.e., Login method for e-Voting and joining virtual AGM for Individual Shareholders holding securities in demat mode.
3. Alternatively, Shareholder / Member may send a request to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) for procuring User Id and Password for e-voting by providing above mentioned documents.
4. In terms of SEBI Circular dated 9<sup>th</sup> December, 2020 on e-Voting facility provided by listed companies, Individual Shareholders holding securities in Demat mode are allowed to vote through their Demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and e-mail ID correctly in their Demat account in order to access e-Voting facility.

### Instructions for Members for E - Voting on the day of the AGM:

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members / Shareholders, who will be present in the AGM through VC / OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

### INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC / OAVM:

1. Member will be provided with a facility to attend the AGM through VC / OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of "VC/OAVM link" placed under "**Join General meeting**" menu against the Company's name. You are requested to click on VC/OAVM link placed under Join General Meeting menu. The link for VC / OAVM will be available in Shareholder / Member login where the EVEN of Company (120262) will be displayed. Please note that the 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 the AGM Notice to avoid last minute rush.
2. The Members can join the AGM in the VC / OAVM mode 30 (Thirty) minutes before and

after the scheduled time of commencement of the AGM, by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC / OAVM will be made available for 1,000 Members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders' Relationship Committee, Auditors, etc. who are allowed to attend the AGM without restriction on account of first come first served basis.

3. Members are encouraged to join the Meeting through Laptops for better experience.
4. Further, Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the AGM.
5. Please note that Members connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio / Video loss due to fluctuation in their respective network. It is, therefore, recommended to use a stable Wi-Fi or LAN connection to mitigate any kind of aforesaid glitches.
6. Shareholders who would like to express their views / have questions may send their questions in advance, mentioning their name Demat Account number / Folio Number, e-mail Id, mobile number at [agm.astec@godrejastec.com](mailto:agm.astec@godrejastec.com). The same will be replied by the company suitably, either in advance or at the time of AGM.
7. Members who would like to express their views or ask questions during the AGM may register themselves as a speaker by sending their request from their registered e-mail address mentioning their name, DP ID and Client ID / Folio Number, PAN, mobile number at [agm.astec@godrejastec.com](mailto:agm.astec@godrejastec.com) from Wednesday, 20<sup>th</sup> July, 2022 (9.00 a.m. IST) to Friday, 22<sup>nd</sup> July, 2022 (5.00 p.m. IST).



Those Members who have registered themselves as a speaker will only be allowed to express their views / ask questions during the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.

8. Members who need assistance before or during the AGM, can contact Ms. Pallavi Mhatre, Manager, NSDL at the designated e-mail ID: [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)
9. Any person holding Shares in physical form and Non-individual Shareholder, who acquires shares of the Company and becomes a Member of the Company after the Notice of AGM is sent through e-mail and holding Shares as of the Cut-off date, i.e., **Monday, 18<sup>th</sup> July, 2022**, may obtain the login ID and password by sending a request on [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or to the Company or Bigshare. 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. If he/she has forgot his/her password, he/she can reset his/her password by using “Forgot User Details/Password” or “Physical User Reset Password” option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no. 1800 1020 990 and 1800 22 44 30. In case of Individual Shareholder holding securities in

demat mode who acquires Shares of the Company and becomes a Member of the Company after sending of the Notice of AGM and holding Shares as of the Cut-off date, i.e., **Monday, 18<sup>th</sup> July, 2022** may follow steps mentioned in the Notice of the AGM under “Access to NSDL e-Voting system”.

29. Mr. Vikas R. Chomal, Practicing Company Secretary (Certificate of Practice No. 12133) has been appointed as the Scrutinizer to scrutinize the remote e-voting process and e-voting to be conducted at the AGM, in a fair and transparent manner.
30. The Results shall be declared not later than 2 (Two) working days of conclusion of the AGM. The Results declared along with the Scrutinizer’s Report will be placed on the website of the Company at [www.astecls.com](http://www.astecls.com) immediately after the Result is declared by the Chairman and will simultaneously be submitted to BSE Limited and National Stock Exchange of India Limited, the Stock Exchanges where the Equity Shares of the Company are listed.
31. Subject to receipt of requisite number of votes, the Resolutions shall be deemed to be passed on the date of the AGM, i.e., **Monday, 25<sup>th</sup> July, 2022**.

**By the Order of the Board of Directors  
For Astec LifeSciences Limited**

**Tejashree Pradhan  
Company Secretary & Compliance Officer  
(FCS 7167)**

**Mumbai, 2<sup>nd</sup> May, 2022**

**Registered Office:**

“Godrej One”, 3<sup>rd</sup> Floor,  
Pirojshanagar, Eastern Express Highway,  
Vikhroli (East), Mumbai – 400 079, Maharashtra  
Tel. No.: 022 - 2518 8010  
Fax No.: 022 - 2261 8289  
Website: [www.astecls.com](http://www.astecls.com)  
E-mail: [astecinvestors@godrejastec.com](mailto:astecinvestors@godrejastec.com)  
CIN: L99999MH1994PLC076236

## ANNEXURE TO THE NOTICE FOR THE 28<sup>TH</sup> (TWENTY EIGHTH) ANNUAL GENERAL MEETING (AGM) OF ASTEC LIFESCIENCES LIMITED

### Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013 (“the Act”)

The following Explanatory Statement in terms of the provisions of Section 102(1) of the Act, sets out all material facts relating to the Business mentioned in items nos. 4 to 6 of the accompanying Notice for convening the **28<sup>th</sup> (Twenty Eighth) Annual General Meeting of Astec LifeSciences Limited on Monday, 25<sup>th</sup> July, 2022 at 4.00 p.m. (IST)**:

#### Item No. 4:

B S R & Co. LLP, Chartered Accountants, Mumbai (Firm Registration Number: 101248W/W-100022), were appointed as the “Statutory Auditors” of your Company by the Shareholders at the 23<sup>rd</sup> (Twenty Third) Annual General Meeting held on 28<sup>th</sup> July, 2017, for a term of 5 (Five) consecutive years, i.e., to hold office upto the ensuing 28<sup>th</sup> (Twenty Eighth) Annual General Meeting of the Company, at such remuneration as may mutually be agreed upon between them and the Company.

B S R & Co. LLP is eligible for re-appointment for a second term of 5 (Five) years and have provided a written confirmation that they are willing and eligible for re-appointment and are not disqualified to be re-appointed in terms of the applicable provisions of the Companies Act, 2013 and the Rules framed thereunder.

Based on the recommendation made by the Audit Committee and the Board of Directors at their respective Meetings held on 2<sup>nd</sup> May, 2022, the re-appointment of B S R & Co. LLP as the “Statutory Auditors” of the Company for a second term of 5 (Five) years, to hold office from the conclusion of the 28<sup>th</sup> (Twenty Eighth) Annual General Meeting till the conclusion of the 33<sup>rd</sup> (Thirty Third) Annual General Meeting (i.e., from the Financial Year 2022-23 upto the Financial Year 2026-27) is placed for approval of the Shareholders at the ensuing 28<sup>th</sup> (Twenty-Eighth) Annual General Meeting of the Company, at such remuneration as may be mutually agreed between the Board of Directors and Statutory Auditors for conducting the audit. The Board of Directors, in consultation with the Audit Committee, may alter and vary the terms and conditions of re-appointment, including

remuneration, in such manner and to such extent as may be mutually agreed with the Statutory Auditors.

B S R & Co. LLP is a member entity of B S R & Associates, a network registered with the Institute of Chartered Accountants of India (“ICAI”). B S R is registered in Mumbai, Gurugram, Bengaluru, Kolkata, Hyderabad, Pune, Chennai, Chandigarh, Ahmedabad, Vadodara, Noida, Jaipur, Kochi and Vijayawada. B S R audits various companies listed on Stock Exchanges in India. B S R & Co. LLP holds the ‘Peer Review’ Certificate as issued by ICAI.

None of the Directors / Key Managerial Personnel of the Company / their relatives is, in any way, concerned or interested, financially or otherwise, in the proposed Resolution set out in Item No. 4.

The Board recommends the Ordinary Resolution set forth in Item No. 4 for approval of the Shareholders.

#### Item No. 5:

The Board of Directors of the Company, based on the recommendation of the Audit Committee, has appointed M/s. NNT & Co., Cost Accountants, Mumbai (Firm Registration Number: 100911), as the “Cost Auditors” of the Company for the Financial Year 2022-23, pursuant to Section 148 and other applicable provisions of the Companies Act, 2013 (“the Act”), the Companies (Audit and Auditors) Rules, 2014 and the Companies (Cost Records and Audit) Rules, 2014, at its Meeting held on 2<sup>nd</sup> May, 2022.

Pursuant to Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the remuneration upto ₹ 80,000/- (Rupees Eighty Thousand Only) per annum inclusive of XBRL compilation and Goods and Service Tax (GST) as applicable and reimbursement of out-of-pocket expenses at actuals, payable to the Cost Auditors, as recommended by the Audit Committee and approved by the Board of Directors, shall require subsequent ratification by the Shareholders.



Based on the certification received from the Cost Auditors, it may be noted that:

- (a) the Cost Auditors do not suffer from any disqualifications as specified under Sections 139(1) and 141(3) of the Act;
- (b) their appointment is in accordance with the limits specified in Section 141(3)(g) of the Act;
- (c) they are not holding any securities of the Company carrying voting rights;
- (d) they are an independent firm of Cost Accountants holding valid certificate of practice and are at arm's length relationship with the Company, pursuant to Section 144 of the Act.

None of the Directors / Key Managerial Personnel of the Company / their relatives is, in any way, concerned or interested, financially or otherwise, in the proposed Resolution set out in Item No. 5.

The Board recommends the Ordinary Resolution set forth in Item No. 5 for approval of the Shareholders.

**Item No. 6:**

Upon recommendation of the Nomination and Remuneration Committee and as approved by the Board of Directors, at their respective Meetings held on 28<sup>th</sup> July, 2021, Mr. Anurag Roy [Director Identification Number (DIN: 07444595)] has been appointed as the "Chief Executive Officer & Whole-Time Director", on the Board of Directors of the Company for a term of 3 (Three) years, w.e.f. 28<sup>th</sup> July, 2021 upto 27<sup>th</sup> July, 2024, subject to approval of the Shareholders. The approval of the Shareholders for the appointment and the terms of remuneration of Mr. Anurag Roy was duly obtained vide Special Resolution passed on 26<sup>th</sup> September, 2021, by way of Postal Ballot, the results of which were declared on 27<sup>th</sup> September, 2021.

The Company now intends to seek approval of the Shareholders of the Company for increase in the

remuneration of Mr. Anurag Roy during his term of 3 (Three) years with effect from 28<sup>th</sup> July, 2021, i.e., upto 27<sup>th</sup> July, 2024, by way of Long Term Incentive (LTI) for an amount not exceeding ₹ 10 Crore (Rupees Ten Crore Only), as may be determined by the Nomination and Remuneration Committee and/or the Board of Directors of the Company. This LTI shall be offered to Mr. Anurag Roy in the form of cash and/or stock options under the Company's existing stock option plan or scheme, either at the end of the tenure of Mr. Anurag Roy as the "Chief Executive Officer & Whole-Time Director" or at the end of the tenure of the LTI plan, in the manner and to the extent as may be determined by the Nomination and Remuneration Committee and/or the Board of Directors.

The Company has introduced the LTI plan for its senior management employees, with an objective to align the interests of the leadership team with the strategic vision of the business and to enable sustainable growth. The LTI plan incentivizes collective team effort and is built on a belief that collaboration drives extra-ordinary results. The LTI benefit linked to incremental and cumulative growth in profit measure over the plan tenure. The plan envisages making potential pay-outs at the end of the tenure of the plan, in the form of cash and grant stock options to the eligible senior management employees, in the manner and to the extent as determined by the Company.

The Statement as required under Section II of Part II of Schedule V to the Companies Act, 2013 is annexed to this Notice.

None of the Directors / Key Managerial Personnel of the Company / their relatives, except Mr. Anurag Roy, is, in any way, concerned or interested, financially or otherwise, in the proposed Resolution set out in Item No. 6.

The Board recommends the Special Resolution set forth in Item No. 6 for approval of the Shareholders.

**By the Order of the Board of Directors  
For Astec LifeSciences Limited**

**Tejashree Pradhan  
Company Secretary & Compliance Officer  
(FCS 7167)**

**Mumbai, 2<sup>nd</sup> May, 2022**

**Registered Office:**

“Godrej One”, 3<sup>rd</sup> Floor,  
Pirojshanagar, Eastern Express Highway,  
Vikhroli (East), Mumbai – 400 079, Maharashtra  
Tel. No.: 022 - 2518 8010  
Fax No.: 022 - 2261 8289  
Website: [www.astecls.com](http://www.astecls.com)  
E-mail: [astecinvestors@godrejastec.com](mailto:astecinvestors@godrejastec.com)  
CIN: L99999MH1994PLC076236



**Brief Resume of Director seeking Re-appointment  
At the 28<sup>th</sup> (Twenty Eighth) Annual General Meeting of the Company**

**[Pursuant to Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015]**

<b>Name of Director</b>	Mr. Nadir B. Godrej (Chairman)
<b>Director Identification Number (DIN)</b>	00066195
<b>Date of Birth (DD/MM/YYYY)</b>	26/08/1951
<b>Age (in years)</b>	70
<b>Nationality</b>	Indian
<b>Date of Appointment (DD/MM/YYYY)</b>	12/10/2015
<b>Percentage of Shareholding in the Company</b>	0.00%
<b>Qualification</b>	Master of Science degree in Chemical Engineering from Stanford University & MBA from Harvard Business School
<b>Nature of Expertise in Specific Functional Areas</b>	<ul style="list-style-type: none"> <li>• Strategy &amp; Business</li> <li>• Industry Expertise</li> <li>• Market Expertise</li> <li>• Technology Perspective</li> <li>• Governance, Finance &amp; Risk</li> </ul>
<b>Number of Equity Shares held in the Company</b>	Nil
<b>Number of Board Meetings attended during the Financial Year 2021-22</b>	4 out of 4
<b>Directorships held in Other Companies *</b>	<ol style="list-style-type: none"> <li>1. Godrej Agrovet Limited</li> <li>2. Godrej Industries Limited</li> <li>3. Godrej Consumer Products Limited</li> <li>4. Godrej Properties Limited</li> <li>5. Godrej Tyson Foods Limited</li> <li>6. Creamline Dairy Products Limited</li> <li>7. Godrej &amp; Boyce Manufacturing Company Limited</li> </ol>

<b>Chairmanships of Committees in Other Companies**</b>	<p><u>Godrej Agrovet Limited:</u></p> <ol style="list-style-type: none"> <li>1. Stakeholders' Relationship Committee</li> <li>2. Risk Management Committee</li> </ol> <p><u>Godrej Industries Limited:</u></p> <ol style="list-style-type: none"> <li>1. Corporate Social Responsibility Committee</li> <li>2. Risk Management Committee</li> </ol> <p><u>Godrej Consumer Products Limited:</u></p> <ol style="list-style-type: none"> <li>1. Corporate Social Responsibility Committee</li> </ol>
<b>Memberships of Committees in Other Companies**</b>	<p><u>Godrej Agrovet Limited:</u></p> <ol style="list-style-type: none"> <li>1. Corporate Social Responsibility Committee</li> </ol> <p><u>Godrej Industries Limited:</u></p> <ol style="list-style-type: none"> <li>1. Stakeholders' Relationship Committee</li> </ol> <p><u>Godrej Consumer Products Limited:</u></p> <ol style="list-style-type: none"> <li>1. Risk Management Committee</li> </ol> <p><u>Godrej Tyson Foods Limited:</u></p> <ol style="list-style-type: none"> <li>1. Nomination and Remuneration Committee</li> </ol>
<b>Relationships between Directors of the Company <i>inter-se</i></b>	<p>None</p>
<b>Names of the Listed Entities from which the appointee has resigned in the past 3 (Three) years</b>	<ol style="list-style-type: none"> <li>1. Mahindra and Mahindra Limited</li> <li>2. The Indian Hotels Company Limited</li> </ol>
<b>Terms and Conditions of Re-appointment, along with Details of Remuneration sought to be paid and Remuneration last drawn by such person</b>	<p>The re-appointment is in terms of the Nomination and Remuneration Policy of the Company, as displayed on the Company's website (i.e., <a href="http://www.astecls.com">www.astecls.com</a>).</p>

\*Includes names of Public Companies in which the person holds directorship.

\*\*The directorships, Committee memberships and Chairmanships do not include positions in foreign companies and private companies and position in companies under Section 8 of the Companies Act, 2013.

**STATEMENT AS REQUIRED UNDER SECTION II OF PART II OF SCHEDULE V  
TO THE COMPANIES ACT, 2013**

**I. General Information:**

- 1) Nature of Industry:** Agrochemicals
- 2) Date or Expected Date of Commencement of Commercial Production:** The Company is in the business since 25<sup>th</sup> January, 1994.
- 3) In case of New Companies, Expected Date of Commencement of Activities as per Project approved by Financial Institutions appearing in the Prospectus:** Not applicable since the Company is an existing Company.
- 4) Export Performance, Net Foreign Exchange Collaborations, if any:** The Company is constantly trying to increase its exports, strategic alliances are made with various parties to increase exports. The Company is obtaining registration in various parts of the world.
- 5) Financial Performance based on given indicators (on Standalone basis):**

Particulars	Financial Year ended 31 <sup>st</sup> March, 2022	Financial Year ended 31 <sup>st</sup> March, 2021	Financial Year ended 31 <sup>st</sup> March, 2020
	(₹ in Lakh)	(₹ in Lakh)	(₹ in Lakh)
Sales Turnover			
(a) Domestic	28,596.52	28,441.00	22,680.60
(b) Export	39,060.09	27,046.21	29,541.49
<b>Total Sales Turnover</b>	<b>67,656.61</b>	<b>55,487.21</b>	<b>52,222.09</b>
Profit Before Tax	12,104.08	8,867.17	6,127.42
Profit After Tax	8,981.80	6,469.25	4,747.19
Basic Earnings Per Share (EPS) (in ₹)	45.85	33.05	24.27
Paid-up Share Capital	1,959.76	1,958.76	1,956.84
Other Equity	37,638.34	28,911.50	22,687.06
<b>Net Worth</b>	<b>39,598.10</b>	<b>30,870.26</b>	<b>24,643.90</b>

- 6) Foreign Investments or Collaborations, if any:** The Company has 1 (One) foreign Subsidiary, whose details are as follows:

Name of Foreign Subsidiary Company	% Shareholding	Date of becoming Subsidiary
Comercializadora Agricola Agroastrachem Cia Ltda (Bogota, Columbia)	100.00	19 <sup>th</sup> March, 2013

## II. Information about Mr. Anurag Roy, Whole Time Director & Chief Executive Officer:

### 1) Background Details:

Mr. Anurag Roy was appointed as Business Head on 20<sup>th</sup> July, 2021 and has been appointed as a “Whole Time Director & Chief Executive Officer” of the Company with effect from 28<sup>th</sup> July, 2021 for a term of 3 (Three) years, i.e., upto 27<sup>th</sup> July, 2024.

Mr. Anurag Roy has over 24 years’ experience working in leading pharmaceuticals / life sciences and chemicals companies such as DSM, Dr. Reddy’s Labs, BASF and Jubilant Life Sciences. He has proven track record of driving global P&Ls and delivering commercial and operational excellence and leading several manufacturing, supply sites and CMOs. He has worked across continents with over a decade of professional experience working in USA and had held senior leadership and board positions at various organizations. He has actively helped organizations particularly in the global contract development & manufacturing business in building customer pipelines, setting up global footprints (Europe, Japan, and USA) with GMP manufacturing facilities, research centres and technology platforms.

He has a MBA from Columbia Business School in New York, USA, Masters in International Business from Indian Institute of Foreign Trade in Delhi, India and B. Tech, Chemical Technology (Polymers Science) from Harcourt Butler Technological Institute in Kanpur, India.

### 2) Past Remuneration:

The remuneration of Mr. Anurag Roy from the Company during the Financial Year 2021-22 was ₹1.54 Crore. The same was duly approved by the Shareholders through a Special Resolution passed on 26<sup>th</sup> September, 2021, by way of Postal Ballot (the results of which were declared on 27<sup>th</sup> September, 2021).

### 3) Recognition or Awards, Job Profile and Suitability:

Mr. Anurag Roy has over 24 years’ experience working in leading pharmaceuticals / life sciences and chemicals companies such as DSM, Dr. Reddy’s Labs, BASF and Jubilant Life Sciences. He has proven track record of driving global P&Ls and delivering commercial and operational excellence and leading several manufacturing, supply sites and CMOs. He has worked across continents with over a decade of professional experience working in USA and had held senior leadership and board positions at various organizations. He has actively helped organizations particularly in the global contract development & manufacturing business in building customer pipelines, setting up global footprints (Europe, Japan, and USA) with GMP manufacturing facilities, research centres and technology platforms.

Mr. Anurag Roy is the only Director in whole-time employment of the Company, as on the date of this Notice.

### 4) Increase in Remuneration Proposed:

The remuneration of Mr. Anurag Roy shall be as per the Resolution stated above.

### 5) Comparative Remuneration Profile with respect to Industry, Size of the Company, Profile of the Position and Mr. Anurag Roy:

The remuneration of Mr. Anurag Roy is in tune with the remuneration in similar sized industries in same segment of business. The proposed remuneration compares favourably with that being offered to similarly qualified and experienced persons from the industry and the professionals with an entrepreneurial background. The increase in remuneration being proposed is considered to be appropriate, having regard to factors such as past experience, position held, his present contribution as a Whole Time Director & Chief Executive Officer to the growth of the Company, its business and its profitability, his age and merits.



**6) Pecuniary Relationship directly or indirectly with the Company or Relationship with the Managerial Personnel or other Director(s), if any:**

Other than the remuneration stated above, Mr. Anurag Roy has no other pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel or any other Director of the Company.

**III. Other Information:**

1. Reasons of loss or inadequate profits	The Company has not incurred loss in the preceding Financial Year 2021-22. However, the ever changing domestic and international market conditions, loss or inadequacy of profit cannot be ruled out. Hence, approval of the Shareholders by Special Resolution is being sought to pay remuneration (including the increased remuneration as proposed) as minimum remuneration to Mr. Anurag Roy during his tenure of appointment with effect from 28 <sup>th</sup> July, 2021 for a term of 3 (Three) years, i.e., up to 27 <sup>th</sup> July, 2024.
2. Steps taken or proposed to be taken for improvement	With the expansion of manufacturing capacity of certain existing products and introduction of certain new products as planned by the Company, it is likely to increase the productivity and consequent increase in profits.
3. Expected increase in productivity and profits in measurable terms	<p>During the Financial Year 2021-22, the Company commissioned new herbicide plant and completed first batch of CDMO product successfully. The Company also commercialized two new CDMO products and a new production process for an enterprise product. The Company also continues to stay on track to launch the state-of-the-art Research &amp; Development (R&amp;D) facility by December 2022.</p> <p>During the Financial Year 2022-23, your Company plans to continue focusing on onboarding new relationships for contract manufacturing business and to diversify into other chemistries. Investment in R&amp;D centre will significantly increase the research capabilities and will support the growth aspirations in the medium to long-term.</p>

**IV. Disclosures:**

The details of remuneration of all Directors / Key Managerial Personnel and other information / details, as applicable, are disclosed under the Report of Corporate Governance in the Annual Report of the Company for the Financial Year 2021-22.

\*\*\*\*\*

## Report on Corporate Governance

### For the Financial Year ended 31<sup>st</sup> March, 2022

In accordance with the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“**Listing Regulations**”), the Board of Directors of Astec LifeSciences Limited (“**the Company**”) has pleasure in presenting the Company's Report on Corporate Governance for the Financial Year ended 31<sup>st</sup> March, 2022.

#### 1. Company's Philosophy on Code of Corporate Governance:

The Securities and Exchange Board of India (SEBI) has introduced a Code of Corporate Governance for listed companies, which is implemented through the Listing Regulations. This is in addition to the provisions of the Companies Act, 2013 (“the Act”) and the Rules framed thereunder, which also envisage radical changes in the sphere of Corporate Governance in India.

Corporate Governance is integral to the existence of a company and a critical factor in its success. It is a set of systems and practices to ensure that the affairs of the Company are being managed in a manner which ensures accountability, transparency, disclosure and fairness in all its transactions in the widest sense and meet its stakeholders' aspirations and societal expectations. Good governance practices stem from the culture and mindset of the organization and the Company is committed to meet the aspirations of all its stakeholders. This demonstrates in Shareholders' returns, governance processes and an entrepreneurial performance focused work environment. The Company's customers have benefited from high quality products delivered at the most competitive prices. The demands of Corporate Governance require professionals to raise their competency and capability levels to meet the expectations in managing the enterprise and its resources effectively, with the highest standards of ethics.

The Company strongly believes that good Corporate Governance leads to corporate growth and long-term gain in Shareholder value. The Company is committed to maintaining the highest standards of Corporate Governance in its conduct towards Shareholders, employees, customers, suppliers and other stakeholders.

The Company is pleased to report that it is in compliance with the requirements of Corporate Governance as prescribed under the Listing Regulations.

#### 2. Board of Directors:

##### A. Board Structure:

The Board of Directors is the apex governing body constituted by the Shareholders for overseeing the Company's overall functioning and is also expected to play a pivotal role in ensuring highest levels of Corporate Governance. The Board provides and evaluates the Company's strategic directions, management policies and their effectiveness, and ensures that the Shareholders' long-term interests are being safeguarded and served in the best possible manner. The Director(s) in whole time employment of the Company is/are assisted by Senior Management Personnel in overseeing the functional matters of the Company.

The Board of Directors of the Company comprised of 10 (Ten) Directors as on 31<sup>st</sup> March, 2022, which is an optimum mix of Executive, Non-Executive and Independent Directors, diverse in terms of qualifications, competence, professional experience and expertise. Detailed profile of the Directors is available on the Company's website [www.astecls.com](http://www.astecls.com) and available on web-link <http://www.astecls.com/board-of-directors.aspx>.

The composition of the Board of Directors as on 31<sup>st</sup> March, 2022, comprising of 10 (Ten) Directors, is summarized below:

Number of Directors	Designation
1 (One)	Chairman (Non-Executive, Non-Independent Director)
1 (One) (*)	Managing Director (Executive, Non-Independent Director)
1 (One) (\$)	Whole Time Director (Executive, Non-Independent Director)
2 (Two) (#)	Non-Executive, Non-Independent Directors
5 (Five)	Non-Executive, Independent Directors [including 1 (One) Woman Director]

(\*) Mr. Ashok Hiremath has ceased to be the “Managing Director” w.e.f. 1<sup>st</sup> April, 2022 and continues to be a “Non-Executive, Non-Independent Director” as on the date of this Report.

(\$) Mr. Arijit Mukherjee resigned as the “Whole Time Director” w.e.f. 28<sup>th</sup> July, 2021, while continuing to be the “Chief Operating Officer”. Mr. Anurag Roy has been appointed as the “Whole Time Director and Chief Executive Officer” w.e.f. 28<sup>th</sup> July, 2021.

(#) Mr. Rakesh Dogra has resigned as a “Non-Executive, Non-Independent Director” w.e.f. 2<sup>nd</sup> May, 2022.

As on the date of this Report, the composition of the Board of Directors, comprising of 9 (Nine) Directors, is summarized as follows:

Number of Directors	Designation
1 (One)	Chairman (Non-Executive, Non-Independent Director)
1 (One)	Whole Time Director (Executive, Non-Independent Director)
2 (Two)	Non-Executive, Non-Independent Directors
5 (Five)	Non-Executive, Independent Directors [including 1 (One) Woman Director]

#### B. *Inter-se* Relationships amongst Directors:

None of the Directors is related to any other Director on the Board nor is related to the other Key Managerial Personnel of the Company in terms of the provisions of the Act and the Rules framed thereunder.

#### C. Matrix of Skills / Expertise / Competencies for the Board of Directors:

The list of core skills / expertise / competencies for the Board of Directors have been identified by the Nomination and Remuneration Committee and approved by the Board of Directors, in general and also in the context of the Company’s business and sector in particular, which is as follows:

Expertise	Description of Skills
<b>Strategy and Business</b>	<ul style="list-style-type: none"> <li>Is or has been the Chief Executive Officer, Chief Operating Officer, or held any other leadership position in an organization, leading to significant experience in strategy or business management</li> <li>Brings ability to identify and assess strategic opportunities and threats in the context of the business</li> </ul>
<b>Industry Expertise</b>	<ul style="list-style-type: none"> <li>Expertise with respect to the sector in which the organization operates</li> <li>Have an understanding, of the ‘big picture’ in the given industry</li> <li>Recognizes the development of industry segments, trends, emerging issues and opportunities</li> </ul>
<b>Market Expertise</b>	<ul style="list-style-type: none"> <li>Expertise with respect to the geography in which the organization operates</li> <li>Understands the macro-economic environment, the nuances of the business, consumers and trade in the geography</li> <li>Has the knowledge of the regulations and legislations of the market(s) in which the business operates</li> </ul>

## Matrix of Skills / Expertise / Competencies for the Board of Directors: (Contd.)

Expertise	Description of Skills
<b>Technology Perspective</b>	<ul style="list-style-type: none"> <li>Expertise with respect to business specific technologies such as in the field of research and development, manufacturing, etc.</li> <li>Has experience and adds perspective on the future ready skills required by the organization such as e-commerce, digitalization, sustainability, etc.</li> </ul>
<b>People and Talent Understanding</b>	<ul style="list-style-type: none"> <li>Experience in human resource management which brings in a considered approach to the effective management of people in an organization</li> </ul>
<b>Governance, Finance and Risk</b>	<ul style="list-style-type: none"> <li>Understanding of the law and application of Corporate Governance principles in a commercial enterprise of similar scale</li> <li>Capability to provide inputs for strategic financial planning, assess financial statements and oversee budgets for the efficient use of resources</li> <li>Ability to identify key risks for the business in a wide range of areas, including legal and regulatory</li> </ul>
<b>Diversity of Perspective</b>	<ul style="list-style-type: none"> <li>Provides a diversity of views to the Board that is valuable to manage the interests of Shareholders, customers, consumers, employees and other key stakeholders</li> </ul>

The details of skills / expertise / competence possessed by Directors as on 31<sup>st</sup> March, 2022 are given below:

Sr. No.	Director	Strategy and Business	Industry Expertise	Market Expertise	Technology Perspective	People and Talent Understanding	Governance, Finance and Risk	Diversity of Perspective
1.	Mr. Nadir B. Godrej	✓	✓	✓	✓		✓	
2.	Mr. Ashok V. Hiremath (*)	✓	✓	✓	✓		✓	
3.	Mr. Anurag Roy (\$)	✓	✓	✓	✓			
4.	Mr. Arijit Mukherjee (\$)	✓	✓	✓	✓			
5.	Mr. Balram Singh Yadav	✓	✓	✓			✓	
6.	Mr. Rakesh Dogra (#)	✓	✓	✓	✓			
7.	Dr. Brahma Nand Vyas		✓	✓	✓			✓
8.	Mr. Vijay Kashinath Khot	✓	✓	✓				✓
9.	Mr. R. R. Govindan	✓		✓			✓	✓
10.	Mr. Nandkumar Dhekne	✓	✓		✓	✓		
11.	Ms. Anjali Rajesh Gupte	✓				✓	✓	✓

(\*) Mr. Ashok Hiremath has ceased to be the “Managing Director” w.e.f. 1<sup>st</sup> April, 2022 and continues to be a “Non-Executive, Non-Independent Director” as on the date of this Report.

(\$) Mr. Arijit Mukherjee resigned as the “Whole Time Director” w.e.f. 28<sup>th</sup> July, 2021, while continuing to be the “Chief Operating Officer”. Mr. Anurag Roy has been appointed as the “Whole Time Director and Chief Executive Officer” w.e.f. 28<sup>th</sup> July, 2021.

(#) Mr. Rakesh Dogra has resigned as a “Non-Executive, Non-Independent Director” w.e.f. 2<sup>nd</sup> May, 2022.





## Director Profiles

Name of the Director	Profile
Mr. Nadir B. Godrej	<p>The Chairman and Managing Director of Godrej Industries Limited, Mr. Nadir B. Godrej holds a B. S. degree in Chemical Engineering in 1973 from the Massachusetts Institute of Technology and a M.S. in Chemical Engineering in 1974 from Stanford University. He holds an MBA from the Harvard Business School in 1976. Since 1977, he has been a Director of Godrej Soaps Limited. He has been very active in developing the animal feed, agricultural inputs and chemicals businesses of Godrej Industries Limited and associate companies. He has been very active in research and has several patents in the field of agricultural chemicals and surfactants. In 2001, Godrej Soaps Limited was renamed as Godrej Industries Limited and he was appointed as the Managing Director of Godrej Industries Limited. He is also the Chairman of Godrej Agrovet Limited and Director of Godrej Properties Limited, subsidiaries of Godrej Industries Limited. He is a Director of Godrej and Boyce Manufacturing Co. Ltd., Godrej Consumer Products Limited and other Godrej group companies. He has been active in CLFMA (Compound Livestock Feed Manufacturers Association of India), ICC (Indian Chemical Council) [erstwhile ICMA (Indian Chemical Manufacturers' Association)], OTAI (Oil Technologists' Association of India) and the Alliance Française de Bombay. He is currently the President of the Alliance Française de Bombay. He is on the National Council of CII (Confederation of Indian Industry). He is also very active in the Harvard Business School and M I T Alumni Association in India.</p> <p>The French government awarded him the Ordre national du Mérite in 2002 and the Légion d'Honneur in 2008. He is also the recipient for Life Time Achievement Awards from OTAI (Oil Technologist Association of India) and Chemexil and the All India Liquid Bulk Importers and Exporters Association (ALBIEA). The Board of Management of Manav Rachna University has unanimously conferred Mr. Godrej with an Honorary Degree of Doctor of Philosophy. He has been inducted as Fellow of Indian National Academy of Engineering (INAE). Mr. Godrej is deeply committed to the GOOD and GREEN strategies and achievement of set targets for the Godrej Group. He encourages and supports a shared vision value for all programs of Good and Green.</p>
Mr. Anurag Roy	<p>With over 23 years of work-experience, Mr. Anurag Roy has led pharmaceuticals / life sciences and chemicals companies such as DSM, Dr. Reddy's Labs, BASF and Jubilant Life Sciences. He has proven track record of driving global P&amp;Ls and delivering commercial and operational excellence and leading several manufacturing, supply sites and CMOs. He has worked across continents with over a decade of professional experience working in USA and had held senior leadership and board positions at various organizations. He has actively helped organizations particularly in the global contract development and manufacturing business in building customer pipelines, setting up global footprints (Europe, Japan, USA) with GMP manufacturing facilities, research centres and technology platforms.</p> <p>He has an MBA from Columbia Business School in New York, USA., Masters in International Business from Indian Institute of Foreign Trade in Delhi, India and B. Tech, Chemical Technology (Polymers Science) from Harcourt Butler Technological Institute in Kanpur, India.</p>

(Contd.)

Name of the Director	Profile
Mr. Ashok Vishwanath Hiremath	<p>Mr. Ashok Vishwanath Hiremath was formerly the Managing Director of Astec LifeSciences Limited and is now the Non-Executive Director. He brings with him several years of experience in the Chemical Industry. He has a Masters' degree in Engineering from University of Oxford and a Post Graduate Diploma in Chemical Engineering from University College, University of London. He founded Astec LifeSciences Limited in 1994. He has been actively involved in the affairs of the Company and has played a key role in the growth of the Company. He was awarded the Dombivli Giants Award for Industry in 2008 and the Udyog Rattan Award by the Institute of Economic Studies in 2010 and several other awards for his excellence in chemical Industry.</p>
Mr. Balram Singh Yadav	<p>Mr. Balram Singh Yadav is the Managing Director of Godrej Agrovet Limited, one of India's foremost diversified agribusiness companies. He also serves as the Managing Director of Godrej Tyson Foods Limited. He has been the Chairman of CLFMA of India (twice), an Association of Livestock Industry. In addition, he is a Director of numerous firms including ACI Godrej Agrovet Private Limited (Bangladesh), Creamline Dairy Products Limited (Hyderabad), Astec LifeSciences Limited (Mumbai) and Godrej Maxximilk Private Limited (Mumbai).</p> <p>Mr. Yadav began his career with Godrej in 1990 and over the years he has handled roles of increasing responsibilities across the businesses and regions within the Company. He became the Business Head in 1999 when he was asked to establish and lead the Poultry Business. He holds the credit to establish the Real Good Chicken and Yummiez as the leading processed poultry brands in India.</p> <p>In 2007, he took over reins of Godrej Agrovet Limited as the Executive Director and President and since, has put Godrej Agrovet Limited on the path of rapid growth. In 2017, Mr. Yadav was instrumental in taking Godrej Agrovet Limited public. The public offer received record response and was subscribed over 96 times. He is a regular contributor to national and international fora in the areas of Food and Agriculture.</p> <p>Mr. Yadav completed his B.Sc. (Hons.) in Agricultural Science at Haryana Agricultural University, where he ranked 2<sup>nd</sup> in his class. He earned his MBA from IIM-Ahmedabad. He lives in Mumbai.</p>
Mr. R. R. Govindan	<p>Mr. Rishinaradamangalam Ramakrishna Govindan, is a Commerce graduate and a Member of the Institute of Chartered Accountants of India (ICAI). He has more than 35 years of corporate work experience in Finance, Mergers and Amalgamations (M&amp;A), Green Field projects, independent management of Joint Venture (JV) relationship and management of Agri Verticals. He served as the General Manager - Finance and Systems of Godrej Foods Limited and Godrej Agrovet Limited from April 1999 to November 2004. He served as the Managing Director of ACI Godrej Agrovet Private Limited, Dhaka (Bangladesh) from November 2004 upto February 2008. He then served as the Vice President (Plant Group Vertical) of Godrej Agrovet Limited from February 2008 to February 2012 and as the Executive Vice President from March 2012 onwards, till he superannuated on 30<sup>th</sup> April, 2015.</p>



(Contd.)

Name of the Director	Profile
Mr. Vijay Kashinath Khot	<p>Mr. Vijay Kashinath Khot is a Science Graduate from the University of Mumbai and was associated with Godrej Group from September 1973 till 2011. He has worked in Animal Feeds for 26 years in the State of Gujarat and was also instrumental in introducing Godrej agri products in the said State in the year 1986. Since the year 2000, he was associated with Poultry business and was looking after the sales of Real Good Chicken (RGC) mainly in the metro cities of Mumbai, Pune, Bangalore, Chennai and Hyderabad. Mr. V. K. Khot was also a Director of Bahar Agrochem and Feeds Limited, Goldmuhor Agrochem and Feeds Limited and Anamudi Real Estates Limited. As a trainer, Mr. Khot imparts training to sales personnel in his professional capacity.</p>
Dr. Brahma Nand Vyas	<p>Dr. Brahma Nand Vyas has graduated in B.Sc. Agriculture in 1971 from the University of Rajasthan, Jaipur and pursued post-graduation in M.Sc. Agriculture (Honours) in Soil Science and Agricultural Chemistry in 1973 from the University of Udaipur, Rajasthan. He worked with Bhabha Atomic Research Centre (BARC), Trombay, from 1974 to 1987, and then joined Godrej Soaps Limited. He obtained Doctorate in 1980, while in service in Chemistry from University of Gujarat, Ahmedabad. At BARC, Dr. Vyas worked on the behavioural aspects of most Toxic Radionuclides Plutonium -239 and Americium-241 in soils and Soil-Plant systems.</p> <p>At Godrej Soaps Limited initially and later at Godrej Agrovet Limited, he led R&amp;D for nearly two decades, and was responsible for the development and launch of first ever Commercial Neem based Urea Coating Agent, the country's first CIB Registered Neem Insecticide, the world's first Homobrassinolide based Growth Promoters, for grapes initially and later for other crops, and most recently very Unique Post Emergence Selective Herbicide for Cotton, based on Pyriithiobac sodium. During the R&amp;D assignments, he has published more than 60 scientific publications in international and national journals of high repute, besides presentations at international seminars. He is the holder of more than 25 patents including international patents.</p> <p>Dr. Vyas is currently a Life Member of Indian Society of Soil Science, Indian Society of Agronomy, Fellow Member of Oil Technologists Association of India, Fellow of Indian Society for Nuclear Techniques in Agriculture and Biology. He has held the position of President of the Indian Society for Plant Growth Products, Mumbai for 12 years, and is currently the President Emeritus of IAPGP. Also, he is currently the Designated Partner in Neem Wave Exhibitions LLP and President of World Neem Organization.</p>

(Contd.)

Name of the Director	Profile
Mr. Nandkumar Dhekne	<p>Mr. Nandkumar Dhekne has four decades long experience in diverse areas such as Field services, Operations Management, Sales / Marketing and General Management. He is a recognized growth leader in Asia Pacific.</p> <p>In his recent assignment, Mr. Nandkumar served as Vice President – Asia Pacific for Solenis, USA (JV between CD&amp;R and BASF), a global leader in paper making and industrial water treatment chemicals based in Shanghai.</p> <p>He has held several senior leadership roles in his career for the business growth and performance in over 10 countries including China, Korea, Japan, ANZ, Indonesia, Thailand, Vietnam, Malaysia and South Asia including India and was based in Shanghai since 2007. He was the Chairman/Board Member of several Hercules, Ashland and Solenis entities in Asia Pacific and their JVs in India (Chembond Chemicals), China (Hercules-Tianpu Chemicals), Korea (Hoimyung) and Malaysia (Drew Ameroid). He was the Managing Director SEA for GE Water and process Technologies (2001-2004) and President and CEO of GE Energy SEA during 2004-2007. When in GE, he was a Board member of GEPSIL and GE-BHEL JVs in India. During 2007-2009, he was the Director – Asia Pacific, Hercules USA. From 2009-2014, he was Vice President – Asia Pacific, Ashland USA and led their Specialty chemicals business based in Shanghai.</p> <p>Mr. Nandkumar is a Chartered Engineer and the Honorary Fellow-Indian Institute of Chemical Engineers. He was the Chairman of American Chambers of Commerce, Bangalore, Chairman of the Energy Committee – Bangalore Chamber of Industry and Commerce and an active CII Committee Member, Delhi. He has served as the Chairman of GE Elfund in India and was on the Board of AICM and ENACTUS in China which are non-profit organisations. He continues to be an active YPO member in Bangalore.</p> <p>Mr. Nandkumar holds a graduate degree in Chemical Engineering and is a distinguished alumnus of Institute of Chemical Technology (UDCT) Mumbai. He is also an alumnus of Harvard Business School, Boston (AMP).</p>
Ms. Anjali Rajesh Gupte	<p>Ms. Anjali Rajesh Gupte is a B. Com. Graduate, Chartered Accountant and Cost Accountant with over 25 years of experience across a varied range of industries from media to financial information, to manufacturing and real estate. She was the Head of Finance, South Asia and Director for Thomson Reuters India Private Limited from April 2008 to May 2014. She also held the position of Finance Manager, South Asia and Director at Thomson Reuters India Private Limited from November 1997 to March 2008. Ms. Gupte has worked as a Finance Manager in Godrej Properties and Investment Limited from April 1995 to October 1997. She has formerly worked as a Finance Executive in Gujarat Godrej Innovative Chemicals Limited from September 1993 to March 1995.</p> <p>She was working as Chief Financial Officer, South Asia and Director of Grey Worldwide (India) Private Limited since August 2016 till June 2021. She has joined the Havas Group as the Group CFO in June 2021.</p>



#### **D. Board Induction and Training:**

At the time of appointing a Director, a formal Letter of Appointment is given to him / her, which, *inter alia*, explains the role, functions, duties and responsibilities of a Director of the Company. The Director is also briefed about the compliances required from him/her under the Act and the Listing Regulations and other relevant Regulations and his/her confirmation/affirmation is taken with respect to the same.

#### **E. Familiarization Programmes for Independent Directors:**

All Directors, including Independent Directors are provided with the necessary documents, reports and internal policies to enable them to familiarize with the Company's procedures and practices. Periodic presentations are made at the Meetings of the Board of Directors and of the Committees thereof, on business and performance updates of the Company, business strategy and risks involved. Quarterly updates on relevant statutory changes covering important applicable laws are discussed at the Meetings of the Board of Directors. Visits of Independent Directors to the Company's factory locations are also arranged as a part of the familiarization programmes.

The details of familiarization programmes for Independent Directors are hosted on the website of the company, viz., [www.astecls.com](http://www.astecls.com) and available on web link <http://www.astecls.com/listingcompliance.aspx>.

#### **F. Meetings of the Board of Directors – Procedure and Attendance:**

The Board of Directors, *inter alia*, focuses on and oversees strategic planning, risk management, compliance, corporate governance, financial controls, succession planning for Directors, etc., with high standards of ethical conduct and integrity, in order to protect the best interests of all the stakeholders, including Shareholders.

The Board of Directors meets at regular intervals to discuss and decide on business strategies or policies and reviews the financial and operational performance of the Company and its subsidiaries.

In case of business exigencies, the Board's approval is taken through Resolutions by Circulation, which are then noted at subsequent Board Meetings.

The Agendas for the Meetings of the Board are circulated in advance to the Directors as per the provisions of the Act and the Rules framed thereunder and Secretarial Standard – 1 ("SS-1") issued by the Institute of Company Secretaries of India (ICSI) (which prescribes a set of principles for convening and conducting Meetings of the Board of Directors and matters related thereto) in order to ensure that sufficient time is provided to the Directors to prepare for the Meetings. This ensures timely and well-informed decisions by the Board.

The Board meets at least once in a Quarter to, *inter alia*, review, approve and take note of the Quarterly / Half-yearly / Annual Standalone and Consolidated Financial Results of the Company (along with the Reports of the Statutory Auditors thereon) (as may be applicable), Cost Audit Report, Secretarial Audit Report, annual operating plan and budgets, capital budgets and updates thereon, various Compliance Report(s) under the applicable laws, major legal issues, regulatory developments, Minutes of the Meetings of the Board and its Committees and those of its Subsidiary Companies, Significant Transactions entered into with Related Parties and compliances with the Act, the Listing Regulations and other law(s) as may be applicable to the Company.

The Meetings of the Board of Directors are usually held at the Registered Office of the Company at "Godrej One", Pirojshanagar, Eastern Express Highway, Vikhroli (East), Mumbai – 400 079 (Maharashtra). During the Financial Year 2021-22, considering the COVID-19 pandemic restrictions, the Company had facilitated attendance of Directors and invitees at Board Meetings through Video Conferencing.

The Company Secretary and Compliance Officer attends all the Meetings of the Board and is, *inter alia*, responsible for recording the Minutes of such Meetings. The draft Minutes of the Meetings of the Board are sent to the Directors for their comments in accordance with SS-1 and then, the Minutes are entered in the Minutes Book within 30 (Thirty) days of the conclusion of the Meetings, subsequent to

incorporation of the comments, if any, received from the Directors.

The Company complies with the provisions of the Act read with the Rules framed thereunder, SS-1 and the Listing Regulations with respect to convening and holding of the Meetings of the Board of Directors and its Committees.

During the Financial Year 2021-22, 4 (Four) Board Meetings were held (on 30<sup>th</sup> April, 2021, 28<sup>th</sup> July, 2021, 27<sup>th</sup> October, 2021 and 25<sup>th</sup> January, 2022), in compliance with the provisions of SS-1. The maximum time gap between 2 (Two) consecutive Board Meetings held during the said Financial Year was not more than 120 (One Hundred and Twenty) days. The requisite quorum was duly present for all the Meetings.

**The details of composition of the Board of Directors and their attendance at the Board Meetings held during the Financial Year 2021-22 and at the previous 27<sup>th</sup> (Twenty-Seventh) Annual General Meeting (“27<sup>th</sup> AGM”) are given hereunder:**

Sr. No.	Name of the Director	Nature of Directorship	Appointment / Cessation during the Financial Year 2021-22	No. of Board Meetings attended during the Financial Year 2021-22	Whether attended 27 <sup>th</sup> AGM held on 28 <sup>th</sup> July, 2021 (Present / Absent)
1	Mr. Nadir B. Godrej (DIN: 00066195)	Chairman, Non-Executive, Non-Independent Director	-	4/4	Present
2	Mr. Ashok V. Hiremath (*) (DIN: 00349345)	Managing Director (Promoter)	-	4/4	Present
3	Mr. Anurag Roy (DIN: 07444595)	Whole Time Director & Chief Executive Officer	Appointed w.e.f. 28 <sup>th</sup> July, 2021	3/3	Present
4	Mr. Balram Singh Yadav (DIN: 00294803)	Non-Executive, Non-Independent Director	Re-appointed as a Director liable to retire by rotation at the 27 <sup>th</sup> Annual General Meeting ("AGM") held on 28 <sup>th</sup> July, 2021	4/4	Present
5	Dr. Brahma Nand Vyas (DIN: 02796071)	Non-Executive, Independent Director	-	4/4	Present
6	Mr. Vijay Kashinath Khot (DIN: 03520249)	Non-Executive, Independent Director	-	3/4	Present
7	Mr. R. R. Govindan (DIN: 02148801)	Non-Executive, Independent Director	-	4/4	Present



Sr. No.	Name of the Director	Nature of Directorship	Appointment / Cessation during the Financial Year 2021-22	No. of Board Meetings attended during the Financial Year 2021-22	Whether attended 27 <sup>th</sup> AGM held on 28 <sup>th</sup> July, 2021 (Present / Absent)
8	Mr. Nandkumar Dhekne (DIN: 02189370)	Non-Executive, Independent Director	Appointment for a term of 5 (Five) years w.e.f. 18 <sup>th</sup> December, 2020 upto 17 <sup>th</sup> December, 2025 approved by the Shareholders at the 27 <sup>th</sup> AGM held on 28 <sup>th</sup> July, 2021	4/4	Present
9	Ms. Anjali Rajesh Gupte (DIN: 00104884)	Non-Executive, Independent Director (Woman Director)	Appointment for a term of 5 (Five) years w.e.f. 18 <sup>th</sup> December, 2020 upto 17 <sup>th</sup> December, 2025 approved by the Shareholders at the 27 <sup>th</sup> AGM held on 28 <sup>th</sup> July, 2021	4/4	Present
10	Mr. Rakesh Dogra (#) (DIN: 07334098)	Non-Executive, Non-Independent Director	-	3/4	Present
11	Mr. Arijit Mukherjee (DIN: 07334111)	Whole Time Director	Resigned as the "Whole Time Director" w.e.f. 28 <sup>th</sup> July, 2021, while continuing to be the "Chief Operating Officer"	1/1	Present

(\*) Mr. Ashok Hiremath has ceased to be the "Managing Director" w.e.f. 1<sup>st</sup> April, 2022 and continues to be a "Non-Executive, Non-Independent Director" as on the date of this Report.

(#) Mr. Rakesh Dogra has resigned as a "Non-Executive, Non-Independent Director" w.e.f. 2<sup>nd</sup> May, 2022.

#### G. Directorships and Committee Positions of Directors:

None of the Directors of the Company is:

- a Director in more than 10 (Ten) public limited companies – As per Section 165 of the Act;
- a Director in more than 8 (Eight) listed companies – As per Regulation 17A of the Listing Regulations;
- an Independent Director in more than 7 (Seven) listed companies OR 3 (Three) listed companies (in case he / she serves as a Whole Time Director / Managing Director in any listed company) - As per Regulation 17A of the Listing Regulations;
- a member of more than 10 (Ten) Committees and Chairperson of more than 5 (Five) Committees across all the Indian public limited companies in which he / she is a Director – As per Regulation 26 of the Listing Regulations.

The details of outside directorships held by the Directors of the Company, along with the Board / Committee Chairmanships / Memberships held by them as on 31<sup>st</sup> March, 2022 are given hereunder:

Sr. No.	Name of the Director	No. of Directorships held as on 31 <sup>st</sup> March, 2022 (@)	No. of Board Committees of Companies in which a Member / Chairman as on 31 <sup>st</sup> March, 2022 (^)	Names of Listed Companies in which Directorship is held and Category of Directorship
1	Mr. Nadir B. Godrej	8	Member in 2 out of which Chairman in 1	<ul style="list-style-type: none"> <li>Astec LifeSciences Limited (Non-Executive Chairman)</li> <li>Godrej Agrovet Limited (Non-Executive Chairman)</li> <li>Godrej Industries Limited (Managing Director)</li> <li>Godrej Consumer Products Limited (Non-Executive Director)</li> <li>Godrej Properties Limited (Non-Executive Director)</li> </ul>
2	Mr. Ashok V. Hiremath (*)	2	Member in 3 out of which Chairman in NIL	<ul style="list-style-type: none"> <li>Astec LifeSciences Limited (Managing Director)</li> <li>Dai-Ichi Karkaria Limited (Independent Director)</li> </ul>
3	Mr. Anurag Roy (\$)	1	Member / Chairman in NIL	<ul style="list-style-type: none"> <li>Astec LifeSciences Limited (Whole Time Director &amp; Chief Executive Officer)</li> </ul>
4	Mr. Balram Singh Yadav	5	Member in 4 out of which Chairman in 1	<ul style="list-style-type: none"> <li>Astec LifeSciences Limited (Non-Executive Director)</li> <li>Godrej Agrovet Limited (Managing Director)</li> </ul>
5	Dr. Brahma Nand Vyas	1	Member in 1 out of which Chairman in NIL	<ul style="list-style-type: none"> <li>Astec LifeSciences Limited (Independent Director)</li> </ul>
6	Mr. Vijay K. Khot	1	Member in 2 out of which Chairman in NIL	<ul style="list-style-type: none"> <li>Astec LifeSciences Limited (Independent Director)</li> </ul>
7	Mr. R. R. Govindan	1	Member in 2 out of which Chairman in 1	<ul style="list-style-type: none"> <li>Astec LifeSciences Limited (Independent Director)</li> </ul>
8	Mr. Nandkumar Dhekne	3	Member in 1 out of which Chairman in NIL	<ul style="list-style-type: none"> <li>Astec LifeSciences Limited (Independent Director)</li> <li>John Cockerill India Limited (Independent Director)</li> <li>Elantas Beck India Limited (Independent Director)</li> </ul>
9	Ms. Anjali Rajesh Gupte	1	Member / Chairperson in NIL	<ul style="list-style-type: none"> <li>Astec LifeSciences Limited (Independent Director)</li> </ul>



(Contd.)

Sr. No.	Name of the Director	No. of Directorships held as on 31 <sup>st</sup> March, 2022 (@)	No. of Board Committees of Companies in which a Member / Chairman as on 31 <sup>st</sup> March, 2022 (^)	Names of Listed Companies in which Directorship is held and Category of Directorship
10	Mr. Rakesh Dogra (#)	1	Member / Chairman in NIL	<ul style="list-style-type: none"> <li>Astec LifeSciences Limited (Non-Executive Director)</li> </ul>
11	Mr. Arijit Mukherjee (\$)	1	Member / Chairman in NIL	<ul style="list-style-type: none"> <li>Astec LifeSciences Limited (Whole-Time Director)</li> </ul>

(@) Excludes alternate directorship and directorship in foreign companies, private companies and companies governed by Section 8 of the Companies Act, 2013.

(^) In accordance with Regulation 26 of the Listing Regulations, Membership(s) / Chairmanship(s) of only Audit Committees and Stakeholders' Relationship Committees in all public limited companies (including Astec LifeSciences Limited) have been considered.

(\*) Mr. Ashok Hiremath has ceased to be the "Managing Director" w.e.f. 1<sup>st</sup> April, 2022 and continues to be a "Non-Executive, Non-Independent Director" as on the date of this Report.

(\$) Mr. Arijit Mukherjee resigned as the "Whole Time Director" w.e.f. 28<sup>th</sup> July, 2021, while continuing to be the "Chief Operating Officer". Mr. Anurag Roy has been appointed as the "Whole Time Director & Chief Executive Officer" w.e.f. 28<sup>th</sup> July, 2021.

(#) Mr. Rakesh Dogra has resigned as a "Non-Executive, Non-Independent Director" w.e.f. 2<sup>nd</sup> May, 2022.

#### H. Directors with Materially Significant Related Party Transactions, Pecuniary or Business Relationship with the Company:

Except for drawing remuneration by the Directors in whole-time employment of the Company and payment of Sitting Fees to Independent Directors, none of the Directors have any other material significant Related Party Transactions, pecuniary or business relationship with the Company.

Attention of the Shareholders is drawn to the disclosures of transactions with Related Parties set out in Note No. 51 to the Standalone Financial

Statement for the Financial Year ended 31<sup>st</sup> March, 2022, forming a part of the Annual Report.

In the preparation of the Financial Statements, your Company has adopted accounting policies which are in line with the Indian Accounting Standards notified under Section 133 of the Companies Act, 2013 read together with the Companies (Indian Accounting Standards) Rules, 2015. The significant accounting policies, which are consistently applied, have been set out in the Notes to the Financial Statements. Appropriate disclosure as required by the Indian Accounting Standards (Ind-AS 24) has also been made in the Notes to the Financial Statements.

### I. Number of Equity Shares held by Directors and Dividend paid during the Financial Year 2021-22

Sr. No.	Name of Director	No. of Equity Shares held as on 31 <sup>st</sup> March, 2022	Dividend paid during the Financial Year 2021-22 (Amount in ₹)
1	Mr. Nadir B. Godrej	0	0.00
2	Mr. Ashok V. Hiremath (Earlier “Managing Director”, now redesignated as “Non-Executive Director” w.e.f. 1 <sup>st</sup> April, 2022)	3,90,802	4,96,143.00
3	Mr. Anurag Roy (Appointed as “Whole Time Director & Chief Executive Officer” w.e.f. 28 <sup>th</sup> July, 2021)	0	0.00
4	Mr. Balram Singh Yadav (Acquired by way of purchase from the open market, post declaration and payment of dividend)	3,390	0.00
5	Dr. Brahma Nand Vyas	0	0.00
6	Mr. Vijay K. Khot	0	0.00
7	Mr. R. R. Govindan	0	0.00
8	Mr. Nandkumar Dhekne	0	0.00
9	Ms. Anjali Rajesh Gupte	0	0.00
10	Mr. Rakesh Dogra (Resigned as “Non-Executive Director” w.e.f. 2 <sup>nd</sup> May, 2022)	0	0.00
11	Mr. Arijit Mukherjee (Resigned as “Whole Time Director” w.e.f. 28 <sup>th</sup> July, 2021, while continuing to be “Chief Operating Officer”) (Acquired by way of exercise of options granted under Employee Stock Options Scheme, 2015, post declaration and payment of dividend)	4,000	0.00

### J. Employees Stock Option to Directors:

During the Financial Year 2021-22, the Nomination and Remuneration Committee of the Board of Directors of the Company has granted 3,316 (Three Thousand Three Hundred Sixteen) Options convertible into 3,316 (Three Thousand Three Hundred Sixteen) Equity Shares at an Exercise Price of ₹10/- (Rupees Ten Only) under the amended Employees Stock Option Plan, 2012 (ESOP 2012) (amendment approved vide Shareholders’ Special Resolution passed on 26<sup>th</sup> September, 2021, by way of Postal Ballot, the results of which were declared on 27<sup>th</sup> September, 2021) to Mr. Anurag Roy, Whole Time Director & Chief Executive Officer of the Company.

### K. Director seeking Re-appointment at the ensuing 28<sup>th</sup> (Twenty Eighth) Annual General Meeting:

**Mr. N. B. Godrej (Chairman – Non-Executive, Non-Independent Director):**

Mr. N. B. Godrej, Chairman, retires by rotation at the ensuing 28<sup>th</sup> (Twenty Eighth) Annual General Meeting of the Company pursuant to the provisions of Section 152 of the Act and being eligible, offers himself for re-appointment.

Mr. N. B. Godrej is the Chairman and Managing Director of Godrej Industries Limited. He holds B. S. degree in Chemical Engineering in 1973 from the Massachusetts Institute of Technology and a M.S. in Chemical Engineering in 1974 from Stanford University. He has done an MBA from Harvard Business School in 1976. Since 1977, he has been a Director of Godrej Soaps Limited. He has been very active in developing the animal feed, agricultural inputs and chemicals businesses of Godrej Industries Limited and associate companies. He has been very active in research and has several patents in the field of agricultural chemicals and surfactants. In 2001, Godrej Soaps Limited was renamed as Godrej Industries Limited and he was

appointed as the Managing Director of Godrej Industries Limited.

Mr. N. B. Godrej is also the Chairman of Godrej Agrovet Limited (Holding Company and Promoter of Astec LifeSciences Limited). He is also a Director of Godrej Properties Limited (a subsidiary of Godrej Industries Limited), Godrej and Boyce Manufacturing Company Limited, Godrej Consumer Products Limited and other Godrej group companies.

He has been active in CLFMA (Compound Livestock Feed Manufacturers Association of India), ICC (Indian Chemical Council) [erstwhile ICMA (Indian Chemical Manufacturers' Association)], OTAI (Oil Technologists' Association of India) and the Alliance Française de Bombay. He is currently the President of the Alliance Française de Bombay. He is on the National Council of CII (Confederation of Indian Industry). He is also very active in the

Harvard Business School and MIT Alumni Association in India.

The French Government awarded him the Ordre national du Mérite in 2002 and the Légion d'Honneur in 2008. He has also received Life Time Achievement Awards from OTAI (Oil Technologist Association of India) and Chemexcil and the All India Liquid Bulk Importers and Exporters Association (AILBIEA). The Board of Management of Manav Rachna University has unanimously conferred Mr. Godrej with an Honorary Degree of Doctor of Philosophy and he has been inducted as Fellow of Indian National Academy of Engineering (INAE). Mr. Godrej is deeply committed to the GOOD and GREEN strategies and achievement of set targets for the Godrej Group. He encourages and supports a shared vision value for all programs of Good and Green.

Mr. N. B. Godrej does not hold any Equity Shares in your Company.

### 3. Committees constituted by the Board of Directors:

#### A. Composition of the Committees of the Board of Directors during the Financial Year 2021-22:

Name of Director	Independent / Non-Independent	Position in Committee (whether Chairperson / Member)					
		Audit Committee	Corporate Social Responsibility Committee	Nomination and Remuneration Committee	Stakeholders' Relationship Committee	Risk Management Committee (^)	Managing Committee
Mr. Nadir B. Godrej	Non-Independent	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Mr. Ashok V. Hiremath (*)	Non-Independent	Member	Chairman	N.A.	N.A.	Chairman	Member
Mr. Anurag Roy (\$)	Non-Independent	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Mr. Balram Singh Yadav	Non-Independent	N.A.	Member	Member	Chairman	Member	Member
Dr. Brahma Nand Vyas	Independent	Member	Member	N.A.	N.A.	N.A.	N.A.
Mr. Vijay Kashinath Khot	Independent	Member	N.A.	Member	Member	N.A.	N.A.
Mr. R. R. Govindan	Independent	Chairman	Member	Chairman	Member	Member	N.A.
Mr. Nandkumar Dhekne	Independent	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Ms. Anjali Gupte	Independent	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Mr. Rakesh Dogra (#)	Non-Independent	N.A.	N.A.	N.A.	N.A.	N.A.	Member
Mr. Arijit Mukherjee (\$)	Non-Independent	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.

(N.A. indicates not a Member / Chairperson of the Committee.)

(\*) Mr. Ashok Hiremath has ceased to be the “Managing Director” w.e.f. 1<sup>st</sup> April, 2022 and continues to be a “Non-Executive, Non-Independent Director” as on the date of this Report.

(§) Mr. Arijit Mukherjee resigned as the “Whole Time Director” w.e.f. 28<sup>th</sup> July, 2021, while continuing to be the “Chief Operating Officer”. Mr. Anurag Roy has been appointed as the “Whole Time Director & Chief Executive Officer” w.e.f. 28<sup>th</sup> July, 2021.

(#) Mr. Rakesh Dogra has resigned as a “Non-Executive, Non-Independent Director” w.e.f. 2<sup>nd</sup> May, 2022 and consequently, he ceases to be a Member of the Managing Committee w.e.f. 2<sup>nd</sup> May, 2022.

(^) In addition to the Directors mentioned in the above table, Mr. Saurav Bhala, Chief Financial Officer is also a Member of the Risk Management Committee.

The Company formerly had a Compensation Committee, which has been dissolved with effect from 28<sup>th</sup> July, 2021.

Ms. Tejashree Pradhan, Company Secretary and Compliance Officer is the Secretary to all the Committees of the Board of Directors. She has attended all the Meetings of the Board of Directors and the Committees thereof during the Financial Year 2021-22.

#### B. Attendance Details of the Meetings of Committees during the Financial Year 2021-22:

Particulars	Audit Committee	Corporate Social Responsibility Committee	Nomination and Remuneration Committee	Stakeholders' Relationship Committee	Risk Management Committee
<b>Number of Meetings held</b>	<b>4</b>	<b>2</b>	<b>2</b>	<b>1</b>	<b>2</b>
<b>Attendance of Directors:</b>					
Mr. Nadir B. Godrej	N.A.	N.A.	N.A.	N.A.	N.A.
Mr. Ashok V. Hiremath	4	2	N.A.	N.A.	2
Mr. Anurag Roy (w.e.f. 28 <sup>th</sup> July, 2021)	N.A.	N.A.	N.A.	N.A.	N.A.
Mr. Balram Singh Yadav	N.A.	2	1	1	2
Dr. Brahma Nand Vyas	4	2	N.A.	N.A.	N.A.
Mr. Vijay Kashinath Khot	4	N.A.	2	1	N.A.
Mr. R. R. Govindan	4	2	2	1	2
Mr. Nandkumar Dhekne	N.A.	N.A.	N.A.	N.A.	N.A.
Ms. Anjali Rajesh Gupte	N.A.	N.A.	N.A.	N.A.	N.A.
Mr. Rakesh Dogra (resigned w.e.f. 2 <sup>nd</sup> May, 2022)	N.A.	N.A.	N.A.	N.A.	N.A.
Mr. Arijit Mukherjee (upto 27 <sup>th</sup> July, 2021)	N.A.	N.A.	N.A.	N.A.	N.A.

(N.A. indicates not a Member of the Committee.)

- Leave of Absence is granted to the Members in the event of inability to attend the Committee Meetings.
- In addition to the Directors mentioned in the above table, Mr. Saurav Bhala, Chief Financial Officer is also a Member of the Risk Management Committee and has attended 2 (Two) Meetings of the Committee held during the year.

### C. Audit Committee:

#### Composition of the Audit Committee:

In terms of Regulation 18 of the Listing Regulations and Section 177 of the Act, the Audit Committee comprised of the following 4 (Four) Directors as Members during the Financial Year 2021-22 and as on 31<sup>st</sup> March, 2022:

Sr. No.	Name of the Member	Category
1	Mr. R. R. Govindan, Chairman of the Committee	Independent Director
2	Mr. Ashok V. Hiremath	Managing Director (*) (Non-Independent Director)
3	Mr. Vijay Kashinath Khot	Independent Director
4	Dr. Brahma Nand Vyas	Independent Director

(\*) Mr. Ashok Hiremath has ceased to be the “Managing Director” w.e.f. 1<sup>st</sup> April, 2022 and continues to be a “Non-Executive, Non-Independent Director” as on the date of this Report.

All the Members of the Audit Committee possess the requisite qualification for appointment as Members of the Committee and also possess sound knowledge of finance, accounting practices and internal controls.

#### Terms of Reference of the Audit Committee:

The terms of reference of the Audit Committee are wide and in line with the regulatory requirements mandated by Section 177 of the Act and Part C of Schedule II and other applicable provisions of the Listing Regulations. These terms of reference are as follows:

- a) To oversee of the Company’s financial reporting process and the disclosure of its financial information to ensure that the Financial Statements are correct, sufficient and credible;
- b) To recommend the appointment, remuneration and terms of appointment of Auditors of the Company as may be applicable;
- c) To approve payment to the Statutory Auditors for any other services rendered by the Statutory Auditors;
- d) To review and monitor the Auditors’ independence and performance, and effectiveness of audit process;
- e) To examine / review the Financial Statements and the Auditors’ Reports thereon with the management, before submission to the Board of Directors for approval, with particular reference to:
  - i. matters required to be included in the Directors’ Responsibility Statement to be included in the Board’s Report in terms of clause (c) of sub-section (3) of Section 134 of the Act;
  - ii. changes, if any, in the accounting policies and practices and reasons for the same;
  - iii. major accounting entries involving estimates based on the exercise of judgment by the Management;
  - iv. significant adjustments made in the Financial Statements arising out of audit findings;
  - v. compliance with listing and other legal requirements relating to Financial Statement;
  - vi. disclosure of any Related Party Transactions; and
  - vii. modified opinion(s) in the draft Audit Report;
- f) To review, with the Management, the quarterly Financial Statements before submission to the Board of Directors for approval;
- g) To grant approval for or any subsequent modification of transactions of the Company with Related Parties;
- h) To scrutinize inter-corporate loans and investments;

- i) To consider valuation of undertakings or assets of the Company, wherever it is necessary;
- j) To evaluate internal financial controls and risk management systems;
- k) To review, with the Management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board of Directors to take up steps in this matter;
- l) To monitor the end use of funds raised through public offers and related matters;
- m) To review, with the Management, performance of Statutory and Internal Auditors, adequacy of the internal control systems;
- n) To review the adequacy of Internal Audit function, including the structure of the Internal Audit Department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of Internal Audit;
- o) To discuss with Internal Auditors of any significant findings and follow-up thereon;
- p) To review the findings of any internal investigations by the Internal Auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matters to the Board of Directors;
- q) To discuss with the Statutory Auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- r) To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, Shareholders (in case of non-payment of declared dividends) and creditors;
- s) To review the functioning of the Whistle Blower mechanism;
- t) To approve appointment of Chief Financial Officer after assessing the qualifications, experience, background, etc. of the candidate; this is not i but t point
- u) To investigate into any of the above matters or referred to it by the Board of Directors and for this purpose, it to have full access to information contained in the records of the Company and external professional advice, if necessary;
- v) To mandatorily review the following information:
- i. Management Discussion and Analysis of financial condition and results of operations;
  - ii. Statement of significant Related Party Transactions (as defined by the Audit Committee), submitted by the Management;
  - iii. Management letters / letters of internal control weaknesses issued by the Statutory Auditors;
  - iv. Internal Audit reports relating to internal control weaknesses;
  - v. Review of the appointment, removal and terms of remuneration of the Chief Internal Auditor;
  - vi. Statements of deviations:
    - Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to Stock Exchange(s) in terms of Regulation 32(1) of the Listing Regulations; and
    - Annual statement of funds utilized for purposes other than those stated in the document / prospectus /



notice in terms of Regulation 32(7) of the Listing Regulations;

- w) To review Financial Statements, in particular, the investments made by the Company's unlisted subsidiaries;
- x) To note report of the Compliance Officer as per Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- y) To formulate the scope, functioning, periodicity of and methodology for conducting the Internal Audit;
- z) To review show cause, demand, prosecution notices and penalty notices, which are materially important;
- aa) To review any material default in financial obligations to and by the Company, or substantial non-payment for goods sold by the Company;
- bb) To review any issue, which involves possible public or product liability claims of substantial nature, including any judgment or order which, may have passed strictures on the conduct of the Company or taken an adverse view regarding another enterprise that may have negative implications on the Company;
- cc) To review details of any Joint Venture or Collaboration Agreement;
- dd) To review sale of investments, subsidiaries, assets which are material in nature and not in normal course of business;
- ee) To review quarterly details of foreign exchange exposures and the steps taken by the Management to limit the risks of adverse exchange rate movement, if material;
- ff) To review the utilization of loans and/or advances from and/or investment by the Company in the subsidiary exceeding ₹100 Crore (Rupees One Hundred Crore Only) or 10% (Ten per cent) of the asset size of the

subsidiary, whichever is lower, including existing loans / advances / investments;

- gg) To review compliance with the provisions of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 at least once in a Financial Year and verify that the systems for internal control are adequate and are operating effectively;
- hh) To make necessary amendments / revisions in the Policy on Materiality of Related Party Transactions and Dealing with Related Party Transactions of the Company and the Whistle Blower Policy of the Company from time to time, as it may deem fit;
- ii) To consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation, etc. on the Company and its Shareholders;
- jj) To perform such other functions and duties as may be required to be performed by the Audit Committee under the applicable provisions of the Act and/or the Rules framed thereunder and/or the Listing Regulations, including any amendment(s) thereto, as may be made from time to time.

Further, in terms of the Companies (Cost Records and Audit) Rules, 2014 read with the Companies (Audit and Auditors) Rules, 2014, the Company maintains cost records in its books of accounts for the Financial Year 2021-22 in respect of its business of manufacturing of agrochemicals. The Cost Audit Report issued by the Cost Auditors of the Company is placed for review by the Audit Committee and the same is recommended to the Board of Directors for its approval.

#### **Meetings of the Audit Committee:**

There were 4 (Four) Audit Committee Meetings held during the Financial Year 2021-22, viz., on 30<sup>th</sup> April 2021, 28<sup>th</sup> July, 2021, 27<sup>th</sup> October, 2021 and 25<sup>th</sup> January, 2022, at which all the Members were duly present.

The representatives of the Statutory Auditors and the Internal Auditors are invited to attend the

Audit Committee Meetings. They have attended all the Meetings during the Financial Year 2021-22 and have shared their observations to the Audit Committee.

The Audit Committee has made recommendations to the Board of Directors at its every Meeting and the Board of Directors has duly noted and accepted the same during the Financial Year 2021-22.

#### D. Nomination and Remuneration Committee:

##### Composition of the Nomination and Remuneration Committee:

In terms of Regulation 19 of the Listing Regulations and Section 178 of the Act, the Nomination and Remuneration Committee, during the Financial Year 2021-22 and as on 31<sup>st</sup> March, 2022, comprised of the following 3 (Three) Directors as Members:

Sr. No.	Name of the Member	Category
1	Mr. R. R. Govindan, Chairman of the Committee	Independent Director
2	Mr. Vijay Kashinath Khot	Independent Director
3	Mr. Balram Singh Yadav	Non-Executive, Non-Independent Director

##### Terms of Reference of the Nomination and Remuneration Committee:

The terms of reference of the Nomination and Remuneration Committee are in conformity with the regulatory requirements mandated by Section 178 of the Act and Part D of Schedule II and other applicable provisions of the Listing Regulations. These terms of reference are as follows:

- a) To formulate the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board of Directors a Policy relating to the Appointment and Remuneration of the Directors, Key Managerial Personnel and other senior management employees;
- b) To formulate criteria for evaluation of performance of Independent Directors and the Board of Directors in accordance with the Nomination and Remuneration Policy;
- c) To devise a policy on Diversity of Board of Directors;
- d) To identify persons who are qualified to become Directors and who may be appointed in Senior Management in accordance with the criteria laid down and to recommend to the Board their appointment and / or removal;
- e) To consider extension or continuation of the term of appointment of the Independent Directors on the basis of the report of performance evaluation of Independent Directors;
- f) To specify the manner for effective evaluation of performance of Board, its Committees and individual Directors to be carried out either by the Board, by the Nomination and Remuneration Committee or by an independent external agency and review its implementation and compliance;
- g) To recommend / review remuneration of the Managing Director(s), Whole Time Director(s) and Executive Director(s) based on their performance and defined assessment criteria;
- h) To recommend to the Board of Directors, all remuneration, in whatever form, payable to senior management;
- i) To consider grant of stock options to eligible Directors and employees, to formulate detailed terms and conditions of Employees Stock Option Plan (ESOP) / Employees Stock Option Scheme (ESOS) and to administer and exercise superintendence over ESOP / ESOS;





- j) To make necessary amendments / revisions in the Nomination and Remuneration Policy of the Company from time to time, as it may deem fit;
- k) For every appointment of an Independent Director, to evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, to prepare a description of the role and capabilities required of an Independent Director;
- l) To carry out any other function as may be mandated by the Board of Directors from time to time and / or enforced by any statutory notification(s), amendment(s) or modification(s) as may be applicable.

**Meetings of the Nomination and Remuneration Committee:**

There were 2 (Two) Meetings of the Nomination and Remuneration Committee held during the Financial Year 2021-22, viz., on 30<sup>th</sup> April, 2021 and 28<sup>th</sup> July, 2021, at which requisite quorum was duly present.

**Performance Evaluation of Independent Directors:**

The Nomination and Remuneration Committee has laid down the following criteria for evaluation of performance of the Independent Directors:

- 1. Attendance and contribution at Board and Committee Meetings;
- 2. Stature, appropriate mix of expertise, skills, behaviour, experience, leadership qualities, sense of sobriety and understanding of business, strategic direction to align with the Company's values and standards;
- 3. Knowledge of finance, accounts, legal, investment, marketing, foreign exchange / hedging, internal controls, risk management

assessment and mitigation, business operations, processes and Corporate Governance;

- 4. Ability to create a performance culture that drives value creation and a high quality of debate with robust and probing discussions;
- 5. Effective decision-making ability to respond positively and constructively to implement the same to encourage more transparency;
- 6. Open channels of communication with executive management and other colleagues on the Board to maintain high standards of integrity and probity;
- 7. Recognize the role which he / she is expected to play, internal Board relationships to make decisions objectively and collectively in the best interest of the Company, to achieve organizational success and harmonizing the Board;
- 8. Global presence, rational, physical and mental fitness, broader thinking, vision on Corporate Social Responsibility, etc.;
- 9. Quality of decision-making on source of raw material / procurement of roughs, export marketing, understanding financial statements and business performance, raising of finance, best source of finance, working capital requirement, forex dealings, geopolitics, human resources, etc.;
- 10. Ability to monitor the performance of management and satisfy himself / herself with integrity of the financial controls and systems in place by ensuring right level of contact with external stakeholders;
- 11. Contribution to enhance overall brand image of the Company.

## E. Stakeholders' Relationship Committee

### Composition of the Stakeholders' Relationship Committee:

In terms of Regulation 20 of the Listing Regulations and Section 178 of the Act, the Stakeholders' Relationship Committee, during the Financial Year 2021-22 and as on 31<sup>st</sup> March, 2022, comprised of the following 3 (Three) Directors as Members:

Sr. No.	Name of the Member	Category
1	Mr. Balram Singh Yadav, Chairman of the Committee	Non-Executive, Non-Independent Director
2	Mr. R. R. Govindan	Independent Director
3	Mr. Vijay Kashinath Khot	Independent Director

Ms. Tejashree Pradhan, Company Secretary and Compliance Officer is the Secretary to Stakeholders' Relationship Committee and has attended the Meeting of the Committee held during the Financial Year 2021-22.

### Terms of Reference of the Stakeholders' Relationship Committee:

The terms of reference of the Stakeholders' Relationship Committee are in conformity with the regulatory requirements mandated by Section 178 of the Act and Regulation 20 read with Part D of Schedule II of the Listing Regulations. These terms of reference are as follows:

- a) To oversee and review all matters connected with transfer of Company's securities;
- b) To approve issue of duplicate of shares / debentures certificates;
- c) To oversee the performance of the Company's Registrar and Share Transfer Agent;
- d) To resolve the grievances of the security holders of the Company including complaints related to transfer/ transmission of shares, non-receipt of Annual Report, non-receipt of declared dividends, issue of new / duplicate certificates, General Meeting etc.;
- e) To investigate into complaints relating to allotment of shares, approval of transfers or

transmission of shares, debentures or any other securities;

- f) To review the measures taken for effective exercise of voting rights by Shareholders;
- g) To review adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar and Share Transfer Agent and recommend methods to upgrade the service standards adopted by the Company;
- h) To review various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants / annual reports / statutory notices by the security holders of the Company;
- i) To carry out any other function as is mandated by the Board of Directors from time to time and / or enforced by any statutory notification(s), amendment(s) or modification(s) as may be applicable;
- j) To specifically look into various aspects of interest of Shareholders, debenture-holders and other security holders.

### Meetings of the Stakeholders' Relationship Committee:

There was 1 (One) Meeting of the Stakeholders' Relationship Committee held during the Financial Year 2021-22, viz., on 25<sup>th</sup> January, 2022, at which all the Members were present.

The details of Investor Complaints during the Financial Year 2021-22 are as follows:

Particulars	No. of complaints
Complaints outstanding as on 1 <sup>st</sup> April, 2021	0
(+) Complaints received during the Financial Year ended 31 <sup>st</sup> March, 2022	1
(-) Complaints resolved during the Financial Year ended 31 <sup>st</sup> March, 2022	1
Complaints outstanding as on 31 <sup>st</sup> March, 2022	0

There are no pending share transfers as on 31<sup>st</sup> March, 2022.

### F. Risk Management Committee:

#### Composition of the Risk Management Committee:

In terms of Regulation 21 of the Listing Regulations, the Risk Management Committee, during the Financial Year 2021-22 and as on 31<sup>st</sup> March, 2022, comprised of the following 4 (Four) Members:

Sr. No.	Name of the Member	Category
1	Mr. Ashok V. Hiremath, Chairman of the Committee	Managing Director (*) (Non-Independent Director)
2	Mr. Balram Singh Yadav	Non-Executive, Non-Independent Director
3	Mr. R. R. Govindan	Independent Director
4	Mr. Saurav Bhala	Chief Financial Officer

(\*) Mr. Ashok Hiremath has ceased to be the "Managing Director" w.e.f. 1<sup>st</sup> April, 2022 and continues to be a "Non-Executive, Non-Independent Director" as on the date of this Report.

#### Terms of Reference of the Risk Management Committee:

The terms of reference of the Risk Management Committee are in conformity with the regulatory requirements mandated by Regulation 21 of the Listing Regulations. These terms of reference are as follows:

- |   |  |
|---|--|
| <p>a) To lay down procedures to inform the Board Members about the risk assessment and minimization procedures;</p> <p>b) To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;</p> | <p>c) To frame, implement, review and monitor the risk management plan for the Company, specifically covering cyber security;</p> <p>d) To make necessary amendments / revisions the risk management plan of the Company from time to time, as it may deem fit;</p> <p>e) To monitor and oversee implementation of the Risk Management Policy, including evaluating the adequacy of risk management systems;</p> <p>f) To periodically review the Risk Management Policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;</p> |
|---|--|

- g) To keep the Board of Directors informed about the nature and contents of its discussions, recommendations and actions to be taken;
- h) To review the appointment, removal and terms of remuneration of the Chief Risk Officer (if any).
- i) To carry out any other function as is mandated by the Board from time to time and / or

enforced by any statutory notification, amendment or modification as may be applicable or as may be necessary or appropriate for the performance of its duties.

The Board and the Senior Management are regularly briefed of risks assessed and the measures adopted by the Company to mitigate the same.

#### Meetings of the Risk Management Committee:

There were 2 (Two) Meetings of the Risk Management Committee held during the Financial Year 2021-22, viz., on 27<sup>th</sup> October, 2021 and 25<sup>th</sup> January, 2022, at which all the Members were duly present.

#### G. Corporate Social Responsibility ('CSR') Committee:

##### Composition of the CSR Committee:

In terms of Section 135 of the Act, the CSR Committee, during the Financial Year 2021-22 and

as on 31<sup>st</sup> March, 2022, comprised of the following 4 (Four) Directors as Members.

Sr. No.	Name of the Member	Category
1	Mr. Ashok V. Hiremath, Chairman of the Committee	Managing Director (*) (Non-Independent Director)
2	Mr. Balram Singh Yadav	Non-Executive, Non-Independent Director
3	Mr. R. R. Govindan	Independent Director
4	Dr. Brahma Nand Vyas	Independent Director

(\*) Mr. Ashok Hiremath has ceased to be the "Managing Director" w.e.f. 1<sup>st</sup> April, 2022 and continues to be a "Non-Executive, Non-Independent Director" as on the date of this Report.

##### Terms of Reference of the CSR Committee:

The terms of reference of the CSR Committee are in conformity with the regulatory requirements mandated by Section 135 of the Act read with the Companies (Corporate Social Responsibility Policy) Rules, 2014. These terms of reference are as follows:

- a) To formulate and recommend to the Board of Directors, the CSR Policy, indicating the CSR activities to be undertaken;
- b) To recommend the amount of expenditure to be incurred on the CSR activities;
- c) To monitor the CSR Policy and its implementation by the Company from time to time;
- d) To constitute a transparent monitoring mechanism for implementation of CSR projects or programmes or activities undertaken by the Company;
- e) To review, approve and sign the Annual Report on CSR to be annexed to the Board's Report; and
- f) To perform such other functions or responsibilities and exercise such other powers as may be conferred upon the CSR Committee in terms of the provisions of Section 135 of the Act and the Rules framed thereunder.

### Meetings of the CSR Committee:

There were 2 (Two) Meetings of the CSR Committee held during the Financial Year 2021-22, viz., on 30<sup>th</sup> April, 2021 and 27<sup>th</sup> October, 2021, at which all the Members were duly present.

### H. Compensation Committee:

#### Composition of the Compensation Committee:

The Compensation Committee was dissolved with effect from 28<sup>th</sup> July, 2021.

In terms of the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014, the Compensation Committee, since 1<sup>st</sup> April, 2021 till the date of dissolution of the said Committee, comprised of the following 3 (Three) Directors as Members:

Sr. No.	Name of the Member	Category
1	Mr. R. R. Govindan, Chairman of the Committee	Independent Director
2	Mr. Balram Singh Yadav	Non-Executive, Non-Independent Director
3	Mr. Vijay Kashinath Khot	Independent Director

#### Terms of Reference of the Compensation Committee:

The Compensation Committee looked after the granting of Options, conversion of Options, terms and conditions of grant of Options, eligibility of employees for Employees Stock Option, amendment to Employees Stock Option Plan / Scheme, etc. Since dissolution of the Compensation Committee, the said terms of reference are now taken care of by the Nomination and Remuneration Committee.

#### Meetings of the Compensation Committee:

There were no Meetings of the Compensation Committee held during the Financial Year 2021-22 till the date of its dissolution (i.e., 28<sup>th</sup> July, 2021).

### I. Managing Committee

#### Composition of the Managing Committee:

The Managing Committee, during the Financial Year 2021-22 and as on 31<sup>st</sup> March 2022, comprised of the following 3 (Three) Directors as Members:

Sr. No.	Name of the Member	Category
1	Mr. Balram Singh Yadav, Chairman of the Committee	Non-Executive, Non-Independent Director
2	Mr. Ashok V. Hiremath	Managing Director (*) (Non-Independent Director)
3	Mr. Rakesh Dogra (#)	Non-Executive, Non-Independent Director

(\*) Mr. Ashok Hiremath has ceased to be the "Managing Director" w.e.f. 1<sup>st</sup> April, 2022 and continues to be a "Non-Executive, Non-Independent Director" as on the date of this Report.

(#) Mr. Rakesh Dogra has resigned as a "Non-Executive, Non-Independent Director" w.e.f. 2<sup>nd</sup> May, 2022.

### Terms of Reference of the Managing Committee:

The terms of reference of the Managing Committee include handling of various administrative and other matters of the Company, which have been delegated to the Managing Committee by the Board of Directors from time to time.

#### J. Meeting of Independent Directors:

Pursuant to Regulation 17 of the Listing Regulations, not less than one-half of the composition of the Board of Directors as on 31<sup>st</sup> March, 2022 consists of Independent Directors. There were no changes in the Independent Directors of the Company during the Financial Year 2021-22.

The Board of Directors is of the opinion that all the Independent Directors of the Company satisfy the criteria for independence and the conditions specified in the Listing Regulations for appointment as Independent Directors and that they are independent of the Management of the Company.

During the year under review, 1 (One) Meeting of the Independent Directors was held on 30<sup>th</sup> April, 2021. All the Independent Directors were present at the Independent Directors' Meeting.

The Independent Directors, *inter alia*, discussed the following:

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

All Independent Directors of the Company are provided with the necessary documents, reports and internal policies to enable them to familiarize with the Company's procedures and practices.

Periodic presentations are made at the Meetings of the Board of Directors and of the Committees thereof, on business and performance updates of the Company, business strategy and risks involved. Quarterly updates on relevant statutory changes covering important applicable laws are discussed at the Meetings of the Board of Directors. Visits of Independent Directors to the Company's factory locations are also arranged as a part of the familiarization programmes.

The details of familiarization programmes for Independent Directors are hosted on the website of the Company, viz., [www.astecls.com](http://www.astecls.com) and available on the web link <http://www.astecls.com/listing-compliance.aspx>.

#### 4. Appointment, Remuneration and Performance Evaluation of Directors:

##### A. Policy for Selection and Appointment / Re-appointment of Directors:

The Nomination and Remuneration Committee has adopted a Policy which, *inter alia*, deals with the manner of selection or appointment of Directors on the Board, including the Managing Director and the Whole Time Director, if any, and their remuneration. This Policy is available on the website of the Company, viz., [www.astecls.com](http://www.astecls.com) and available on web link <http://www.astecls.com/codes-and-policies.aspx>.

The Nomination and Remuneration Committee is required to ensure that the candidate identified for appointment as a 'Director' is not disqualified for appointment under Section 164 of the Act and the applicable provisions of the Listing Regulations.

The Nomination and Remuneration Committee considers the following attributes / criteria, while recommending to the Board of Directors, the candidature for appointment as a 'Director':



- i. Qualification, knowledge, skills, expertise and experience possessed by the appointee;
- ii. Personal, professional or business standing of the appointee;
- iii. Capabilities identified by the Company which are possessed by the appointee;
- iv. Diversity of the Board.

In case of re-appointment of a Director, the Board also takes into consideration the performance evaluation of the Director.

**Criteria of Selection of Non-Executive and Independent Directors:**

- a. Non-Executive Directors shall be persons of high integrity, with relevant expertise and experience so as to have a diverse Board, with Directors having expertise in the fields of manufacturing, marketing, finance, taxation, law, governance and general management.
- b. In case of appointment of Independent Directors, the Nomination and Remuneration Committee shall satisfy itself with regard to the independence of the Directors vis-à-vis the Company so as to enable the Board to discharge its functions and duties effectively.
- c. In particular, an Independent Director shall be a person who shall:
  - i. uphold ethical standards of integrity and probity;
  - ii. act objectively and constructively while exercising his / her duties;
  - iii. exercise his / her responsibilities in a bona fide manner in the interest of the Company;
  - iv. devote sufficient time and attention to his / her professional obligations for informed and balanced decision-making;
  - v. not allow any extraneous considerations that will vitiate his / her exercise of objective independent judgment in the paramount interest of the Company as a whole, while concurring in or dissenting from the collective judgment of the Board of Directors in its decision-making;
  - vi. not abuse his / her position to the detriment of the Company or its

- Shareholders or for the purpose of gaining direct or indirect personal advantage or advantage for any associated person;
- vii. refrain from any action that would lead to loss of his / her independence;
- viii. where circumstances arise which make an Independent Director lose his / her independence, the Independent Director must immediately inform the Board accordingly;
- ix. assist the Company in implementing the best corporate governance practices.

**Criteria for Selection of Managing Director / Whole Time Director:**

For the purpose of selection of the Managing Director or Whole Time Director, the Nomination and Remuneration Committee shall identify persons of integrity who possess relevant qualifications, knowledge, skills, expertise, experience and leadership qualities required for the position and shall take into consideration the recommendation, if any, received from any Member of the Board. The Committee will also ensure that the appointee fulfils such other criteria with regard to age and other qualifications as laid down under the Act or any other applicable laws.

**B. Remuneration of Directors and Senior Management Personnel:**

**Policy for Determining Remuneration of Managing Director / Whole Time Director:**

The remuneration to the Managing Director or Whole Time Director comprises of a fixed salary and other perquisites, allowances, contribution to Provident Fund, Performance Linked Variable Remuneration, employee stock grants, Long Term Incentives etc. which are paid / allowed as per the Company's rules and policies prevailing from time to time. The remuneration paid is subject to tax as per the applicable Income Tax laws.

At the time of appointment or re-appointment, the Managing Director or Whole Time Director shall be paid such remuneration as may mutually be agreed between the Company (which includes the Nomination and Remuneration Committee and /

or the Board of Directors) and the Managing Director or Whole Time Director, within the overall limits prescribed under the Act. The remuneration shall be subject to the approval of the Shareholders of the Company.

In determining the remuneration, the Nomination and Remuneration Committee shall ensure / consider the following points:

- a. clarity in the relationship between remuneration and performance benchmarks;
- b. balance between fixed and incentive pay, reflecting short term and long term performance objectives, appropriate to the working of the Company and its goals;
- c. responsibility required to be shouldered by the Managing Director / Whole Time Director, the industry benchmarks and the current trends.

#### **Policy for Determining Remuneration of Non-Executive Directors:**

Non-Executive, Independent Directors are entitled to receive remuneration by way of sitting fees for attending the Meetings of the Board of Directors and Committees thereof, of such sums as may be approved by the Board of Directors, within the overall limits prescribed under the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

Non-Executive Directors shall also be allowed reimbursement of expenses for participation in the Board / Committee Meetings.

Further, the Nomination and Remuneration Committee may recommend to the Board of Directors, payment of commission to Directors, to reinforce the principles of collective responsibility of the Board. In determining the quantum of commission, the Committee shall take into consideration, the overall performance of the Company and the onerous responsibilities required to be shouldered by the Directors.

#### **Policy for Determining Remuneration of Senior Management Employees:**

In determining the remuneration of the Senior Management Employees (i.e., the Key Managerial Personnel and other Senior Management Employees), the Nomination and Remuneration Committee shall ensure / consider the following:

- a. clarity in the relationship between remuneration and performance benchmarks;
- b. balance between fixed and incentive pay, reflecting short term and long term performance objectives, appropriate to the working of the Company and its goals;
- c. division of remuneration between two components, viz., fixed component comprising of salaries, perquisites and retirement benefits and variable component comprising of performance bonus and long term incentives;
- d. remuneration and annual increment to be decided based on the criticality of the roles and responsibilities, the Company's performance vis-à-vis the annual budget achievement, individual's performance, industry benchmark and current compensation trends in the market.

The Managing Director or the Whole Time Director shall ensure that an individual performance review of the Key Managerial Personnel and the Senior Management Employees is carried out, based on the standard appraisal matrix and shall take into account, the appraisal score and other factors mentioned hereinabove, whilst recommending the annual increment and performance incentive or any long-term incentive to the Nomination and Remuneration Committee for its review and approval.



**C. Terms of Appointment of Mr. Anurag Roy, Whole Time Director & Chief Executive Officer (appointed w.e.f. 28<sup>th</sup> July, 2021):**

Particulars	Terms of Appointment
Period of Appointment	3 (Three) years w.e.f. 28 <sup>th</sup> July, 2021, i.e., upto 27 <sup>th</sup> July, 2024
Basic Salary	In the range of ₹ 6,50,000/- (Rupees Six Lakh Fifty Thousand Only) to ₹9,00,000/- (Rupees Nine Lakh Only) per month, with such increment(s) each year, as may be decided by the Nomination and Remuneration Committee and/or the Board of Directors
Other benefits, perquisites and allowances	As may be determined by the Nomination and Remuneration Committee and/or the Board of Directors, from time to time, as per the Rules of the Company
Bonus / performance linked incentives	Based on performance criteria laid down by the Board of Directors and/or the Nomination and Remuneration Committee
Long Term Incentives	Based on performance criteria laid down by the Board of Directors and/or the Nomination and Remuneration Committee
Contribution to Provident Fund and Gratuity Fund	As per the Rules of the Company
Notice period, if any	3 (Three) months
Service contract	Agreement executed by and between the Company and Mr. Anurag Roy
Minimum Remuneration	Where in any Financial Year during the currency of the tenure of Mr. Anurag Roy, the Company has no profits or its profits are inadequate, the Company will pay remuneration by way of salary, perquisites and allowances, including variable pay and Long Term Incentives (LTI) as specified above, subject to compliance with the applicable provisions of Schedule V to the Companies Act, 2013, if and to the extent necessary, subject to requisite approvals being obtained.

**D. Remuneration of Managing Director, Whole Time Directors and Non-Executive Directors during the Financial Year 2021-22:**
**Remuneration paid to Managing Director and Whole Time Directors:**

(₹ in lakh)

Name of the Director	Gross Earnings	Perquisites	Employee Stock Options	Gratuity	Total
Mr. Ashok V. Hiremath, Managing Director (*)	251.75	0.21	-	2.22	254.18
Mr. Anurag Roy, Whole Time Director & Chief Executive Officer (^)	153.80	-	-	3.85	157.65
Mr. Arijit Mukherjee, Whole Time Director (#)	49.74	-	-	0.50	50.24
<b>TOTAL</b>	<b>455.29</b>	<b>0.21</b>	<b>-</b>	<b>6.57</b>	<b>462.07</b>

(\*) Mr. Ashok Hiremath has ceased to be the “Managing Director” w.e.f. 1<sup>st</sup> April, 2022 and continues to be a “Non-Executive, Non-Independent Director” as on the date of this Report.

(^) Mr. Anurag Roy has been appointed as the “Whole Time Director & Chief Executive Officer” w.e.f. 28<sup>th</sup> July, 2021. On 30<sup>th</sup> October, 2021, he has been granted 3,316 (Three Thousand Three Hundred and Sixteen) stock options, exercisable at an exercise price of ₹10/- (Rupees Ten Only) per option [which entitles him to 1 (One) Equity Share], which shall vest over a period of 3 (Three) years.

(#) Mr. Arijit Mukherjee resigned as the “Whole Time Director” w.e.f. 28<sup>th</sup> July, 2021, while continuing to be the “Chief Operating Officer”. Therefore, the figures above are pertaining to his remuneration only till 28<sup>th</sup> July, 2021.

**Remuneration paid to Non-Executive Directors:**

All Non-Executive, Independent Directors were paid sitting fees for attending the Meetings of the Board of Directors and Committees thereof during the Financial Year 2021-22, as follows:

Name of the Independent Director	Sitting Fees (Amount in ₹)
Dr. Brahma Nand Vyas	7,00,000
Mr. Vijay Kashinath Khot	6,50,000
Mr. R. R. Govindan	9,50,000
Mr. Nandkumar Dhekne	4,00,000
Ms. Anjali Rajesh Gupte	4,00,000
<b>Total</b>	<b>31,00,000</b>

No Commission was paid to Directors during the Financial Year 2021-22.

**5. General Meetings and Postal Ballot:****A) Details of preceding 3 (Three) Annual General Meetings (AGMs):**

The date, time and venue of Annual General Meetings held during the preceding 3 (Three) Financial Years and the Special Resolution(s) passed thereat are as follows:

Financial Year	Venue	Date and Day	Time	Special Resolutions passed
2018-19	“Auditorium”, Godrej One, Pirojshanagar, Eastern Express Highway, Vikhroli (East), Mumbai – 400 079, Maharashtra	26 <sup>th</sup> July, 2019 (Friday)	3.30 p.m.	<ol style="list-style-type: none"> <li>To approve re-appointment of Mr. Ashok V. Hiremath, Managing Director of the Company for a period of 1 (One) year from 1<sup>st</sup> April, 2019 upto 31<sup>st</sup> March, 2020, upon recommendation of the Nomination and Remuneration Committee;</li> <li>To approve re-appointment of Mr. Arijit Mukherjee, Whole Time Director of the Company for a period of 3 (Three) years from 4<sup>th</sup> May, 2019 upto 3<sup>rd</sup> May, 2022, upon recommendation of the Nomination and Remuneration Committee.</li> </ol>
2019-20	Through Video Conferencing (VC)	22 <sup>nd</sup> July, 2020 (Wednesday)	4.00 p.m.	<ol style="list-style-type: none"> <li>To approve re-appointment of Mr. Ashok V. Hiremath, Managing Director of the Company for a period of 2 (Two) years from 1<sup>st</sup> April, 2020 upto 31<sup>st</sup> March, 2022, upon recommendation of the Nomination and Remuneration Committee;</li> <li>To approve re-appointment of Mr. Vijay Kashinath Khot, Independent Director of the Company for a second term of 5 (Five) years from 29<sup>th</sup> January, 2021 upto 28<sup>th</sup> January, 2026, upon recommendation of the Nomination and Remuneration Committee;</li> </ol>



3. To approve re-appointment of Dr. Brahma Nand Vyas, Independent Director of the Company for a second term of 5 (Five) years from 29<sup>th</sup> January, 2021 upto 28<sup>th</sup> January, 2026, upon recommendation of the Nomination and Remuneration Committee.

2020-21	Through Video Conferencing (VC)	28 <sup>th</sup> July, 2021 (Wednesday)	4.00 p.m.	-
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**B) Details of Special Resolutions passed at the Extra-Ordinary General Meetings (EGM) in the last 3 (Three) years:**

No Extra-Ordinary General Meetings were held during the last 3 (Three) Financial Years.

**C) Postal Ballot and Procedure thereof:**

During the Financial Year 2021-22, pursuant to the provisions of Section 110 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules 2014, Special Resolutions were passed by Shareholders through Postal Ballot, on 26<sup>th</sup> September, 2021.

The Notice of Postal Ballot was sent by e-mail to all the Shareholders having their e-mail addresses

registered and notice thereof was published in the newspapers. The Notice of Postal Ballot was also made available on the websites of the Company, the Stock Exchanges where the Equity Shares of the Company are listed (BSE Limited and the National Stock Exchange of India Limited) and National Securities Depository Limited (“NSDL”). E-voting facility was provided through NSDL to the eligible Shareholders, in order to enable them to cast their votes electronically.

Mr. Vikas R. Chomal, Practicing Company Secretary (Certificate of Practice No. 12133), was appointed as the ‘Scrutinizer’ for the Postal Ballot, who submitted the report to Mr. Ashok Hiremath, former Managing Director. The details of the Postal Ballot results are given below:

Date of Announcement of Result	Type of Resolution	Item	Total No. of Votes polled	% of Votes in Favour	% of Votes Against
27 <sup>th</sup> September, 2021	Special	Approval of Amendment to Employees Stock Option Scheme, 2012	1,45,22,567	93.46	6.54
	Ordinary	Appointment of Mr. Anurag Roy as a “Director” of the Company	1,45,27,567	99.99	0.01
	Special	Appointment of Mr. Anurag Roy as a “Whole-Time Director” of the Company	1,45,27,567	99.95	0.05

The procedure which is adopted by the Company whenever such resolutions are passed by Postal Ballot is as follows:

- i. The Board of Directors, at its Meeting, approves the items to be passed through Postal Ballot and authorizes one of the Directors and the Company Secretary to be responsible for the entire process of Postal Ballot.
- ii. A professional such as a Chartered Accountant / Company Secretary, who is not in employment of the Company, is appointed as the Scrutinizer for the poll process.
- iii. Notice of Postal Ballot is sent to the Shareholders. E-voting facility is also offered to eligible Shareholders to enable them to cast their votes electronically.
- iv. An advertisement is published in a national newspaper and a vernacular newspaper about the dispatch of Notice of Postal Ballot.
- v. Upon completion of voting, the Scrutinizer gives his / her report and the results of the Postal Ballot are announced.
- vi. The results are intimated to the Stock Exchanges and are hosted on the Company's website, [www.astecls.com](http://www.astecls.com).

## 6. Disclosures:

### A) Material Related Party Transactions:

All transactions entered into with Related Parties as defined under the Act and the Listing Regulations during the Financial Year 2021-22 were in the ordinary course of business and at arm's length price.

In the preparation of the Financial Statements, your Company has adopted accounting policies which are in line with the Indian Accounting Standards notified under Section 133 of the Act, read together with the Companies (Indian Accounting Standards) Rules, 2015. The significant accounting policies, which are consistently applied, have been set out in the Notes to the Accounts. Suitable disclosure as required by the Indian Accounting Standards (Ind-AS 24) has been made in the Notes to the Financial Statements.

Attention of the Shareholders is drawn to the disclosure of transactions with Related Parties set out in Note No. 51 of the Standalone Financial Statements, forming a part of the Annual Report.

None of the transactions with any of the Related Parties during the Financial Year 2021-22 were in conflict with the interest of the Company.

The Company's major Related Party Transactions are with Godrej Agrovet Limited, its Promoter and Holding Company. The Related Party Transactions are entered into based on considerations of various business exigencies, such as synergy in operations and the Company's long term strategy.

All Related Party Transactions are on arm's length basis and are intended to further the Company's interests.

Except for drawing remuneration by the Directors in whole-time employment of the Company and payment of sitting fees to Independent Directors, none of the Directors have any other material significant Related Party Transactions, pecuniary or business relationship with the Company.

Your Company has formulated a Policy on Materiality and Dealing with Related Party Transactions which specifies the manner of dealing with Related Party Transactions. This Policy has been put up on the website of the Company, viz., [www.astecls.com](http://www.astecls.com) and available on web link <http://www.astecls.com/codes-and-policies.aspx>.

### B) Vigil Mechanism / Whistle Blower Policy:

Your Company promotes and creates a conducive environment for ethical and legally compliant behaviour in all its business activities and has put in place a mechanism of reporting illegal, unethical behaviour and actual or suspected fraud or violations of the Company's Code of Conduct.

The Company has a Vigil Mechanism / Whistle Blower Policy in place, wherein the employees are free to report violations of laws, rules, regulations or unethical conduct to the Whistle Blowing Officer of the Company. No personnel / employees of the Company have been denied access to the Audit Committee of the Company. The confidentiality of the

reported violations, if any, is maintained and the employees reporting violations are not subjected to any discriminatory practice.

Vigil Mechanism / Whistle Blower Policy is posted on the website of your Company, viz., [www.astecls.com](http://www.astecls.com) and available on web link <http://www.astecls.com/codes-and-policies.aspx>.

**C) Policy for Prevention of Sexual Harassment at Workplace:**

Your Company is committed to creating and maintaining an atmosphere in which employees can

work together, without fear of sexual harassment, exploitation or intimidation. Every employee is made aware that the Company is strongly opposed to sexual harassment and that such behaviour is prohibited. Your Company has constituted an Internal Complaints Committee (“ICC”) pursuant to the provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (“the said Act”). While the said Act is applicable only to the women employees, your Company’s Policy covers all employees.

The details of complaints with the ICC during the Financial Year 2021-22 are as follows:

Particulars	No. of Complaints
Complaints outstanding as on 1 <sup>st</sup> April, 2021	0
(+) Complaints received during the Financial Year 2021-22	0
(-) Complaints resolved during the Financial Year 2021-22	0
Complaints outstanding as on 31 <sup>st</sup> March, 2022	0

The Company has complied with the applicable provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules framed thereunder.

**D) Details of Non-compliance on Matters related to Capital Markets:**

There has not been any non-compliance by the Company and no penalties or strictures were imposed on the Company by the Stock Exchange(s) or the Securities and Exchange Board of India (SEBI) or any statutory authority, on any matter related to capital markets, during the last 3 (Three) years.

**E) Details of Utilization of Funds raised through Preferential Allotment or Qualified Institutions Placement as specified under Regulation 32 (7A) of the Listing Regulations:**

During the Financial Year (F.Y.) 2021-22, the Company has not raised funds through any kind of issue (public issue, rights issue, preferential issue, etc.).

**F) Certificate from a Company Secretary in Practice 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 (SEBI) / Ministry of**

**Corporate Affairs (MCA) or any such Statutory Authority:**

Pursuant to the provisions of Regulation 34(3) read with Schedule V of the Listing Regulations, the Company has obtained a Certificate from Mr. Vikas R. Chomal, a Company Secretary in Practice certifying that none of the Directors of the Company have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India (SEBI) or by the Ministry of Corporate Affairs (MCA) or by any such statutory authority. The said Certificate is annexed to this Corporate Governance Report.

**G) Disclosure about instances where the Board had not accepted any recommendation of any Committee of the Board which is mandatorily required, during the Financial Year 2021-22:**

During the Financial Year (F.Y.) 2021-22, there were no instances reported / recorded, where the Board of Directors of the Company did not accept any recommendation(s) of any of its Committees.

**H) Total fees for all services paid by the Company and its subsidiaries, on a consolidated basis, to the Statutory Auditors and all entities in the network firm/network entity of which the Statutory Auditors are a part:**

The Company has made the following payments to M/s. B S R and Co. LLP, Chartered Accountants, the Statutory Auditors of the Company during the Financial Year 2021-22:

Nature of Fees / Payment	Amount in ₹
Audit Fees	20,15,000
Certification Fees	84,500
Reimbursement of Expenses	5,383
<b>TOTAL</b>	<b>21,04,883</b>

Behram Chemicals Private Limited, a subsidiary of your Company, has made payment of ₹29,500/- towards Audit Fees to M/s. Shah and Kathariya, Chartered Accountants, its Statutory Auditors, during the Financial Year 2021-22.

**I) Disclosure by the Company and its subsidiaries of Loans and Advances in the nature of Loans to firms / companies in which Directors are interested:**

During the Financial Year 2021-22, neither the Company nor its subsidiaries have given any loans and advances which are in the nature of loans, to any firms / companies in which Directors are interested.

**J) Disclosure of Commodity Price Risk / Foreign Exchange Risk and Hedging Activities:**

During the Financial Year 2021-22, the Company has managed Foreign Exchange Risk and hedged to the extent considered necessary. Net open exposures are reviewed regularly and covered through Forward Contracts. The details of Foreign Currency exposure are disclosed in Note No. 40.4 to the Standalone Financial Statements. Further, raw material price risk is one of the risks for the Company. Your Company has a framework and governance mechanism in place to ensure that the Company is adequately protected from the market volatility in terms of raw material price and availability. The Company does not enter into any derivative instruments for speculative purposes.

**K) Risk Management:**

Your Company continuously monitors business and operational risks. All key functions and divisions are independently responsible to monitor risks

associated within their respective areas of operations such as production, insurance, legal and other issues like health, safety and environment.

Your Company has formulated Risk Management Policy for identification of risks. The same is made available on the website of your Company, viz., [www.astecls.com](http://www.astecls.com). The Policy can be accessed through the web link <http://www.astecls.com/codes-and-policies.aspx>.

The Risk Management Committee meets at least 2 (Two) times in a year, to ensure that appropriate methodologies, processes and systems are in place to monitor and evaluate risks associated with the business of the Company and also to monitor and oversee the implementation of the Risk Management Policy.

The Board of Directors of your Company is of the opinion that, at present, there are no elements of risks which may threaten the existence of your Company.

**L) Code of Conduct:**

The Code of Conduct for the Board of Directors and the Senior Management Personnel has been disclosed on the website of your Company, viz., [www.astecls.com](http://www.astecls.com). The web link to access the Code of Conduct is <http://www.astecls.com/codes-and-policies.aspx>. The declaration by Mr. Anurag Roy, Whole Time Director & Chief Executive Officer stating that all the Board Members and Senior Management Personnel have affirmed their



compliance with the laid down Code of Conduct for the Financial Year ended 31<sup>st</sup> March, 2022, is annexed to this Corporate Governance Report.

**M) Disclosures by the Management to the Board of Directors:**

Your Company had received disclosures from all the Senior Management Personnel stating that none of them had any personal interest in any of the financial and commercial transactions entered into by the Company during the Financial Year 2021-22.

Interested Directors, if any, neither participate in discussions, nor do they vote on such matters at the Meetings of the Board of Directors or of Committees thereof.

**N) Public, Rights and Other Issues:**

There were no Public, Rights and other issues during the Financial Year 2021-22, except allotment of Equity Shares as follows:

- (a) 2,500 (Two Thousand Five Hundred) Equity Shares of Face Value of ₹10/- (Rupees Ten Only) each, upon exercise of options at an exercise price of ₹ 34/- (Rupees Thirty Four Only) each under Employees Stock Option Plan, 2012 (ESOP 2012); and
- (b) 7,500 (Seven Thousand Five Hundred) Equity Shares of Face Value of ₹10/- (Rupees Ten Only) each, upon exercise of options, at an exercise price of ₹ 387.35 (Rupees Three Hundred Eighty Seven and Paise Thirty Five Only) each under Employees Stock Option Scheme, 2015 (ESOS 2015).

**O) CEO and CFO Certification:**

Mr. Anurag Roy, Whole Time Director & Chief Executive Officer and Mr. Saurav Bhala, Chief Financial Officer, have issued the Certificate in accordance with Regulation 17(8) of the Listing Regulations with regard to Quarterly and Annual Financial Statements for the Financial Year ended 31<sup>st</sup> March, 2022.

**P) Management Discussion and Analysis Report:**

The Management Discussion and Analysis Report for the Financial Year 2021-22 forms a part of the Annual Report.

**Q) Disclosure of Accounting Treatment in Preparation of Financial Statements:**

The Financial Statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles (GAAP) in India and comply with the Indian Accounting Standards (Ind-AS) specified under Section 133 of the Act.

**R) Compliance Certificate on Corporate Governance:**

As per Regulation 34 of the Listing Regulations, the Certificate issued by M/s. BNP and Associates, Company Secretaries (who are also the Secretarial Auditors of the Company), regarding compliance with the conditions of Corporate Governance for the Financial Year 2021-22 is annexed to this Corporate Governance Report.

**S) Shareholders and Means of Communication:**

All vital information relating to the Company and its performance, including Quarterly and Annual Financial Results, official press releases are posted on the website of the Company, viz., [www.astecls.com](http://www.astecls.com). The Quarterly and Annual Financial Results of the Company's performance are published in English daily newspaper 'Business Standard' and regional language daily newspaper 'Mumbai Lakshadeep'. The Financial Results of the Company are also available on the websites of BSE Limited and National Stock Exchange of India Limited, viz., [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com), respectively, being the Stock Exchanges where the Equity Shares of the Company are listed.

The Company files electronically the Quarterly and Annual Financial Results, Corporate Governance Report, Shareholding Pattern, etc. through BSE Listing Centre and NSE Electronic Application Processing System (NEAPS) and/or NSE Digital Portal.

During the Financial Year 2021-22, the Financial Results of the Company were announced as under:

Quarter	Date of Announcement on the Stock Exchanges	Date of Newspaper Publication
First Quarter	28 <sup>th</sup> July, 2021	29 <sup>th</sup> July, 2021
Half Year	27 <sup>th</sup> October, 2021	28 <sup>th</sup> October, 2021
Third Quarter	25 <sup>th</sup> January, 2022	26 <sup>th</sup> January, 2022
Annual	2 <sup>nd</sup> May, 2022	3 <sup>rd</sup> May, 2022

## 7. General Shareholder Information:

### i. Registered Office:

“Godrej One”, 3<sup>rd</sup> Floor, Pirojshanagar, Eastern Express Highway, Vikhroli (East), Mumbai – 400 079, Maharashtra, India

### ii. 28<sup>th</sup> (Twenty Eighth) Annual General Meeting:

Date	Day	Time	Venue
25 <sup>th</sup> July, 2022	Monday	4.00 p.m. (IST)	Through Video Conferencing (VC) / Other Audio Visual Means (OAVM)

### iii. Financial Year:

Financial Year: From 1<sup>st</sup> April to 31<sup>st</sup> March

### iv. Book Closure Dates and Dividend Payment Date:

The Book Closure Dates are as under:

**From Thursday, 21<sup>st</sup> July, 2022 to Sunday, 24<sup>th</sup> July, 2022 (both days inclusive)**

The Final Dividend for the Financial Year 2021-22, if declared by the Shareholders at the ensuing 28<sup>th</sup> (Twenty Eighth) Annual General Meeting, will be paid by Friday, 29<sup>th</sup> July, 2022.

### v. Corporate Identification Number (CIN):

The Company's CIN, allotted by the Ministry of Corporate Affairs is L99999MH1994PLC076236. The Company is registered with the Registrar of Companies (ROC) - Mumbai in the State of Maharashtra, India.

### vi. Listing Information and Payment of Listing Fees:

Your Company's Equity Shares are listed on the BSE Limited (“BSE”) and the National Stock Exchange of India Limited (“NSE”).

Name of Stock Exchange	Stock Code
<b>BSE Limited (BSE)</b> P. J. Towers, Dalal Street, Fort, Mumbai – 400 001, Maharashtra	533138
<b>National Stock Exchange of India Limited (NSE)</b> Exchange Plaza, Bandra Kurla Complex, Bandra (East), Mumbai – 400 051, Maharashtra	ASTEC

The Company has paid the Annual Listing Fees to BSE and NSE.

### vii. Payment of Depository Fees:

The ISIN Number of the Company for both National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) is INE563J01010.



Annual Custody / Issuer Fee for the Financial Year 2021-22 has been paid by the Company to National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).

**viii. Stock Data:**

The stock data pertaining to trading of Equity Shares of the Company on BSE Limited (“BSE”) and the National Stock Exchange of India Limited (“NSE”) is as follows:

- Tables 1 and 2 below, respectively give the monthly high and low prices and volumes of Equity Shares of the Company at BSE and NSE for the Financial Year ended 31<sup>st</sup> March, 2022.
- Chart A below, compares the Company’s share price at the BSE versus the Sensex and Chart B below, compares the Company’s share price at the NSE versus NSE Nifty 50.
- Tables 3 and 4 below respectively give the distribution of shareholding by size and by ownership as on 31<sup>st</sup> March, 2022.

**Table 1: Monthly High and Low Prices and Trading Volumes of Equity Shares of the Company at BSE for the Financial Year ended 31<sup>st</sup> March, 2022:**

Month	High (in ₹)	Low (in ₹)	Volume (No. of Shares)
April 2021	1,192.00	1,004.05	77,802
May 2021	1,528.00	1,061.00	4,37,427
June 2021	1,454.80	1,265.05	72,635
July 2021	1,488.05	1,325.00	1,68,245
August 2021	1,408.75	1,243.05	92,132
September 2021	1,421.65	1,262.00	30,090
October 2021	1,321.00	1,113.00	51,031
November 2021	1,420.00	1,231.50	47,420
December 2021	1,625.45	1,314.25	92,723
January 2022	1,820.20	1,430.15	92,391
February 2022	1,842.65	1,276.15	1,36,051
March 2022	1,858.95	1,430.00	53,143

**Table 2: Monthly High and Low Prices and Trading Volumes of Equity Shares of the Company at NSE for the Financial Year ended 31<sup>st</sup> March, 2022:**

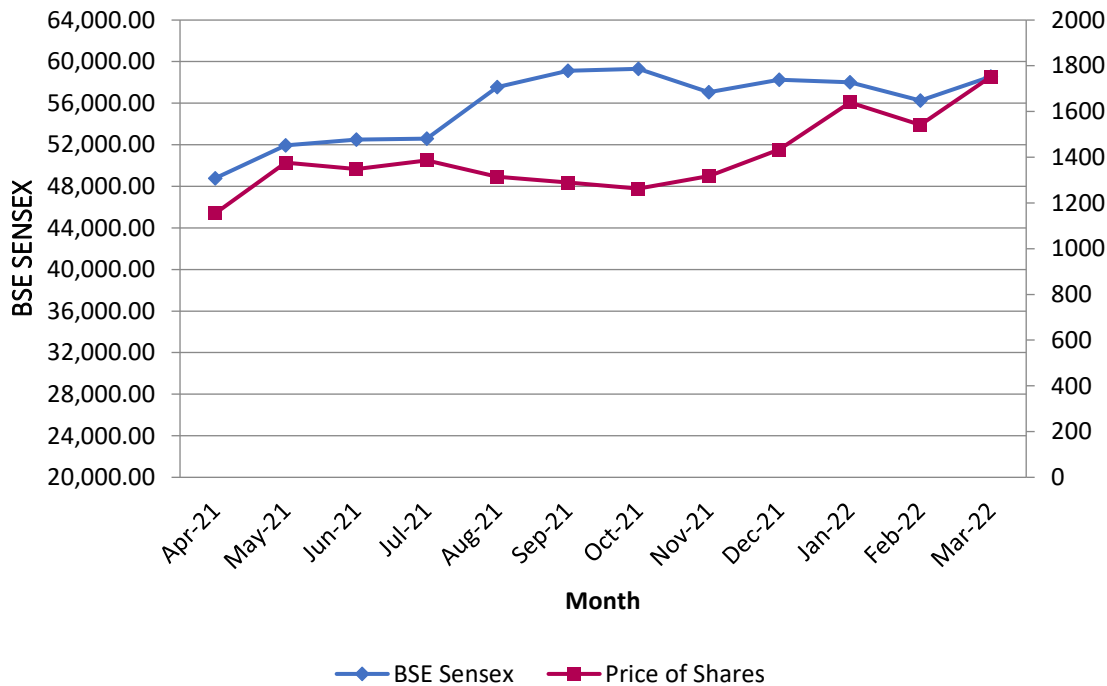
Month	High (in ₹)	Low (in ₹)	Volume (No. of Shares)
April 2021	1,194.95	998.25	7,21,771
May 2021	1,530.00	1,060.00	21,19,652
June 2021	1,455.50	1,264.90	6,91,791
July 2021	1,487.00	1,322.70	10,24,277
August 2021	1,408.00	1,241.95	6,00,325
September 2021	1,421.00	1,260.00	3,30,754
October 2021	1,321.00	1,115.05	3,09,834
November 2021	1,424.75	1,229.90	3,35,666
December 2021	1,629.25	1,308.60	11,36,798
January 2022	1,824.90	1,435.00	11,26,030
February 2022	1,844.00	1,275.05	8,53,864
March 2022	1,856.60	1,431.00	5,61,401

The tables showing the performance of the Share Price of the Company in comparison with the broad-based indices (BSE Sensex and Nifty) are as under:

**Chart A – Company’s Share Performance compared to BSE Sensex for the Financial Year 2021-22:**

Month	ASTEC Monthly Close Price on BSE	BSE Monthly Sensex Close
April 2021	1,154.55	48,782.36
May 2021	1,376.30	51,937.44
June 2021	1,347.70	52,482.71
July 2021	1,386.40	52,586.84
August 2021	1,314.40	57,552.39
September 2021	1,289.60	59,126.36
October 2021	1,263.00	59,306.93
November 2021	1,316.85	57,064.87
December 2021	1,434.20	58,253.82
January 2022	1,639.45	58,014.17
February 2022	1,541.20	56,247.28
March 2022	1,752.45	58,568.51

**Monthly Close Share Price in comparison with BSE Sensex**

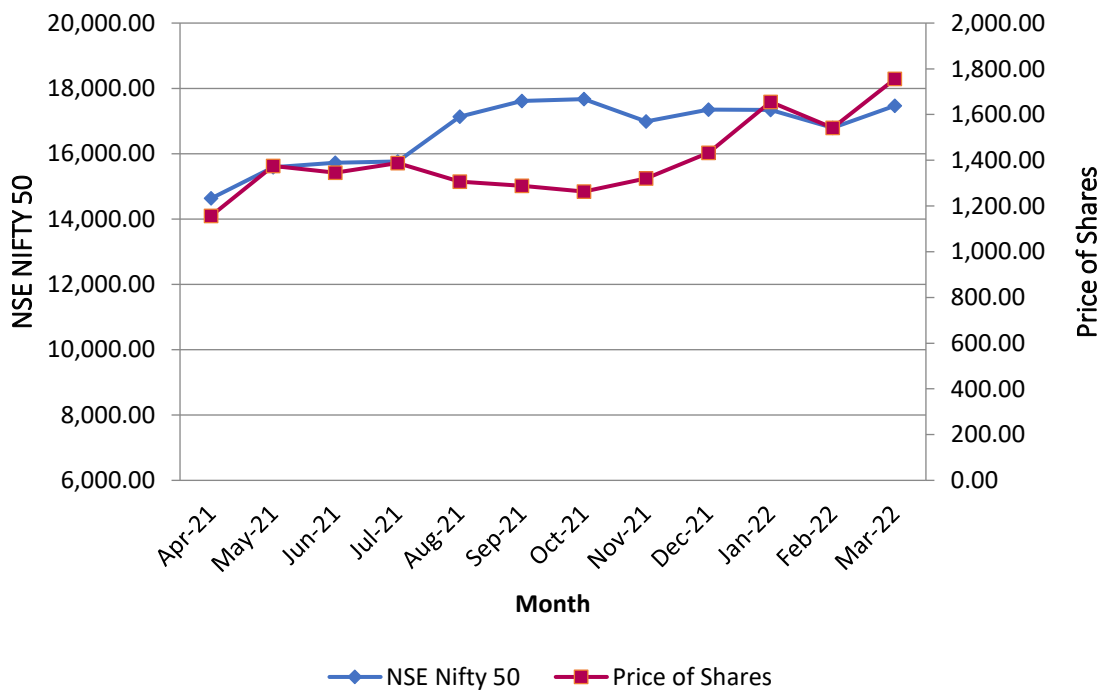




**CHART B – Company’s Share Performance compared to NSE Nifty 50 for the Financial Year 2021-22:**

Month	ASTEC Monthly Close Price on NSE	NSE Nifty 50 Monthly Close
April 2021	1,156.65	14,631.10
May 2021	1,375.35	15,582.80
June 2021	1,345.65	15,721.50
July 2021	1,388.20	15,763.05
August 2021	1,306.95	17,132.20
September 2021	1,287.75	17,618.15
October 2021	1,262.75	17,671.65
November 2021	1,320.25	16,983.20
December 2021	1,432.35	17,354.05
January 2022	1,655.40	17,339.85
February 2022	1,542.25	16,793.90
March 2022	1,755.25	17,464.75

**Monthly Close Share Price in comparison with NSE Nifty 50**



**Table 3: Distribution of Shareholding by Size as on 31<sup>st</sup> March, 2022:**

Distribution of Shareholding (No. of Shares held)	Number of Shareholders	Percentage to the Total Number of Shareholders	Paid-up Share Capital held (In ₹)	Shareholding %
1-500	16,524	95.81	96,10,060	4.90
501-1000	334	1.94	26,29,360	1.34
1001-2000	179	1.04	26,14,970	1.33
2001-3000	53	0.31	13,06,480	0.67
3001-4000	41	0.24	14,76,280	0.75
4001-5000	22	0.13	10,17,200	0.52
5001-10000	34	0.20	25,88,650	1.32
10001 and above	59	0.34	17,47,32,550	89.16
<b>Total</b>	<b>17,246</b>	<b>100.00</b>	<b>19,59,75,550</b>	<b>100.00</b>

**Table 4: Distribution of Shareholding by Ownership as on 31<sup>st</sup> March, 2022:**

Category (as being reported to Stock Exchanges)	No. of Equity Shares	% of Shareholding
<b>Promoters' Holding</b>		
Individual Promoter (Mr. Ashok V. Hiremath)	3,90,802	1.99
Corporate Body(ies) (Godrej Agrovet Limited)	1,24,04,016	63.29
<b>Institutions</b>		
Mutual Funds	16,66,442	8.50
Financial Institutions / Banks	300	0.00
Alternate Investment Funds	2,73,369	1.39
Insurance Companies	5,21,023	2.66
Foreign Portfolio Investors	62,820	0.32
<b>Others</b>		
Corporate Bodies	4,20,389	2.15
Hindu Undivided Family	1,95,969	1.00
Resident Individuals	34,20,824	17.46
Non-Resident Indians	1,92,284	0.98
Clearing Members	35,790	0.18
Trusts	1,778	0.01
Government Company (IEPF)	3,390	0.02
<b>Total</b>	<b>19,59,75,550</b>	<b>100.00</b>

Note: The details given above are as per BENPOS received from Bigshare Services Private Limited, Registrar and Share Transfer Agent as on 31<sup>st</sup> March, 2022.

#### ix. Shares held in Physical and Dematerialized Form:

As on 31<sup>st</sup> March, 2022, the break-up of Paid-up Equity Share Capital of the Company held in dematerialized or physical form (as per BENPOS received from Bigshare Services Private Limited, Registrar and Share Transfer Agent) is as under:

Mode	No. of Equity Shares	Percentage
Demat shares with National Securities Depository Limited (NSDL)	1,83,25,389	93.51
Demat shares with Central Depository Services (India) Limited (CDSL)	12,72,160	6.49
Shares held in Physical mode	6	0.00
<b>Total</b>	<b>1,95,97,555</b>	<b>100.00</b>

**x. Liquidity:**

Higher trading activity is witnessed on National Stock Exchange of India Limited (NSE).

The relevant data for the daily turnover on Stock Exchanges for the Financial Year 2021-22 is given below:

Particulars	BSE	NSE	Total
Equity Shares (Nos.)	13,51,090	98,12,163	1,11,63,253
Value (in ₹ Lakh)	18,711.26	1,40,565.54	1,59,276.79

**xi. Corporate Benefits to Investors:**

The details of Dividend declared by your Company for the last 10 (Ten) years is as under:

Financial Year	Dividend Declaration Date	Final Dividend Per Equity Share (in ₹)
2020-21	28.07.2021	1.50
2019-20	22.07.2020	1.50
2018-19	26.07.2019	1.50
2017-18	01.08.2018	1.50
2016-17	28.07.2017	1.50
2015-16	-	-
2014-15	22.09.2015	1.25
2013-14	23.09.2014	1.00
2012-13	17.09.2013	0.75
2011-12	25.09.2012	0.50
2010-11	23.09.2011	0.50

**Note:** Final Dividend of ₹1.50 (Rupee One and Paise Fifty Only) per Equity Share of Face Value of ₹10/- (Rupees Ten Only) each is recommended by the Board of Directors at its Meeting held on 2nd May, 2022 and is subject to declaration by the Shareholders at the ensuing 28<sup>th</sup> (Twenty Eighth) Annual General Meeting of the Company scheduled to be held on Monday, 25<sup>th</sup> July, 2022.

**xii. Compliance with Secretarial Standards:**

The Institute of Company Secretaries of India (ICSI), a statutory body, has issued Secretarial Standards on various aspects of corporate law and practices. The Company has complied with the applicable Secretarial Standards.

**xiii. Reconciliation of Share Capital Audit Report:**

As stipulated by the Securities and Exchange Board of India (SEBI), a qualified Practicing Company Secretary carries out Secretarial Audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. This Audit is carried out every Quarter and Report thereon is submitted to the Stock Exchange(s) where the Equity Shares of the Company are listed. The Audit confirms that the total listed and paid-up capital is in agreement with the aggregate of the total number of shares in dematerialized form (held with NSDL and CDSL) and the total number of shares in physical form, as stated in the Reconciliation Share Capital Audit Reports submitted to the Stock Exchanges during the Financial Year 2021-22.

**xiv. Outstanding GDRs / ADRs / Warrants or any Convertible Instruments and their Impact on Equity:**

The Company does not have any outstanding GDRs / ADRs / warrants / convertible instruments.

**xv. Registrar and Share Transfer Agents and Share Transfer System:**

Share transfer is effected within a maximum period of 30 (thirty) days from the date of receipt, subject to documents being valid and complete in all respects. The Board has delegated the authority for approving transfer, transmission, etc. of the Company's shares to the Company Secretary / Authorised Representatives of Bigshare Services Private Limited, Registrar and Share Transfer Agent ("Bigshare"). A summary of transfer / transmission of shares of the Company so approved by the Company Secretary / Authorised Representatives of Bigshare is placed at the Stakeholders' Relationship Committee Meeting.

Moreover, the Company obtains from a Company Secretary in Practice, a Half Yearly Certificate to the effect that all certificates have been issued within 30 (thirty) days of the date of lodgement of the transfer, sub-division, consolidation and renewal, as required under Regulation 40(9) of the Listing Regulations and files a copy of the said certificate with the Stock Exchanges where the Company's shares are listed.

The contact details of Bigshare Services Private Limited, the Company's Registrar and Share Transfer Agents are as under:

**Bigshare Services Private Limited**

Office No S6-2, 6<sup>th</sup> Floor, Pinnacle Business Park,  
Next to Ahura Centre,  
Mahakali Caves Road,  
Andheri (East), Mumbai – 400 093  
Tel. No.: 022 – 6263 8200  
Fax No.: 022 – 6263 8299  
Website: [www.bigshareonline.com](http://www.bigshareonline.com)  
E-mail: [investor@bigshareonline.com](mailto:investor@bigshareonline.com)

**xvi. Credit Ratings:**

Your Company continues to manage its treasury operations efficiently and has been able to borrow funds for its operations at competitive rates.

As on 31<sup>st</sup> March, 2022, ICRA Limited has assigned Credit Ratings in respect of ₹57,400 Lakh of Line of Credit (LOC) and ₹30,000 Lakh of Commercial Paper Programme availed by the Company, as under:

- a) Long term rating at "[ICRA] AA-" (pronounced "ICRA double A minus")
- b) Short term rating at "[ICRA] A1+" (pronounced "ICRA A one plus")
- c) Commercial Paper Programme at "[ICRA] A1+" (pronounced "ICRA A one plus")

In accordance with the Credit Rating assigned to the Commercial Paper Programme of your Company as above, the Board of Directors has granted its approval for borrowing by way of issuance of Commercial Papers upto an aggregate limit of ₹30,000 Lakh.

**xvii. Plant Locations:**

- (1) Plot Nos. B-16, B-17, B-18 and B-21, MIDC Mahad, Birwadi Industrial Area, Taluka Mahad, District Raigad – 402 302, Maharashtra



(2) Plot No. K-2/1/1, Additional MIDC Mahad, Village Kalinj, Taluka Mahad, District Raigad – 402 302, Maharashtra

(3) Plot No. K-2/1/2, Additional MIDC Mahad, Village Kalinj, Taluka Mahad, District Raigad – 402 302, Maharashtra

(4) Plot No. K-2/2, K-2/3/1, Additional MIDC Mahad, Village Kalinj, Taluka Mahad, District Raigad – 402 302, Maharashtra

**xviii. Research and Development (R and D) Centre:**

F-39, MIDC-Phase-II,  
Dombivli (East), District Thane – 421 204, Maharashtra

**xix. Address for Correspondence:**

**Mr. Saurav Bhala, Chief Financial Officer**

“Godrej One”, 3<sup>rd</sup> Floor,  
Pirojshanagar, Eastern Express Highway,  
Vikhroli (East), Mumbai – 400 079, Maharashtra  
Phone: 022 – 2519 6337, Fax: 022 - 2261 8289  
E-mail id: [saurav.bhala@godrejastec.com](mailto:saurav.bhala@godrejastec.com) ; Website: [www.astecls.com](http://www.astecls.com)

**Ms. Tejashree Pradhan, Company Secretary and Compliance Officer**

“Godrej One”, 3<sup>rd</sup> Floor,  
Pirojshanagar, Eastern Express Highway,  
Vikhroli (East), Mumbai – 400 079, Maharashtra  
Phone: 022 – 2519 5768, Fax: 022 - 2261 8289  
E-mail id: [tejashree.pradhan@godrejastec.com](mailto:tejashree.pradhan@godrejastec.com) ; Website: [www.astecls.com](http://www.astecls.com)

**Investor Correspondence should be addressed to:**

**Bigshare Services Private Limited**

Office No S6-2, 6<sup>th</sup> Floor, Pinnacle Business Park,  
Next to Ahura Centre,  
Mahakali Caves Road,  
Andheri (East), Mumbai – 400 093  
Tel. No.: 022 – 6263 8200  
Fax No.: 022 – 6263 8299  
Website: [www.bigshareonline.com](http://www.bigshareonline.com)  
E-mail: [investor@bigshareonline.com](mailto:investor@bigshareonline.com)

**Exclusive E-mail Id for Investors / Shareholders:**

Your Company has designated an e-mail Id to enable the Shareholders and investors to correspond with the Company. The E-mail id is : [astecinvestors@godrejastec.com](mailto:astecinvestors@godrejastec.com)

**xx. SEBI Complaints Redressal System (SCORES):**

The investor complaints are processed in a centralised web-based complaints redressal system. The salient features of this system are:

1. Centralised database of all complaints;
2. Online upload of Action Taken Reports (ATRs) by concerned companies; and
3. Online viewing by investors of actions taken on the complaint and its current status.

**xxi. Material Non-Listed Subsidiary Company:**

Your Company does not have material subsidiary Company whose turnover or net worth (i.e., Paid-up capital and free reserves) exceeds 10% (Ten per cent) of the consolidated turnover or net worth respectively of the Company and its subsidiary in the immediate preceding accounting year.

The Audited Annual Financial Statements of Subsidiary Companies are tabled at the Board

**xxiii. Disclosures of Compliance with Corporate Governance Requirements specified in Regulations 17 to 27 and Regulation 46(2)(b) to (i) of the Listing Regulations:**

Sr. No.	Particulars	Regulation of the Listing Regulations	Compliance Status (Yes/ No/ N.A.)	Areas/Requirements with respect to which Compliance is observed
1	Board of Directors	17 and 17A	Yes	<ul style="list-style-type: none"> <li>• Composition of the Board</li> <li>• Meetings of Board of Directors</li> <li>• Review of compliance reports</li> <li>• Plans for orderly succession for appointments</li> <li>• Code of Conduct</li> <li>• Fees / Compensation</li> <li>• Minimum Information to be placed before the Board</li> <li>• Compliance Certificate</li> <li>• Risk Assessment and Management</li> <li>• Performance Evaluation of Independent Directors</li> <li>• Explanatory Statement to be annexed to the Notice of General Meeting</li> <li>• Maximum Number of Directorships</li> </ul>
2	Audit Committee	18	Yes	<ul style="list-style-type: none"> <li>• Composition</li> <li>• Meetings of Audit Committee</li> <li>• Powers of Audit Committee</li> <li>• Role of Audit Committee and review of information by the Committee</li> </ul>
3	Nomination and Remuneration Committee	19	Yes	<ul style="list-style-type: none"> <li>• Composition</li> <li>• Role of the Committee</li> <li>• Frequency of Meetings</li> </ul>

Meetings. Copies of the Minutes of the Board Meetings of Subsidiary Companies are individually given to all the Directors and are tabled at the subsequent Board Meetings.

Your Company has formulated a Policy for determining the Material Subsidiaries as defined in Regulation 16 of the Listing Regulations. This Policy has been hosted on the website of the Company, viz., [www.astecls.com](http://www.astecls.com) and available on the web link <http://www.astecls.com/codes-and-policies.aspx>.

**xxii. Non-Compliance of any Requirement of Corporate Governance Report of sub-para (2) to (10) of Para C to Schedule V of the Listing Regulations:**

The Company has complied with all the requirements in this regard, to the extent applicable.





(Contd.)

Sr. No.	Particulars	Regulation of the Listing Regulations	Compliance Status (Yes/ No/ N.A.)	Areas/Requirements with respect to which Compliance is observed
4	Stakeholders' Relationship Committee	20	Yes	<ul style="list-style-type: none"> <li>• Composition</li> <li>• Role of the Committee</li> <li>• Frequency of Meetings</li> </ul>
5	Risk Management Committee	21	Yes	<ul style="list-style-type: none"> <li>• Composition</li> <li>• Role of the Committee</li> <li>• Frequency of Meetings</li> </ul>
6	Vigil Mechanism	22	Yes	<ul style="list-style-type: none"> <li>• Formulation of Vigil Mechanism / Whistle Blower Policy for Directors and Employees</li> <li>• Direct access to Chairperson of the Audit Committee</li> </ul>
7	Related Party Transactions	23	Yes	<ul style="list-style-type: none"> <li>• Policy on Materiality of Related Party Transactions and on Dealing with Related Party Transactions</li> <li>• Review and Approval for Related Party Transactions</li> <li>• Disclosure of Related Party Transactions</li> </ul>
8	Corporate Governance requirements with respect to Subsidiary	24 and 24A	Yes	<ul style="list-style-type: none"> <li>• Review of Investments made by Unlisted Subsidiary Companies by the Audit Committee</li> <li>• Minutes of Meetings of Board of Directors of Unlisted Subsidiary Companies placed at the Meetings of the Board of Directors of the Company</li> <li>• Review of significant transactions and arrangements entered into by the Unlisted Subsidiary Companies</li> </ul>
9	Obligations with respect to Independent Directors	25	Yes	<ul style="list-style-type: none"> <li>• Maximum Directorships</li> <li>• Tenure of Independent Directors</li> <li>• Meetings of Independent Directors</li> <li>• Familiarisation Programmes for Independent Directors.</li> <li>• Directors and Officer's Liability Insurance</li> </ul>
10	Obligations with respect to Directors and Senior Management	26	Yes	<ul style="list-style-type: none"> <li>• Memberships / Chairmanships in Committees</li> <li>• Affirmation with respect to compliance with the Code of Conduct and Ethics from Directors and Senior Management</li> </ul>
11	Other Corporate Governance Requirements	27	Yes	<ul style="list-style-type: none"> <li>• Compliance with discretionary requirements</li> <li>• Filing of Quarterly Compliance Report on Corporate Governance</li> </ul>
12	Website	46(2)(b) to (i)	Yes	<ul style="list-style-type: none"> <li>• Terms and Conditions of Appointment of Independent Directors</li> <li>• Composition of various Committees of Board of Directors</li> <li>• Code of Conduct and Ethics for Directors and Senior Management Personnel</li> <li>• Details of Establishment of Vigil Mechanism / Whistle Blower Policy</li> </ul>

- Policy on Materiality of Related Party Transactions and on Dealing with Related Party Transactions
- Details of Familiarization Programmes for Independent Directors

**xxiv. Transfer of Unpaid / Unclaimed amounts of Dividend to Investor Education and Protection Fund:**

During the Financial Year 2021-22, the Company has transferred an amount of ₹1,07,218/- (Rupees One Lakh Seven Thousand Two Hundred Eighteen Only) lying in the unpaid / unclaimed dividend account for the Financial Year 2013-14, to the Investor Education and Protection Fund (IEPF) pursuant to Rule 5(4) of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016.

Further, during the said Financial Year, the Company has transferred 1,175 (One Thousand One Hundred Seventy-Five) Equity Shares to the IEPF in respect of which dividend remained unclaimed progressively for 7 (Seven) consecutive years from the Financial Year 2013-14.

The Equity Shares in respect of whom dividend will remain unclaimed progressively for 7 (Seven) consecutive years from the Financial Year 2014-15,

will be reviewed for transfer to the IEPF as required by law. The Company will transfer the said Equity Shares, after sending an intimation of such proposed transfer in advance to the concerned Shareholders, as well as publish a public notice in this regard. Pursuant to Rule 5(8) of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, the Company has uploaded the details of unpaid and unclaimed dividend amounts lying with the Company as on 31<sup>st</sup> March, 2022, on the Company's website, viz., [www.astecls.com](http://www.astecls.com), and on the website of the Ministry of Corporate Affairs (MCA).

**xxv. Compliance with the Non - Mandatory Requirements:**

Your Company complies with all mandatory requirements and has also adopted some of the non - mandatory requirements as detailed under the head "Non - Mandatory Requirements".

**NON - MANDATORY REQUIREMENTS**

**1. Separate Positions of Chairperson and Managing Director:**

The Company had separate positions for Chairperson and Managing Director. Mr. Nadir B. Godrej is the "Chairman" of the Company and Mr. Ashok V. Hiremath was the "Managing Director" of the Company during the said Financial Year. Further, Mr. Ashok V. Hiremath has ceased to be the Managing Director with effect from 1<sup>st</sup> April, 2022 while continuing to be a "Non-Executive, Non-Independent Director" of the Company.

**2. Reporting of Internal Auditors:**

The Internal Auditors of the Company give their quarterly report / presentation to the Audit Committee and the same is taken for review at the time of Meetings of the Audit Committee.

**For and on behalf of the Board of Directors of  
Astec LifeSciences Limited**

**Anurag Roy  
Whole-Time Director & Chief Executive Officer  
(DIN: 07444595)**

**B. S. Yadav  
Director  
(DIN: 00294803)**

**Place: Mumbai  
Date: 2<sup>nd</sup> May, 2022**



## **DECLARATION BY WHOLE-TIME DIRECTOR WITH RESPECT TO COMPLIANCE WITH THE CODE OF CONDUCT OF THE COMPANY**

As provided under Regulation 34 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Schedule V of the said Regulations, this is to confirm that all the Members of the Board and the Senior Management have affirmed compliance with the Code of Conduct for the Financial Year ended 31<sup>st</sup> March, 2022.

**For Astec LifeSciences Limited**

**Anurag Roy**  
**Whole Time Director & Chief Executive Officer**

**Date: 2<sup>nd</sup> May, 2022**  
**Place: Mumbai**

### **Certificate of Compliance of Conditions of Corporate Governance Under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015**

To The Members of **Astec LifeSciences Limited**

We have examined the compliance of conditions of Corporate Governance by **Astec LifeSciences Limited** (the 'Company') for the Financial Year ended March 31, 2022, as prescribed in Regulations 17 to 27, clauses (b) to (i) of sub-regulation (2) of Regulation 46 and Para C, D and E of Schedule V to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('LODR').

We state that the compliance of conditions of Corporate Governance is the responsibility of the Management, and our examination was limited to procedures and implementation thereof adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of 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 aforesaid provisions of LODR.

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.

**For BNP and Associates**  
**Company Secretaries**  
**[Firm Regn. No. P2014MH037400]**  
**PR No. 637/2019**

**Avinash Bagul**  
**Partner**  
**FCS No.: 5578 / COP No.: 19862**  
**UDIN: F005578D000227745**

**Place: Mumbai**  
**Date: 28<sup>th</sup> April, 2022**

**CERTIFICATE FROM A COMPANY SECRETARY IN PRACTICE 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 (SEBI) / MINISTRY OF CORPORATE AFFAIRS (MCA) OR ANY SUCH STATUTORY AUTHORITY**

We, Vikas R. Chomal and Associates, Practising Company Secretaries, hereby certify pursuant to the provisions of Regulation 34(3) read with Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 that, none of the following Directors of **Astec LifeSciences Limited**, viz.:

1.	Mr. Nadir B. Godrej	-	Chairman (Non-Executive, Non-Independent)
2.	Mr. Anurag Roy	-	Whole - Time Director
3.	Mr. Ashok Hiremath	-	Director (Non-Executive, Non-Independent)
4.	Mr. Balram Singh Yadav	-	Director (Non-Executive, Non-Independent)
5.	Mr. Rakesh Dogra	-	Director (Non-Executive, Non-Independent)
6.	Mr. Rishinaradamangalam Ramakrishna Govindan	-	Director (Non-Executive, Independent)
7.	Mr. Vijay K. Khot	-	Director (Non-Executive, Independent)
8.	Dr. Brahma Nand Vyas	-	Director (Non-Executive, Independent)
9.	Mr. Nandkumar Dhekne	-	Director (Non-Executive, Independent)
10.	Ms. Anjali Gupte	-	Director (Non-Executive, Independent)

for the Financial Year ended 31<sup>st</sup> March, 2022 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India (SEBI) or the Ministry of Corporate Affairs (MCA) or any such statutory authority.

**FOR VIKAS R. CHOMAL AND ASSOCIATES**

**VIKAS R. CHOMAL**

**PROPRIETOR**

MEMBERSHIP NO.: 11623

CERTIFICATE OF PRACTICE NO.: 12133

UDIN: F011623D000005397

**Date:** 1<sup>st</sup> April, 2022

**Place:** Thane, Maharashtra

## Directors' Report

For the Financial Year ended 31<sup>st</sup> March, 2022

### TO THE MEMBERS:

Your Directors have pleasure in presenting this 28<sup>th</sup> (Twenty Eighth) Directors' Report along with the Audited Financial Statements for the Financial Year ended 31<sup>st</sup> March, 2022.

### 1. Highlights of Financial Performance:

Your Company's financial performance during the Financial Year 2021-22 as compared to that of the previous Financial Year 2020-21 is summarized below:

	(₹ in Lakh)			
	Standalone		Consolidated	
	2021-22	2020-21	2021-22	2020-21
Revenue from Operations	67,656.61	55,487.21	67,656.61	55,487.21
Other Income	1,046.34	767.05	1,046.78	792.11
<b>Total Income</b>	<b>68,702.95</b>	<b>56,254.26</b>	<b>68,703.39</b>	<b>56,279.32</b>
<b>Total Expenses</b>	<b>56,598.87</b>	<b>47,387.09</b>	<b>56,590.81</b>	<b>47,372.23</b>
<b>Profit/(Loss) Before Tax</b>	<b>12,104.08</b>	<b>8,867.17</b>	<b>12,112.58</b>	<b>8,907.09</b>
Less: Current Tax	2,861.27	2,324.43	2,863.40	2,326.47
Less: Deferred Tax	261.01	(61.24)	260.92	(60.99)
Less: Adjustment for Tax of previous years	-	134.73	-	134.73
<b>Profit/(Loss) After Tax</b>	<b>8,981.80</b>	<b>6,469.25</b>	<b>8,988.26</b>	<b>6,506.88</b>
Other Comprehensive Income (Net of Tax)	(0.54)	(17.62)	(0.72)	(18.40)
<b>Total Comprehensive Income</b>	<b>8,981.26</b>	<b>6,451.63</b>	<b>8,987.54</b>	<b>6,488.48</b>
Total Comprehensive Income attributable to:				
- Owners of Astec LifeSciences Limited	8,981.26	6,451.63	8,985.14	6,486.49
- Non-controlling interests	N.A.	N.A.	2.40	1.99

(N.A.: Not Applicable)

### 2. Review of Operations/ State of Affairs of the Company and its Subsidiaries:

#### Review of Operations/ State of Affairs of the Company:

Your Company manufactures agrochemical active ingredients (technical), bulk and formulations, intermediate products and sells its products in India as well as exports them to approximately 25 (Twenty Five) countries.

During the Financial Year 2021-22, your Company registered its best performance till date, as Total Income and Profit After Tax (PAT) grew by 22.1% and 38.1%, year-on-year, respectively. Consolidated Total Income reached ₹ 68,703.39 Lakh during the Financial Year 2021-22 as against ₹ 56,279.32 lakh during the Financial Year 2020-21 and Profit After Tax (PAT) increased to ₹ 8,988.26 Lakh during the Financial Year 2021-22 as against ₹ 6,506.88 Lakh during the Financial Year 2020-21. Geographically, exports were the main driver

growing by 44.4% year-on-year while in terms of segment, growth was led by enterprise sales. The proportion of exports increased to 58% of the total income from 49% in the previous year. Domestic sale was 42% of the total income and grew by 0.5% year-on-year.

Strong top line performance was accompanied by robust improvement in margin profile as well. Your Company achieved Gross margin of 42.8% during the Financial Year 2021-22 as compared to 38.4% during the Financial Year 2020-21. The margin expansion was driven by higher realisations, favourable product mix and benefits from investment in backward integration. The Earnings Before Interest, Tax, Depreciation and Amortization (EBITDA) margin expanded to 24.3% during the Financial Year 2021-22 from 21.5% during the previous Financial Year 2020-21. The improvement in EBITDA margin was partly constrained by increased higher fixed overheads on account of commissioning of herbicide plant. As a result, your Company's return on net worth

improved by 206 bps to 25.5% in the Financial Year 2021-22 from 23.4% in the Financial Year 2020-21.

During the year, your Company also commissioned its new herbicide plant and completed first batch of CMO product successfully. Your Company also continues to stay on track to launch the state-of-the-art Research and Development (R&D) facility by December 2022. During the Financial Year 2021-22, your Company commercialized two new CMO products and a new production process for an enterprise product.

During the Financial Year 2022-23, your Company plans to continue focusing on onboarding new relationships for contract manufacturing business and to diversify into other chemistries. Investment in R&D centre will significantly increase the research capabilities and will support the growth aspirations in the medium to long-term.

There has been no change in the nature of business of your Company during the Financial Year 2021-22.

### **Review of Operations/ State of Affairs of the Subsidiaries of the Company:**

Your Company had the following 2 (Two) subsidiaries throughout the Financial Year (F.Y.) 2021-22:

#### **(i) Behram Chemicals Private Limited:**

Behram Chemicals Private Limited, a subsidiary of your Company, has given its Plot at Mahad (Maharashtra) to your Company on Leave and License basis.

During the Financial Year ended 31<sup>st</sup> March, 2022, Behram Chemicals Private Limited reported Profit Before Tax of ₹ 9.21 Lakh, as compared to Profit Before Tax of ₹ 8.91 Lakh during the previous Financial Year 2020-21.

#### **(ii) Comercializadora Agricola Agroastrachem Cia Ltda (Bogota, Columbia):**

Comercializadora Agricola Agroastrachem Cia Ltda is a foreign subsidiary company, having its Registered Office in Bogota, Colombia and is

engaged in the business of obtaining product registrations in conformity with local laws of the said country. This company is yet to start any major commercial activity.

For the year ended 31<sup>st</sup> March, 2022, Comercializadora Agricola Agroastrachem Cia Ltda reported Profit/(Loss) Before Tax of ₹ NIL, as compared to Profit/(Loss) Before Tax of ₹ (0.10) Lakh reported during the previous year ended 31<sup>st</sup> March, 2021.

### **3. Dividend:**

Your Board has recommended a Final Dividend of 15% (Fifteen per cent) on the Equity Share Capital of your Company, i.e., ₹ 1.50 (Rupee One and Paise Fifty Only) per Equity Share of Face Value of ₹10/- (Rupees Ten Only) each for the Financial Year ended 31<sup>st</sup> March, 2022, subject to approval of the Shareholders at the ensuing 28<sup>th</sup> (Twenty Eighth) Annual General Meeting of the Company.

The Dividend, if declared, will be paid to the Shareholders whose names appear in the Register of Members of the Company as on Wednesday, 20<sup>th</sup> July, 2022 and in respect of shares held in dematerialized form, it will be paid to Shareholders whose names are furnished by National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL), as the beneficial owners as on that date.

The Shareholders of your Company are requested to note that the Income Tax Act, 1961, as amended by the Finance Act, 2020, mandates that dividends paid or distributed by a Company after 1<sup>st</sup> April, 2020 shall be taxable in the hands of the Shareholders. The Company shall, therefore, be required to deduct Tax at Source (TDS) at the time of making payment of the Final Dividend. In order to enable your Company to determine and deduct the appropriate TDS as applicable, the Shareholders are requested to read the instructions given in the Notes to the Notice convening the 28<sup>th</sup> (Twenty Eighth) Annual General Meeting of the Company, forming a part of this Annual Report.

The Dividend payout for the Financial Year 2021-22 is in accordance with the Company's Dividend Distribution Policy.



In terms of Regulation 43A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Dividend Distribution Policy of the Company is made available on the website of the Company and is available on the web link <http://www.astecls.com/codes-and-policies.aspx>.

#### 4. Transfer to Reserves:

Your Board does not propose to transfer any amount to reserves during the Financial Year 2021-22.

#### 5. Particulars of Loans, Investments and Guarantees:

As required to be reported pursuant to the provisions of Section 186 and Section 134(3)(g) of the Companies Act, 2013, the particulars of loans, guarantees and investments by your Company under the aforesaid provisions during the Financial Year 2021-22, have been provided in the Notes to the Financial Statement.

#### 6. Finance and Credit Rating:

Your Company continues to manage its treasury operations efficiently and has been able to borrow funds for its operations at competitive rates.

As on 31<sup>st</sup> March, 2022, ICRA Limited has assigned Credit Ratings in respect of ₹ 57,400 Lakh of Line of Credit (LOC) and ₹ 30,000 Lakh of Commercial Paper Programme availed by the Company, as under:

- a) Long-term rating at “[ICRA] AA-” (pronounced “ICRA double A minus”)
- b) Short-term rating at “[ICRA] A1+” (pronounced “ICRA A one plus”)
- c) Commercial Paper Programme at “[ICRA] A1+” (pronounced “ICRA A one plus”)

In accordance with the Credit Rating assigned to the Commercial Paper Programme of your Company as above, the Board of Directors has granted its approval for borrowing by way of issuance of Commercial Papers upto an aggregate limit of ₹ 30,000 Lakh.

#### 7. Information Systems:

With the COVID-19 pandemic situation improving, your Company has deployed technology solutions to enable and support hybrid work environment for employees. It has formulated Cybersecurity Implementation roadmap to improve your Company’s cyber security maturity. Your Company has also implemented solutions like Data Leakage Prevention, Endpoint Detection and Response (EDR), Zero Trust based network protection solution. Digital transformation initiatives are underway which include deployment of web-based and mobile applications to bring in operational efficiency and be a future ready resilient organization. Your Company is also working on Cloud adoption to strengthen infrastructure availability and provide better manageability, thereby ensuring business continuity. Your Company has also started pilot on use of latest technologies like Artificial Intelligence and Machine Learning (AI/ML) and Predictive analytics.

#### 8. Share Capital:

The Authorized Equity Share Capital of the Company as on 31<sup>st</sup> March, 2022 stood at ₹ 25,00,00,000/- (Rupees Twenty Five Crore Only), comprising of 2,50,00,000 (Two Crore Fifty Lakh) Equity Shares of Face Value of ₹10/- (Rupees Ten Only) each.

The Issued, Subscribed and Paid-up Equity Share Capital as on 31<sup>st</sup> March, 2022 was ₹ 19,59,75,550/- (Rupees Nineteen Crore Fifty Nine Lakh Seventy Five Thousand Five Hundred Fifty Five) comprising of 1,95,97,555 (One Crore Ninety Five Lakh Ninety Seven Thousand Five Hundred Fifty Five) Equity Shares of Face Value of ₹10/- (Rupees Ten Only) each.

During the Financial Year 2021-22, the Company has:

- (a) Allotted 2,500 (Two Thousand Five Hundred) Equity Shares of Face Value of ₹ 10/- (Rupees Ten Only) each, ranking *pari passu* with the existing Equity Shares, at an exercise price of ₹ 34/- (Rupees Thirty Four Only) each under the Employees Stock Option Plan, 2012 (“ESOP

2012”) pursuant to exercise of Options by the employees of the Company under ESOP 2012;

- (b) Allotted 7,500 (Seven Thousand Five Hundred) Equity Shares of Face Value of ₹ 10/- (Rupees Ten Only) each, ranking *pari passu* with the existing Equity Shares, at an exercise price of ₹ 387.35 (Rupees Three Hundred Eighty Seven and Paise Thirty Five Only) each under the Employees Stock Option Scheme, 2015 (“ESOS 2015”), pursuant to exercise of Options by the employees of the Company under ESOS 2015.

Further, during the Financial Year under review, the Nomination and Remuneration Committee of the Board of Directors of the Company has granted 3,316 (Three Thousand Three Hundred Sixteen) Options convertible into 3,316 (Three Thousand Three Hundred Sixteen) Equity Shares at an Exercise Price of ₹ 10/- (Rupees Ten Only) under the amended ESOP 2012 (amendment approved vide Shareholders’ Special Resolution passed on 26<sup>th</sup> September, 2021, by way of Postal Ballot, the results of which were declared on 27<sup>th</sup> September, 2021).

#### 9. Management Discussion and Analysis Report:

The Management Discussion and Analysis Report for the Financial Year 2021-22, as stipulated under Regulation 34(2) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, forms a part of the Annual Report.

#### 10. Holding Company:

Godrej Agrovet Limited, a listed company (listed on BSE Limited and National Stock Exchange of India Limited), is, *inter alia*, engaged in the business of manufacture and marketing of Animal Feeds, Agricultural Inputs and Oil Palm and continues to be the Holding Company of your Company. The shareholding of Godrej Agrovet Limited in your Company as on 31<sup>st</sup> March, 2022 was 63.29% [i.e., 1,24,04,016 (One Crore Twenty Four Lakh Four Thousand Sixteen) Equity Shares of Face Value of ₹ 10/- (Rupees Ten Only) each] of the Paid-up Equity Share Capital of the Company.

Godrej Agrovet Limited, in turn, is a subsidiary of Godrej Industries Limited, a listed company (listed on BSE Limited and National Stock Exchange of India Limited). Godrej Industries Limited, thus, continues to be the Ultimate Holding Company of your Company.

#### 11. Subsidiary Companies:

Your Company had the following 2 (Two) Subsidiary Companies throughout the Financial Year 2021-22:

- (a) Behram Chemicals Private Limited, Maharashtra, India (in which your Company holds 65.63% of the paid-up Equity Share Capital); and  
 (b) Comercializadora Agricola Agroastrachem Cia Ltda, Bogota, Columbia (in which your Company holds 100% of the paid-up Equity Share Capital).

A report on the financial position and performance of each of the Subsidiary Companies in Form AOC-1 for the Financial Year 2021-22 forms a part of the Directors’ Report and is annexed herewith as ‘Annexure A’.

#### 12. Joint Venture / Associate Companies:

Your Company did not have any Joint Venture / Associate companies during the Financial Year 2021-22.

#### 13. Consolidated Financial Statements:

The Consolidated Financial Statements of your Company are prepared in accordance with the relevant Indian Accounting Standards (Ind AS), i.e., Ind AS 110 issued by the Institute of Chartered Accountants of India (ICAI) and form part of this Annual Report. Accordingly, the Annual Report of your Company does not contain the Financial Statements of its 2 (Two) Subsidiary Companies, viz., Behram Chemicals Private Limited and Comercializadora Agricola Agroastrachem Cia Ltda (Bogota, Columbia).

The Annual Financial Statements and related information of your Company’s Subsidiaries will be made available upon request. Also, in accordance





with Section 136 of the Companies Act, 2013, the Audited Financial Statements, including Consolidated Financial Statements and related information of your Company and Financial Statements of each of the Subsidiaries, are hosted on the Company's website, viz., [www.astecls.com](http://www.astecls.com) and can be accessed through the web link <http://www.astecls.com/financial-updates.aspx>. These documents will also be available for inspection during all days except Saturdays, Sundays and Public Holidays between 10.00 a.m. (IST) to 4.00 p.m. (IST) at the Company's Registered Office in Mumbai, Maharashtra, subject to lock-down or other restrictions as may be imposed by the Government(s) and/or local authority(ies) from time to time. If any Shareholder is interested in inspecting and obtaining a copy thereof, such Shareholder may write an e-mail to [agm.astec@godrejastec.com](mailto:agm.astec@godrejastec.com).

#### 14. Directors:

At the previous 27<sup>th</sup> (Twenty Seventh) Annual General Meeting ("AGM") of your Company held on 28<sup>th</sup> July, 2021, the Shareholders have granted approval for appointment of Mr. Nandkumar Dhekne and Ms. Anjali Gupte as "Non-Executive, Independent Directors" of your Company for a term of 5 (Five) years w.e.f. 18<sup>th</sup> December, 2020 upto 17<sup>th</sup> December, 2025. Further, Mr. B. S. Yadav, Non-Executive and Non-Independent Director, who was liable retire by rotation, was re-appointed by the Shareholders at the said AGM.

Upon recommendation of the Nomination and Remuneration Committee and as approved by the Board of Directors, at their respective Meetings held on 28<sup>th</sup> July, 2021, Mr. Anurag Roy [Director Identification Number (DIN: 07444595)] has been appointed as the "Chief Executive Officer and Whole-Time Director", on the Board of Directors of the Company for a term of 3 (Three) years, w.e.f. 28<sup>th</sup> July, 2021 upto 27<sup>th</sup> July, 2024, subject to approval of the Shareholders. The approval of the Shareholders was duly obtained vide Special Resolution passed on 26<sup>th</sup> September, 2021, by way of Postal Ballot, the results of which were declared on 27<sup>th</sup> September, 2021. Further, Mr. Arijit Mukherjee resigned as the "Whole Time Director" w.e.f. 28<sup>th</sup> July, 2021, while

continuing to be the "Chief Operating Officer" of your Company.

Consequent to cessation of the term of Mr. Ashok Hiremath as the "Managing Director" of your Company on close of business hours on 31<sup>st</sup> March, 2022, he continues on the Board as a "Non-Executive, Non-Independent Director", liable to retire by rotation, with effect from 1<sup>st</sup> April, 2022. The Board would like place to record sincere appreciation and gratitude for efficient and matured guidance and support provided by Mr. Ashok Hiremath during his long tenure as the "Managing Director" of your Company.

Subsequent to the closure of the Financial Year 2021-22, Mr. Rakesh Dogra has resigned as a "Non-Executive, Non-Independent Director" w.e.f. 2<sup>nd</sup> May, 2022. The Board would like to place on record, sincere appreciation and gratitude for his contribution whilst holding the directorship of your Company.

In accordance with the provisions of Section 152(6) of the Companies Act, 2013 read with the Articles of Association of the Company, Mr. Nadir B. Godrej [Director Identification Number (DIN: 00066195)], Chairman and Non-Executive, Non-Independent Director of the Company is liable to retire by rotation at the forthcoming 28<sup>th</sup> (Twenty Eighth) AGM, and being eligible, has offered himself for re-appointment. Appropriate resolution for re-appointment of Mr. Nadir B. Godrej is being moved at the ensuing 28<sup>th</sup> (Twenty Eighth) AGM, which the Board of Directors recommends for your approval.

Pursuant to the provisions of Regulation 34(3) read with Schedule V to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has obtained a Certificate from Mr. Vikas Chomal, a Company Secretary in Practice certifying that none of the Directors of the Company has been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India (SEBI) or by the Ministry of Corporate Affairs (MCA) or by any such statutory authority. The said Certificate is annexed to the Corporate Governance Report of the Company for the Financial Year 2021-22.

### 15. Meetings of the Board of Directors:

The Meetings of the Board of Directors are pre-scheduled and intimated to all the Directors in advance, in order to help them to plan their schedule. However, in case of special and urgent business needs, approval is taken either by convening Meetings at a shorter notice with consent of all the Directors or by passing a Resolution through Circulation.

The Board of Directors of your Company met 4 (Four) times during the Financial Year 2021-22 (on 30<sup>th</sup> April, 2021, 28<sup>th</sup> July, 2021, 27<sup>th</sup> October, 2021 and 25<sup>th</sup> January, 2022). The details of Board Meetings and the attendance of the Directors thereat are provided in the Corporate Governance Report. The intervening time gap between two consecutive Meetings of the Board was within the limit prescribed under the Companies Act, 2013, i.e., the same was not exceeding 120 (One Hundred and Twenty) days.

### 16. Board Evaluation:

The Board of Directors has carried out an Annual Performance Evaluation of its own performance, the Directors individually as well as the evaluation of the working of its Committees. A structured questionnaire was prepared after taking into consideration various aspects of the Board's functioning, composition of the Board and its Committees, culture, execution and performance of specific duties, obligations and governance. The performance evaluation of the Chairman and Non-Independent Directors was carried out by the Independent Directors. The confidential online questionnaire was responded to by all the Directors and vital feedback was received from them on how the Board currently operates and how it might improve its effectiveness.

The process of annual evaluation of Directors' performance and the feedback received therefrom has been discussed and noted at the Meetings of the Independent Directors, the Nomination and Remuneration Committee and the Board of Directors.

The Directors have expressed their overall satisfaction with the evaluation process.

### 17. Independent Directors:

All the Independent Directors of your Company, viz., Mr. Vijay Kashinath Khot, Dr. Brahma Nand Vyas, Mr. R. R. Govindan, Mr. Nandkumar Vasant Dhekne and Ms. Anjali Rajesh Gupte have registered themselves with the databank maintained by the Indian Institute of Corporate Affairs ("IICA"), in terms of the provisions of Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2019 and the Companies (Creation and Maintenance of Databank of Independent Directors) Rules, 2019.

In terms of the provisions of the Companies (Appointment and Qualification of Directors) Rules, 2014 dealing with the requirement for Independent Directors to pass Proficiency Test conducted by IICA:

- Mr. Vijay Kashinath Khot, Dr. Brahma Nand Vyas and Mr. Nandkumar Vasant Dhekne are exempt from appearing for the Proficiency Test;
- Mr. R. R. Govindan has successfully cleared / completed the Proficiency Test during the Financial Year 2021-22;
- Ms. Anjali Gupte will appear for the Proficiency Test during the Financial Year 2022-23, within the mandatory timelines applicable to her.

Your Company has received declarations from all the Independent Directors confirming that they meet the criteria of independence as prescribed under Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the same have been taken on record by the Board after undertaking due assessment of the veracity of the same.

The criteria for determining qualifications, positive attributes and independence of Directors is provided in the Nomination and Remuneration Policy of the Company which is available on the website, viz., [www.astecls.com](http://www.astecls.com) at the web link <http://www.astecls.com/codes-and-policies.aspx>.

All the Independent Directors of the Company have duly complied with the Code for Independent



Directors as prescribed in Schedule IV to the Companies Act, 2013. The details of familiarization programmes attended by the Independent Directors during the Financial Year 2021-22 are available on the website of the Company, [www.astecls.com](http://www.astecls.com) at the web link <http://www.astecls.com/listing-compliance.aspx>.

The Independent Directors met once during the Financial Year 2021-22, i.e., on 30<sup>th</sup> April, 2021, pursuant to the provisions of Regulation 25 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Schedule IV to the Companies Act, 2013. The Meeting of the Independent Directors was conducted without the presence of the Chairman, Managing Director, Whole Time Director and Non-Executive Directors and the members of your Company's Management.

#### 18. Directors' Responsibility Statement:

Pursuant to Section 134 of the Companies Act, 2013 ("the Act"), your Directors, to the best of their knowledge and ability, confirm as under:

- a) that in the preparation of the Annual Accounts for the Financial Year ended 31<sup>st</sup> March, 2022, the applicable Accounting Standards have been followed along with proper explanation relating to material departures, if any;
- b) that such accounting policies have been selected and applied consistently, and such judgments and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31<sup>st</sup> March, 2022 and the profit of the Company for the Financial Year ended as at that date;
- c) that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company, for preventing and detecting fraud and other irregularities;

- d) that the Annual Accounts for the Financial Year ended 31<sup>st</sup> March, 2022 have been prepared on a going concern basis;
- e) the Directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively;
- f) that proper systems are in place to ensure compliance of all laws applicable to the Company and that such systems are adequate and operating effectively.

#### 19. Key Managerial Personnel:

The following were the Key Managerial Personnel (KMP) of your Company pursuant to the provisions of Section 203 of the Companies Act, 2013, during the Financial Year 2021-22:

1. Mr. Ashok V. Hiremath, Managing Director (\*)
2. Mr. Arijit Mukherjee, Whole – Time Director (\$)
3. Mr. Anurag Roy, Whole Time Director and Chief Executive Officer (\$)
4. Mr. Saurav Bhala, Chief Financial Officer
5. Ms. Tejashree Pradhan, Company Secretary and Compliance Officer

(\*) Mr. Ashok Hiremath has ceased to be the "Managing Director" w.e.f. 1<sup>st</sup> April, 2022 and continues to be a "Non-Executive, Non-Independent Director" as on the date of this Report.

(\$) Mr. Arijit Mukherjee resigned as the "Whole Time Director" w.e.f. 28<sup>th</sup> July, 2021, while continuing to be the "Chief Operating Officer". Mr. Anurag Roy has been appointed as the "Whole Time Director & Chief Executive Officer" w.e.f. 28<sup>th</sup> July, 2021.

#### 20. Statutory Auditors:

B S R and Co. LLP, Chartered Accountants, Mumbai (Firm Registration Number: 101248W/W-100022), were appointed as the "Statutory Auditors" of your Company by the Shareholders at the 23<sup>rd</sup> (Twenty Third) Annual General Meeting held on 28<sup>th</sup> July, 2017, for a term of 5 (Five) consecutive years, i.e., to hold office upto the ensuing 28<sup>th</sup> (Twenty Eighth) Annual General Meeting of the Company, at such

remuneration as may mutually be agreed upon between them and the Company.

B S R and Co. LLP is eligible for re-appointment for a second term of 5 (Five) years and have provided a written confirmation that they are willing and eligible for re-appointment and are not disqualified to be re-appointed in terms of the applicable provisions of the Companies Act, 2013 and the Rules framed thereunder.

Based on the recommendation made by the Audit Committee and the Board of Directors at their respective Meetings held on 2<sup>nd</sup> May, 2022, the re-appointment of B S R and Co. LLP as the “Statutory Auditors” of the Company for a second term of 5 (Five) years, to hold office from the conclusion of the 28<sup>th</sup> (Twenty Eighth) Annual General Meeting till the conclusion of the 33<sup>rd</sup> (Thirty Third) Annual General Meeting (i.e., from the Financial Year 2022-23 upto the Financial Year 2026-27) is placed for approval of the Shareholders at the ensuing 28<sup>th</sup> (Twenty-Eighth) Annual General Meeting of the Company.

#### 21. Cost Auditors:

Pursuant to Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 and the Companies (Cost Records and Audit) Rules, 2014, the cost records are required to be maintained by your Company and the same are required to be audited. Your Company, accordingly, maintains the required cost accounts and records.

Your Board of Directors had, upon recommendation of the Audit Committee, at its Meeting held on 30<sup>th</sup> April, 2021, re-appointed M/s. NNT and Co., Cost Accountants, Mumbai (Firm Registration Number: 100911) as the “Cost Auditors” of the Company for the Financial Year 2021-22 and their remuneration was duly ratified by the Shareholders at the 27<sup>th</sup> (Twenty Seventh) Annual General Meeting held on 28<sup>th</sup> July, 2021.

Further, your Board of Directors has, upon recommendation of the Audit Committee, at its Meeting held on 2<sup>nd</sup> May, 2022, re-appointed M/s. NNT and Co., Cost Accountants, Mumbai as the “Cost Auditors” of your Company for the Financial

Year 2022-23, subject to ratification of their remuneration at the ensuing 28<sup>th</sup> (Twenty Eighth) Annual General Meeting.

#### 22. Secretarial Auditors and Secretarial Audit Report:

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, your Board of Directors had, upon recommendation of the Audit Committee, at its Meeting held on 30<sup>th</sup> April, 2021, appointed M/s. BNP and Associates, Company Secretaries (Firm Registration Number: P2014MH037400), Mumbai to undertake the Secretarial Audit of your Company for the Financial Year 2021-22.

The Secretarial Audit Report issued by M/s. BNP and Associates, Secretarial Auditors for the Financial Year ended 31<sup>st</sup> March, 2022, which is an unqualified report, is annexed herewith as ‘Annexure B’.

Your Board of Directors has, upon recommendation of the Audit Committee, at its Meeting held on 2<sup>nd</sup> May, 2022, re-appointed M/s. BNP and Associates, who have provided their consent and confirmed their eligibility, as the “Secretarial Auditors” of your Company for the Financial Year 2022-23.

#### 23. Compliance with the Secretarial Standards:

Your Company is in compliance with the Secretarial Standards on Meetings of the Board of Directors (SS-1) and Secretarial Standards on General Meetings (SS-2), as issued by the Institute of Company Secretaries of India (ICSI).

#### 24. Audit Committee:

Pursuant to the provisions of Section 177 of the Companies Act, 2013, Rule 6 of the Companies (Meetings of Board and Its Powers) Rules, 2014 and Regulation 18 read with Part C of Schedule II to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, your Company has constituted



Audit Committee of the Board of Directors comprising of the following Members:

Sr. No.	Name of the Member	Category
1	Mr. R. R. Govindan	Chairman (Independent Director)
2	Mr. Ashok V. Hiremath	Member (Managing Director) (*)
3	Mr. Vijay Kashinath Khot	Member (Independent Director)
4	Dr. Brahma Nand Vyas	Member (Independent Director)

(\*) Mr. Ashok Hiremath has ceased to be the "Managing Director" w.e.f. 1<sup>st</sup> April, 2022 and continues to be a "Non-Executive, Non-Independent Director" as on the date of this Report.

During the Financial Year 2021-22, there was no change in the composition of the Audit Committee.

Audit Committee Meetings were held 4 (Four) times during the Financial Year 2021-22 (on 30<sup>th</sup> April, 2021, 28<sup>th</sup> July, 2021, 27<sup>th</sup> October, 2021 and 25<sup>th</sup> January, 2022). The Statutory Auditors, Internal Auditors and Chief Financial Officer attend the Audit Committee Meetings as invitees. The Statutory Auditors and the Internal Auditors, *inter alia*, present their observations on adequacy of internal financial controls and the steps required to bridge gaps, if any. Accordingly, the Audit Committee makes observations and recommendations to the Board of Directors of your Company. The Board has accepted all the recommendations of the Audit Committee during the Financial Year 2021-22.

The Company Secretary and Compliance Officer acts as Secretary to the Audit Committee.

## 25. Nomination and Remuneration Committee:

Pursuant to the provisions of Section 178 of the Companies Act, 2013, Rule 6 of the Companies (Meetings of Board and its Powers) Rules, 2014 and Regulation 19 read with Part D of Schedule II to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, your Company has constituted Nomination and Remuneration Committee of the Board of Directors comprising of the following Members:

Sr. No.	Name of the Member	Category
1	Mr. R. R. Govindan	Chairman (Independent Director)
2	Mr. Vijay Kashinath Khot	Member (Independent Director)
3	Mr. Balram Singh Yadav	Member (Non-Executive, Non-Independent Director)

During the Financial Year 2021-22, there was no change in the composition of the Nomination and Remuneration Committee.

Nomination and Remuneration Committee Meetings were held 2 (Two) times during the Financial Year 2021-22 (on 30<sup>th</sup> April, 2021 and 28<sup>th</sup> July, 2021).

## 26. Corporate Social Responsibility ("CSR") and CSR Committee:

Pursuant to the provisions of Section 135 of the Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy) Rules, 2014, your Company has constituted CSR Committee of the Board of Directors comprising of the following Members: -

Sr. No.	Name of the Member	Category
1	Mr. Ashok V. Hiremath	Chairman (Managing Director) (*)
2	Mr. Balram Singh Yadav	Member (Non-Executive, Non-Independent Director)
3	Mr. R. R. Govindan	Member (Independent Director)
4	Dr. Brahma Nand Vyas	Member (Independent Director)

(\*) Mr. Ashok Hiremath has ceased to be the "Managing Director" w.e.f. 1<sup>st</sup> April, 2022 and continues to be a "Non-Executive, Non-Independent Director" as on the date of this Report.

During the Financial Year 2021-22, there was no change in the composition of the CSR Committee.

CSR Committee Meetings were held 2 (Two) times during the Financial Year 2021-22 (on 30<sup>th</sup> April, 2021 and 27<sup>th</sup> October, 2021).

## CSR Policy and Areas of CSR Expenditure:

Your Company recognises CSR as integral to the way it does its business and strives to engage, connect and uplift the community in and around the areas in which your Company operates. The CSR Policy of your Company aligns itself with the

Godrej Group's 'Good and Green' vision of creating a more inclusive and greener India. Each of your Company's CSR projects are aligned with the 'Good and Green' goals of the Godrej Group and correspond to different items listed in Schedule VII to the Companies Act, 2013.

Your Company aspires and consistently moves in the direction to become a sustainable company through leadership commitment, multiple stakeholder engagements and disciplined value chain mechanisms. Your Company's holistic approach towards sustainability not only manages its externalities but also provides tangible solutions for the benefit and upliftment of the communities around its manufacturing sites.

Your Company amended its CSR Policy, at the respective Meetings of the CSR Committee and the Board of Directors held on 30<sup>th</sup> April, 2021, in accordance with the Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021 dated 22<sup>nd</sup> January, 2021, notified by the Ministry of Corporate Affairs (MCA). The CSR Policy of your Company (as amended) is uploaded on the website, viz., [www.astecls.com](http://www.astecls.com) and can be accessed through the web link <http://www.astecls.com/codes-and-policies.aspx>.

#### Amount of CSR Spending:

Your Company was required to spend ₹ 137.69 Lakh towards CSR Activities in terms of the provisions of Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, during the Financial Year 2021-22. Your Company has spent ₹ 99.40 Lakh towards CSR Activities. Your Company took up different projects pertaining to COVID relief, raising livelihoods of farmers and self-help groups, digital platform in schools, etc. The shortfall of ₹ 38.29 Lakh in the amount of CSR spending is attributable to ongoing projects which will be completed by the Company in due course and the same has been duly transferred to Unspent CSR Account as on date.

#### Annual Report on CSR Activities:

The Annual Report on CSR Activities for the Financial Year 2021-22 is annexed herewith as 'Annexure C'.

#### 27. Risk Management and the Risk Management Committee:

Pursuant to the provisions of Regulation 21 read with Part D of Schedule II to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, your Company has constituted a Risk Management Committee of the Board of Directors comprising of the following Members: -

Sr. No.	Name of the Member	Category
1	Mr. Ashok V. Hiremath	Chairman (Managing Director) (*)
2	Mr. Balram Singh Yadav	Member (Non-Executive, Non-Independent Director)
3	Mr. R. R. Govindan	Member (Independent Director)
4	Mr. Saurav Bhala	Member (Chief Financial Officer)

(\*) Mr. Ashok Hiremath has ceased to be the "Managing Director" w.e.f. 1<sup>st</sup> April, 2022 and continues to be a "Non-Executive, Non-Independent Director" as on the date of this Report.

During the Financial Year 2021-22, there was no change in the composition of the Risk Management Committee.

The Meeting of the Risk Management Committee was held 2 (Two) times during the Financial Year 2021-22 (on 27<sup>th</sup> October, 2021 and 25<sup>th</sup> January, 2022).

The details of the Risk Management Committee and its terms of reference are set out in the Corporate Governance Report forming a part of the Annual Report.

Your Company has developed and implemented a Risk Management Policy and continuously monitors business and operational risks. All key functions and divisions are independently responsible to monitor risks associated within their respective areas of operations such as production, insurance, legal and other issues like health, safety and environment and cyber risks. At present, there are no identified elements of risks in the opinion of the Board, which may threaten the existence of the Company.

## 28. Stakeholders' Relationship Committee:

Pursuant to the provisions of Section 178 of the Companies Act, 2013 and Regulation 20 read with Part D of Schedule II to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, your Company has constituted a Stakeholders' Relationship Committee of the Board of Directors, comprising of the following Members:

Sr. No.	Name of the Member	Category
1	Mr. Balram Singh Yadav	Chairman (Non-Executive, Non-Independent Director)
2	Mr. R. R. Govindan	Member (Independent Director)
3	Mr. Vijay Kashinath Khot	Member (Independent Director)

During the Financial Year 2021-22, there was no change in the composition of the Stakeholders' Relationship Committee.

Meeting of the Stakeholders' Relationship Committee was held once during the Financial Year 2021-22 (viz., on 25<sup>th</sup> January, 2022).

Ms. Tejashree Pradhan, Company Secretary and Compliance Officer is the Secretary to Stakeholders' Relationship Committee. She has attended the Meeting of the Stakeholders' Relationship Committee held during the Financial Year 2021-22.

The details of Investor Complaints during the Financial Year 2021-22 are as follows:

Complaints outstanding as on 1 <sup>st</sup> April, 2021	0
(+) Complaints received during the Financial Year ended 31 <sup>st</sup> March, 2022	1
(-) Complaints resolved during the Financial Year ended 31 <sup>st</sup> March, 2022	1
Complaints outstanding as on 31 <sup>st</sup> March, 2022	0

There are no pending share transfers as on 31<sup>st</sup> March, 2022.

## 29. Compensation Committee:

Your Company had constituted a Compensation Committee of the Board of Directors, comprising of the following Members as on 1<sup>st</sup> April, 2021:

Sr. No.	Name of the Member	Category
1	Mr. R. R. Govindan	Chairman (Independent Director)
2	Mr. Balram Singh Yadav	Member (Non-Executive, Non-Independent Director)
3	Mr. Vijay Kashinath Khot	Member (Independent Director)

The Compensation Committee was dissolved on 28<sup>th</sup> July, 2021.

There were no Compensation Committee Meetings held during the Financial Year 2021-22 till the date of its dissolution.

## 30. Managing Committee:

Your Company has constituted a Managing Committee of the Board of Directors, which comprised of the following Members as on 31<sup>st</sup> March, 2022:

Sr. No.	Name of the Member	Category
1	Mr. Balram Singh Yadav	Chairman (Non-Executive, Non-Independent Director)
2	Mr. Ashok V. Hiremath	Member (Managing Director) (*)
3	Mr. Rakesh Dogra	Member (Non-Executive, Non-Independent Director) (#)

(\*) Mr. Ashok Hiremath has ceased to be the "Managing Director" w.e.f. 1<sup>st</sup> April, 2022 and continues to be a "Non-Executive, Non-Independent Director" as on the date of this Report.

(#) Mr. Rakesh Dogra has resigned as a "Non-Executive, Non-Independent Director" w.e.f. 2<sup>nd</sup> May, 2022 and consequently, he ceases to be a Member of the Managing Committee w.e.f. 2<sup>nd</sup> May, 2022.

During the Financial Year 2021-22, there was no change in the composition of the Managing Committee. The terms of reference of the Managing Committee include handling of various administrative and other matters of the Company, which have been delegated to the Managing Committee by the Board of Directors from time to time.

## 31. Prevention of Sexual Harassment at Workplace and Internal Complaints Committee:

The values of mutual trust and respect are considered by your Company as fundamental to its existence. Your Company is committed to creating

and maintaining an atmosphere in which employees can work together without fear of sexual harassment, exploitation or intimidation and there is zero tolerance towards any such unwarranted instances.

The Board of Directors of your Company has constituted Internal Complaints Committee (ICC) pursuant to the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules framed thereunder, comprising of the following Members as on 31<sup>st</sup> March, 2022:

1. Ms. Neeyati Shah, Presiding Officer
2. Mr. Arijit Mukherjee, Member
3. Mr. Saurav Bhala, Member
4. Mr. Ritesh Bhardwaj, Member
5. Ms. Tejashree Pradhan, Member
6. Ms. Sharmila Kher, External Member

The Company has formulated and circulated to all the employees, a Policy on Prevention of Sexual Harassment at Workplace, which provides for a proper mechanism for redressal of complaints of sexual harassment.

The details of complaints with the ICC during the Financial Year 2021-22 are as follows:

Complaints outstanding as on 1 <sup>st</sup> April, 2021	0
(+) Complaints received during the Financial Year ended 31 <sup>st</sup> March, 2022	0
(-) Complaints resolved during the Financial Year ended 31 <sup>st</sup> March, 2022	0
Complaints outstanding as on 31 <sup>st</sup> March, 2022	0

The Company has complied with the applicable provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules framed thereunder.

### 32. Related Party Transactions:

All Related Party Transactions entered into by your Company during the Financial Year 2021-22 were on arm's length basis and in the ordinary course of business. There were no material significant Related Party Transactions entered into by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company. Prior approval of the Audit Committee of the Board of Directors was obtained for all the Related Party Transactions.

Accordingly, as per provisions of Section 134(3)(h) and Section 188 of the Companies Act, 2013 read with Rule 8(2) of the Companies (Accounts) Rules, 2014, disclosure of Related Party Transactions in Form AOC-2 is not applicable. Attention of the Shareholders is also drawn to the disclosure of transactions with Related Parties as set out in Note No. 51 of the Standalone Financial Statements, forming part of the Annual Report. None of the Directors have any pecuniary relationships or transactions vis-à-vis the Company during the Financial Year 2021-22.

### 33. Disclosures of Transactions of the Company with any Person or Entity belonging to the Promoter / Promoter Group:

During the Financial Year 2021-22, the Company has entered into Related Party Transactions with Godrej Agrovet Limited, its Promoter and Holding Company, based on considerations of various business exigencies, such as synergy in operations and the same are in line with the Company's long-term strategy. Further, the Company has paid managerial remuneration to Mr. Ashok V. Hiremath, Promoter of the Company, who was the "Managing Director" till 31<sup>st</sup> March, 2022 (and continues to be a "Non-Executive, Non-Independent Director" as on the date of this Report).

All such Related Party Transactions during the Financial Year under review are in the ordinary course of business, on arm's length basis and are intended to further the Company's interests. The same have been disclosed in the Financial Statement.

### 34. Corporate Governance:

In accordance with Regulation 34 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), a detailed report on Corporate Governance is included in the Annual Report. M/s. BNP and Associates, Company Secretaries, who are also the "Secretarial Auditors" of your Company, have certified that your Company is in compliance with the requirements of Corporate Governance in terms of Regulation 34 of the Listing Regulations and their Compliance Certificate is annexed to the Report on Corporate Governance.



### 35. Policies of the Company:

The Companies Act, 2013, the Rules framed thereunder and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”) have mandated the formulation of certain policies for all listed companies and/or

unlisted companies. All our Policies are available on the Company’s website, [www.astecls.com](http://www.astecls.com) and can be accessed through the web link <http://www.astecls.com/codes-and-policies.aspx>.

The Policies are reviewed periodically by the Board and its Committees and are updated based on the need and new compliance requirements.

#### The major Policies which have been adopted by your Company are as follows:

1	Risk Management Policy	The Company has in place, a Risk Management Policy which has been framed by the Board of Directors of the Company, based on the recommendation made by the Risk Management Committee. This Policy deals with identifying and assessing risks such as operational, strategic, financial, security, cyber security, property, regulatory, reputational and other risks and the Company has in place an adequate risk management infrastructure capable of addressing these risks.
2	Corporate Social Responsibility Policy	The Corporate Social Responsibility Committee has formulated and recommended to the Board of Directors, a Corporate Social Responsibility Policy, indicating the activities to be undertaken by the Company as corporate social responsibility, which has been approved by the Board. This Policy outlines the Company’s strategy to bring about a positive impact on society through activities and programmes relating to livelihood, healthcare, education, sanitation, environment, etc.
3	Policy for Determining Material Subsidiaries	This Policy is used to determine the material subsidiaries of the Company in order to comply with the requirements of Regulation 16(1)(c), Regulation 24 and Regulation 24A of the Listing Regulations. As on 31 <sup>st</sup> March, 2022, your Company does not have any material subsidiary.
4	Nomination and Remuneration Policy	This Policy approved by the Board formulates the criteria for determining qualifications, competencies, positive attributes and independence of a Director and also the criteria for determining the remuneration of the Directors, Key Managerial Personnel and other Senior Management employees.
5	Whistle Blower Policy / Vigil Mechanism	The Company has a Vigil Mechanism / Whistle Blower Policy. The purpose of this Policy is to enable employees to raise concerns regarding unacceptable improper practices and/ or any unethical practices, violation of any law, rule or regulation, in the organization without the knowledge of the Management. The Policy provides adequate safeguards against victimization of persons who use such mechanism and makes provision for direct access to the Chairperson of the Audit Committee, in appropriate or exceptional cases.
6	Policy on Prevention of Sexual Harassment at Workplace	The Company has in place, a Policy on Prevention of Sexual Harassment at Workplace, which provides for a proper mechanism for redressal of complaints of sexual harassment and thereby encourages employees to work together without fear of sexual harassment, exploitation or intimidation.
7	Policy on Materiality of Related Party Transactions and dealing with Related Party Transactions	This Policy regulates all transactions between the Company and its Related Parties.
8	Code of Conduct for Insider Trading	This Policy sets up an appropriate mechanism to curb Insider Trading, in accordance with the provisions of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time.
9	Policy on Criteria for determining Materiality of Events	This Policy applies to disclosure of material events affecting the Company. This Policy warrants disclosure to investors and has been framed in compliance with the requirements of the Listing Regulations.
10	Policy for Maintenance and Preservation of Documents	The purpose of this Policy is to specify the type of documents and time period for preservation thereof based on the classification mentioned under Regulation 9 of the Listing Regulations. This Policy covers all business records of the Company, including written, printed and recorded matter and electronic forms of records.
11	Archival Policy	This Policy is framed pursuant to the provisions of the Listing Regulations. As per this Policy, all such events or information which have been disclosed to the Stock Exchanges are required to be hosted on the website of the Company for a minimum period of 5 (Five) years and thereafter in terms of the Policy.

12	Dividend Distribution Policy	This Policy is framed by the Board of Directors in terms of the Listing Regulations. The focus of the Company is to have a Policy on distribution of dividend so that the investor may form their own judgment as to when and how much dividend they may expect.
13	Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information (UPSI)	This Policy / Code is framed by the Board of Directors in terms of the Securities and Exchange Board of India (Prohibition of Insider Trading) (Amendment) Regulations, 2018. It aims to strengthen the Internal Control System and curb / prevent leak of Unpublished Price Sensitive Information ("UPSI") without a legitimate purpose. The Policy / Code intends to formulate a stated framework and policy for fair disclosure of events and occurrences that could impact price discovery in the market for the Company's securities. In general, this Policy aims to maintain the uniformity, transparency and fairness in dealings with all stakeholders and to ensure adherence to applicable laws and regulations.
14	Code of Conduct for the Board of Directors and Senior Management Personnel	The Company has in place, a Policy / Code of Conduct for the Board of Directors and Senior Management Personnel which reflects the legal and ethical values to which the Company is strongly committed. The Directors and Senior Management Personnel of your Company have complied with the Code during the Financial Year 2021-22.
15	Policy to promote Board Diversity	This Policy endeavours to promote diversity at Board level, with a view to enhance its effectiveness.
16	Policy on Familiarization Programmes for Independent Directors	Your Company has a Policy on Familiarization Programmes for Independent Directors, which lays down the practices followed by the Company in this regard, on a continuous basis.
17	Human Rights Policy	Your Company has in place, a Human Rights Policy which demonstrates your Company's commitment to respect human rights and treat people with dignity and respect in the course of conduct of its business.

### 36. Managerial Remuneration:

The remuneration paid to Directors, Key Managerial Personnel and other employees of the Company during the Financial Year 2021-22 was in conformity with the Nomination and Remuneration Policy of the Company.

**Disclosure as per the provisions of Section 197 of the Companies Act, 2013 and Rule 5 of the**

### Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:

- (i) Percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the Financial Year 2021-22 and the Ratio of the Remuneration of each Director to the Median remuneration of the employees of the Company for the Financial Year 2021-22:

Sr. No.	Name of Director / KMP and Designation	Remuneration of Director / Key Managerial Personnel (KMP) for the Financial Year 2021-22 (₹ in Lakh)	% Increase in Remuneration in the Financial Year 2021-22	Ratio of Remuneration of each Director to Median Remuneration of Employees
1	Mr. Nadir B. Godrej, Chairman, Non-Executive, Non-Independent Director	Nil	-	Nil
2	Mr. Ashok V. Hiremath, Managing Director (*)	251.96	27.79%	85.86 : 1
3	Mr. Arijit Mukherjee (\$), Whole Time Director	136.21	11.09%	46.42 : 1
4	Mr. Anurag Roy (\$), Whole Time Director & Chief Executive Officer	153.80	Not Applicable	52.41 : 1
5	Mr. Balram Singh Yadav, Non-Executive, Non-Independent Director	Nil	-	Nil



6	Mr. Rakesh Dogra (#), Non-Executive, Non-Independent Director	Nil	-	Nil
7	Dr. Brahma Nand Vyas, Non-Executive, Independent Director	Nil	-	Nil
8	Mr. Vijay Kashinath Khot, Non-Executive, Independent Director	Nil	-	Nil
9	Mr. R. R. Govindan, Non-Executive, Independent Director	Nil	-	Nil
10	Mr. Nandkumar Vasant Dhekne Non-Executive, Independent Director	Nil	-	Nil
11	Ms. Anjali Rajesh Gupte Non-Executive, Independent Director	Nil	-	Nil
12	Mr. Saurav Bhala, Chief Financial Officer	55.62	23.85%	Not Applicable
13	Ms. Tejashree Pradhan, Company Secretary and Compliance Officer	18.99	17.30%	Not Applicable

(\*) Mr. Ashok Hiremath has ceased to be the “Managing Director” w.e.f. 1<sup>st</sup> April, 2022 and continues to be a “Non-Executive, Non-Independent Director” as on the date of this Report.

(§) Mr. Anurag Roy has been appointed as the “Whole Time Director & Chief Executive Officer” w.e.f. 28<sup>th</sup> July, 2021. On 30<sup>th</sup> October, 2021, he has been granted 3,316 (Three Thousand Three Hundred and Sixteen) stock options, exercisable at an exercise price of ₹10/- (Rupees Ten Only) per option [which entitles him to 1 (One) Equity Share], which shall vest over a period of 3 (Three) years

(#) Mr. Arijit Mukherjee resigned as the “Whole Time Director” w.e.f. 28<sup>th</sup> July, 2021, while continuing to be the “Chief Operating Officer”. Therefore, the figures above are pertaining to his remuneration only till 28<sup>th</sup> July, 2021.

(ii)	Percentage increase in the Median remuneration of employees during the Financial Year 2021-22	(5.23) %
(iii)	Number of permanent employees on the rolls of Company as on 31 <sup>st</sup> March, 2022	506
(iv)	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	Average percentage increase in remuneration of employees during the Financial Year 2021-22 was 11.94% as compared to Average percentage increase in remuneration of managerial personnel which was 29.51%.

### 37. Particulars of Employees:

The disclosure as per Section 197(12) of the Companies Act, 2013 read with Rule 5 (2) and Rule 5 (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, in respect of employees of your Company, is available for inspection by the Shareholders at the Registered Office of the Company, during business hours, i.e., between 10.00 a.m. (IST) to 5.00 p.m. (IST), on all working days (i.e., excluding Saturdays, Sundays and Public Holidays), upto the date of the ensuing 28<sup>th</sup> (Twenty Eighth) Annual General Meeting, subject to such COVID-19 restrictions (if any) as may be imposed by the Government(s) and/or local authority(ies) from time to time. If any

Shareholder is interested in inspecting and obtaining a copy thereof, such Shareholder may write an e-mail to [agm.astec@godrejastec.com](mailto:agm.astec@godrejastec.com).

### 38. Deposits:

Your Company has not accepted any deposits covered under Chapter V of the Companies Act, 2013, [(i.e., deposits within the meaning of Rule 2(1)(c) of the Companies (Acceptance of Deposits) Rules, 2014)], during the Financial Year 2021-22. Thus, the details of deposits required as per the provisions of the Companies (Accounts) Rules, 2013 are as follows:

(a)	Accepted during the Financial Year 2021-22	:	Nil
(b)	Remained unpaid or unclaimed during the Financial Year 2021-22	:	Nil
(c)	Whether there has been any default in repayment of deposits or payment of interest thereon during the year and if so, number of such cases and total amount involved –		
	(i) At the beginning of the year	:	Nil
	(ii) Maximum during the year	:	Nil
	(iii) At the end of the year	:	Nil
(d)	Details of Deposits which are not in compliance with the requirements of Chapter V of the Companies Act, 2013	:	Nil

### 39. Adequacy of Internal Financial Controls with reference to the Financial Statement:

In the opinion of the Board of Directors of your Company, adequate internal financial controls are available, operative and adequate, with reference to the preparation and finalization of the Financial Statement for the Financial Year 2021-22.

### 40. Annual Return:

Pursuant to Section 92(3) of the Companies Act, 2013 read with the Companies (Management and Administration) Amendment Rules, 2021, Annual Return in Form MGT-7 will be hosted on the website of the Company, viz., [www.astecls.com](http://www.astecls.com) at the web link <http://www.astecls.com/other-updates.aspx>.

### 41. Investor Education and Protection Fund (IEPF):

#### Compulsory Transfer of Equity Shares to Investor Education and Protection Fund (IEPF) Account:

In accordance with the applicable provisions of the Companies Act, 2013, read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF Rules"), all the Unpaid or Unclaimed Dividends are required to be transferred to the Investor Education and Protection Fund (IEPF) established by the Central Government, upon completion of 7 (Seven) years. The Company is in compliance with the aforesaid provisions and the IEPF Rules.

### Unclaimed / Unpaid Dividend:

The dividend amount for the Financial Year 2014-15 remaining unclaimed shall become due for transfer to the Investor Education and Protection Fund ("IEPF") established by the Central Government in terms of Section 124 of the Companies Act, 2013, on 22<sup>nd</sup> October, 2022, upon expiry of 7 (Seven) years from the date of its declaration. The Company is in the process of sending reminders to all such Shareholders at their registered addresses for claiming the unpaid / unclaimed dividend, which will be transferred to IEPF in the due course.

The detailed dividend history, due dates for transfer to IEPF, and the details of unclaimed amounts lying with the Company in respect of dividends declared since the Financial Year 2009-10 are available on website of the Company, [www.astecls.com](http://www.astecls.com) at the web link <http://www.astecls.com/unclaimed-dividend.aspx>. Also, pursuant to Section 124(2) of the Companies Act, 2013, your Company has uploaded the details of unpaid and unclaimed amounts lying with the Company in respect of dividends declared for the Financial Year 2020-21, on the website of the Company.

### 42. Explanation or Comments by the Board on every Qualification, Reservation or Adverse Remark or Disclaimer made by the Statutory Auditors, Secretarial Auditors and Cost Auditors:

There are no qualifications, reservations, adverse remarks and disclaimers of the Statutory Auditors in their Auditors' Reports (Standalone and Consolidated) on the Financial Statements for the Financial Year 2021-22.

There are no qualifications, reservations, adverse remarks and disclaimers of the Secretarial Auditors in their Secretarial Audit Report for the Financial Year 2021-22.

There are no qualifications, reservations, adverse remarks and disclaimers of the Cost Auditors in their report on the Cost Records for the Financial Year 2020-21 (noted during the Financial Year 2021-22). The Cost Audit Report for the Financial Year 2021-22 will be received in due course.

**43. Significant Regulatory or Court Orders:**

During the Financial Year 2021-22 and thereafter till the date of this Report, there have been no significant and material orders passed by the regulators or Courts or Tribunals which can adversely impact the going concern status of your Company and its operations in future.

**44. Material Changes and Commitments, if any, Affecting the Financial Position of the Company which have occurred between the end of the Financial Year 2021-22 to which the Financial Statements relate and the date of the Directors' Report (i.e., from 1<sup>st</sup> April, 2022 upto 2<sup>nd</sup> May, 2022), if any:**

There are no material changes and commitments affecting the financial position of your Company which have occurred between the end of the Financial Year 2021-22 to which the Financial Statements relate and the date of the Directors' Report (i.e., from 1<sup>st</sup> April, 2022 upto 2<sup>nd</sup> May, 2022). The global outbreak of COVID-19 health pandemic has significantly impacted the economy. The Management of your Company has considered internal and certain external sources of information and has used the principles of prudence in applying judgments, estimates and assumptions regarding the probable impact of the pandemic. The eventual outcome or impact of the pandemic may be different from those estimated as on the date of approval of these Financial Statements.

**45. Employees Stock Option Plan, 2012 and Employees Stock Option Scheme, 2015:**

Your Company has introduced and implemented the following Employees Stock Option Plan and Scheme:

Sr. No.	Name of the Plan / Scheme	Date of Shareholders' Approval	Exercise Price per Option
1	Employees Stock Option Plan, 2012 ("ESOP 2012")	<ul style="list-style-type: none"> <li>Original Scheme approved vide Special Resolution passed at the Extra-ordinary General Meeting held on 27<sup>th</sup> March, 2012</li> <li>Amended Scheme approved vide Special Resolution passed on 26<sup>th</sup> September, 2021, through Postal Ballot, the results of which were declared on 27<sup>th</sup> September, 2021</li> </ul>	<ul style="list-style-type: none"> <li>₹ 34/- (Rupees Thirty Four Only) as per the Original Scheme</li> <li>₹ 10/- (Rupees Ten Only) as per the Amended Scheme</li> </ul>
2	Employees Stock Option Scheme, 2015 ("ESOS 2015")	<ul style="list-style-type: none"> <li>Special Resolution passed at the 21<sup>st</sup> (Twenty First) Annual General Meeting held on 22<sup>nd</sup> September, 2015</li> </ul>	The Company shall use Fair Value Method to value its Options. The Exercise Price for the Options will be the Closing Market Price of the Equity Shares of the Company listed on the recognized Stock Exchange as on the date immediately prior to the relevant date of the grant of the Options to the Eligible Employees and Eligible Directors.

The Nomination and Remuneration Committee of the Board of Directors administers and monitors the ESOP 2012 and ESOS 2015.

Your Company has received a certificate from BNP and Associates, Company Secretaries and the Secretarial Auditors of the Company that ESOP 2012 and ESOS 2015 have been implemented in accordance with the provisions of the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 and the resolutions passed by the

Shareholders. Any request for inspection of the said certificate may please be sent to [agm.astec@godrejastec.com](mailto:agm.astec@godrejastec.com). The disclosures as per Regulation 14 of the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 have been put on the website of Company, viz., [www.astecls.com](http://www.astecls.com) at the web link <http://www.astecls.com/listing-compliance.aspx>.

There was no amendment in ESOS 2015 during the Financial Year 2021-22 and the same is in

compliance with the provisions of the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021.

During the Financial Year 2021-22, there was an amendment made in ESOP 2012, which was

approved by the Shareholders by passing a Special Resolution on 26<sup>th</sup> September, 2021, through Postal Ballot (the results of which were declared on 27<sup>th</sup> September, 2021). The salient features of the said amendment were as follows:

Sr. No.	Particulars	Details of the Amendment
1	Vesting Period	<p>The options to be granted under the Scheme shall vest in the following manner:</p> <ul style="list-style-type: none"> <li>a) 1/3<sup>rd</sup> (one-third) at the end of 1 (One) year from the date on which the stock grants are awarded;</li> <li>b) 1/3<sup>rd</sup> (one-third) at the end of 2 (Two) years from the date on which the stock grants are awarded;</li> <li>c) 1/3<sup>rd</sup> (one-third) at the end of 3 (Three) years from the date on which the stock grants are awarded.</li> </ul> <p>The Equity Shares to be vested as above shall be subject to the condition that the eligible employee is in continuous employment of the Company or the Subsidiary Company or the Holding Company as the case may be, and is not serving any notice of resignation on the date of vesting of the grant.</p> <p>The Nomination and Remuneration Committee shall have the authority to vary the aforesaid terms subject to compliance with the applicable regulations.</p>
2	Option Price / Grant Price / Exercise Price	₹ 10/- (Rupees Ten Only) per option or Equity Share
3	Exercise Period	The Exercise Period shall be 1 (One) month from the date of vesting or such other period as may be determined by the Nomination and Remuneration Committee. The eligible Employee shall exercise her / his right to acquire Equity Shares vested in him/her all at one time, and shall not be permitted to exercise in part at various points of time within the Exercise Period.
4	Period of the ESOP 2012	The maximum period within which the options shall be vested, which was 10 (Ten) years earlier, now stands eliminated.
5	Effect on Options already granted under the Scheme	The options already granted under the Scheme (prior to the amendment), whether or not vested and whether or not exercised, shall remain unaffected / unaltered / unchanged by the amendments. The amendments shall apply to options to be granted under ESOP 2012 after the amendments have been carried out.

#### 46. Fraud Reporting:

There have been no instances of frauds reported by the Statutory Auditors under Section 143(12) of the Companies Act, 2013 and the Rules framed thereunder, either to the Company or to the Central Government, during the Financial Year 2021-22.

#### 47. Additional Information:

The additional information required to be given under the Companies Act, 2013 and the Rules made thereunder, has been laid out in the Notes attached to and forming part of the Financial Statements. The Notes to the Accounts referred to the Auditors' Report are self-explanatory and therefore, do not call for any further explanation.



#### 48. Listing Fees:

Your Company has paid requisite annual listing fees to BSE Limited (BSE) and the National Stock Exchange of India Limited (NSE), the Stock Exchanges where its securities are listed.

#### 49. Depository System:

Your Company's Equity Shares are available for dematerialization through National Securities Depository Limited ("NSDL") and Central

Depository Services (India) Limited ("CDSL"). The ISIN Number of your Company for both NSDL and CDSL is INE563J01010.

#### 50. Research and Development:

Your Company continues to focus on Research and Development ("R & D") and strongly believes that productive R & D is a key ingredient for success. During the Financial Year under review, your Company continued to develop new products at a healthy pace. A state-of-the-art R & D centre is in progress and is expected to be completed by December 2022, which will further augment your Company's R & D capabilities.

#### 51. Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo:

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo as stipulated under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014 is annexed herewith as 'Annexure D'.

#### 52. Business Responsibility Report:

The Company has prepared its Business Responsibility Report for the Financial Year 2021-22, in accordance with Regulation 34 (2) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Circular No. CIR/CFD/CMD/10/2015 dated November 4, 2015 issued by the Securities and Exchange Board of India (SEBI), to describe the initiatives taken by the

Company from an environmental, social and governance perspective. The said Report is prepared in accordance with the 'National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business' (NVGs) notified by the Ministry of Corporate Affairs (MCA), Government of India, in July 2011 and forms part of this Annual Report.

#### 53. Scheme of Amalgamation / Arrangement:

During the Financial Year 2021-22, your Company has not proposed or considered or approved any Scheme of Merger / Amalgamation / Takeover / De-merger / Arrangement with its Members and/or Creditors.

#### 54. Details of Application made or any Proceeding pending under the Insolvency and Bankruptcy Code, 2016, during the Financial Year along with their status as at the end of the Financial Year:

During the Financial Year 2021-22, there was no application made and proceeding initiated / pending by any Financial and/or Operational Creditors against your Company under the Insolvency and Bankruptcy Code, 2016.

As on the date of this Report, there is no application or proceeding pending against your Company under the Insolvency and Bankruptcy Code, 2016.

#### 55. Details of Difference between the Amount of Valuation at the time of One-time Settlement and the Valuation done at the time of taking a Loan from the Banks or Financial Institutions along with the Reasons thereof:

During the Financial Year 2021-22, the Company has not made any settlement with its bankers for any loan/facility availed or/and still in existence.

#### 56. Human Resources:

Your Company continues to have amicable employee relations at all locations and would like to place on record its sincere appreciation for the unstinted support it continues to receive from all its employees. Your Company drives interventions

to enhance the workforce productivity in the business and also makes concrete efforts to improve the employee engagement and connect. Your Company is committed to building and maintaining a safe and healthy workplace. There are several policies formulated for the benefit of employees, which promote gender diversity, equal opportunity, prevention of sexual harassment, safety and health of employees. Your Company constantly makes concerted efforts towards creating learning and development opportunities on a non-discriminatory basis, that continually enhance the employee value in line with the organizational objectives. The total number of permanent employees on the rolls of your Company as on 31<sup>st</sup> March, 2022 was 506.

#### 57. Appreciation:

Your Board wishes to place on record their sincere appreciation and gratitude for the continued support and co-operation received from the various Central and State Government Departments, organizations and agencies. The Directors also gratefully acknowledge all stakeholders of the Company, viz., Shareholders, customers, dealers, vendors, banks and other business partners for the excellent support received from them during the Financial Year under review. Your Directors also express their warm appreciation to all the employees of the Company for their unstinted commitment and continued contribution to performance and success of the Company, even in the challenging times of COVID-19 pandemic outbreak.

#### 58. Cautionary Statement:

The statements in the Board's Report describing the Company's objectives, expectations or forecasts may be forward-looking within the meaning of applicable Securities laws and regulations. Actual results may differ materially from those expressed herein. Important factors that could influence the Company's operations include global and domestic demand and supply conditions affecting selling prices of finished goods, input availability and prices, changes in government regulations, tax laws, economic developments within the country and other factors such as litigations and industrial relations.

**For and on behalf of the Board of Directors of  
Astec LifeSciences Limited**

**Anurag Roy**  
Whole-Time Director & Chief Executive Officer  
(DIN: 07444595)

**B. S. Yadav**  
Director  
(DIN: 00294803)

**Place: Mumbai**  
**Date: 2<sup>nd</sup> May, 2022**



## ANNEXURE A TO DIRECTORS' REPORT

### FORM NO. AOC-1

For the Financial Year ended 31<sup>st</sup> March, 2022

[Pursuant to first proviso to sub-section (3) of Section 129 of the Companies Act, 2013 read with Rule 5 of the Companies (Accounts) Rules, 2014]

#### Statement containing Salient Features of the Financial Statement of Subsidiaries / Associates / Joint Ventures

##### PART A: Information in respect of each Subsidiary:

(₹ in Lakh)

Particulars	Behram Chemicals Private Limited (India)	Comercializadora Agricola Agroastrachem Cia Ltda (Bogota, Columbia)
Reporting Period	From 1 <sup>st</sup> April, 2021 upto 31 <sup>st</sup> March, 2022	From 1 <sup>st</sup> April, 2021 upto 31 <sup>st</sup> March, 2022
Reporting Currency and Exchange Rate as on last date of the relevant Financial Year	Indian Rupees	Columbian Peso (Exchange Rate: 0.0197)
Share Capital	60.00	1.00
Reserves and Surplus	53.52	(9.80)
Total Assets	117.27	0.17
Total Liabilities	3.75	8.97
Investments	-	-
Turnover	-	-
Profit Before Taxation	9.21	-
Provision for Taxation	2.22	-
Adjustment of Tax for earlier years	-	-
Profit After Taxation	7.00	-
Other Comprehensive Income	-	-
Total Comprehensive Income	7.00	-
Proposed Dividend	-	-
% Shareholding	65.63%	100.0%

##### Notes:

##### 1. Names of Subsidiaries which are yet to commence operations:

Comercializadora Agricola Agroastrachem Cia Ltda (Bogota Columbia), is a 100% Subsidiary, which has not commenced its operations.

##### 2. Names of Subsidiaries which have been liquidated or sold during the Financial Year:

None of the Subsidiaries of the Company have been liquidated or sold during the Financial Year 2021-22.

**PART B: Information in respect of Associates and Joint Ventures:**

Not Applicable since the Company does not have any Associate Companies and Joint Ventures.

**For and on behalf of the Board of Directors of  
Astec LifeSciences Limited**

**Anurag Roy**  
**Whole-Time Director & Chief Executive Officer**  
**(DIN: 07444595)**

**B. S. Yadav**  
**Director**  
**(DIN: 00294803)**

**Saurav Bhala**  
**Chief Financial Officer**  
**(ICAI Membership No.: 062106)**

**Tejashree Pradhan**  
**Company Secretary and Compliance Officer**  
**(ICSI Membership No.: FCS 7167)**

**Place: Mumbai**  
**Date: 2<sup>nd</sup> May, 2022**



## ANNEXURE B TO DIRECTORS' REPORT

### FORM NO. MR-3

### 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]

To,  
The Members,  
**Astec LifeSciences Limited**  
"Godrej One", 3<sup>rd</sup> Floor,  
Pirojshanagar, Eastern Express Highway,  
Vikhroli (East),  
Mumbai - 400 079.

We have conducted the Secretarial Audit of compliance of the applicable statutory provisions and adherence to good corporate practices by **Astec LifeSciences Limited** [CIN: L99999MH1994PLC076236] (hereinafter called the "Company") for the audit period from **April 1, 2021 to March 31, 2022** ('the year' / 'audit period' / 'period under review').

We conducted the Secretarial Audit in a manner that provided us a reasonable basis for evaluating the Company's corporate conducts / statutory compliances and expressing our opinion thereon.

We are issuing this report based on:

(i) our **verification** of the books, papers, minute books, soft copy as provided by the Company and other records maintained by the Company and furnished to us, forms / returns filed and compliance related action taken by the Company during the Financial Year ended March 31, 2022 as well as before the issue of this report,

(ii) **Compliance Certificates** confirming compliance with all laws applicable to the Company given by Key Managerial Personnel / senior managerial personnel of the Company and taken on record by Audit Committee / Board of Directors, and

(iii) **Representations** made, documents shown, and information provided by the Company, its officers,

agents, and authorized representatives during our conduct of Secretarial Audit.

We hereby report that in our opinion, during the audit period covering the Financial Year ended March 31, 2022, the Company has:

- i. Complied with the statutory provisions listed hereunder, and
- ii. Adhered to Board-processes and compliance mechanism in place

to the extent, in the manner and subject to the reporting made hereinafter.

The Members are requested to read this Report, along with our letter of even date annexed to this Report as Annexure-A.

#### 1. Compliance with specific statutory provisions

##### We further report that:

1.1. We have examined the books, papers, minute books and other records maintained by the Company and the forms, returns, reports, disclosures and information filed or disseminated during the year according to the applicable provisions / clauses of:

- i. The Companies Act, 2013 ("the Act") and the Rules framed thereunder;
- ii. The Securities Contracts (Regulation) Act, 1956 and the Rules framed thereunder;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- iv. The Foreign Exchange Management Act,

1999 and the Rules and Regulations made thereunder to the extent of Overseas Direct Investment;

- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ("SEBI Act"):-
  - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - c) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;
  - d) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993; and
  - e) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("LODR").
- vi. Secretarial Standards issued by The Institute of Company Secretaries of India ("Secretarial Standards").

1.2. During the period under review, and also considering the compliance related action taken by the Company after March 31, 2022, but before the issue of this report, the Company has, to the best of our knowledge and belief and based on the records, information, explanations and representations furnished to us:

- i. **Complied with** the applicable provisions/clauses of the Act, Rules and SEBI Regulations mentioned under sub-paragraphs (ii), (iii) and (v) of paragraph 1.1 above.
- ii. **Complied with** the applicable provisions/ clauses of:

- a) The Act and Rules mentioned under paragraph 1.1 (i); and
- b) The Secretarial Standards on Meetings of the Board of Directors (SS-1) and Secretarial Standards on General Meetings (SS-2) mentioned under paragraph 1.1 (vi) above, to the extent applicable to Board Meetings and Committee Meetings held during the review period and the 27<sup>th</sup> Annual General Meeting ("AGM") held on July 28, 2021. The compliance of the provisions of the Rules made under the Act [paragraph 1.1(i)] and SS-1 [paragraph 1.1(vi)] with regard to the Board Meetings and Committee Meetings held through video conferencing during the review period were verified based on the Minutes of the Meetings provided by the Company.

1.3. We are informed that, during the year, the Company was not required to initiate any compliance related action in respect of the following laws/rules/regulations/standards, and was consequently not required to maintain any books, papers, minute books or other records or file any form / returns thereunder:

- i. Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment and External Commercial Borrowings;
- ii. The following Regulations and Guidelines prescribed under the SEBI Act: -
  - a) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
  - b) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
  - c) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and



d) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998.

1.4. Based on the nature of business activities of the Company, the Insecticides Act, 1968 and the Rules framed thereunder is specifically applicable to the Company, which has been duly complied with.

## 2. Board Processes

### We further report that

1.1. The Board of Directors of the Company as on March 31, 2022, comprised of:

- i. Two Executive Directors;
- ii. Three Non-Executive Non-Independent Directors; and
- iii. Five Non-Executive Independent Directors, including a Woman Independent Director.

1.2. The processes relating to the following changes in the composition of the Board of Directors during the year were carried out in compliance with the provisions of the Act and LODR:

- i. Appointment of Mr. Anurag Roy (DIN: 07444595) as “Chief Executive Officer and Whole-Time Director” (“Additional Director”) of the Company for a term of 3 (Three) years with effect from July 28, 2021 to July 27, 2024 in the Board Meeting held on July 28, 2021;
- ii. Change in designation of Mr. Anurag Roy (DIN: 07444595) as a “Whole-Time Director” of the Company, pursuant to resolution passed by way of Postal Ballot on September 26, 2021;
- iii. Re-appointment of Mr. Balram Singh Yadav (DIN: 00294803) as a “Director” of the Company, who was liable to retire by rotation, with effect from July 28, 2021;
- iv. Appointment of Mr. Nandkumar Vasant Dhekne (DIN:02189370) as a “Non-Executive, Independent Director” of the Company for a

term of 5 (five) years with effect from December 18, 2020 to December 17, 2025, approved by the Shareholders at the 27<sup>th</sup> AGM held on July 28, 2021;

- v. Appointment of Ms. Anjali Rajesh Gupte (DIN: 00104884) as a “Non-Executive, Independent Director” of the Company for a term of 5 (five) years with effect from December 18, 2020 to December 17, 2025, approved by the Shareholders at the 27<sup>th</sup> AGM held on July 28, 2021;
- vi. Cessation of Mr. Arijit Mukherjee (DIN: 07334111) as a “Whole-Time Director” of the Company with effect from July 28, 2021.

1.3. Adequate notice was given to all Directors of the Company to schedule the Board Meetings (including Committees), Agenda and detailed notes on Agenda were sent at least 7 (seven) days in advance, and where the same were given at shorter notice than 7 (seven) days, more than one Independent Director was present at the Board Meeting as required under Section 173(3) of the Act and Secretarial Standard related to Board Meetings.

1.4. A system exists for Directors to seek and obtain further information and clarifications on the agenda items before the Meetings and for their meaningful participation at the Meetings.

1.5. Decisions at the Meetings of the Board of Directors of the Company were carried through on the basis of majority. There were no dissenting views by any member of the Board of Directors during the Audit Period.

## 3. Compliance Mechanism

There are reasonably adequate systems and processes in the Company, commensurate with the Company’s size and operations, to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

#### 4. Specific Event(s)/ Action(s)

During the year, the following specific events/actions having a major bearing on the Company's affairs took place, in pursuance of the above referred laws, rules, regulations and standards:

- i. The Board of the Directors of the Company has enhanced the limit of Commercial Paper to ₹ 300 Crore from ₹ 150 Crore.
- ii. The Company had allotted Equity Shares upon exercise of options under the

Employees Stock Option Plan, 2012 and the Employees Stock Option Scheme, 2015:

Date of Allotment	Number of Equity Shares
July 21, 2021	1,500
November 2, 2021	2,000
January 24, 2022	2,000
March 23, 2022	4,500

**For BNP & Associates  
Company Secretaries  
[Firm Regn. No. P2014MH037400]  
PR No. 637/2019**

**Avinash Bagul  
Partner  
FCS: 5578 / CP No.19862  
UDIN: F005578D000187947**

**Place: Mumbai**

**Date: 22-04-2022**

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



## ANNEXURE A TO THE SECRETARIAL AUDIT REPORT

To,  
The Members,  
Astec LifeSciences Limited

Our Secretarial Audit Report of even date is to be read along with this letter.

1. The Company's management is responsible for maintenance of secretarial records and compliance with the provisions of corporate and other applicable laws, rules, regulations and standards. Our responsibility is to express an opinion on the secretarial records produced for our audit.
2. We have followed such audit practices and processes as we considered appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records.
3. While forming an opinion on compliance and issuing this report, we have also considered compliance related action taken by the Company after March 31, 2022, but before the issue of this report.
4. We have considered compliance related actions taken by the Company based on independent legal /professional opinion obtained as being in compliance with law.
5. We have verified the secretarial records furnished to us on a test basis to see whether the correct facts are reflected therein. We also examined the compliance procedures followed by the Company on a test basis. We believe that the processes and practices we followed, provides a reasonable basis for our opinion.
6. We have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
7. We have obtained the management's representation about the compliance of laws, rules and regulations and happening of events, wherever required.
8. Our 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.

**For BNP & Associates  
Company Secretaries  
[Firm Regn. No. P2014MH037400]  
PR No. 637/2019**

**Avinash Bagul  
Partner  
FCS: 5578 / CP No.19862  
UDIN: F005578D000187947**

**Place: Mumbai  
Date: 22-04-2022**

## ANNEXURE C TO DIRECTORS' REPORT

# ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

### FOR THE FINANCIAL YEAR 2021-22

#### 1. Brief Outline on CSR Policy of the Company:

Astec LifeSciences Limited ("the Company") recognizes Corporate Social Responsibility (CSR) as integral to the way of business and strives to engage, connect and uplift our community. Through CSR, the Company manages its businesses to produce an overall positive impact on host communities or society through economic, environmental and social actions.

In furtherance of these objectives, the Company continues to:

- Uphold and promote the principles of inclusive growth and equitable development in all its CSR initiatives;
- Identify and develop project plans based on needs, priorities and challenges of different

communities around the locations at which the Company operates;

- Target few areas for conducting CSR activities such as entrepreneurship and employability, livelihoods and income generation, women empowerment, good agricultural practices, waste management, water conservation, rural development projects, medical aid, conservation of natural resources, disaster relief management, etc.;
- Interact regularly with stakeholders about CSR initiatives in order to measure the effectiveness of projects implemented, in a timely manner.

#### 2. Composition of CSR Committee:

Sr. No.	Name of Director	Designation / Nature of Directorship	Number of Meetings of CSR Committee held during the year	Number of Meetings of CSR Committee attended during the year
1	Mr. Ashok V. Hiremath	Managing Director (*) (Chairman of the Committee)	2	2
2	Mr. Balram Singh Yadav	Member (Non-Executive, Non-Independent Director)	2	2
3	Mr. Rishinaradamangalam Ramakrishna Govindan	Member (Non-Executive, Independent Director)	2	2
4	Dr. Brahma Nand Vyas	Member (Non-Executive, Independent Director)	2	2

(\*) Mr. Ashok Hiremath has ceased to be the "Managing Director" w.e.f. 1<sup>st</sup> April, 2022 and continues to be a "Non-Executive, Non-Independent Director" as on the date of this Report.





**3. Web-link where Composition of CSR Committee, CSR Policy and CSR Projects approved by the Board are disclosed on the Website of the Company:**

The web-links where information pertaining to composition of the CSR Committee, CSR Policy and CSR projects approved by the Board are disclosed on the website of the Company are as follows:

**For Composition of the CSR Committee:**

<http://www.astecls.com/board-committees.aspx>

**For CSR Policy:**

<http://www.astecls.com/codes-and-policies.aspx>

**For CSR Projects approved by the Board:**

<http://www.astecls.com/annual-reports.aspx>

<http://www.astecls.com/csr.aspx>

**4. Details of Impact Assessment of CSR Projects carried out in pursuance of Rule 8(3) of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable:**

Not Applicable

**5. Details of the Amount available for set-off in pursuance of Rule 7(3) 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) of the Companies Act, 2013:**

₹ 68,84,68,893/-

**7. (a) Two percent of Average Net Profit of the Company as per Section 135(5) of the Companies Act, 2013:**

₹ 1,37,69,378/-

**(b) Surplus arising out of the CSR Projects or Programmes or Activities of the previous Financial Years:**

Not Applicable

**(c) Amount required to be set off for the Financial Year, if any: Not Applicable**

**(d) Total CSR Obligation for the Financial Year (7a+7b-7c): ₹ 1,37,69,378/-**

## 8. (a) CSR Amount Spent or Unspent for the Financial Year:

Total Amount Spent for the Financial Year (In ₹)	Amount Unspent				
	Total Amount transferred to Unspent CSR Account as per Section 135(6) of the Companies Act, 2013		Amount transferred to any Fund specified under Schedule VII as per second proviso to Section 135(5) of the Companies Act, 2013		
	Amount (In ₹)	Date of Transfer	Name of the Fund	Amount (In ₹)	Date of Transfer
99,40,019	4,02,191	25 <sup>th</sup> April, 2022		Not Applicable	
	34,27,168	26 <sup>th</sup> April, 2022			
<b>99,40,019</b>	<b>38,29,359</b>				

## (b) Details of CSR Amount spent against Ongoing Projects for the Financial Year:

1	2	3	4	5		6	7	8	9	10	11	
Sr. No.	Name of the Project	Item from the List of Activities in Schedule VII to the Companies Act, 2013	Local Area (Yes / No)	Location of the Project		Project Duration	Amount allocated for the Project (In ₹)	Amount spent in the current Financial Year (In ₹)	Amount transferred to Unspent CSR Account for the Project as per Section 135(6) of the Companies Act, 2013 (In ₹)	Mode of Implementation - Direct (Yes / No)	If Mode of Implementation is through Implementing Agency	
				State	District						Name	CSR Registration Number
1	Pragati	Clauses (ii), (iii)	Yes	Maharashtra	Raigad	24 months	34,92,000	18,51,420	16,40,580	Yes	Not Applicable	Not Applicable
2	Grameen Vikas	Clauses (ii), (iii), (iv), (x)	Yes	Maharashtra	Raigad	36 months	47,96,700	26,63,165	21,88,779	No	Anubhav Pratishtan Trust	CSR00000361
<b>TOTAL</b>							<b>82,88,700</b>	<b>45,14,585</b>	<b>38,29,359</b>			

## (c) Details of CSR Amount spent against other than Ongoing Projects for the Financial Year:

1	2	3	4		5	6	7	
Name of the Project	Item from the List of Activities in Schedule VII to the Companies Act, 2013	Local area (Yes/ No)	Location of the Project		Amount spent for the Project (In ₹)	Mode of Implementation - Direct (Yes / No)	If Mode of Implementation is through Implementing Agency	
			State	District			Name	CSR Registration Number
Covid Awareness	Clause (xii)	Yes	Maharashtra	Raigad	27,49,700	No	Anubhav Pratishtan Trust	CSR00000361
Flood Relief	Clause (i), (xii)	Yes	Maharashtra	Raigad	23,79,599	No	Anubhav Pratishtan Trust	CSR00000361
Covid Relief	Clause (xii)	Yes	Maharashtra	Raigad	40,435	Yes	Not Applicable	Not Applicable
Need Assessment Study	Not Applicable	Yes	Maharashtra	Raigad	2,55,700	No	Anubhav Pratishtan Trust	CSR00000361
					<b>54,25,434</b>			



(d) Amount spent in Administrative Overheads: Nil

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

(f) Total Amount spent for the Financial Year (8b + 8c+ 8d + 8e): ₹ 99,40,019/-

(g) Excess Amount for set-off, if any: Not Applicable

Particulars	Amount (In ₹)
Two percent of Average Net Profit as per Section 135(5) of the Companies Act, 2013	
Total Amount Spent for the Financial Year	
Excess Amount Spent for the Financial Year [(ii)-(i)]	Not Applicable
Surplus arising out of CSR Projects / Programmes / Activities of the previous Financial Years, if any	
Amount available for set off in succeeding Financial Years [(iii)-(iv)]	

9. (a) Details of Unspent CSR Amount for the preceding 3 (Three) Financial Years:

Sr. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under Section 135(6) of the Companies Act, 2013 (In ₹)	Amount spent in the Reporting Financial Year (In ₹)	Amount transferred to any Fund specified under Schedule VII as per Section 135(6) of the Companies Act, 2013, if any			Amount remaining to be spent in succeeding Financial Years (In ₹)
				Name of the Fund	Amount (In ₹)	Date of Transfer	
1	2020-21	5,33,582	0	Not Applicable			5,33,582
2	2019-20	0	0	Not Applicable			0
3	2018-19	0	0	Not Applicable			0
<b>TOTAL</b>		<b>5,33,582</b>	<b>0</b>				<b>5,33,582</b>

(b) Details of CSR Amount spent in the Financial Year for Ongoing Projects of the Preceding Financial Year(s):

1	2	3	4	5	6	7	8	9
Sr. No.	Project ID	Name of the Project	Financial Year in which the project was commenced	Project Duration	Total amount allocated for the project Financial Year 2021-22 (In ₹)	Amount spent on the project in the reporting Financial Year (In ₹)	Cumulative amount spent at the end of reporting Financial Year (In ₹)	Status of the project - Completed / Ongoing
1	-	-	-	-	-	-	-	-
<b>TOTAL</b>		-	-	-	-	-	-	-

10. In case of Creation or Acquisition of Capital Asset, Details relating to the Asset so created or acquired through CSR spent in the Financial Year:

Not Applicable

**11. Specify the reason(s), if the Company has failed to spend 2% (Two per cent) of the Average Net Profit as per Section 135(5) of the Companies Act, 2013:**

The Unspent Corporate Social Responsibility (CSR) amount of ₹ 38,29,359/- is planned to be utilized on ongoing CSR projects in due course. Out of the said Unspent amount, ₹ 4,02,191/- was lying with an implementing agency, unutilized as on 31<sup>st</sup> March, 2022. The entire amount of ₹ 38,29,359/- has been duly transferred to Unspent CSR Account before the prescribed date (i.e., before 30<sup>th</sup> April, 2022).

**For and on behalf of the Board of Directors of  
Astec LifeSciences Limited**

**Ashok V. Hiremath  
Director & Chairman of CSR Committee  
(DIN: 00349345)**

**Balram Singh Yadav  
Director & Member of CSR Committee  
(DIN: 00294803)**

**Place: Mumbai  
Date: 2<sup>nd</sup> May, 202**



## ANNEXURE D TO THE DIRECTORS' REPORT

**INFORMATION AS PER SECTION 134(3)(m) OF THE COMPANIES ACT, 2013  
READ WITH THE COMPANIES (ACCOUNTS) RULES, 2014  
FORMING PART OF THE DIRECTORS' REPORT FOR  
THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH, 2022**

### 1. Conservation of Energy:

Your Company has established manufacturing plants with various installations meeting global quality standards, which are regularly reviewed and recognized by various authorities and customers from across the world. Your Company continues to have a relentless focus on environmental sustainability as a conscientious corporate citizen and strives to achieve conservation of energy in all its areas of operations.

The various measures adopted by your Company for conservation of energy during the Financial Year 2021-22 include the following:

- a) Continuous monitoring of energy utilization, to find out energy conservation opportunities.
- b) Replacement of coal by briquettes for steam boiler.
- c) Replacement of plant Mercury Lamp (ML) to Light Emitting Diode (LED).

- d) Variable Frequency Drive (VFD) Installation of cooling tower, Ejector system.
- e) Reduction of operating pressure of compressed air system.

The benefits derived by the Company on account of adoption of the above measures are as follows:

- a) Substantial decrease in the level of energy consumption, by focusing on certain important areas.
- b) Reduction in the boiler emissions and boiler fuel cost.
- c) Decrease in frequency of replacement of mercury lamps and savings in electricity cost.
- d) Reduction in energy consumption, by adjusting current as per utility load.
- e) Decrease in energy consumption, by reducing air leakage rate.

The capital investment on energy conservation equipment during the Financial Year 2021-22 was ₹ 18 Lakh (Rupees Eighteen Lakh Only)

### Power and Fuel Consumption:

Particulars	(₹ in Lakh)	
	2021-22	2020-21
<b>1. Electricity:</b>		
a. <u>Purchased:</u>		
Unit (KWH in Thousands)	19,436.08	17,129.88
Total Amount (₹ in Lakh)	1,714.41	1,490.41
Rate/KWH (₹)	8.82	8.70
b. <u>Own Generation:</u>		
Through Diesel Generator	-	-
Unit (KWH in Thousands)	-	-
Unit per Litre of Diesel	-	-
Oil Cost / Unity	-	-
<b>2. Furnace Oil:</b>		
Quantity (MT)	174.94	131.40
Total Cost (₹ in Lakh)	93.54	40.56
Average Rate / MT (₹)	53.47	30.87

Particulars	₹ in Lakh	
	2021-22	2020-21
<b>3. Coal:</b>		
Quantity (MT)	19,915.84	14,849.66
Total Cost (₹ in Lakh)	1,866.15	888.05
Average Rate / Kg. (₹)	9.37	5.98
<b>4. Others:</b>		
LSHS/LDO/HSD		
Quantity (K. Ltrs.) (LDO/HSD)	45.72	34.80
Total Cost (₹ in Lakh)	43.47	26.51
Average Rate / Litre (₹)	95.09	76.17

The operations being multi-cycle / multi-product type, consumption per unit for each product cannot be meaningfully determined.

## 2. Technology Absorption:

Your Company is a technology-driven organization and has core competence in areas of process research, process development, analytical development and process engineering. It has, over the years, developed in-house capabilities to design, develop, execute and commission production plants of its own. Also, your Company continuously strives to introduce or implement technological upgradation in several ways. The technologies adopted by the Company are not only energy efficient but also more reliable and meeting the quality expectations of all customers in order to delight them.

They are implemented with the objectives in mind of quality in output, reduced cost of production, safety, reduction in waste generation and discharges and environmental sustainability to demonstrate commitment to 'Good and Green'.

During the Financial Year under review, your Company has taken the following initiatives in Technology Absorption, Adaptation and Innovation:

### (i) Methods / Measures adopted / Efforts made:

- Using jet aerator system in effluent treatment plant.
- Introducing process control atomization in plant by using transmitters and controllers.
- Modified agitator assembly of idle reactor and utilised in process.

- Recycling of aqueous stream from process through rainwater harvesting and recycling of steam condensate.

### (ii) Benefits derived as a result of such Measures / Methods / Efforts:

- Reduction of Dissolved Oxygen (DO) level in Effluent Treatment Plant (ETP).
- Improved process control in plant operations, resulting in capacity and quality improvement.
- Reduction in batch time cycle by utilising idle equipment in plant.
- Reduction in water consumption from Maharashtra Industrial Development Corporation (MIDC).

### (iii) Details of Imported Technology:

Majority of the technologies adopted by your Company are developed by in-house Technology transfer and Projects team as well as by Research and Development (R & D) team. Over last several years, your Company has developed complex chemistries in its laboratory and successfully transferred to manufacturing through dedicated, highly qualified and experienced team of chemists and engineers. Products developed in the laboratory are scaled-up in the pilot plant and learnings are captured before introduction in the manufacturing. Your Company also ensures that detailed chemical reaction hazards and fire and explosion hazards are duly addressed for every product through systematic process risk systems.



Your Company also believes in collaborating with global customers to develop newer technologies for the introduction and supply of new products in shortest duration of time. At various stages, your Company works

closely with customers for contract manufacturing. Some processes have been provided by potential customers and those have been suitably absorbed.

#### (iv) Expenditure on Research and Development (R&D):

Your Company's expenditure on R&D during the Financial Year 2021-22, in comparison with the figures for the previous Financial Year 2020-21 were as follows:

Particulars	(₹ in Lakh)	
	2021-22	2020-21
Total R&D Expenditure (Recurring + Capital)	2,397.65	2,200.38
Total R&D Expenditure as a percentage of Total Turnover	3.54%	3.97%

### 3. Foreign Exchange Earnings and Outgo:

With over two decades of experience in development and production of selected chemicals, your Company has developed enduring relationships and strategic alliances with large and small companies all over the world. Your Company's products are exported to more than 25 (Twenty-five) countries and product registrations are being obtained in various parts of the world.

Your Company's foreign exchange earnings and outgo during the Financial Year 2021-22, in comparison with the figures for the previous Financial Year 2020-21 were as follows:

Sr. No.	Particulars	(₹ in Lakh)	
		2021-22	2020-21
A	Foreign Exchange Earned	33,108.15	27,079.36
B	Foreign Exchange Used	29,178.69	28,722.36

**For and on behalf of the Board of Directors of  
Astec LifeSciences Limited**

**Anurag Roy**  
Whole-Time Director & Chief Executive Officer  
(DIN: 07444595)

**B. S. Yadav**  
Director  
(DIN: 00294803)

Place: Mumbai  
Date: 2<sup>nd</sup> May, 2022

## Business Responsibility Report

For the Financial Year ended 31<sup>st</sup> March, 2022

Astec LifeSciences Limited (“the Company”) is pleased to present its Business Responsibility Report for the Financial Year (F.Y.) 2021-22, in accordance with Regulation 34(2) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 [as amended by the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Fifth Amendment) Regulations, 2019] and Circular No. CIR/CFD/CMD/10/2015 dated November 4, 2015 issued by the Securities and Exchange Board of India (SEBI), which describes elaborately, the initiatives taken by the Company from an environmental, social and governance perspective. This Report is prepared in accordance with the ‘National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business’ (NVGs) notified by the Ministry of Corporate Affairs (MCA), Government of India, in July 2011.

The Company recognizes the underlying idea of NVGs that a corporate needs to act as a ‘Responsible Business’ and ensure that its economic growth is socially and environmentally

sustainable. The concept of parting with a portion of one’s surplus wealth for the good of the society is a part of the Indian tradition over the centuries, prevalent in the business community as well. Further, there is an increasing demand from all stakeholders that businesses of all types and sizes should function with fairness and responsibility.

Several corporates have acted as a ‘Responsible Business’ and have displayed the sense of responsibility for social good over the last two years, in the situation of worldwide unprecedented outbreak of Coronavirus disease - COVID-19 [declared as a pandemic by the World Health Organization (WHO)], which continues to have devastating effects on the economies and the global community at large, including India. The Company is committed to stand in solidarity with our people and the Government and their efforts to ensure public health and safety and endeavours to do to the best of its capabilities to serve its customers, employees and communities at large.

### Principles of Business Responsibility Report

Principle 1 (P1)	Businesses should conduct and govern themselves with Ethics, Transparency and Accountability
Principle 2 (P2)	Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle
Principle 3 (P3)	Businesses should promote the well-being of all employees
Principle 4 (P4)	Businesses should respect the interests of and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized
Principle 5 (P5)	Businesses should respect and promote human rights
Principle 6 (P6)	Businesses should respect, protect and make efforts to restore the Environment
Principle 7 (P7)	Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner
Principle 8 (P8)	Businesses should support inclusive growth and equitable development
Principle 9 (P9)	Businesses should engage with and provide value to their customers and consumers in a responsible manner





### About the Godrej Group and its Philanthropic Effort

The Company is proud to be a part of the “Godrej” Group, one of the largest professionally run private-sector groups in India, which has emerged as a major industrial and agricultural conglomerate acclaimed for the excellent quality of its products and services and has a well-established presence in varied businesses. The Group has completed over a century of years serving the needs of the nation and is amongst the admired business groups in India, delivering quality products and services to its

customers at competitive costs, with highest international standards of customer care.

Moreover, the Godrej Group has been at the forefront of philanthropic and social activities for several decades, including but not limited to, environmental protection, healthcare and education.

In the words of Mr. N. B. Godrej, the Chairman of the Company, the sustainability efforts by the Godrej Group can be described as follows:

*“Much benefit can be seen  
from our program Good and Green  
Society and business gain  
from all the people that we train  
We thought we’d have to pay a price  
for green energy but it’s very nice  
The costs have fallen very low  
and every day our savings grow!”*

23% of the promoter holdings in the Godrej Group is held in trusts that invest in education, environment and health. Such initiatives by the Group include:

- Owning and caring for the largest privately managed mangroves tract in Mumbai (Maharashtra) for several years
- Providing quality healthcare services at affordable prices at Godrej Memorial Hospital, Vikhroli (Mumbai, Maharashtra)
- Offering quality pre-primary, primary and secondary education and care for children at Udayachal Schools, Vikhroli (Mumbai, Maharashtra).

The Godrej Group also encourages its employees to volunteer their time and skills through different programmes, including the following:

- Godrej Global Volunteering Day: Pledging a common day globally to volunteering in local communities
- Brighter Giving: Volunteering time and skills through our structured skill-based volunteering programme

- World Environment Day: Building awareness for a greener planet
- Joy of Giving: Building awareness and fund-raising for non-profit partners
- Disaster Relief: Providing recovery support and resettlement development following natural disasters
- Workplace Giving: Enabling donations to our non-profit partners - Save the Children India, World Wildlife Fund and Teach for India.

The Group has also developed a long-term vision of "Godrej Good and Green" with an objective of actively participating in creating a more inclusive and greener India. Operationalizing Good and Green is founded on shared value initiatives. The concept of “shared value” is defined as policies and operating practices that enhance the competitiveness of a company while simultaneously advancing the economic and social conditions in the communities in which it operates. As part of Good and Green, the Group aspires to create a more employable Indian workforce, a greener India and innovate for good and green products.

During the Financial Year 2021-22, when the nation continued to face the COVID-19 challenge, the Godrej Group remained committed to helping our governments, communities and stakeholders emerge stronger through relief efforts and economic recovery initiatives. The Group contributed extensively to COVID-19 efforts, to protect the people in our ecosystem, strengthen public healthcare, provide immediate relief to the worst affected populations, support local communities around factories and support national efforts through donations.

#### **About Astec LifeSciences Limited and its Corporate Social Responsibility (CSR) initiatives:**

The Company was incorporated in 1994 and is engaged in the manufacture of agrochemical active ingredients (technical), bulk and formulations, intermediate products and sells its products in India as well as exports them to approximately 25 (twenty-five) countries. By continuously enhancing its exports through strategic alliances with parties worldwide, the Company is pleased to contribute its small share in the foreign exchange earnings of the country.

While the Company started its manufacturing operations way back in August 1994 by acquiring a sick unit in Dombivali (Maharashtra), it has expanded manifold over the years and presently carries out its manufacturing activities at 5 (five) major locations, viz., 4 (four) in Mahad (Maharashtra) and 1 (one) in Dombivali (Maharashtra).

With over two decades of experience in development and production of selected chemicals, the Company has developed enduring relationships with large and small companies all over the world. This is evident in the fact that more than half of its business comes from export sales, to more than 25 (twenty-five) countries.

The Company is primarily involved in the production of active ingredients and intermediates for agrochemicals and pharmaceutical segment. Hexaconazole, Tebuconazole, Metalaxyl, Propiconazole are some of the major products manufactured by the Company.

The Company is a technology driven organization with core competence in area of process research, process development, analytical development and

process engineering. Over the last several years, the Company has developed complex chemistries in our laboratory and successfully transferred to manufacturing through dedicated, highly qualified and experienced team of chemists and engineers.

The Company has, over the years, developed in-house capabilities to design, develop, execute and commission production plants of its own. This has been one of the reasons for rapid expansion in the manufacturing capabilities across product categories. The plants and installations meet global quality standards and are regularly and positively audited by various authorities and customers from across the world. The Company's projects team continues to maintain an unwavering focus on business needs.

The Company has a dedicated team for continuous improvement of processes to manage lifecycle of the products for cost efficiency. It also focuses on cleaner production technologies with higher yields and minimum waste generation supporting principles of waste reduction, recycle and reuse to demonstrate its commitment to "Good and Green".

The Company's R & D Centre is fully equipped to synthesize multi-step products from milligram to kilogram scale. All the analytical infrastructure is also available to support analytical method development, impurity isolation and characterization. The team in pilot plant ensures supply of products to customers in Kilo quantities for toxicity studies and GLP batches.

The products developed in the laboratory are scaled-up in the pilot plant and learnings are captured before introduction in the manufacturing. The Company also ensures that detailed chemical reaction hazards and fire and explosion hazards are duly addressed for every product through systematic process risk systems.

The Company believes in collaborating with global customers to develop newer technologies for the introduction and supply of new products in a shortest duration of time.

With a consistent track record of customer satisfaction of the highest order, the Company has established a reputation of reliability and quality which is backed by a very personal and committed service.



The Company has received honourable certifications including ISO 9001:2015 (QMS), ISO 14001:2015 (EMS) and ISO 18001:2007 (OHSAS). It always focuses on ensuring utilization of right quality to raw materials at all its manufacturing locations, so that the desired quality of finished products is obtained and customer satisfaction levels are high.

The Company is committed to the health and safety of all its employees and also of the communities at large in the areas in which it operates. The Company is pleased to state that it maintains an excellent safety record with no lost time injuries.

As a conscientious corporate citizen, the Company considers the environment an inherited legacy, its protection a sacred responsibility and this importance is promoted as a culture across the organization.

The Company actively undertakes various Corporate Social Responsibility (CSR) initiatives, mainly in the areas of agriculture and rural livelihoods, women empowerment, water security, education and community development. Such initiatives create social, environmental and economic value to the society. Moreover, at all its manufacturing plants, the Company has a relentless focus on environmental sustainability and has adopted several measures for conservation of energy. The Company has been actively participating in relief activities consequent to outbreak of COVID-19, including providing

ration, masks, and other sanitation material support to people from our communities.

The Company, as a responsible corporate citizen, pursues good Corporate Governance by ensuring regulatory compliance, transparency in disclosures, efficient operational practices, strong internal controls, risk management system and by engaging and operating with fairness and integrity with all its stakeholders, namely, Shareholders, customers, employees, suppliers, customers, regulatory authorities and the general public at large.

The Company has a comprehensive Corporate Social Responsibility (CSR) Policy in place, which is posted on the Company’s website [www.astecls.com](http://www.astecls.com) at the web link <http://www.astecls.com/codes-and-policies.aspx>. The CSR Policy outlines programmes and projects which the Company undertakes to create a positive impact on its stakeholders. The CSR Committee reviews, monitors and provides strategic inputs for our sustainability efforts. Over the years, the Company has aligned its sustainability efforts with the priorities of the nation and the needs of local communities in order to deliver high-impact programmes that are easy to scale up.

**About this Business Responsibility Report:**

This Business Responsibility Report of the Company is divided into the following 5 (five) sections, as per the format prescribed in SEBI Circular No. CIR/CFD/CMD/10/2015 dated November 4, 2015: -

Section A	: General Information about the Company
Section B	: Financial Details of the Company
Section C	: Other Details
Section D	: Business Responsibility (BR) Information
Section E	: Principle-wise Performance

**Section A: General Information About the Company:**

Corporate Identity Number (CIN):	L99999MH1994PLC076236
Name of the Company	ASTEC LIFESCIENCES LIMITED
Registered Office Address	"Godrej One", 3 <sup>rd</sup> Floor, Pirojshanagar, Eastern Express Highway, Vikhroli (East), Mumbai - 400 079, Maharashtra, India
Website	<a href="http://www.astecls.com">www.astecls.com</a>
E-mail ID	<a href="mailto:astecinvestors@godrejastec.com">astecinvestors@godrejastec.com</a>
Financial Year reported:	From 1 <sup>st</sup> April, 2021 to 31 <sup>st</sup> March, 2022

1. Sector(s) that the Company is engaged in / List of three key products / services that the Company manufactures / provides (as in the Balance Sheet, industry activity code wise):

Sr. No.	Name and Description of Main Products	National Industrial Classification (NIC) Code of the Product (as per NIC 2008)
1	Fungicides and Insecticides	20211
2	Agrochemical Intermediates	20219

2. Total Number of Locations where Business Activity is undertaken by the Company:

	The Company has plants / Research and Development Centre at the following locations in Maharashtra: -
	(1) Plot Nos. B-16, B-17, B-18 and B-21, MIDC Mahad, Birwadi Industrial Area, Taluka Mahad, District Raigad – 402 302, Maharashtra
	(2) Plot No. K-2/1/1, Additional MIDC Mahad, Village Kalinj, Taluka Mahad, District Raigad – 402 302, Maharashtra
Number of National Locations	(3) Plot No. K-2/1/2, Additional MIDC Mahad, Village Kalinj, Taluka Mahad, District Raigad – 402 302, Maharashtra
	(4) Plot No. K-2/2, K-2/3/1, Additional MIDC Mahad, Village Kalinj, Taluka Mahad, District Raigad – 402 302, Maharashtra.
	(5) Research and Development Centre: F-39, MIDC - Phase - II - Dombivali (East), District Thane – 421 204, Maharashtra
Number of International Locations	The Company has 1 (one) foreign subsidiary as on 31 <sup>st</sup> March, 2022, viz., Comercializadora Agricola Agroastrachem Cia Ltda (Bogota, Colombia), a 100% subsidiary of your Company.

3. Markets served by the Company (Local / State / National / International):

The Company has spread its wings both in the domestic market and as well as international markets. The Company exports its products to more than 25 (twenty-five) countries.

## Section B: Financial Details of the Company:

Financial Year (F.Y.) 2021-22	Amount (₹ in Lakh)
Paid-up Equity Share Capital	1,959.00
Total Turnover	67,656.61
Net Profit After Tax	8,981.80
Total Spending on Corporate Social Responsibility (CSR)	99.40

The CSR expenditure has been incurred in the areas of agriculture and rural livelihoods, women empowerment, water security, education and community development. Also, in the light of COVID-19, the Company directed a portion of its CSR budget towards relief activities like providing ration, masks, and other sanitation material support.

## Section C: Other Details:

### 1. Subsidiary Companies:

The Company had 2 (two) subsidiaries during the Financial Year 2021-22 and as on 31<sup>st</sup> March, 2022, in or outside India. The list of subsidiaries of the Company is given below: -

- Behram Chemicals Private Limited (India)
- Comercializadora Agricola Agroastrachem Cia Ltda (Bogota, Colombia)

### 2. Participation of subsidiary companies in the Business Responsibility (BR) Initiatives of the parent Company:

None of the subsidiaries of the Company are mandatorily required to comply with Section 135 of the Companies Act, 2013.

### 3. Participation and percentage of participation of other entity/entities (e.g. suppliers, distributors, etc.) that the Company does business with, in the Business Responsibility (BR) Initiatives of the Company:

The other entities with whom the Company does business, viz., suppliers, distributors, etc. do not participate in the business responsibility initiatives of the Company.

## Section D: Business Responsibility (BR) Information:

### 1. (a) Details of Director / Directors responsible for implementation of the BR policy/ies:

The Board of Directors of the Company has constituted a Corporate Social Responsibility (CSR) Committee pursuant to the provisions of Section 135 of the Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy) Rules, 2014, comprising of the following Directors as its Members: -

Sr. No.	Name	Position in the Committee	Director Identification Number (DIN)
1	Mr. Ashok V. Hiremath	Chairman (Managing Director) (*)	00349345
2	Mr. Balram Singh Yadav	Member (Non-Executive, Non-Independent Director)	00294803
3	Mr. R. R. Govindan	Member (Independent Director)	02148801
4	Dr. Brahma Nand Vyas	Member (Independent Director)	02796071

(\*) Mr. Ashok Hiremath ceased to be the "Managing Director" and continues to be a "Non-Executive Director" with effect from 1<sup>st</sup> April, 2022.

The CSR Committee of the Board of Directors is responsible for approving and overseeing the CSR projects implemented by the Godrej Good and Green team and reports to the Board of Directors of the Company.

The CSR Committee has formulated and recommended to the Board and the Board has approved a CSR Policy, which outlines the Company's strategy to bring about a positive impact on society through various CSR activities and programmes. This Policy focuses on addressing critical social, environmental and economic needs of the marginalized / underprivileged sections of the society. Through this Policy, the Company aligns its CSR strategy with the Godrej Group's Good and Green vision and goals. The Company adopts an approach that integrates the solutions to these problems into the strategies of the Company to benefit the communities at large and create a positive social and environmental impact.

There were two Meetings of the CSR Committee held during the Financial Year 2021-22 (i.e., on 30<sup>th</sup> April, 2021 and 27<sup>th</sup> October, 2021).

**(b) Details of Business Responsibility (BR) Head:**

Name	: Mr. Anurag Roy
Designation	: Whole Time Director & Chief Executive Officer
DIN	: 07444595
Telephone	: 022 – 2518 8010
Email id	: anurag.roy@godrejastec.com

**2. Principle-wise [as per National Voluntary Guidelines (NVGs)] Business Responsibility Policy(ies):**

**(a) Details of Compliance [Reply in Yes (Y) / No (N)]:**

No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
		Business Ethics, Transparency and Accountability	Sustainability	Employees' Well-being	Stakeholders' Welfare	Human Rights	Environment	Influencing Regulatory Policy	Equitable Development	Customer Responsibility
1.	Do you have a policy/policies for:	Y	Y	Y	Y	Y	Y	Y	Y	Y
2.	Has the policy been formulated in consultation with the relevant stakeholders?	The Company has formulated the policies and adopted best practices in its own volition, while being sensitive to the interest of all stakeholders.								
3.	Does the policy conform to any national / international standards? If yes, specify?	Yes, the policies are based on the 'National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business' released by the Ministry of Corporate Affairs (MCA). The policies are based on the above guidelines. The Company's policies are also aligned with the Godrej Group policies incorporating the global best practices.								
4.	Has the policy been approved by the Board?	Since all the policies are not required to be approved by the Board of Directors, the approval of the Board has been obtained wherever it is mandatory.								
5.	Does the Company have a specified committee of the Board/ Director/ Official to oversee the	Y	Y	Y	Y	Y	Y	Y	Y	Y



	implementation of the policy?									
6.	Indicate the link for the policy to be viewed online.	The policies formulated and adopted by the Company are available on the website of the Company <a href="http://www.astecls.com">www.astecls.com</a> .								
7.	Has the policy been formally communicated to all relevant internal and external stakeholders?	Internal stakeholders are made aware of the policies. External stakeholders are communicated to the extent applicable.								
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?	The working of all the policies is internally monitored. Audit / evaluation by external agencies is carried out wherever mandatory.								

**3. Governance related to Business Responsibility (BR):**

**(a) Frequency with which the Board of Directors, Committee of the Board or the Managing Director assess the BR Performance of the Company:**

The Corporate Social Responsibility (CSR) Committee and the Board of Directors assess various initiatives forming part of the Business Responsibility (BR) performance of the Company twice in a year.

**(b) Whether the Company publishes Business Responsibility Report or Sustainability Report and if yes, the hyperlink to view the Report and frequency of publication:**

The Business Responsibility Report forms part of the Annual Report, which can be viewed on the website of the Company [www.astecls.com](http://www.astecls.com) at the weblink <http://www.astecls.com/annual-reports.aspx>.

**Section E: Principle-wise Performance:**

The following are the updates for the Company on each of the Principles stated in the National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business issued by the Ministry of Corporate Affairs (MCA).

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

The Company pursues good Corporate Governance by ensuring regulatory compliance, transparency in disclosures, efficient operational practices, strong internal controls, risk management systems and by engaging and operating with fairness and integrity with all its stakeholders, namely, Shareholders, customers, employees, suppliers, regulatory authorities and general public at large.

The Company, as a responsible corporate, is fully aware of its obligations to make appropriate and timely disclosures as mandated under various laws. The Company also refrains from engaging in any practices that are abusive, corrupt or anti-competition.

**Organization Structure:**

At the apex, is the Board of Directors headed by a Non-Executive Chairman and having half of its composition as Independent Directors. The Board provides guidance and support to the Management in terms of broad strategy, direction, governance and compliance. The Company's Board of Directors has the following 6 (six) mandatory / non-mandatory Committees:

- i. Audit Committee;
- ii. Nomination and Remuneration Committee;
- iii. Stakeholders' Relationship Committee;
- iv. Corporate Social Responsibility (CSR) Committee;
- v. Risk Management Committee;
- vi. Managing Committee.

These Committees have clearly defined areas of operation and they operate as empowered by the Board. These Committees monitor and provide direction to the senior leadership team. This ensures greater focus on specific aspects of corporate governance and expeditious resolution of any issues of governance if and when they arise.

**Code of Conduct:**

The Board of Directors and Senior Management of the Company comply with the Code of Conduct. An annual confirmation affirming compliance with the Code of Conduct from Board Members and Senior

Management has been obtained for the Financial Year ended 31<sup>st</sup> March, 2022.

The Company also has a Code of Conduct which is applicable to all the employees the Company.

**Whistle Blower Policy and Vigil Mechanism:**

A Whistle Blower Policy has also been put in place by the Company. The purpose of this Policy is to allow employees to raise concerns about unacceptable, improper or unethical practices being followed in the organization, without necessarily informing their supervisors. A Whistle Blowing Officer has been designated for the purpose of receiving and recording any complaints under this Policy. The Policy provides adequate safeguards against victimization of persons who use Whistle Blower mechanism and make provision for direct access to the Chairman of the Audit Committee, in appropriate or exceptional cases.

There were no complaints received under the Whistle Blower Mechanism during the Financial Year 2021-22.

**Dealings with Business Partners:**

The Company encourages its business partners, viz., group companies, joint ventures, suppliers, distributors, contractors, etc. to follow ethics, transparency and accountability in their dealings with the Company.

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

The Company strongly believes that in order to function effectively and profitably, the Company needs to endeavour to improve the quality of life of people and in order to ensure this, the Company is required to thoroughly work upon all stages of the product life cycle, right from formulation to final disposal.

Godrej Group's Good and Green vision supports the development of goods which are environmentally sustainable. As part of the vision, the Company aspires to develop products which consume fewer resources (energy, water), emit fewer greenhouse gases and include recyclable, renewable, and/or natural materials to the





maximum possible extent, through extensive research.

The Environment, Health and Safety (EHS) policy of the Company focuses on the following aspects:

- To build a safe work environment
- To reduce adverse impact on environment and human life through continuous technological improvement
- To comply with all EHS compliances
- To develop and implement a clear EHS policy which elaborates on expectation from all its employees and partners

The Company is a signatory to “Responsible Care” and by virtue of the same, it agrees to commit itself to improve performance in the fields of environmental protection, occupational safety and health protection, plant safety, product stewardship and logistics, as well as to continuously improve dialog with its neighbours and the public, independent of legal requirements. Started in Canada in 1985, Responsible Care is a global, voluntary initiative developed autonomously by the chemical industry for the chemical industry and stands for the chemical industry's desire to improve health, safety, and environmental performance.

The Company continuously focuses on bringing in world class agrochemicals through constant experimentation and looks for research-based solutions. Majority of the technologies utilized by the Company are developed by in-house Research and Development (R & D) Department. Some processes have been provided by potential customers and those have been suitably absorbed.

The Company stays committed to making environmental sustainability a key part of its manufacturing processes. At the Company's factories, there is a relentless focus on productivity and environmental sustainability. The Company is continuously working on energy efficiency and trying to get the best possible technology available in the market. Technologies implemented by the Company are not only energy efficient but also more reliable. This has helped the Company to enhance productivity and build a more sustainable business. The Company recognizes the fact that over-consumption results in unsustainable exploitation of the planet's resources, and

therefore, it is necessary to promote sustainable consumption of resources, including recycling of resources.

During the Financial Year 2021-22, your Company has taken the following initiatives to demonstrate its commitment towards sustainable growth:

- a) Continuous monitoring of energy utilization, to find out energy conservation opportunities.
- b) Replacement of coal by briquettes for steam boiler.
- c) Replacement of plant Mercury Lamp (ML) to Light Emitting Diode (LED).
- d) Variable Frequency Drive (VFD) Installation of cooling tower, Ejector system.
- e) Reduction of operating pressure of compressed Air system.

Further, while being vigilant about protection of the Company's own intellectual property, the Company respects the rights of other owners of intellectual property rights in the society at large.

### **Principle 3: Businesses should promote the well-being of all employees**

The Company has amicable employee relations at all its locations and would sincerely like to place on record its appreciation for the unstinted support it continues to receive from all its employees, to make the Company stronger and more purposeful, while serving its consumers and communities more meaningfully through the current very difficult COVID times.

The Company constantly endeavour to make concrete efforts towards creating learning and development opportunities for all its employees on a non-discriminatory basis, that continuously enhance the employee value in conformity with the organizational objectives. Also, the safety and health of employees is of utmost importance to the Company and the Company is committed to building and maintaining a safe and healthy workplace. There are several policies formulated for the benefit of employees, which promote gender diversity, equal opportunities, prevention of sexual harassment, safety and health of employees.

The details of the Company's workforce are given in the table below:

Total number of permanent employees as on 31 <sup>st</sup> March, 2022	506
Total number of employees hired on temporary / contractual / casual basis	470
Number of permanent women employees	24
Number of permanent employees with disabilities	2
Whether the Company has an employee association that is recognized by management	Yes
Percentage of permanent employees of the Company who are members of recognized employee association/s	28%
Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment and discriminatory employment in the Financial Year 2021-22 and pending, as on the end of the said Financial Year, i.e., 31 <sup>st</sup> March, 2022	As regards complaints relating to child labour, forced labour, involuntary labour, sexual harassment: <ul style="list-style-type: none"> <li>• No such complaints were received during the Financial Year 2021-22;</li> <li>• No such complaints were pending as on 31<sup>st</sup> March, 2022.</li> </ul>
Percentage of employees who were given safety and skill upgradation training during the Financial Year 2021-22	86%

All employees who join the Company demonstrate their commitment to follow the Code of Conduct by signing in their acceptance to adhere to the same.

Some of the measures / initiatives taken at the Company-level or at Group-level are as follows:

- **Diversity and Equal Opportunities:**

The Company values diversity and is committed to offering equal opportunities in employment. The Company does not discriminate against any team member or applicant for employment on the basis of nationality, race, colour, religion, caste, creed, gender, gender identity / expression, sexual orientation, disability, age, or marital status and always allows for equal opportunities for all team members.

The Company is committed to creating and maintaining an atmosphere in which all employees can work together, without fear of sexual harassment, exploitation or intimidation. A gender-neutral Policy on Prevention of Sexual

Harassment is in place. Internal Complaints Committees have been constituted at Head Office (HO) as well as at regional levels under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules framed thereunder.

All employees are required to go through mandatory training on prevention of sexual harassment.

- **Health and Safety:**

- On-campus:

The Company has canteen and eating facilities at Head Office (HO) and certain locations, where food and refreshments are provided to ensure that hygienic and healthy food is available at the premises. All Company premises are non-smoking zones. Smoking is strictly prohibited in the campus. Initiatives like fire safety training are also regularly undertaken.



- Vaccination Camps:

The health and safety of employees, especially during the COVID-19 pandemic, continued to be of critical importance. The Company organized COVID vaccination camps for employees and their dependents at Mumbai and Mahad during the year under review.

- Health Check-up:

The Company has initiated a policy for annual health check-up of employees.

- Good Working Environment:

The Company continuously makes efforts to create a good working environment for all its employees at all locations.

- Progressive Human Resource (HR) Policies:

The Company takes pride in being a great place to work, a fact recognized and acknowledged externally as well. The Company's thoughtfully designed HR policies like flexible working hours, work from home arrangements, part-time work, leave and benefits, maternity leave, paternity leave and sickness leave – to name a few – aim to inspire, empower and care for employees and go a long way in ensuring that the employees successfully strike a work-life balance.

- Engagement Forums:

The Company has multiple touch points for leadership team to interact with employees through forums like long range plan, annual operating plan, engagement surveys, HR connect sessions, etc. The organization invests in functional training for all employees in line with their current and future career aspirations. The learning suite encompasses functional training, leadership development programmes and behavioural training geared towards leading self, leading others and leading business.

**Principle 4: Businesses should respect the interests of, and be responsive, towards all**

**stakeholders, especially those who are disadvantaged, vulnerable and marginalized**

The Company, having been driven by strong leadership, has actively championed social responsibility as a good corporate citizen by undertaking measures to achieve sustainable growth for all its stakeholders. The Company endeavours to respond promptly to the changing needs of the changing society and thereby to enhance its value. The Company has designed futuristic initiatives with a longstanding focus on breaking traditional, cultural barriers and mind-sets, aimed at social progression measured through socio economic development in the life of people in and around its areas of operations.

The Company strongly believes that it has the responsibility to think and act beyond the interests of its Shareholders, to include all its stakeholders.

The stakeholder engagement process comprises of several activities including identification of all relevant stakeholders and consultation, prioritisation, collaboration and reporting. The Company identifies key stakeholders on the basis of their influence on the Company's operations and the Company's impact on them and then endeavours to understand their key expectations in the best possible manner. The consultation with key stakeholders is undertaken through various mechanisms such as consultations with local communities, supplier / vendor meets, customer / employee satisfaction surveys, etc.

The Company is working in partnership with the Government and local village communities in its various programmes and projects. This approach helps the Company to distribute accountability and ensure long-term impact of its community development initiatives.

- **Agriculture and Rural Livelihoods:**

Under the Company's flagship initiative, Integrated Rural Livelihoods Programme (IRLP), in line with the Government's mission on doubling farmer incomes, the Company has committed to work with 1000+ rural households in 9 villages of Maharashtra, India. The Company's work involves building the skills and capacities of marginal and landless men and women farmers to diversify their income sources by improving their agricultural and animal husbandry practices. The Company also in

the process of creating various enterprise-based solutions run by women on challenging issue like tacking waste management, agri value chain initiatives like flour mills, etc. to increase women participation and improve incomes for the marginal, landless communities.

- **Women Empowerment:**

The Company seeks active involvement of Self-Help Group (SHG) members to come together and identify areas of improvement for enhanced living standards. The SHGs act as the vehicle of change, not only for the women but for the communities at large.

- **Community Development:**

The Company works closely with communities around its manufacturing plants. In partnership with the locals, the Company primarily invests in education, water, sanitation initiatives across 5 (Five) schools covering 3 (Three) villages in and around the Company's facilities.

#### **Principle 5: Businesses should respect and promote human rights**

The Company firmly believes in the principle of respect for human rights of all, which imbibes its spirit from the Constitution of India.

The Company has formulated a Human Rights Policy which demonstrates the Company's commitment to respect human rights and treat people with dignity and respect in the course of conduct of its business. The said Policy is available on the Company's website, [www.astecls.com](http://www.astecls.com) at the web link <http://www.astecls.com/codes-and-policies.aspx>.

Moreover, the Company's Code of Conduct includes aspects like diversity, anti-discrimination, equal opportunity, compliance with the law and integrity which ultimately contribute to respecting and promoting human rights.

The Company also has policies in place such as Whistle Blower Policy and Policy on Prevention of Sexual Harassment at Workplace, which encourage respect and promotion of human rights.

Any violation of the Code of Conduct or the aforesaid policies are viewed seriously and can invite strong disciplinary action including

termination of employment and / or other appropriate actions as permissible under the law.

The Company encourages its business partners to respect human rights.

No complaints pertaining to violation of human rights were received by the Company during the Financial Year 2021-22.

#### **Principle 6: Businesses should respect, protect and make efforts to restore the environment**

Godrej as a group believes in conserving the various resources of Mother Earth. As part of its Good and Green vision there is a specific commitment at Godrej Group to create a "Greener India".

As a conscientious corporate citizen, the Company considers the environment an inherited legacy, its protection a sacred responsibility and this importance is promoted as a culture across the Company.

We are deeply committed to strengthening our approach to make environmental sustainability a key part of our manufacturing processes. By reducing our energy needs, managing our waste, and transforming our products, we are driving success both for our business and the planet.

We are building capabilities to make our overall manufacturing approach more future ready. Our green commitment by FY 2025-26 is:

- Reduce GHG emission intensity by 30 per cent by 2026 (v. 2011 baseline) and carbon neutrality for Scope 1 and 2 emissions
- Reduce energy intensity by 20 per cent (v. 2011 baseline)
- Reduce water intensity by 30 per cent by 2025 (v. 2011 baseline) while maintaining water positivity
- Achieving zero liquid discharge and reducing waste to landfill by 30% (v. 2011 baseline)
- Source 90% of all energy used from renewables

We continuously strive to achieve our Good & Green goals. We are using clean energy sources by shifting from the use of fossil fuels to that of renewable fuels, such as biomass, in boilers and



procuring electricity from renewable energy sources.

We are improving our productivity to reduce our specific water consumption while deploying recycling system in all our manufacturing plants to further reduce our freshwater consumption. We have also undertaken several initiatives at our manufacturing facilities to reduce waste generation and divert the waste from landfill.

A dedicated team has been set-up to identify different projects and green technologies to implement across all our locations. Several initiatives have yielded excellent benefits.

Here is our green performance as on March 2022 :

**Reduction in water intensity**

- 2022 target – 3% reduction
- Achieved till FY22 – 7% reduction

**Reduction in emission intensity**

- 2022 target – 5% reduction
- Achieved till FY22 – 8% reduction

**Reduction in energy intensity**

- 2022 target – 3% reduction
- Achieved till FY22 – 16% increase

**Zero Liquid discharge**

- 2025 Goal – All our facilities achieve zero liquid discharge status
- Achieved till FY22 – 80% of ASTEC sites are zero liquid discharge

**Waste to landfill**

- 2022 target – 5% reduction
- Achieved till FY22 – 43% reduction

**Renewable energy portfolio**

- 2022 target – 15% Renewable Energy
- Achieved till FY22 – 20% Renewable Energy

We comply with all the requirements of the Central Pollution Control Board and State Pollution Control Boards. We have created detailed checklists for compliance and continuously emphasise on

improving productivity and plant utilisation. We have set targets for improvement in our environmental short-term and long-term performance.

**Case Study #1**

**Installation of Briquette Fired Boiler in ASTEC Herbicide Plant**

**Background**

To meet our thermal energy requirement we depend on fossil fuel like coal in our manufacturing facilities. Fossil fuels are one of the major contributors to our overall GHG emissions and they also emit other air pollutant in atmosphere.

We have set up a very ambitious target for ourselves to keep reducing our emission intensity. In line to this we are continuously exploring the way to reduce our dependency on fossil fuel & thus reduce our GHG emission.

In Herbicide plant, we have installed 20 TPH capacity briquette fired boiler system to meet the thermal energy requirement for not only new Herbicide plant but also cater the requirement for our existing plant.

**Annual Impact:**

- Coal Substitution with Briquette: 5300 MT
- Avoided GHG Emission: 11,500 tons of CO2 eq.
- Percentage renewable energy increase: 20%
- Investment: INR 18 crores



**Responsible Care**

Indian Chemical Council (ICC), apex industry body representing chemical industry in India is a nodal body pursuing "Responsible Care Programme", a

global initiative through International Council of Chemical Associations (ICCA) since about 2003.

Today, 53 enlightened industry groups hold Responsible Care (RC) logo in the country, while a total of 147 industries are signatories to the programme, pursuing implementation of Codes of management practice.

ICC is considering 6 Codes of management practice for evaluation to award RC logo to the member industries, which include:

- Product stewardship
- Process safety
- Employee health & safety
- Pollution prevention
- Emergency response and communication
- Distribution code

ICC has introduced 'Security Code' as voluntary for the year 2019.

Each Code has certain attributes for compliance, which are grouped into 4 elements for the purpose of clarity i.e. management, technology, facilities and people related attributes.

To award RC logo in India, industries are required to sign their commitment for RC guiding principles as a first step; conduct gap assessment to identify the improvement measures. After reasonable implementation in respect of each code of management practice, industry invites RC auditors for verification, in order to offer RC logo. An audit team will be deputed for detailed evaluation of Code-specific compliance and opportunities for improvement. Same will be scrutinised by the Apex Group to take a decision on award of logo and duration of validity.

ASTEC business holds Responsible Care® Logo since 2015, and have started implementation Responsible Care code of practices as per Guidance Manual Rev. 3 issued in Apr 2022.

ICC has introduced 'Security Code' as voluntary for the year 2020 and ASTEC continues to strengthen the security code of practices. In September 2021, ASTEC recertified under Responsible Care® framework.

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

For any policy advocacy, the Company ensures that it does so with the highest degree of responsible and ethical behaviour and also works with collective platforms such as trade and industry chambers and associations to take up matters with the relevant government bodies.

The Company is a Member of Crop Care Federation of India (CCFI), Pesticides Manufacturers and Formulators Association of India (PMFAI), Basic Chemicals, Cosmetics and Dyes Export Promotion Council (CHEMEXIL) and Bombay Chamber of Commerce and Industry (BCCI).

**Principle 8: Businesses should support inclusive growth and equitable development**

The Company continues to stay committed to helping address critical social, environmental and economic needs of marginalised and underprivileged sections of the communities. The Company adopts a shared value approach to help solve problems, while strengthening its competitive advantage.

The Company recognizes the fact that corporate growth and equitable development are interdependent and that the Company owes a responsibility to play its role in the social and economic development agenda of the country.

The 'Good & Green' vision inspires each one at ASTEC to continue to work towards building a brighter, greener and more inclusive India. Sustainability is intrinsically linked not just to the Company's growth strategy, but also to its legacy and values. The Company strongly believes that it is accountable to the communities while the Company continues to drive shareholder value. This helps the Company to improve the lives of those at the base of the pyramid, preserve and protect the environment, improve efficiency of operations and generate innovations.

We have a dedicated sustainability and CSR department, Good & Green, which works towards a more inclusive and greener planet. The entire scope of work is defined in the CSR policy of the Company, which is available at <http://www.astecls.com/codes-and-policies.aspx>

As a part of the sustainability strategy, the Company addresses a critical need of enhancing livelihoods of low-income groups. It collaborates



with non-profit organizations and social enterprises to design and run a number of livelihood training programmes for beneficiaries from low-income communities. The focus of these programmes is to improve the earning potential of trainees, by building their skills and empowering them. Our programmes have been tweaked to build resilience against COVID-19 and climate change. We follow a shared value approach that addresses critical economic needs of marginalised and underprivileged beneficiary households by leveraging our expertise.

For the first two quarters of year, our focus was largely on COVID-19 second wave relief, and COVID-19 vaccination awareness. Meanwhile, we continued to support livelihood recovery programmes and digital education support to communities around our operations. The following is a list of our COVID-19 second wave initiatives and our CSR programmes:

### **1. COVID-19 relief initiatives and vaccination awareness**

The impact of COVID-19 has been felt as a public health crisis of unprecedented proportions. It is also a long-term economic disaster impacting the lives and livelihoods of billions of people worldwide. Even when vaccinations began, people from low-income and underserved communities were left behind.

As vaccines are our best bet to fight against COVID-19, we started vaccination awareness drives in communities around our manufacturing plant facilities in Mahad, Raigad.

We organized COVID-19 awareness and provided vaccination support to 16,787 people near our Mahad plant. We enabled door-to-door vaccination services for the elderly and vulnerable people

### **2. Grameen vikas – Livelihoods & entitlements**

We collaborate with non-profit organisations and social enterprises to design and run several livelihoods and entitlements programmes for beneficiaries from low-income sections of society. We aim to improve their earning potential by building their skills, handholding farm and non-farm enterprises, empowering on savings and

enterprise management, and connecting with government schemes.

In FY2021-22, we trained 128 farmers trained in Mahad, Raigad and helped them improve cropping practices, intensify vegetable cultivation, grow pulse seeds, and provide input support such as good quality seeds, and vermicompost among others.

We trained and supported 7 Self Help Groups on savings and enterprise management that included training on accounting, marketing, and enterprise development among others.

National and state governments have various welfare schemes which can be leveraged by community members. We connected 1500+ people connected with govt. schemes

We also provided ration kits to 2,270 families in severely affected areas in Mahad, Raigad during the floods.

### **3. Education**

The 2021 Annual Status of Education Report (ASER) report points out that both in terms of reading and numerical abilities, children have touched the lowest point in a decade. This was led by the learning gap fuelled by COVID-19 as students have faced numerous challenges in trying to attend online classes from home.

Our teams around our manufacturing plants in Mahad, Raigad along with our NGO partner, have set up digital cafés with tablets and pre-loaded syllabus and videos for classes 6 – 10. The café also has a mentor from the local community to help the students with any clarifications. Our teams mobilised over 978 students to watch over 15,000 hours of educational content that's easy to understand. The café supplements the school curriculum and functions as a coaching substitute for rural students. It aims to bridge their learning loss and improve their academic performance. We aim to scale up the programme and support 50,000 students by 2025.

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

The Company has a customer-centric approach and greatly values the trust, satisfaction and loyalty of its customers. Its primary focus is delighting customers, both external and internal. The Company honours the freedom of choice of its customers and does not restrict free competition in any manner.

The Company continues to invest significantly in Research and Development (R & D) to develop newer products or variants to suit the needs of the customers at competitive prices. The Company is investing significantly in cutting-edge R & D to support its innovation pipeline.

The Company believes in collaborating with global customers to develop newer technologies for the introduction and supply of new products in a shortest duration of time. Over last several years, the Company has developed complex chemistries in its laboratories and successfully transferred to

**For and on behalf of the Board of Directors of  
Astec LifeSciences Limited**

**Anurag Roy**  
Whole-Time Director & Chief Executive Officer  
DIN: 07444595

**Place: Mumbai**  
**Date: 2<sup>nd</sup> May, 2022**

manufacturing through dedicated, highly qualified and experienced team of chemists and engineers.

By consistently providing quality products that meet global standards, the Company has built strong alliances and collaborations and has earned an unshakeable reputation in the market.

There are no undisputed customer complaints pending as at the end of the Financial Year 2021-22.

The Company does display or disseminate adequate and truthful factual information to enable safe and effective usage of its products, which is over and above what is mandated by the applicable laws. The Company does not indulge in any kind of misleading or confusing advertisement.

There are no cases filed against the Company regarding unfair or anti-competitive trade practices during the preceding 5 (Five) Financial Years.

The Company regularly conducts customer surveys to know the customer satisfaction trends.

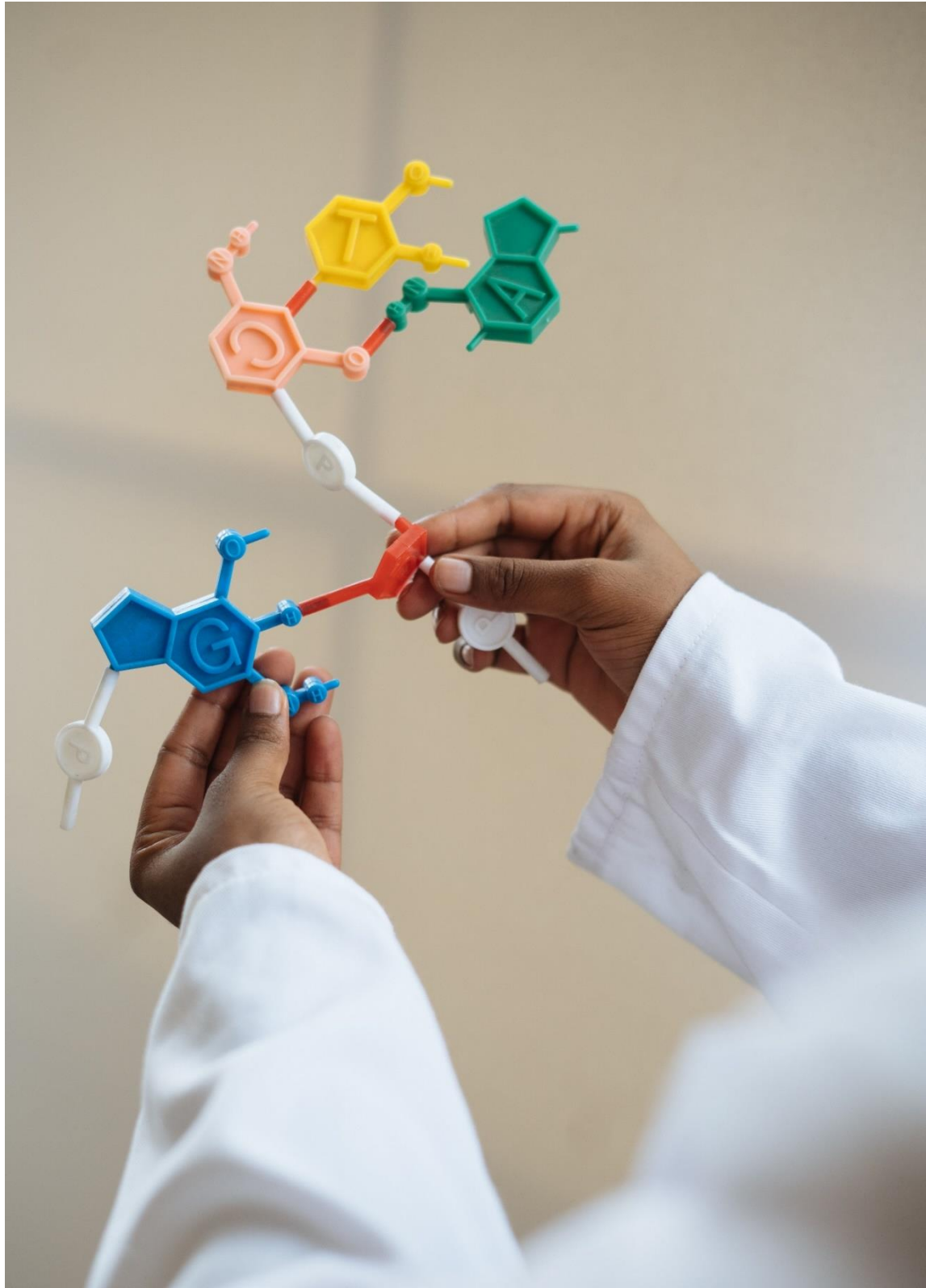
**B. S. Yadav**  
Director  
DIN: 00294803





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# Financial Statements



## Independent Auditors' Report

To the Members of  
Astec LifeSciences Limited

### Report on the Audit of the Standalone Financial Statements

#### Opinion

We have audited the standalone financial statements of **Astec LifeSciences Limited** ("the Company"), which comprise the standalone balance sheet as at 31 March 2022, and the standalone statement of profit and loss (including other comprehensive income), standalone statement of changes in equity and standalone statement of cash flows for the year then ended, and notes to the standalone financial statements, including a summary of the 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 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2022, and profit and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

#### Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those SAs 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 ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us, is sufficient and appropriate to provide a basis for our opinion 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.

#### Description of Key Audit Matter

##### Revenue Recognition

See note 29 to the standalone financial statements

The key audit matter	How the matter was addressed in our audit
Revenue from sale of goods is recognised when the control of the goods has passed, which is usually on delivery of the goods. We have considered that there is a risk of fraud on account of revenue being overstated on account of it being recognised in the wrong period or before the control has passed.	<p>In view of the importance of the matter we applied the following audit procedures in this area, among others to obtain sufficient audit evidence:</p> <ul style="list-style-type: none"> <li>We have assessed the appropriateness of the Company's accounting policies in respect of revenue recognition by comparing with applicable accounting standards;</li> </ul>

## Independent Auditors' Report (Continued)

The key audit matter	How the matter was addressed in our audit
	<ul style="list-style-type: none"> <li>We have evaluated the design, testing the implementation and operating effectiveness of the Company's internal controls over recognition of revenue</li> <li>We have evaluated the process followed by the company for revenue recognition including understanding and testing of key controls relating to recognition of revenue in correct period;</li> <li>We have inspected documentation/records for sales transactions recorded both side of year-end to determine if revenue has been recognised in the correct period; and</li> <li>We have critically assessed manual journals posted to revenue to identify unusual or irregular items.</li> </ul>

### Pending Litigation and Claim

See note 46 to the standalone financial statements

The key audit matter	How the matter was addressed in our audit
<p>As at 31 March 2022, the Company is having pending litigations under various laws such as Income Tax, Excise, VAT, Customs and GST.</p> <ul style="list-style-type: none"> <li>The company applies significant judgment estimating the likelihood of the future outcome in each case based on its own past assessments, judicial precedents and opinions of experts when considering how much to provide or in determining the required disclosure for the potential exposure.</li> <li>Due to inherent complexity and magnitude of potential exposures, we regard this as key audit matter.</li> </ul>	<p>In view of the significance of the matter we applied the following audit procedures in this area, among others to obtain sufficient audit evidence:</p> <ul style="list-style-type: none"> <li>Obtained and read the list of direct and indirect tax assessment/ litigations for movements from previous period;</li> <li>We inquired the status of significant and potential litigations with company who have knowledge of these matters and where relevant we also obtained formal communication from the Company's external tax consultants;</li> <li>Use of our own local Direct and Indirect tax specialists to assess the value of contingent liabilities in light of the nature of exposure, applicable regulations and related correspondence with authorities; and</li> <li>Considered the adequacy of the provision/ disclosure made in the financial statements.</li> </ul>

### Other Information

The Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report, but does not include the financial statements and our auditors' report thereon.

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

## Independent Auditors' Report (Continued)

### Management's and Board of Directors' Responsibility for the Standalone Financial Statements

The Company's Management and Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the state of affairs, profit/loss and other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) 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 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, the Management and Board of Directors are 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 the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

### Auditor's Responsibilities for the Audit of the 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 skepticism 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 Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.

## Independent Auditors' Report (Continued)

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures in the standalone financial statements made by the Management and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the 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.

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 auditors' 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 (Auditors' Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of section 143 (11) of the Act, 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. (A) 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 standalone balance sheet, the standalone statement of profit and loss (including other comprehensive income), the standalone statement of changes in equity and the standalone statement of cash flows dealt with by this Report are in agreement with the books of account.
  - d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under section 133 of the Act.

## Independent Auditors' Report (Continued)

- e) On the basis of the written representations received from the directors as on 31 March 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31 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 with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- (B) With respect to the other matters to be included in the Auditors' 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:
- a) The Company has disclosed the impact of pending litigations as at 31 March 2022 on its financial position in its standalone financial statements - Refer Note 46 to the standalone financial statements.
- b) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- c) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
- d) (i) The management has represented that, to the best of its knowledge and belief, as disclosed in note 13 to the standalone financial statements, 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 persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall:
- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Company or
  - provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
- ii) The management has represented, that, to the best of its knowledge and belief, as disclosed in note 13 to the standalone financial statements, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall:
- directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Funding Party or
  - provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries.
- iii) Based on the audit procedures as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representation under clause d (i) & d (ii) of Rule 11(e) contain any material mis-statement.
- e) The dividend declared or paid during the year by the Company is in compliance with Section 123 of the Act.

## Independent Auditors' Report (Continued)

- (C) With respect to the matter to be included in the Auditors' Report under section 197(16):

In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provision of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

**For B S R & Co. LLP**

*Chartered Accountants*

Firm's Registration No: 101248W/W-100022

Place: Mumbai  
Date : May 02, 2022

**Burjis Pardiwala**

*Partner*

Membership No: 103595

UDIN:22103595AIHFKG3010



## Astec LifeSciences Limited

### Annexure A to the Independent Auditor's Report on Standalone Financial Statements

With reference to the Annexure A referred to in our report to the members of the Company on the Standalone Ind AS financial statements for the year ended 31 March 2022, we report the following:

- (i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
  - (a) (B) The Company has maintained proper records showing full particulars of intangible assets.
  - (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has a regular programme of physical verification of its Property, Plant and Equipment by which all property, plant and equipment are verified every year. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No discrepancies were noticed on such verification.
  - (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties (other than immovable properties where the Company is the lessee and the leases agreements are duly executed in favour of the lessee) disclosed in the standalone financial statements are held in the name of the Company.
  - (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.
  - (e) According to information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- (ii) (a) The inventory, except goods-in-transit, has been physically verified by the management during the year. For goods-in-transit subsequent evidence of receipts has been linked with inventory records. In our opinion, the frequency of such verification is reasonable and procedures and coverage as followed by management were appropriate. No discrepancies were noticed on verification between the physical stocks and the book records that were more than 10% in the aggregate of each class of inventory.
  - (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets. In our opinion, the quarterly returns or statements filed by the Company with such banks or financial institutions are in agreement with the books of account of the Company.
- (iii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any investments, provided guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, limited liability partnerships or any other parties during the year. Accordingly, provisions of clauses 3(iii)(a) to 3(iii)(f) of the Order are not applicable to the Company.
- (iv) According to the information and explanations given to us and on the basis of our examination of records of the Company, in respect of investments made and loans, guarantees and security given by the Company, in our opinion the provisions of Section 185 and 186 of the Companies Act, 2013 ("the Act") have been complied with.

**Annexure A to the Independent Auditor's Report on Standalone Financial Statements (Contd.)**

- (v) The Company has not accepted any deposits or amounts which are deemed to be deposits from the public. Accordingly, clause 3(v) of the Order is not applicable.
- (vi) We have broadly reviewed the books of accounts maintained by the Company pursuant to the rules prescribed by the Central Government for maintenance of cost records under Section 148(1) of the Companies Act, 2013 in respect of its manufactured goods and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. However, we have not carried out a detailed examination of the records with a view to determine whether these are accurate or complete.
- (vii) (a) The Company does not have liability in respect of Service tax, Duty of excise, Sales tax and Value added tax during the year since effective 1 July 2017, these statutory dues has been subsumed into GST.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including Goods and Services Tax ('GST'), Provident Fund, Employees' state insurance, duty of customs, Income Tax, Cess and other statutory dues have been regularly deposited by the Company during the year with the appropriate authorities

According to the information and explanations given to us and on the basis of our examination of the records of the Company, no undisputed amounts payable in respect of Goods and Services Tax ('GST'), Provident fund, Employees' State Insurance, Income-Tax, Duty of Customs, Cess and other statutory dues were in arrears as at 31 March 2022 for a period of more than six months from the date they became payable.

- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, statutory dues relating to Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues which have not been deposited on account of any dispute are as follows:

Name of the statute	Nature of dues	Amount (₹) in Lakh	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	*340.79	FY 2016-17	CIT (A)
		**36.85	FY 2004-05	JCIT/DCIT
		23.20	FY 2012-13	High Court
Central Excise Act	Excise Duty	#4,926.56	FY 2009-14	CESTAT
		5,422.40	FY 2009-14	High Court
		122.39	FY 2016-17	Joint Commissioner
Customs Act, 1962	Custom Duty	32.77	FY 2013-14	Commissioner of Custom
VAT and Sales Tax Act	Sales Tax	### 446.33	FY 2011-12	Joint Commissioner
		#### 8.16	FY 2012-13	Joint Commissioner
		##### 97.13	FY 2013-14	Joint Commissioner
		##### 0.56	FY 2014-15	Joint Commissioner
		##### 61.81	FY 2015-16	Joint Commissioner
Central Goods and Service Tax Act, 2017	Goods & Service Tax	#####301.70	FY 2017-18	Commissioner appeal

## Annexure A to the Independent Auditor's Report on Standalone Financial Statements (Contd.)

Name of the statute	Nature of dues	Amount (₹) in Lakh	Period to which the amount relates	Forum where dispute is pending
Central Goods and Service Tax Act, 2017	Goods & Service Tax	65.97	FY 2021-22	Superintendent
	Goods & Service Tax	#####136.5	FY 2015-16	CESTAT

- \* Net of amount paid under protest amounting to ₹ 30 lakh
- \*\* Net of amount paid under protest amounting to ₹ 41.41 lakh
- # Net of amount paid under protest amounting to ₹ 233.65 lakh
- ## Net of amount paid under protest amounting to ₹ 25.58 lakh
- ### Net of amount paid under protest amounting to ₹ 1.97 lakh
- #### Net of amount paid under protest amounting to ₹ 10.80 lakh
- ##### Net of amount paid under protest amounting to ₹ 0.81 lakh
- ##### Net of amount paid under protest amounting to ₹ 6.78 lakh
- ##### Net of amount paid under protest amounting to ₹ 17.33 lakh
- ##### Net of amount paid under protest amounting to ₹ 6.73 lakh

- (viii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year.
- (ix)
- (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not defaulted in repayment of loans and borrowing or in the payment of interest thereon to any lender.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a wilful defaulter by any bank or financial institution or government or government authority.
- (c) In our opinion and according to the information and explanations given to us by the management, term loans were applied for the purpose for which the loans were obtained.
- (d) According to the information and explanations given to us and on an overall examination of the balance sheet of the company, we report that no funds raised on short-term basis have been used for long-term purposes by the company.
- (e) According to the information and explanations given to us and on an overall examination of the standalone financial statements of the company, we report that the company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries as defined under the Act.
- (f) According to the information and explanations given to us and procedures performed by us, we report that the company has not raised loans during the year on the pledge of securities held in its subsidiaries as defined under the Act.
- (x) (a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments) Accordingly, clause 3(x)(a) of the Order is not applicable.

**Annexure A to the Independent Auditor's Report on Standalone Financial Statements (Contd.)**

- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, clause 3(x)(b) of the Order is not applicable.
- (xi) (a) Based on examination of the books and records of the Company and according to the information and explanations given to us, no fraud by the Company or on the Company has been noticed or reported during the course of the audit.
- (b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Companies Act, 2013 has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not Nidhi company. Accordingly, clause 3(xii) of the Order is not applicable.
- (xiii) In our opinion and according to the information and explanations given to us, the transactions with related parties are in compliance with Section 177 and 188 of the Companies Act, 2013, where applicable, and the details of the related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.
- (xiv) (a) Based on information and explanations provided to us and our audit procedures, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
- (b) We have considered the internal audit reports of the Company issued till date for the period under audit.
- (xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence, provisions of Section 192 of the Companies Act, 2013 are not applicable to the Company.
- (xvi) (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(a) of the Order is not applicable.
- (b) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(b) of the Order is not applicable.
- (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.
- (d) The Company is not part of any group (as per the provisions of the Core Investment Companies (Reserve Bank) Directions, 2016 as amended). Accordingly, the requirements of clause 3(xvi)(d) are not applicable.
- (xvii) The Company has not incurred cash losses in the current and in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year. Accordingly, clause 3(xviii) of the Order is not applicable.



## Annexure A to the Independent Auditor's Report on Standalone Financial Statements (Contd.)

- (xix) According to the information and explanations given to us and 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 standalone financial statements, 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 that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to 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) In our opinion and according to the information and explanations given to us, there is no unspent amount under sub-section (5) of section 135 of the Companies Act, 2013 pursuant to any project other than ongoing projects. Accordingly, clause 3(xx)(a) of the Order is not applicable.
- (b) In respect of ongoing projects, the Company has transferred the unspent amount to a Special Account within a period of 30 days from the end of the financial year in compliance with Sec.135(6) of the said Act.

**For B S R & Co. LLP**

*Chartered Accountants*

Firm's Registration No: 101248W/W-100022

**Burjis Pardiwala**

*Partner*

Membership No: 103595

UDIN: 22103595AIHFKG3010

Place: Mumbai  
Date: May 02, 2022

## Astec LifeSciences Limited

### Annexure B to the Independent Auditors' report on the standalone financial statements of Astec LifeSciences Limited for the year ended 31 March 2022

Report on the internal financial controls with reference to the aforesaid standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013

(Referred to in paragraph 2 A (f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

#### Opinion

We have audited the internal financial controls with reference to financial statements of Astec LifeSciences Limited ("the Company") as of 31 March 2022 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2022, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

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

The Company's management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013 (hereinafter referred to as "the Act").

#### Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. 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 were established and maintained and whether such controls operated effectively in all material respects.

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

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

## **Annexure B to the Independent Auditors' report on the standalone financial statements of Astec LifeSciences Limited for the year ended 31 March 2022 (Contd.)**

### **Meaning of Internal Financial controls with Reference to Financial Statements**

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

### **Inherent Limitations of Internal Financial controls with Reference to Financial Statements**

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

**For B S R & Co. LLP**

*Chartered Accountants*

Firm's Registration No: 101248W/W-100022

**Burjis Pardiwala**

*Partner*

Membership No: 103595

UDIN: 22103595AIHFKG3010

Place: Mumbai

Date: May 02, 2022

## Standalone Balance Sheet

As at March 31, 2022

(₹. lakh)

Particulars	Note No.	As at March 31, 2022	As at March 31, 2021
<b>ASSETS</b>			
<b>(I) Non-current assets</b>			
(a) Property, plant and equipment	2 (a)	30,790.86	18,145.26
(b) Capital work-in-progress	2 (b)	1,373.24	11,167.69
(c) Right of use assets	3	2,967.49	3,009.27
(d) Intangible assets	4 (a)	229.79	112.77
(e) Intangible assets under development	4 (b)	909.25	403.50
(f) Financial assets			
(i) Investments			
Investments in subsidiaries	5 (a)	42.18	42.18
Other investments	5 (b)	0.53	0.53
(ii) Other non-current financial assets	6	278.94	323.64
(g) Other tax assets (net)	7	242.92	191.40
(h) Other non-current assets	8	1,298.15	1,350.70
<b>Total Non-current assets</b>		<b>38,133.35</b>	<b>34,746.94</b>
<b>(II) Current assets</b>			
(a) Inventories	9	18,694.64	10,609.15
(b) Financial assets			
(i) Trade receivables	10	27,362.76	18,715.31
(ii) Cash and cash equivalents	11	54.46	32.94
(iii) Bank balances, other than (ii) above	12	127.02	123.44
(iv) Loans	13	14.62	5.99
(v) Other current financial assets	14	500.65	147.21
(c) Other current assets	15	4,783.48	3,408.78
<b>Total current assets</b>		<b>51,537.63</b>	<b>33,042.82</b>
<b>Total Assets</b>		<b>89,670.98</b>	<b>67,789.76</b>
<b>EQUITY AND LIABILITIES</b>			
<b>(I) Equity</b>			
(a) Equity share capital	16	1,959.76	1,958.76
(b) Other equity	17	37,638.34	28,911.50
<b>Total equity</b>		<b>39,598.10</b>	<b>30,870.26</b>



(₹. lakh)

Particulars	Note No.	As at March 31, 2022	As at March 31, 2021
<b>(II) Liabilities</b>			
<b>(1) Non-current liabilities</b>			
(a) Financial liabilities			
(i) Borrowings	18	-	4,000.00
(ia) Lease liabilities	19	20.39	28.61
(ii) Other non-current liabilities	20	100.00	-
(b) Provisions	21	42.77	51.72
(c) Deferred tax liabilities (net)	22	803.16	542.33
<b>Total non-current liabilities</b>		<b>966.32</b>	<b>4,622.66</b>
<b>(2) Current liabilities</b>			
(a) Financial liabilities			
(i) Borrowings	23	27,937.31	14,719.91
(ia) Lease liabilities	24	8.22	7.55
(ii) Trade payables	25		
Total outstanding dues of Micro and Small Enterprises		213.44	123.06
Total outstanding dues of creditors other than Micro and Small Enterprises		18,811.05	12,758.67
(iii) Other financial liabilities	26	1,415.71	4,502.52
(b) Other current liabilities	27	677.65	121.70
(c) Provisions	28	43.18	63.43
<b>Total current liabilities</b>		<b>49,106.56</b>	<b>32,296.84</b>
<b>Total liabilities</b>		<b>50,072.88</b>	<b>36,919.50</b>
<b>Total Equity and Liabilities</b>		<b>89,670.98</b>	<b>67,789.76</b>

The Notes 1 to 53 form an integral part of the Standalone Financial Statements.

As per our report of even date attached  
**For B S R & Co. LLP**  
*Chartered Accountants*  
 Firm Registration Number:  
 101248W/W-100022

**For and on behalf of the Board of Directors of  
 Astec LifeSciences Limited**  
**(CIN: L99999MH1994PLC076236)**

**ANURAG ROY**

Whole – Time Director &  
 Chief Executive Officer  
 DIN: 07444595

**B. S. YADAV**

Director  
 DIN: 00294803

**BURJIS PARDIWALA**

*Partner*

Membership Number: 103595  
**Mumbai, May 2, 2022**

**SAURAV BHALA**

Chief Financial Officer  
 ICAI Memb. No. 062106

**TEJASHREE PRADHAN**

Company Secretary  
 ICSI Memb. No. FCS7167

## Standalone Statement of Profit and Loss

For the Year ended March 31, 2022

(₹. lakh)

Particulars	Note No.	For the Year ended March 31, 2022	For the Year ended March 31, 2021
I. Revenue from operations	29	67,656.61	55,487.21
II. Other income	30	1,046.34	767.05
<b>III. Total Income (I + II)</b>		<b>68,702.95</b>	<b>56,254.26</b>
<b>IV. Expenses</b>			
Cost of materials consumed	31	44,481.50	34,459.78
Changes in inventories of finished goods and work-in- progress	32	(5,800.42)	(254.75)
Employee benefits expense	33	5,031.41	3,834.69
Finance costs	34	909.02	479.02
Depreciation and amortisation expense	35	3,441.59	2,571.49
Other expenses	36	8,535.77	6,296.86
<b>Total expenses (IV)</b>		<b>56,598.87</b>	<b>47,387.09</b>
<b>V. Profit before tax (III - IV)</b>		<b>12,104.08</b>	<b>8,867.17</b>
<b>VI. Tax expense:</b>		<b>3,122.28</b>	<b>2,397.92</b>
1. Current tax		2,861.27	2,324.43
2. Deferred tax		261.01	(61.24)
3. Adjustment for tax of previous years (net)		-	134.73
<b>VII. Profit for the year after tax (V - VI)</b>		<b>8,981.80</b>	<b>6,469.25</b>
<b>VIII. Other comprehensive income</b>			
(A) (i) Items that will not be reclassified to profit or loss			
Re-measurement of defined benefit liability		(0.72)	(23.54)
(ii) Income tax related to items that will not be reclassified to profit or loss		0.18	5.92
		(0.54)	(17.62)
<b>Total other comprehensive income</b>		<b>(0.54)</b>	<b>(17.62)</b>
<b>IX. Total comprehensive income for the year (VII + VIII)</b>		<b>8,981.26</b>	<b>6,451.63</b>
<b>X. Earnings per equity share (Nominal value of ₹ 10 each, fully paid-up)</b>	37		
Basic (in ₹)		45.85	33.05
Diluted (in ₹)		45.83	33.02



The Notes 1 to 53 form an integral part of the Standalone Financial Statements.

As per our report of even date attached  
**For B S R & Co. LLP**  
*Chartered Accountants*  
Firm Registration Number:  
101248W/W-100022

**For and on behalf of the Board of Directors of  
Astec LifeSciences Limited**  
**(CIN: L99999MH1994PLC076236)**

**ANURAG ROY**

Whole – Time Director &  
Chief Executive Officer  
DIN: 07444595

**B. S. YADAV**

Director  
DIN: 00294803

**BURJIS PARDIWALA**

*Partner*

Membership Number: 103595

**Mumbai, May 2, 2022**

**SAURAV BHALA**

Chief Financial Officer  
ICAI Memb. No. 062106

**TEJASHREE PRADHAN**

Company Secretary  
ICSI Memb. No. FCS7167

## Standalone Statement of Changes in Equity

For the year ended March 31, 2022

(₹. lakh)						
<b>(a) Equity share capital</b>						
<b>Current reporting period ended March 31, 2022</b>	<b>Balance as at April 1, 2021</b>	<b>Changes in equity share capital due to prior period errors</b>	<b>Restated balance as at April 1, 2021</b>	<b>Changes in equity share capital during the year</b>	<b>Balance as at March 31, 2022</b>	
	1,958.76	-	1,958.76	1.00	1,959.76	
<b>Previous reporting period ended March 31, 2021</b>	<b>Balance as at April 1, 2020</b>	<b>Changes in equity share capital due to prior period errors</b>	<b>Restated balance as at April 1, 2020</b>	<b>Changes in equity share capital during the year</b>	<b>Balance as at March 31, 2021</b>	
	1,956.84	-	1,956.84	1.92	1,958.76	
<b>(b) Other Equity</b>						
						(₹. lakh)
<b>Particulars</b>	<b>Capital redemption reserve</b>	<b>Securities Premium</b>	<b>General reserve</b>	<b>Employee share option outstanding</b>	<b>Retained earnings</b>	<b>Total Equity</b>
<b>Balance as at April 1, 2021</b>	<b>0.30</b>	<b>5,983.14</b>	<b>1,249.28</b>	<b>41.50</b>	<b>21,637.28</b>	<b>28,911.50</b>
Changes in accounting policy or prior period errors	-	-	-	-	-	-
<b>Restated Balance as at April 1, 2021</b>	<b>0.30</b>	<b>5,983.14</b>	<b>1,249.28</b>	<b>41.50</b>	<b>21,637.28</b>	<b>28,911.50</b>
Profit for the year	-	-	-	-	8,981.80	8,981.80
Other comprehensive income for the year	-	-	-	-	(0.54)	(0.54)
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>8,981.26</b>	<b>8,981.26</b>
<b>Transactions with the owners of the Company</b>						
<b>Contributions and distributions</b>						
Dividends	-	-	-	-	(293.78)	(293.78)
Exercise of employee stock options	-	51.66	-	(22.76)	-	28.90
Employee stock option expense	-	-	-	10.47	-	10.47
<b>Balance as at March 31, 2022</b>	<b>0.30</b>	<b>6,034.80</b>	<b>1,249.28</b>	<b>29.21</b>	<b>30,324.75</b>	<b>37,638.34</b>



## Standalone Statement of Changes in Equity

For the year ended March 31, 2022

### (b) Other Equity (Contd.)

(₹. lakh)

Particulars	Capital redemption reserve	Securities Premium	General reserve	Employee share option outstanding	Retained earnings	Total Equity
Balance as at April 1, 2020 (net)	0.30	5,891.64	1,249.28	66.63	15,479.21	22,687.03
Changes in accounting policy or prior period errors	-	-	-	-	-	-
<b>Restated Balance as at April 1, 2020</b>	<b>0.30</b>	<b>5,891.64</b>	<b>1,249.28</b>	<b>66.63</b>	<b>15,479.21</b>	<b>22,687.03</b>
Profit for the year	-	-	-	-	6,469.25	6,469.25
Other comprehensive income for the year	-	-	-	-	(17.62)	(17.62)
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>6,451.63</b>	<b>6,451.63</b>
<b>Transactions with the owners of the Company</b>						
<b>Contributions and distributions</b>						
Final Dividend	-	-	-	-	(293.56)	(293.56)
Exercise of employee stock options	-	91.50	-	(26.12)	-	65.38
Employee stock option expense	-	-	-	0.99	-	0.99
<b>Balance as at March 31, 2021</b>	<b>0.30</b>	<b>5,983.14</b>	<b>1,249.28</b>	<b>41.50</b>	<b>21,637.28</b>	<b>28,911.50</b>

The Notes 1 to 53 form an integral part of the Standalone Financial Statements.

As per our report of even date attached

**For B S R & Co. LLP**

*Chartered Accountants*

Firm Registration Number:

101248W/W-100022

**For and on behalf of the Board of Directors of  
Astec LifeSciences Limited**

**(CIN: L99999MH1994PLC076236)**

**ANURAG ROY**

Whole – Time Director &

Chief Executive Officer

DIN: 07444595

**B. S. YADAV**

Director

DIN: 00294803

**BURJIS PARDIWALA**

*Partner*

Membership Number: 103595

**Mumbai, May 2, 2022**

**SAURAV BHALA**

Chief Financial Officer

ICAI Memb. No. 062106

**TEJASHREE PRADHAN**

Company Secretary

ICSI Memb. No. FCS7167

## Standalone Statement of Cash Flow

For the year ended March 31, 2022

(₹. lakh)

Particulars	March 31, 2022	March 31, 2021
<b>Cash flow from operating activities</b>		
<b>Profit before tax</b>	<b>12,104.08</b>	<b>8,867.17</b>
Adjustments for		
Depreciation and amortisation expense	3,441.59	2,571.49
Interest income	(25.87)	(78.48)
Finance cost	909.02	479.02
Unrealised foreign exchange (gain)/loss	(151.30)	(113.97)
Loss allowance - trade receivables	(24.78)	-
Loss allowance - other receivables	28.22	84.66
Bad debts written off	25.14	-
Loss/(Gain) on sale of property, plant and equipment	(1.43)	1.67
Loss on sale of Subsidiary	-	5.71
Provision for diminution in the value of investment	-	1.00
Employee stock options expense	10.47	0.99
Net loss/(Gain) on lease modification	-	(0.08)
Sundry balances written back	(28.38)	-
	<b>4,182.68</b>	<b>2,952.01</b>
<b>Operating profit before working capital changes</b>	<b>16,286.76</b>	<b>11,819.18</b>
<b>Change in operating assets and liabilities</b>		
(Increase)/Decrease in trade receivables	(8,368.32)	(3,018.66)
(Increase)/Decrease in loans	(8.63)	(81.30)
(Increase)/Decrease in other financial assets	(315.26)	99.01
(Increase)/Decrease in other current assets	(1,361.69)	(1,985.70)
(Increase)/Decrease in inventories	(8,085.49)	1,507.91
(Increase)/Decrease in other non-current assets	145.73	(32.35)
Increase/(Decrease) in trade payables	6,049.31	(6,662.76)
Increase/(Decrease) in other financial liabilities	285.54	(188.17)
Increase/(Decrease) in other current liabilities	555.96	30.50
Increase/(Decrease) in provisions	(29.92)	5.16
Increase/(Decrease) in other non-current financial liabilities	100.00	-
	<b>(11,032.77)</b>	<b>(10,326.36)</b>
<b>Cash generated from operations</b>	<b>5,253.99</b>	<b>1,492.82</b>
Direct Taxes paid (net of refunds received)	(2,912.79)	(2,299.01)
<b>Net cash inflow / (outflow) from operating activities</b>	<b>2,341.20</b>	<b>(806.19)</b>
<b>Cash flow from investing activities</b>		
Acquisition of property, plant and equipment and capital work-in-progress	(10,397.83)	(10,252.78)
Proceeds from sale of property, plant and equipment	12.39	0.48
Inter-corporate deposits (given)/ returned	-	2,886.52
Deposits redeemed / (placed)	(3.58)	(3.24)
Interest received	32.39	58.07
<b>Net cash inflow / (outflow) from investing activities</b>	<b>(10,356.63)</b>	<b>(7,310.95)</b>

(₹. lakh)

Particulars	March 31, 2022	March 31, 2021
<b>Cash flow from financing activities</b>		
Proceeds from long term borrowings	-	4,000.00
Proceeds / (Repayment) of short term borrowings (net)	9,202.67	4,835.02
Proceeds from issue of shares	29.90	67.30
Payment of lease liabilities	(10.80)	(10.80)
Finance cost paid	(891.04)	(475.14)
Dividend paid to company's shareholders	(293.78)	(293.56)
<b>Net cash inflow / (outflow) from financing activities</b>	<b>8,036.95</b>	<b>8,122.82</b>
Net increase / (decrease) in cash and cash equivalents	21.52	5.68
Cash and cash equivalents at the beginning of the year	32.94	27.26
<b>Cash and cash equivalents at the end of the year</b>	<b>54.46</b>	<b>32.94</b>

**Note 1:**

The above statement of cash flow has been prepared under the indirect method as set out in Indian Accounting Standard 7 Cash Flow Statement notified u/s 133 of Companies Act, 2013 ("Act") read with Rule 4 of the Companies (Indian Accounting Standards) Rules 2015, as amended and the relevant provisions of the Act

**Note 2: Movement in Borrowings**

(₹. lakh)

Particulars	March 31, 2021	Cash Flows	Non-cash changes	March 31, 2022
Long term borrowings (Refer Note 2.1)	4,016.81	-	(16.81)	4,000.00
Short term borrowings	14,703.10	9,202.67	31.54	23,937.31
<b>Total borrowings</b>	<b>18,719.91</b>	<b>9,202.67</b>	<b>14.73</b>	<b>27,937.31</b>

(₹. lakh)

Particulars	March 31, 2020	Cash Flows	Non-cash changes	March 31, 2021
Long term borrowings (Refer Note 2.1)	-	4,000.00	16.81	4,016.81
Short term borrowings	9,871.16	4,835.02	(3.08)	14,703.10
<b>Total borrowings</b>	<b>9,871.16</b>	<b>8,835.02</b>	<b>13.73</b>	<b>18,719.91</b>

**Note 2.1:** The Term Loan from Bank for ₹ 4,000 lakh (previous year ₹ 16.81 Lakh) has been disclosed as current maturity of Long term Borrowing Under Current Borrowing.

The Notes 1 to 53 form an integral part of the Standalone Financial Statements.

As per our report of even date attached

**For B S R & Co. LLP**

Chartered Accountants

Firm Registration Number:

101248W/W-100022

**For and on behalf of the Board of Directors of  
Astec LifeSciences Limited**

**(CIN: L99999MH1994PLC076236)**

**ANURAG ROY**

Whole – Time Director &

Chief Executive Officer

DIN: 07444595

**B. S. YADAV**

Director

DIN: 00294803

**BURJIS PARDIWALA**

Partner

Membership Number: 103595

**Mumbai, May 2, 2022**

**SAURAV BHALA**

Chief Financial Officer

ICAI Memb. No. 062106

**TEJASHREE PRADHAN**

Company Secretary

ICSI Memb. No. FCS7167



## Notes forming part of the Standalone Financial Statements

For the year ended March 31, 2022

### Note 1: Significant accounting policies

#### A. General Information

Astec LifeSciences Limited ("the Company") is a public limited company, which is domiciled and incorporated in the Republic of India with its registered office situated at Godrej One, 3rd Floor, Pirojsha Nagar, Eastern Express Highway, Vikhroli East, Mumbai - 400 079. The Company was incorporated under the Companies Act, 1956 on January 25, 1994. The Company manufactures a wide range of Agrochemical active ingredients and pharmaceutical intermediates.

#### B. Basis of preparation

##### (1) Statement of compliance with Ind AS

The accompanying financial statements have been prepared in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015, as amended and notified under section 133 of the Companies Act, 2013, (the 'Act') and other relevant provisions of the Act.

The financial statements for the year ended 31 March 2022 have been reviewed by the Audit Committee and subsequently approved by the Board of Directors at its meeting held on May 02, 2022.

##### (2) Historical cost convention

The financial statements have been prepared on a historical cost basis, except for the following:

- certain financial assets and liabilities (including derivative instruments) that is measured at fair value (refer- Accounting policy regarding financials instruments);
- defined benefit plans – plan assets measured at fair value less present value of defined benefit obligation; and
- share-based payments - measured at fair value

##### (3) Functional and presentation currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the entity operates ('the functional currency') The Indian Rupee (INR) is the functional and presentation currency of the company. All amounts have been rounded off to the nearest lakh, unless otherwise indicated.

#### C. Key estimates and assumptions

While preparing financial statements in conformity with Ind AS, the management has made certain estimates and assumptions that require subjective and complex judgments. These judgments affect the application of accounting policies and the reported amount of assets, liabilities, income and expenses, disclosure of contingent liabilities at the balance sheet date and the reported amount of income and expenses for the reporting period. Future events rarely develop exactly as forecasted and the best estimates require adjustments, as actual results may differ from these estimates under different assumptions or conditions.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized prospectively.

## Notes forming part of the Standalone Financial Statements

For the year ended March 31, 2022

Judgement, estimates and assumptions are required in particular for:

### (1) Determination of the estimated useful lives

Useful lives of property, plant and equipment are based on the life prescribed in Schedule II of the Companies Act, 2013. In cases, where the useful lives are different from that prescribed in Schedule II and in case of intangible assets, they are based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers' warranties and maintenance support.

### (2) Recognition and measurement of defined benefit obligations

The obligation arising from defined benefit plan is determined on the basis of actuarial assumptions. Key actuarial assumptions include discount rate, trends in salary escalation, actuarial rates and life expectancy. The discount rate is determined by reference to market yields at the end of the reporting period on government bonds. The period to maturity of the underlying bonds correspond to the probable maturity of the post-employment benefit obligations. Due to complexities involved in the valuation and its long term nature, defined benefit obligation is sensitive to changes in these assumptions. All assumptions are reviewed at each reporting period.

### (3) Recognition of deferred tax assets

Deferred tax assets and liabilities are recognized for the future tax consequences of temporary differences between the carrying values of assets and liabilities and their respective tax bases, and unutilized business loss and depreciation carry-forwards and tax credits. Deferred tax assets are recognized to the extent that it is probable that future taxable income will be available against which the deductible temporary differences, unused tax losses, depreciation carry-forwards and unused tax credits could be utilized.

### (4) Recognition and measurement of other provisions

The recognition and measurement of other provisions are based on the assessment of the probability of an outflow of resources, and on past experience and circumstances known at the balance sheet date. The actual outflow of resources at a future date may therefore, vary from the amount included in other provisions.

### (5) Discounting of long-term financial assets / liabilities

All financial assets / liabilities are required to be measured at fair value on initial recognition. In case of financial liabilities/assets which are required to subsequently be measured at amortised cost, interest is accrued using the effective interest method.

### (6) Fair valuation of employee share options

The fair valuation of the employee share options is based on the Black-Scholes model used for valuation of options. Key assumptions made with respect to expected volatility includes share price, expected dividends and discount rate, under this option pricing model.

### (7) Determining whether an arrangement contains a lease

Ind AS 116 requires lessee to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Company makes an assessment on the expected lease term on a lease-by-lease basis and thereby assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised. In evaluating the

## Notes forming part of the Standalone Financial Statements

For the year ended March 31, 2022

lease term, the Company considers factors such as any significant leasehold improvements undertaken over the lease term, costs relating to the termination of the lease and the importance of the underlying asset taking into account the location of the underlying asset and the availability of suitable alternatives. The lease term in future periods is reassessed to ensure that the lease term reflects the current economic circumstances. After considering current and future economic conditions, the Company has concluded that no changes are required to lease period relating to the existing lease contracts.

### (8) Fair value of financial instruments

Derivatives are carried at fair value. Derivatives includes foreign currency forward contracts. Fair value of foreign currency forward contracts are determined using the fair value reports provided by respective bankers.

### (9) Liability for Sales Return

Accruals for estimated product returns, which are based on historical experience of actual sales returns and adjustment on account of current market scenario is considered by Company to be reliable estimate of future sales returns.

### (10) Provisions and contingent liabilities

A provision is recognised when the Company has a present obligation because of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. Contingent assets are neither recognised nor disclosed in the standalone financial statements.

## D. Measurement of fair values

The Company's accounting policies and disclosures require the measurement of fair values for, both financial and non-financial assets and liabilities. The Company has an established control framework with respect to the measurement of fair values. The management regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the management assesses the evidence obtained from the third parties to support the conclusion that such valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which such valuations should be classified.

When measuring the fair value of a financial asset or a financial liability, the Company uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

## Notes forming part of the Standalone Financial Statements

For the year ended March 31, 2022

The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

### E. Significant accounting policies

#### (1) Revenue recognition:

##### i. Sale of goods

Revenue from operations comprises of sales of goods after the deduction of discounts, goods and service tax and estimated returns. Discounts given by the Company includes trade discounts, volume rebates and other incentive given to the customers. Accumulated experience is used to estimate the provision for discounts. Revenue is only recognized to the extent that it is highly probable a significant reversal will not occur.

Revenue from the sale of goods are recognized when control of the goods has transferred to our customer and when there are no longer any unfulfilled obligations to the customer, This is generally when the goods are delivered to the customer depending on individual customer terms, which can be at the time of dispatch or delivery. This is considered the appropriate point where the performance obligations in our contracts are satisfied as the Company no longer have control over the inventory.

Our customers have the contractual right to return goods only when authorized by the Company. As at 31 March 2022, an estimate has been made of goods that will be returned and a liability has been recognized for this amount. An asset has also been recorded for the corresponding inventory that is estimated to return to the Company using a best estimate based on accumulated experience.

##### ii. Dividend income

Dividend income is recognised only when the right to receive the same is established, it is probable that the economic benefits associated with the dividend will flow to the Company, and the amount of dividend can be measured reliably.

##### iii. Interest income

For all financial instruments measured at amortised cost, interest income is recorded using the effective interest rate (EIR), which is the rate that discounts the estimated future cash payments or receipts through the expected life of the financial instruments or a shorter period, where appropriate, to the net carrying amount of the financial assets. Interest income is included in other income in the Statement of Profit and Loss.

#### (2) Foreign currency:

##### (i) Transaction and balances

Transactions in foreign currencies are translated into the respective functional currencies of the Company at the exchange rates at the dates of the transactions or an average rate if the average rate approximates the actual rate at the date of the transaction. Foreign currency transactions are recorded on initial recognition in the functional currency, using the exchange rate at the date of the transaction. At each balance sheet date, foreign currency monetary items are reported using the closing exchange rate. Exchange differences that arise on settlement of monetary items or on reporting at each balance sheet date of the Company's monetary items at the closing rate are recognized as income and expenses in the period in which they arise.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of transactions. Non-monetary items that are measured at fair value in a foreign currency shall be translated using the exchange rates at the date when the fair value was measured.

## Notes forming part of the Standalone Financial Statements

For the year ended March 31, 2022

Exchange differences are generally recognised in the Statement of Profit and Loss, except exchange differences arising from the translation of the following item which are recognized in OCI:

- Qualifying cash flow hedges to the extent that the hedges are effective.

### (3) Employment Benefits

#### (i) Short-term obligations

Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably. The Company has a scheme of Performance Linked Variable Remuneration (PLVR) which rewards its employees based on either Economic Value Added (EVA) or Profit before tax (PBT). The PLVR amount is related to actual improvement made in either EVA or PBT over the previous year when compared with expected improvements.

#### (ii) Other long-term employee benefit obligations

The liabilities for earned leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss.

Liability toward Long-term Compensated Absences is provided for on the basis of an actuarial valuation, using the Projected Unit Credit Method, as at the date of the Balance Sheet. Actuarial gains / losses comprising of experience adjustments and the effects of changes in actuarial assumptions are immediately recognised in the Statement of Profit and Loss.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

#### (iii) Post-employment obligations

The Company operates the following post-employment schemes:

- (a) defined benefit plans such as gratuity, and
- (b) defined contribution plans such as provident fund.

#### Gratuity obligations

The following post – employment benefit plans are covered under the defined benefit plans:

##### Gratuity:

The Company's net obligation in respect of defined benefit plans is calculated by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

## Notes forming part of the Standalone Financial Statements

For the year ended March 31, 2022

The calculation of defined benefit obligations is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Company, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan.

Re-measurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

### Defined contribution plans

The Company pays provident fund contributions to publicly administered provident funds as per local regulations. The Company has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefit expense when they are due.

### (iv) Share-based payments

Share-based compensation benefits are provided to employees via the Astec LifeSciences Limited Employee Stock Option Plan.

### Employee options:

The fair value of options granted under the Astec LifeSciences Limited Employee Stock Option Plan is recognised as an employee benefits expense with a corresponding increase in equity. The total amount to be expensed is determined by reference to the fair value of the options granted:

- including any market performance conditions (e.g., the entity's share price)
- excluding the impact of any service and non-market performance vesting conditions (e.g. profitability, sales growth targets and remaining an employee of the entity over a specified time period), and
- including the impact of any non-vesting conditions (e.g. the requirement for employees to save or holdings shares for a specific period of time).

The total expense is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of each period, the entity revises its estimates of the number of options that are expected to vest based on the non-market vesting and service conditions. It recognises the impact of the revision to original estimates, if any, in profit or loss, with a corresponding adjustment to equity.

### (v) Bonus plans

The Company recognises a liability and an expense for bonuses. The Company recognises a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

### (vi) Terminal benefits

All terminal benefits are recognized as an expense in the period in which they are incurred.

### (4) Income-tax

Income tax expense comprises current and deferred tax. It is recognised in the Statement of Profit and Loss except to the extent that it relates to a business combination, or items recognised directly in equity or in the OCI.

## Notes forming part of the Standalone Financial Statements

For the year ended March 31, 2022

### (i) Current tax

Current tax is the amount of tax payable (recoverable) in respect of the taxable profit / (tax loss) for the year determined in accordance with the provisions of the Income-Tax Act, 1961. 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 tax rates and tax laws that have been enacted or substantively enacted at the reporting date.

Current tax assets and liabilities are offset only if, the Company:

- a) has a legally enforceable right to set off the recognised amounts; and
- b) intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

### (ii) Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for:

- temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss;
- temporary differences related to investments in subsidiaries and associates to the extent that the Company is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and
- taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves. Unrecognized deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. Taxes relating to items recognized directly in equity or OCI is recognized in equity or OCI and not in the statement of profit and loss.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset only if:

- a) the entity has a legally enforceable right to set off current tax assets against current tax liabilities; and
- b) the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority on the same taxable entity.

## (5) Inventories

### (i) Raw materials and stores, work in progress, traded and finished goods

Raw materials and stores, work in progress, traded and finished goods are stated at the lower of cost and net realisable value. Cost of raw materials and traded goods comprises cost of purchases. Cost of work-in progress and finished goods comprises direct materials, direct labour and an appropriate proportion of variable and fixed overhead expenditure, the latter being allocated on the basis of normal operating capacity. Cost of

## Notes forming part of the Standalone Financial Statements

For the year ended March 31, 2022

inventories also include all other costs incurred in bringing the inventories to their present location and condition. Cost includes the reclassification from equity of any gains or losses on qualifying cash flow hedges relating to purchases of raw material but excludes borrowing costs. Costs are assigned to individual items of inventory on the basis of weighted average price. Costs of purchased inventory are determined after deducting rebates and discounts. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

### (6) Property, plant and equipment

#### (i) Recognition and measurement

Items of property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses, if any.

The cost of an item of property, plant and equipment comprises:

- a) Its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates.
- b) Any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.
- c) The initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located, the obligation for which an entity incurs either when the item is acquired or as a consequence of having used the item during a particular period for purposes other than to produce inventories during that period.

Income and expenses related to the incidental operations, not necessary to bring the item to the location and condition necessary for it to be capable of operating in the manner intended by management, are recognised in the Statement of Profit and Loss.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted and depreciated for as separate items (major components) of property, plant and equipment.

Any gain or loss on disposal of an item of property, plant and equipment is recognised in the Statement of Profit and Loss.

#### (ii) Subsequent expenditure

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

#### (iii) Depreciation/ Amortizations

Depreciation is calculated using the straight-line method to allocate their cost, net of their residual values, over their estimated useful lives specified in schedule II to the Companies Act, 2013 except for the following:

##### (a) Plant and Machinery:

Based on the condition of the plants, regular maintenance schedule, material of construction, external and internal assessment and past experience, the Company has considered useful life of Plant and Machinery as 20 years.



## Notes forming part of the Standalone Financial Statements

For the year ended March 31, 2022

### (b) Computer Hardware:

Depreciated over its estimated useful life of 4 years.

### (c) Right of use Asset:

Amortized over the primary lease period.

### (d) Leasehold improvements and equipment:

Amortised over the Primary lease period.

Assets costing less than ₹ 5,000 are fully depreciated in the year of purchase/acquisition. Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss within other gains/(losses).

## (7) Intangible assets

### (i) Computer software

#### Recognition and measurement

Intangible assets are recognized when it is probable that the future economic benefits that are attributable to the assets will flow to the Company and the cost of the asset can be measured reliably.

Intangible assets viz. Computer software and product registration, which are acquired by the Company and have finite useful lives are measured at cost less accumulated amortisation and any accumulated impairment losses.

#### Amortisation

Amortisation is calculated to write off the cost of intangible assets less their estimated residual values using the straight-line method over their estimated useful lives, and is generally recognised in profit or loss.

The intangible assets are amortised over the estimated useful lives as given below:

- Computer software 6 years
- Product Registration 5 years

### (ii) Research and development

Revenue expenditure on research and development is charged to the Statement of Profit and Loss of the year in which it is incurred.

Capital expenditure incurred during the period on research and development is accounted for as an addition to property, plant and equipment.

## (8) Borrowing costs

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and

## Notes forming part of the Standalone Financial Statements

For the year ended March 31, 2022

prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Other borrowing costs are expensed in the period in which they are incurred.

### (9) Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker ("CODM") of the Company. The CODM, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Managing Director and Chief Operating Officer of the Company. The Company has identified only one segment i.e. Agrochemicals as reporting segment based on the information reviewed by CODM.

### (10) Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial instruments also include derivative contracts such as foreign currency foreign exchange forward contracts.

Financial instruments also covers contracts to buy or sell a non-financial item that can be settled net in cash or another financial instrument, or by exchanging financial instruments, as if the contracts were financial instruments, with the exception of contracts that were entered into and continue to be held for the purpose of the receipt or delivery of a non-financial item in accordance with the entity's expected purchase, sale or usage requirements.

Derivatives are currently recognized at fair value on the date on which the derivative contract is entered into and are subsequently re-measured to their fair value at the end of each reporting period.

### (11) Hedge accounting

The Company designates certain hedging instruments in respect of foreign currency risk, interest rate risk and commodity price risk as cash flow hedges. At the inception of the hedge relationship, the entity documents the relationship between the hedging instrument and the hedged item, along with its risk management objectives and its strategy for undertaking various hedge transactions. Furthermore, at the inception of the hedge and on an ongoing basis, the Company documents whether the hedging instrument is highly effective in offsetting changes in fair values or cash flows of the hedged item attributable to the hedged risk.

The effective portion of changes in the fair value of the designated portion of derivatives that qualify as cash flow hedges is recognised in other comprehensive income and accumulated under equity. The gain or loss relating to the ineffective portion is recognised immediately in statement of profit or loss.

Amounts previously recognised in other comprehensive income and accumulated in equity relating to effective portion as described above are reclassified to profit or loss in the periods when the hedged item affects profit or loss, in the same line as the recognised hedged item. However, when the hedged forecast transaction results in the recognition of a non-financial asset or a non-financial liability, such gains and losses are transferred from equity and included in the initial measurement of the cost of the non-financial asset or non-financial liability.

Hedge accounting is discontinued prospectively when the hedging instrument expires or is sold, terminated, or exercised, or when it no longer qualifies for hedge accounting. Any gain or loss recognised in other comprehensive income and accumulated in equity at that time remains in equity and is recognised when the forecast transaction is ultimately recognised in profit or loss. When a forecast transaction is no longer expected to occur, the gain or loss accumulated in equity is recognised immediately in the statement profit or loss.

## Notes forming part of the Standalone Financial Statements

For the year ended March 31, 2022

### i. Financial assets

#### Classification

The Company classifies its financial assets in the following measurement categories:

- Where assets are measured at fair value, gains and losses are either recognized entirely in the Statement of Profit and Loss (i.e. fair value through profit or loss), or recognized in Other Comprehensive Income (i.e. fair value through other comprehensive income).
- A financial asset that meets the following two conditions is measured at amortized cost (net of any write down for impairment) unless the asset is designated at fair value through profit or loss under the fair value option.

**Business model test:** The objective of the Company's business model is to hold the financial asset to collect the contractual cash flows (rather than to sell the instrument prior to its contractual maturity to realize its fair value changes).

**Cash flow characteristics test:** 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.

#### Initial recognition and measurement

At initial recognition, the Company measures a financial asset at fair value plus, in the case of a financial asset not recorded at fair value through the Statement of Profit and Loss, transaction costs that are attributable to the acquisition of the financial asset.

#### Equity investments

- All equity investments in scope of Ind-AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Company decides to classify the same either as at FVOCI or FVTPL. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.
- If the Company decides to classify an equity instrument as FVOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to profit and loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.
- Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

#### Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognised (i.e. removed from the Company's balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

## Notes forming part of the Standalone Financial Statements

For the year ended March 31, 2022

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

### Impairment of financial assets

In accordance with Ind-AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- a) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, deposits, and bank balance.
- b) Trade receivables - The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition. Trade receivables are tested for impairment on a specific basis after considering the sanctioned credit limits, security like letters of credit, security deposit collected etc. and expectations about future cash flows.

## ii. Financial liabilities

### Classification

Financial liabilities and equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

The Company classifies all financial liabilities as subsequently measured at amortised cost, except for financial liabilities at fair value through the Statement of Profit and Loss. Such liabilities, including derivatives that are liabilities, shall be subsequently measured at fair value.

### Initial recognition and measurement

Financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable and incremental transaction cost.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

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



## Notes forming part of the Standalone Financial Statements

For the year ended March 31, 2022

### Financial guarantee contracts

Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind-AS 109 and the amount recognised less cumulative amortisation.

### Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit and loss.

### Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

### Derivative financial instruments

The Company uses derivative financial instruments, such as forward currency contracts and interest rate swaps, to hedge its foreign currency risks and interest rate risks respectively. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. The accounting for subsequent changes in fair value depends on whether the derivative is designated as a hedging instrument, and if so, the nature of item being hedged and the type of hedge relationship designated.

Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

### (12) Provisions, contingent liabilities and contingent assets

Provisions are recognized when there is a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

The expenses relating to a provision is presented in the Statement of Profit and Loss net of any reimbursement.

If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows specific to the liability. The unwinding of the discount is recognised as finance cost.

A provision for onerous contracts is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established, the Company recognises any impairment loss on the assets associated with that contract.

## Notes forming part of the Standalone Financial Statements

For the year ended March 31, 2022

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but will probably not, require an outflow of resources. When there is a possible obligation of a present obligation in respect of which the likelihood of outflow of resources is remote, no provision disclosure is made.

A contingent asset is not recognised but disclosed in the financial statements where an inflow of economic benefit is probable.

Commitments includes the amount of purchase order (net of advance) issued to parties for completion of assets.

Provisions, contingent assets, contingent liabilities and commitments are reviewed at each balance sheet date.

### (13) Cash flow hedges that qualify for hedge accounting

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognized in the other comprehensive income in cash flow hedging reserve within equity, limited to the cumulative change in fair value of hedged item on a present value basis from the inception of hedge. The gain or loss relating to the effective portion is recognized immediately in profit or loss.

Amounts accumulated in equity are reclassified to profit or loss in the periods when the hedged item affects profit or loss.

### (14) 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

The Company's lease asset classes primarily consist of leases for land. The Company assesses whether a contract contains a lease, at inception of a contract. 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. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognized 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. They are subsequently measured at cost less accumulated depreciation and impairment losses.

## Notes forming part of the Standalone Financial Statements

For the year ended March 31, 2022

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. 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.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

### Company as a lessor

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

When the Company is an intermediate lessor, it accounts for its interests in the head lease and the sublease separately. The sublease is classified as a finance or operating lease by reference to the right-of-use asset arising from the head lease.

For operating leases, rental income is recognized on a straight line basis over the term of the relevant lease.

### (15) Impairment of non-financial assets

Goodwill and intangible assets that have infinite useful life are not subjected to amortization and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired.

The carrying values of other assets/cash generating units at each balance sheet date are reviewed for impairment if any indication of impairment exists. If the carrying amount of the assets exceed the estimated recoverable amount, an impairment is recognised for such excess amount.

The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor that reflects current market assessments of the time value of money and the risk specific to the asset.

When there is indication that an impairment loss recognised for an asset (other than a revalued asset) in earlier accounting periods which no longer exists or may have decreased, such reversal of impairment loss is recognised in the Statement of Profit and Loss, to the extent the amount was previously charged to the Statement of Profit and Loss. In case of revalued assets, such reversal is not recognised.

## Notes forming part of the Standalone Financial Statements

For the year ended March 31, 2022

### (16) Dividends

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.

### (17) Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

### (18) Earnings per share

#### (i) Basic earnings per share

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the Company.
- by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year and excluding treasury shares.

#### (ii) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- The after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- The weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

### (F) Recent Indian Accounting Standards (Ind AS)

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. There is no such notification which would have been applicable from April 1, 2022.

### (G) Recent Pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 23, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, applicable from April 1st, 2022, as below:

#### Ind AS 103 – Reference to Conceptual Framework

The amendments specify that to qualify for recognition as part of applying the acquisition method, the identifiable assets acquired and liabilities assumed must meet the definitions of assets and liabilities in the Conceptual Framework for Financial Reporting under Indian Accounting Standards (Conceptual Framework) issued by the Institute of Chartered Accountants of India at the acquisition date. These changes do not significantly change the requirements of Ind AS 103. The Company does not expect the amendment to have any significant impact in its financial statements.



## Notes forming part of the Standalone Financial Statements

For the year ended March 31, 2022

### **Ind AS 16 – Proceeds before intended use**

The amendments mainly prohibit an entity from deducting from the cost of property, plant and equipment amounts received from selling items produced while the company is preparing the asset for its intended use. Instead, an entity will recognise such sales proceeds and related cost in profit or loss. The Company does not expect the amendments to have any impact in its recognition of its property, plant and equipment in its financial statements.

### **Ind AS 37 – Onerous Contracts - Costs of Fulfilling a Contract**

The amendments specify that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts. The amendment is essentially a clarification and the Company does not expect the amendment to have any significant impact in its financial statements.

### **Ind AS 109 – Annual Improvements to Ind AS (2021)**

The amendment clarifies which fees an entity includes when it applies the '10 percent' test of Ind AS 109 in assessing whether to derecognise a financial liability. The Company does not expect the amendment to have any significant impact in its financial statements.

### **Ind AS 106 – Annual Improvements to Ind AS (2021)**

The amendments remove the illustration of the reimbursement of leasehold improvements by the lessor in order to resolve any potential confusion regarding the treatment of lease incentives that might arise because of how lease incentives were described in that illustration. The Company does not expect the amendment to have any significant impact in its financial statements.

## Notes forming part of the Standalone Financial Statements

For the year ended March 31, 2022

(₹. lakh)

### Note 2 (a): Property, Plant & Equipment

Particulars	Plant and Machinery	Factory Building	Office Buildings	Electrical Installations	Furniture and Fixtures	Vehicles	Computers	Office & Other Equipment	Total
<b>Gross Block</b>									
As at April 1, 2021	19,788.32	6,627.85	267.48	542.76	176.81	305.88	132.49	90.90	27,932.49
Additions	8,492.39	5,939.64	-	1,153.35	98.63	111.99	65.08	123.46	15,984.54
Disposals	-	-	-	-	-	11.62	2.84	-	14.46
<b>As at March 31, 2022</b>	<b>28,280.71</b>	<b>12,567.49</b>	<b>267.48</b>	<b>1,696.11</b>	<b>275.44</b>	<b>406.25</b>	<b>194.73</b>	<b>214.36</b>	<b>43,902.57</b>
<b>Accumulated Depreciation</b>									
As at April 1, 2021	8,179.38	1,011.91	28.20	197.22	118.45	127.75	75.78	48.54	9,787.23
For the year	2,620.19	463.29	4.73	120.07	21.85	41.98	30.10	25.77	3,327.98
Disposals	-	-	-	-	-	0.69	2.81	-	3.50
<b>As at March 31, 2022</b>	<b>10,799.57</b>	<b>1,475.20</b>	<b>32.93</b>	<b>317.29</b>	<b>140.30</b>	<b>169.04</b>	<b>103.07</b>	<b>74.31</b>	<b>13,111.71</b>
<b>Net Block as at March 31, 2022</b>	<b>17,481.14</b>	<b>11,092.29</b>	<b>234.55</b>	<b>1,378.82</b>	<b>135.14</b>	<b>237.21</b>	<b>91.66</b>	<b>140.05</b>	<b>30,790.86</b>
<b>Gross Block</b>									
As at April 1, 2020	17,649.29	5,984.97	267.48	532.25	174.87	272.38	105.16	80.67	25,067.07
Additions	2,157.50	642.88	-	10.51	1.94	33.50	27.33	10.23	2,883.89
Disposals	18.47	-	-	-	-	-	-	-	18.47
<b>As at March 31, 2021</b>	<b>19,788.32</b>	<b>6,627.85</b>	<b>267.48</b>	<b>542.76</b>	<b>176.81</b>	<b>305.88</b>	<b>132.49</b>	<b>90.90</b>	<b>27,932.49</b>
<b>Accumulated Depreciation</b>									
As at April 1, 2020	6,125.09	732.76	23.48	150.29	102.65	96.23	54.04	35.10	7,319.64
For the year	2,070.61	279.15	4.72	46.93	15.80	31.52	21.74	13.44	2,483.91
Disposals	16.32	-	-	-	-	-	-	-	16.32
<b>As at March 31, 2021</b>	<b>8,179.38</b>	<b>1,011.91</b>	<b>28.20</b>	<b>197.22</b>	<b>118.45</b>	<b>127.75</b>	<b>75.78</b>	<b>48.54</b>	<b>9,787.23</b>
<b>Net Block as at March 31, 2021</b>	<b>11,608.94</b>	<b>5,615.94</b>	<b>239.28</b>	<b>345.54</b>	<b>58.36</b>	<b>178.13</b>	<b>56.71</b>	<b>42.36</b>	<b>18,145.26</b>

## Notes forming part of the Standalone Financial Statements

For the year ended March 31, 2022

**Note 2 (a).1:** During the year the Company Capitalised borrowing cost for ₹ 74.02 lakh (Previous Year ₹ 59.93 lakh)

### Note 2 (b).1: Capital work-in-progress

(₹. lakh)

Particulars	Total
As at April 1, 2021	11,167.69
Additions	6,037.19
Capitalised during the year	(15,831.64)
<b>As at March 31, 2022</b>	<b>1,373.24</b>
As at April 1, 2020	2,211.22
Additions	11,777.32
Capitalised during the year	(2,820.85)
<b>As at March 31, 2021</b>	<b>11,167.69</b>

### Note 2 (b).2: Capital work-in-progress Ageing Schedule as of March 31, 2022

(₹. lakh)

Capital work-in-progress Ageing Schedule for current year	Amount in Capital work-in-progress for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in Progress	1,337.69	35.55	-	-	1,373.24

There are no Projects temporarily suspended during the current year

(₹. lakh)

Capital work-in-progress Ageing Schedule for previous year	Amount in Capital work-in-progress for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in Progress	11,167.69	-	-	-	11,167.69

There are no Projects temporarily suspended during the previous year

### Note 3: Right-of-use assets

(₹. lakh)

Particulars	Land and Buildings
<b>As at April 1, 2020</b>	<b>1,478.55</b>
Additions	1,582.45
Disposals	-
<b>Balance as at March 31, 2021</b>	<b>3,061.00</b>
Additions	1.65
Disposals	-
<b>Balance as at March 31, 2022</b>	<b>3,062.65</b>

## Notes forming part of the Standalone Financial Statements

For the year ended March 31, 2022

### Note 3: Right-of-use assets (Contd.)

(₹. lakh)

Particulars	Land and Buildings
<b>As at April 1, 2020</b>	<b>14.80</b>
Depreciation	36.93
Impairment loss	-
<b>Balance as at March 31, 2021</b>	<b>51.73</b>
Depreciation	43.43
Impairment loss	-
<b>Balance as at March 31, 2022</b>	<b>95.16</b>
<b>Carrying amounts</b>	
As at April 1, 2020	1,463.75
<b>Balance as at March 31, 2021</b>	<b>3,009.27</b>
<b>Balance as at March 31, 2022</b>	<b>2,967.49</b>

### Note 3.1 - Breakdown of lease expenses

(₹. lakh)

Particulars	For the Year ended March 31, 2022	For the Year ended March 31, 2021
Short-term lease expense	101.22	104.74
<b>Total lease expense</b>	<b>101.22</b>	<b>104.74</b>

### Note 3.2 - Cash outflow on leases

(₹. lakh)

Particulars	For the Year ended March 31, 2022	For the Year ended March 31, 2021
Repayment of lease liabilities	7.55	6.92
Interest on lease liabilities	3.25	3.88
Short-term lease expense	101.22	104.74
<b>Total cash outflow on leases</b>	<b>112.02</b>	<b>115.54</b>

### Note 3.3 - Maturity analysis

(₹. lakh)

Particulars	Less than 1 year	Between 1 and 5 years	Over 5 years	Weighted average effective interest rate %
<b>April 1, 2019</b>				
Lease liabilities	6.35	31.66	11.42	9.00
<b>Total</b>	<b>6.35</b>	<b>31.66</b>	<b>11.42</b>	
<b>March 31, 2020</b>				
Lease liabilities	6.92	34.51	1.65	9.00
<b>Total</b>	<b>6.92</b>	<b>34.51</b>	<b>1.65</b>	

## Notes forming part of the Standalone Financial Statements

For the year ended March 31, 2022

### Note 3.3 - Maturity analysis (Contd.)

(₹. lakh)

Particulars	Less than 1 year	Between 1 and 5 years	Over 5 years	Weighted average effective interest rate %
<b>March 31, 2021</b>				
Lease liabilities	7.55	28.61	-	9.00
<b>Total</b>	<b>7.55</b>	<b>28.61</b>	-	
<b>March 31, 2022</b>				
Lease liabilities	8.22	20.39	-	9.00
<b>Total</b>	<b>8.22</b>	<b>20.39</b>	-	

### Note 4 (a): Intangible Assets

(₹. lakh)

Particulars	Computer Software	Product Registration	Total
<b>Gross Block</b>			
As at April 1, 2021	317.41	250.58	567.99
Additions	187.20	-	187.20
Disposals	-	-	-
<b>As at March 31, 2022</b>	<b>504.61</b>	<b>250.58</b>	<b>755.19</b>
<b>Accumulated amortisation</b>			
As at April 1, 2021	204.64	250.58	455.22
For the year	70.18	-	70.18
Disposals	-	-	-
<b>As at March 31, 2022</b>	<b>274.82</b>	<b>250.58</b>	<b>525.40</b>
<b>Net Block as at March 31, 2022</b>	<b>229.79</b>	-	<b>229.79</b>
<b>Gross Block</b>			
As at April 1, 2020	310.85	250.58	561.43
Additions	6.56	-	6.56
Disposals	-	-	-
<b>As at March 31, 2021</b>	<b>317.41</b>	<b>250.58</b>	<b>567.99</b>
<b>Accumulated amortisation</b>			
As at April 1, 2020	153.99	250.58	404.57
For the year	50.65	-	50.65
Disposals	-	-	-
<b>As at March 31, 2021</b>	<b>204.64</b>	<b>250.58</b>	<b>455.22</b>
<b>Net Block as at March 31, 2021</b>	<b>112.77</b>	-	<b>112.77</b>

### Note 4 (b). 1: Intangible Assets under development

(₹. lakh)

Particulars	Amount
As at April 1, 2021	403.50
Additions	672.70
Capitalised during the year	(166.95)
<b>As at March 31, 2022</b>	<b>909.25</b>

## Notes forming part of the Standalone Financial Statements

For the year ended March 31, 2022

### Note 4 (b). 1: Intangible Assets under development (Contd.)

(₹. lakh)

Particulars	Amount
As at April 1, 2020	199.52
Additions	203.98
Capitalised during the year	-
<b>As at March 31, 2021</b>	<b>403.50</b>

### Note 4 (b). 2: Intangible Assets under development Ageing Schedule as of March 31, 2022

(₹. lakh)

Intangible Assets under development Ageing Schedule for current year	Amount in Intangible Assets under development for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in Progress	614.66	169.31	125.28	-	909.25

There are no Projects temporarily suspended during the current year.

Intangible Assets under development Ageing Schedule for previous year	Amount in Intangible Assets under development for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in Progress	276.90	126.60	-	-	403.50

There are no Projects temporarily suspended during the previous year.

### Note 5: Non-current financial assets- investments

(₹. lakh)

Particulars	As at March 31, 2022	As at March 31, 2021
<b>A. Investments in subsidiaries</b>		
<b>(a) Investments in equity instruments (Fully Paid, unquoted)</b>		
(i) Behram Chemicals Private Limited 39,380 (Previous year 39,380) Equity Shares of ₹100/- each	42.18	42.18
(ii) Comercializadora Agricola Agroastrachem Cia Ltda 400 (Previous Year 400) Equity Shares of USD 1/- each.	1.00	1.00
Less: Provision for diminution in the value	(1.00)	(1.00)
<b>Total (A)</b>	<b>42.18</b>	<b>42.18</b>
<b>B. Investment in equity instruments at fair value through Statement of Profit &amp; Loss (Fully paid, unquoted)</b>		
Shamrao Vithal Co-operative Bank Ltd 2,100 (Previous Year 2,100) equity shares of ₹ 25/- each	0.53	0.53
<b>Total (B)</b>	<b>0.53</b>	<b>0.53</b>
<b>Total (A + B)</b>	<b>42.71</b>	<b>42.71</b>

## Notes forming part of the Standalone Financial Statements

For the year ended March 31, 2022

### Note 5.1: Other disclosures

(₹. lakh)

Particulars	As at March 31, 2022	As at March 31, 2021
Aggregate amount of quoted investment	-	-
Market value of quoted investment	-	-
Aggregate amount of unquoted investments	42.71	42.71
Aggregate amount of impairment in value of investments	1.00	1.00

### Note 5.2:

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Name of subsidiary - Place of business</b>	<b>% of holding</b>	<b>% of holding</b>
1. Behram Chemicals Private Limited, Mumbai, India	65.63	65.63
2. Comercializadora Agricola Agroastrachem Cia Ltda, Colombia	100.00	100.00

### Note 6: Non-current financial assets

(₹. lakh)

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Unsecured, considered good (unless otherwise stated)</b>		
Security deposits	278.94	323.64
<b>Total</b>	<b>278.94</b>	<b>323.64</b>

### Note 7: Other tax assets / (liabilities) (net)

(₹. lakh)

Particulars	As at March 31, 2022	As at March 31, 2021
Opening balance	191.40	351.55
Less: Current tax payable for the year	2,861.27	2,324.43
Add: Taxes paid	2,912.79	2,299.01
Less: Earlier year tax adjustment	-	134.73
<b>Closing balance</b>	<b>242.92</b>	<b>191.40</b>

### Note 8: Other non-current assets

(₹. lakh)

Particulars	As at March 31, 2022	As at March 31, 2021
1. Capital advances	336.00	201.58
2. Balance with Government Authorities		
(i) Considered good	962.15	1,149.12
(ii) Credit impaired	93.33	52.09
Less: Loss allowance	(93.33)	(52.09)
	<b>962.15</b>	<b>1,149.12</b>
<b>Total</b>	<b>1,298.15</b>	<b>1,350.70</b>

## Notes forming part of the Standalone Financial Statements

For the year ended March 31, 2022

### Note 9: Inventories

(₹. lakh)

Particulars	As at March 31, 2022	As at March 31, 2021
<b>(Valued at lower of cost and net realisable value)</b>		
1. Raw materials (including stock in transit of ₹ 2,355.45 Lakh (Previous year : ₹ 1,688.79 Lakh))	8,044.14	5,786.79
2. Work-in-progress	5,830.68	3,791.80
3. Finished goods	4,489.43	727.89
4. Stores and Spares	330.39	302.67
<b>Total</b>	<b>18,694.64</b>	<b>10,609.15</b>

**Note 9.1:** During the year ended March 31, 2022, an amount of ₹ 228.67 lakh (previous year ₹ Nil) was charged to the statement of profit and loss on account of write-down of inventories.

### Note 10: Current trade receivables (Refer Note 40.2)

(₹. lakh)

Particulars	As at March 31, 2022	As at March 31, 2021
- Unsecured and considered good	27,362.76	18,715.31
- Credit impaired	-	24.78
Less: Loss allowance	-	(24.78)
<b>Total</b>	<b>27,362.76</b>	<b>18,715.31</b>

### Note 10.1: Trade Receivables Ageing Schedule

(₹. lakh)

Trade Receivables Ageing Schedule as at March 31, 2022	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
- Considered good	27,268.69	91.95	2.12	-	-	27,362.76
- Credit impaired	-	-	-	-	-	-
<b>Total</b>	<b>27,268.69</b>	<b>91.95</b>	<b>2.12</b>	<b>-</b>	<b>-</b>	<b>27,362.76</b>

(₹. lakh)

Trade Receivables Ageing Schedule as at March 31, 2021	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
- Considered good	18,704.29	10.51	0.51	-	-	18,715.31
- Credit impaired	-	-	1.20	4.38	19.20	24.78
<b>Total</b>	<b>18,704.29</b>	<b>10.51</b>	<b>1.71</b>	<b>4.38</b>	<b>19.20</b>	<b>18,740.09</b>

**Note 10.2:** There are no Disputed Trade Receivables during the current year or previous year



## Notes forming part of the Standalone Financial Statements

For the year ended March 31, 2022

### Note 11: Cash and cash equivalents

(₹. lakh)

Particulars	As at March 31, 2022	As at March 31, 2021
1. Cash on hand	-	0.59
2. Balances with banks:		
Current accounts	54.46	32.35
<b>Total</b>	<b>54.46</b>	<b>32.94</b>

### Note 12: Bank balances other than cash and cash equivalents

(₹. lakh)

Particulars	As at March 31, 2022	As at March 31, 2021
1. Fixed deposits - maturity more than 3 months and less than 12 months (Refer Note 12.1)	121.09	116.93
2. Unclaimed dividend accounts	5.93	6.51
<b>Total</b>	<b>127.02</b>	<b>123.44</b>

**Note 12.1:** Fixed deposits are restricted and the same is held towards security of bank guarantees.

### Note 13: Current financial assets – loans

(₹. lakh)

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Unsecured, considered good, unless otherwise stated</b>		
1. Loans and advances - Others		
Loans and advances to employees	14.62	5.99
<b>Total</b>	<b>14.62</b>	<b>5.99</b>

#### Note 13.1:

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 persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Company or provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

The Company has not received any funds 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, 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.

## Notes forming part of the Standalone Financial Statements

For the year ended March 31, 2022

### Note 14: Other current financial assets

(₹. lakh)

Particulars	As at March 31, 2022	As at March 31, 2021
1. Security Deposits	2.85	1.56
2. Merchandise exports incentive scheme - scripts in hand	278.96	120.29
3. Interest accrued on financial assets	18.84	25.36
4. Claims receivable	200.00	-
<b>Total</b>	<b>500.65</b>	<b>147.21</b>

### Note 15: Other current assets

(₹. lakh)

Particulars	As at March 31, 2022	As at March 31, 2021
1. Advances to suppliers	419.86	108.17
2. Balance with government authorities		
(i) Unsecured & Considered good	3,875.59	3,023.68
(ii) Credit impaired	23.29	36.30
Less: Loss allowance	(23.29)	(36.30)
Total Balance with government authorities (net)	3,875.59	3,023.68
3. Prepaid expenses	484.76	272.55
4. Advance to related party (Refer note 51)	3.27	3.27
5. Others	-	1.11
<b>Total</b>	<b>4,783.48</b>	<b>3,408.78</b>

### Note 16: Share Capital

(₹. lakh)

Particulars	As at March 31, 2022	As at March 31, 2021
<b>1. Authorised:</b>		
2,50,00,000 (Previous year: 2,50,00,000) Equity shares of the par value of ₹ 10 each	2,500.00	2,500.00
<b>Total</b>	<b>2,500.00</b>	<b>2,500.00</b>
<b>2. Issued, Subscribed and Paid-up:</b>		
1,95,97,555 (Previous year: 1,95,87,555) Equity shares fully paid up	1,959.76	1,958.76
<b>Total</b>	<b>1,959.76</b>	<b>1,958.76</b>
<b>3. Reconciliation of number of shares outstanding at the beginning and end of the year :</b>		
<b>Equity shares :</b>		
Outstanding at the beginning of the year	1,95,87,555	1,95,68,355
Issued during the year	10,000	19,200
<b>Outstanding at the end of the year</b>	<b>1,95,97,555</b>	<b>1,95,87,555</b>

## Notes forming part of the Standalone Financial Statements

For the year ended March 31, 2022

### 4. Rights, preferences and restrictions attached to equity shares

**Equity Shares:** The Company has one class of Equity shares having a par value of ₹ 10 per share. Each Shareholder is eligible for one vote per share held. All Equity Shareholders are eligible to receive dividends in proportion to their shareholdings. The dividends proposed by the Board of Directors are subject to the approval of the Shareholders in the ensuing Annual General Meeting. In the event of liquidation, the Equity Shareholders are eligible to receive the remaining assets of the Company, after distribution of all preferential amounts, in proportion to their shareholding.

### 5. Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company

Equity shares	As at March 31, 2022		As at March 31, 2021	
	No. of shares	% of share holding	No. of shares	% of share holding
Godrej Agrovet Limited - Holding company	1,24,04,016	63.29%	1,22,04,016	62.30%

### 6. Shares held by promoters at the end of the year in the company is set out below:

Equity shares	As at March 31, 2022			As at March 31, 2021			
	Promoter name	No. of shares	% of total shares	% Change during the year	No. of shares	% of total shares	% Change during the year
1. Godrej Agrovet Limited - Holding company		1,24,04,016	63.29%	0.99%	1,22,04,016	62.30%	-0.06%
2. Ashok Hiremath		3,90,802	1.99%	-0.91%	5,67,514	2.90%	-7.04%

### 7. There are no shares reserved for issue under options.

#### Note 17: Other equity

(₹. lakh)

Particulars	As at March 31, 2022	As at March 31, 2021
1. Retained earnings	30,324.75	21,637.28
2. General reserve	1,249.28	1,249.28
3. Capital redemption reserve	0.30	0.30
4. Employee stock options outstanding	29.21	41.50
5. Securities premium	6,034.80	5,983.14
<b>Total Equity</b>	<b>37,638.34</b>	<b>28,911.50</b>

#### General reserve

General reserve is a free reserve which is created by transferring fund from retained earnings to meet future obligations and purposes.

## Notes forming part of the Standalone Financial Statements

For the year ended March 31, 2022

### Capital redemption reserve

Capital redemption reserve was created for buy back of shares. The company may issue fully paid-up bonus shares out of the capital redemption reserve.

### Employee stock options outstanding

The employee stock options outstanding is used to recognise the grant date fair value of options issued to employees under the Company's stock option plan.

### Securities Premium

Securities Premium is used to record the premium received on issue of shares. The reserve is utilised in accordance with the provisions of the Companies Act, 2013.

### Note 18: Non-current financial liabilities - Borrowings

(₹. lakh)

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Unsecured</b>		
Term Loan from Bank (Refer Note 18.1)	-	4,000.00
<b>Total</b>	<b>-</b>	<b>4,000.00</b>

**Note 18.1:** Term Loan from Bank during the previous year carries interest rate at 3 month T Bill + 175 bps and is repayable on 15<sup>th</sup> April, 2022. During the current year the same (previous year ₹16.81 Lakh) has been disclosed under current maturity of Long term Borrowing.

The Company does not have any continuing default as on the Balance Sheet date in repayment of loans and interest.

### Note 19: Lease liabilities

(₹. lakh)

Particulars	As at March 31, 2022	As at March 31, 2021
Lease liabilities	20.39	28.61
<b>Total</b>	<b>20.39</b>	<b>28.61</b>

### Note 20: Other non-current liabilities

(₹. lakh)

Particulars	As at March 31, 2022	As at March 31, 2021
Employee benefit payable	100.00	-
<b>Total</b>	<b>100.00</b>	<b>-</b>

## Notes forming part of the Standalone Financial Statements

For the year ended March 31, 2022

### Note 21: Non-current liabilities - provisions

(₹. lakh)

Particulars	As at March 31, 2022	As at March 31, 2021
Provision for employee benefits:		
- Provision for compensated absences	42.77	51.72
<b>Total</b>	<b>42.77</b>	<b>51.72</b>

### Note 22: Deferred tax liabilities (net)

(₹. lakh)

Particulars	As at March 31, 2022	As at March 31, 2021
Deferred tax liabilities (net) (Refer note 42)	803.16	542.33
<b>Total</b>	<b>803.16</b>	<b>542.33</b>

### Note 23: Current Financial Liabilities – Borrowings

(₹. lakh)

Particulars	As at March 31, 2022	As at March 31, 2021
<b>1. Secured</b>		
a. Cash credit from banks (Refer Note 23.1)	719.38	299.89
b. Working Capital loan		
Rupee (Refer Note 23.2)	1,200.00	1,500.20
<b>2. Unsecured</b>		
a. Working Capital loan		
Rupee (Refer Note 23.3)	2,017.93	5,403.01
b. Commercial Paper (Refer Note 23.4)	20,000.00	7,500.00
c. Current maturities of long-term debt-Term Loan from Bank (Ref. Note:18.1)	4,000.00	16.81
<b>Total</b>	<b>27,937.31</b>	<b>14,719.91</b>

**Note 23.1:** Cash Credit from banks are repayable on demand and carries interest at MCLR + 0.25% (Previous year - MCLR + 0.25%).

**Note 23.2:** Working capital loan from Bank carries interest rate at 4.70% (Previous year 4.75%) and is repayable within 3 months.

**Note 23.3:** Working capital loan (Rupee) from banks carries interest rate at 6.10% (Previous year - 3.41% to 4.53%). These loans are repayable on different dates within 6 months.

**Note 23.4:** Commercial Paper carries interest rate of 4.16% to 4.78% (Previous year - 3.77% to 4.25%) and are repayable on different dates within 3 months.

## Notes forming part of the Standalone Financial Statements

For the year ended March 31, 2022

### Details of security:

All the secured current borrowings (Note 23 above) have first pari passu charge on the current assets of the Company, including inventory and receivables both present and future.

The company does not have any default as on the Balance Sheet date in repayment of any loan or interest.

### Note 24: Lease liabilities

(₹. lakh)

Particulars	As at March 31, 2022	As at March 31, 2021
Lease liabilities	8.22	7.55
<b>Total</b>	<b>8.22</b>	<b>7.55</b>

### Note 25: Current - trade payables

(₹. lakh)

Particulars	As at March 31, 2022	As at March 31, 2021
<b>1. Trade payables</b>		
a. Outstanding dues of Micro and Small Enterprises (refer note 25.1)	213.44	123.06
b. Outstanding dues of creditors other than Micro and Small Enterprises	18,811.05	12,758.67
<b>Total</b>	<b>19,024.49</b>	<b>12,881.73</b>

### Note 25.1: Additional disclosure related to Micro Enterprises and Small Enterprises

(₹. lakh)

Particulars	As at March 31, 2022	As at March 31, 2021
A. Principal amount remaining unpaid	213.44	123.06
B. Interest due thereon	-	-
C. Interest paid by the company in term of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 along with the amount of the payment made to the suppliers beyond the appointed day during the year	-	-
D. Interest due and payable for the year of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro, Small and Medium Enterprises Development Act, 2006	-	-
E. Interest accrued and remaining unpaid	-	-
F. Further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise	-	-

**Note 25.2:** Micro and small enterprises as defined under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) have been identified by the Company on the basis of the information available with the Company and the auditors have relied on the same. Accordingly, ₹ Nil is overdue as on March 31, 2022 (Previous year ₹ Nil) to Micro, Small and Medium Enterprises on account of principal or interest.

## Notes forming part of the Standalone Financial Statements

For the year ended March 31, 2022

### Note 25.3: Trade Payable Ageing Schedule

(₹. lakh)

Trade Payable Ageing Schedule for current year	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
<b>Undisputed Trade Payable</b>					
(i) MSME	213.44	-	-	-	213.44
(ii) Others	18,750.44	20.59	10.81	29.21	18,811.05
<b>Total</b>	<b>18,963.88</b>	<b>20.59</b>	<b>10.81</b>	<b>29.21</b>	<b>19,024.49</b>

Trade Payable Ageing Schedule for previous year	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
<b>Undisputed Trade Payable</b>					
(i) MSME	123.06	-	-	-	123.06
(ii) Others	12,682.82	14.27	9.92	51.66	12,758.67
<b>Total</b>	<b>12,805.88</b>	<b>14.27</b>	<b>9.92</b>	<b>51.66</b>	<b>12,881.73</b>

**Note 25.4:** There are no Disputed Trade Payable during the current year or earlier year.

### Note 26: Other financial liabilities

(₹. lakh)

Particulars	As at March 31, 2022	As at March 31, 2021
1. Non trade payables	593.06	3,971.78
2. Derivative liability		
- Foreign exchange forward contracts not designated as hedge	6.37	-
3. Unclaimed dividend	5.61	6.51
4. Others (includes accrual for bonus, incentives, etc.)	810.67	524.23
<b>Total</b>	<b>1,415.71</b>	<b>4,502.52</b>

There are no amounts due to be credited to Investor Education and Protection Fund in accordance with Section 125 (2) (c) of the Companies Act, 2013 as at the year-end.

### Note 27: Other current liabilities

(₹. lakh)

Particulars	As at March 31, 2022	As at March 31, 2021
1. Advances from customers	536.07	11.20
2. Employee deductions	30.66	26.79
3. Statutory liabilities	110.92	83.71
<b>Total</b>	<b>677.65</b>	<b>121.70</b>

## Notes forming part of the Standalone Financial Statements

For the year ended March 31, 2022

### Note 28: Current liabilities - provisions

(₹. lakh)

Particulars	As at March 31, 2022	As at March 31, 2021
<b>1. Provision for employee benefits</b>		
- Provision for compensated absences	3.36	3.32
- Provision for gratuity (Refer note 39)	11.23	44.76
<b>2. Provision for sales return (Refer note 28.1)</b>	<b>28.59</b>	<b>15.35</b>
<b>Total</b>	<b>43.18</b>	<b>63.43</b>

### Note 28.1 - Movement of Provision for Sales return

(₹. lakh)

Particulars	As at March 31, 2022	As at March 31, 2021
Opening balance	15.35	12.45
Less:- Utilised during the year	15.35	12.45
Add:- Provision for the year	28.59	15.35
Closing balance	<b>28.59</b>	<b>15.35</b>

**Note 28.2:** The Company makes a provision on estimated sales return based on historical experience. The Sales returns are generally expected within a year.

### Note 29: Revenue from operations (Refer Note 29.1)

(₹. lakh)

Particulars	For the Year ended March 31, 2022	For the Year ended March 31, 2021
<b>1. Sale of products</b>		
- Export sales	39,060.09	27,046.21
- Domestic sales	28,596.52	28,441.00
<b>Total</b>	<b>67,656.61</b>	<b>55,487.21</b>

### Note 29.1:

#### 1. Sales by performance obligations

(₹. lakh)

Particulars	For the Year ended March 31, 2022	For the Year ended March 31, 2021
Upon delivery	26,961.88	25,463.41
Upon shipment	40,694.73	30,023.80
<b>Total</b>	<b>67,656.61</b>	<b>55,487.21</b>



## Notes forming part of the Standalone Financial Statements

For the year ended March 31, 2022

### 2. Reconciliation of revenue from contract with customers

(₹. lakh)

Particulars	For the Year ended March 31, 2022	For the Year ended March 31, 2021
Revenue from contract with customer as per the contract price	67,983.07	55,879.23
<b>Adjustments made to contract price on account of</b>		
(a) Commission / Discounts	(326.46)	(392.02)
	<b>67,656.61</b>	<b>55,487.21</b>

### Note 30: Other income

(₹. lakh)

Particulars	For the Year ended March 31, 2022	For the Year ended March 31, 2021
1. Export incentives	33.35	379.57
2. Interest income		
(a) Instruments measured at amortised cost		
(i) Interest received on fixed deposits	5.86	7.70
(ii) Interest received on Inter-corporate deposits	-	52.61
(iii) Interest received on others	20.01	18.17
3. Profit on sale of Fixed Assets (net)	1.43	-
4. Insurance claims	200.00	4.51
5. Sundry balances/Provisions written back	28.38	-
6. Foreign exchange difference (net)	724.53	304.02
7. Miscellaneous income	32.78	0.47
<b>Total</b>	<b>1,046.34</b>	<b>767.05</b>

### Note 31: Cost of materials consumed

(₹. lakh)

Particulars	For the Year ended March 31, 2022	For the Year ended March 31, 2021
1. Stocks at the beginning of the year	5,786.79	7,584.46
2. Add : Purchases	46,738.85	32,662.11
	<b>52,525.64</b>	<b>40,246.57</b>
3. Less: Stocks at the end of the year	8,044.14	5,786.79
<b>Total</b>	<b>44,481.50</b>	<b>34,459.78</b>

### Note 32: Changes in inventories of finished goods and work-in-progress

(₹. lakh)

Particulars	For the Year ended March 31, 2022	For the Year ended March 31, 2021
<b>1. Stocks at the beginning of the year</b>		
(a) Finished goods	727.89	1,318.50
(b) Work-in-progress	3,791.80	2,946.44
<b>Total Stock at the beginning of the year</b>	<b>4,519.69</b>	<b>4,264.94</b>

## Notes forming part of the Standalone Financial Statements

For the year ended March 31, 2022

### Note 32: Changes in inventories of finished goods and work-in-progress (Contd.)

(₹. lakh)

Particulars	For the Year ended March 31, 2022	For the Year ended March 31, 2021
<b>2. Less : Stocks at the end of the year</b>		
(a) Finished goods	4,489.43	727.89
(b) Work-in-progress	5,830.68	3,791.80
<b>Total Stock at the end of the year</b>	<b>10,320.11</b>	<b>4,519.69</b>
<b>Changes in the stock of finished goods and work-in-progress</b>	<b>(5,800.42)</b>	<b>(254.75)</b>

### Note 33: Employee benefit expense

(₹. lakh)

Particulars	For the Year ended March 31, 2022	For the Year ended March 31, 2021
1. Salaries, wages, bonus and allowances	4,671.72	3,553.48
2. Contribution to provident, gratuity and other funds	201.70	197.88
3. Expense on employee stock based payments (Refer Note 45)	10.47	0.99
4. Staff welfare expense	147.52	82.34
<b>Total</b>	<b>5,031.41</b>	<b>3,834.69</b>

### Note 34: Finance Costs

(₹. lakh)

Particulars	For the Year ended March 31, 2022	For the Year ended March 31, 2021
1. Interest expense		
Paid towards loans and cash credit	872.74	430.95
2. Other borrowing costs	36.28	48.07
<b>Total</b>	<b>909.02</b>	<b>479.02</b>

### Note 35: Depreciation and amortisation expense

(₹. lakh)

Particulars	For the Year ended March 31, 2022	For the Year ended March 31, 2021
1. Depreciation	3,327.98	2,483.91
2. Amortisation	70.18	50.65
3. Amortisation of right of use asset (Refer Note 3)	43.43	36.93
<b>Total</b>	<b>3,441.59</b>	<b>2,571.49</b>

### Note 36: Other expenses

(₹. lakh)

Particulars	For the Year ended March 31, 2022	For the Year ended March 31, 2021
1. Power and fuel	3,804.16	2,528.24
2. Rent	101.22	104.74
3. Rates and taxes	60.32	56.38
4. Effluent treatment plant charges	415.68	490.15
5. Stores and spares consumed	402.56	316.07

## Notes forming part of the Standalone Financial Statements

For the year ended March 31, 2022

### Note 36: Other expenses (Contd.)

(₹. lakh)

Particulars	For the Year ended March 31, 2022	For the Year ended March 31, 2021
6. Repairs and maintenance		
(a) Machinery	450.49	344.68
(b) Buildings	49.74	13.11
(c) Other assets	18.82	6.17
7. Insurance	502.92	355.26
8. Auditor's remuneration (Refer Note 36 (a) below)	21.05	20.10
9. Freight	1,083.38	629.75
10. Professional and legal fees	289.83	283.98
11. Directors sitting fees	31.00	13.20
12. Bad debts written off	25.14	
Less: Utilised from loss allowance	(24.78)	-
13. Security charges	137.36	137.74
14. Loss on sale of fixed assets	-	1.67
15. Research expenses	91.40	92.23
16. Travelling expenses	35.77	22.36
17. Loss on sale of investment in subsidiary	-	5.71
18. Provision for diminution in the value of Investment	-	1.00
19. Provision for other receivables	28.22	84.66
20. Corporate social responsibility (Refer Note No. 50)	137.69	109.14
21. Miscellaneous expenses	873.80	680.52
<b>Total</b>	<b>8,535.77</b>	<b>6,296.86</b>

### Note 36 (a): Auditor's remuneration

(₹. lakh)

Particulars	For the Year ended March 31, 2022	For the Year ended March 31, 2021
(a) Audit Fees (including limited reviews)	20.15	18.00
(b) Other matters	0.85	1.94
(c) Reimbursement of Expenses	0.05	0.16
<b>Total</b>	<b>21.05</b>	<b>20.10</b>

### Note 37: Earnings per share

#### Calculation of weighted average number of equity shares

Particulars	March 31, 2022	March 31, 2021
<b>1. Calculation of weighted average number of equity shares - Basic</b>		
(a) Number of shares at the beginning of the year	1,95,87,555	1,95,68,355
Number of shares outstanding at the end of the year	1,95,97,555	1,95,87,555
Weighted average number of equity shares outstanding during the year	<b>1,95,89,899</b>	<b>1,95,75,811</b>
<b>2. Calculation of weighted average number of equity shares - Diluted</b>		
(a) Number of shares at the beginning of the year	1,95,87,555	1,95,68,355
Effect of potential equity shares	14,049	10,518
Revised number of potential shares at the beginning of the year	<b>1,96,01,604</b>	<b>1,95,78,873</b>

## Notes forming part of the Standalone Financial Statements

For the year ended March 31, 2022

### Note 37: Earnings per share (Contd.)

Particulars	March 31, 2022	March 31, 2021
(b) Number of equity shares outstanding at the end of the year	1,95,97,555	1,95,87,555
Effect of potential equity shares	9,097	14,049
Revised number of potential equity shares outstanding at the end of the year	<b>1,96,06,652</b>	<b>1,96,01,604</b>
Weighted average number of potential equity shares outstanding during the year	<b>1,95,98,996</b>	<b>1,95,89,860</b>
<b>3. Profit attributable to ordinary shareholders (Basic/diluted)</b>		
Profit (loss) for the year, attributable to the owners of the Company	8,981.80	6,469.25
4. Basic Earnings per share (₹)	<b>45.85</b>	<b>33.05</b>
5. Diluted Earnings per share (₹)	<b>45.83</b>	<b>33.02</b>
6. Nominal Value of Shares (₹)	<b>10</b>	<b>10</b>

**Note 37.1:** The calculation of diluted earnings per share is based on profit attributed to equity shareholders and weighted average number of equity shares outstanding after adjustments for the effects of all dilutive potential equity shares.

### Note 38: Financial Ratios

Particulars	March 31, 2022	March 31, 2021
(a) Current Ratio (refer note 38. 1)	1.05	1.02
(b) Debt Equity ratio (refer note 38. 2)	0.71	0.61
(c) Debt Service Coverage Ratio (DSCR) (refer note 38. 3)	13.10	16.13
(d) Return on Equity Ratio (refer note 38. 4)	25%	23%
(e) Inventory turnover (refer note 38. 5)	2.64	3.01
(f) Trade Receivables turnover ratio (refer note 38. 6)	2.92	3.12
(g) Trade payables turnover ratio (refer note 38. 7)	3.03	1.88
(h) Net capital turnover ratio (refer note 38. 8)	27.83	74.38
(i) Net profit ratio (refer note 38. 9)	13%	12%
(j) Return on Capital employed (refer note 38. 10)	19%	19%

**Note 38.1:** Current ratio: Current assets / Current liabilities

**Note 38.2:** Debt Equity ratio: Total Debt / Shareholder's Equity

**Note 38.3:** Debt Service Coverage Ratio: (Net Profit after taxes + Non-cash operating expenses like depreciation and other amortizations + Interest + other adjustments like loss on sale of Fixed assets/Investment etc.) / (Interest & Lease Payments + Principal Repayments)

## Notes forming part of the Standalone Financial Statements

For the year ended March 31, 2022

**Note 38.4:** Return on Equity Ratio: Net Profits after taxes – Preference Dividend (if any) / Average Shareholder's Equity

**Note 38.5:** Inventory turnover: Cost of goods sold / Average Inventory

**Note 38.6:** Trade Receivables turnover ratio: Net Credit Sales / Average Trade Receivable

**Note 38.7:** Trade payables turnover ratio: Net Credit Purchases / Average Trade Payables

The average Trade payable for the current financial year is lesser than that of previous financial year. With the increase in Purchases, this has caused increasing the Trade payable turnover ratio from previous year.

**Note 38.8:** Net capital turnover ratio: Net Sales / Working Capital

During the current financial year, the working Capital were increased significantly due to increase in Inventory and Trade receivable. This has caused reducing the Net Capital turnover Ratio from previous year.

**Note 38.9:** Net profit ratio: Net Profit / Net Sales

**Note 38.10:** Return on Capital employed: Earnings before interest and taxes / (Tangible Net Worth + Total Debt + Deferred Tax Liability)

### **Note 39: Employee benefits**

The Company contributes to the following post-employment plans in India.

#### **Defined Contribution Plan:**

The Company pays provident fund contributions to publicly administered provident funds as per local regulations and are recognised as expense in the Statement of Profit and Loss during the period in which the employee renders the related service. There are no further obligations other than the contributions payable to the appropriate authorities.

The Company recognised ₹ 163.36 lakh for the year ended March 31, 2022 (Previous Year ₹ 136.81 lakh) towards provident fund contribution in the Statement of Profit and Loss.

#### **Defined Benefit Plan:**

The Company's gratuity scheme is defined benefit plan. The Company's liability for the defined benefit scheme is actuarially determined based on the projected unit credit method. The Company's net obligations in respect of such plans is calculated by estimating the amount of future benefit that the employees have earned in return for their services and the current and prior periods that benefit is discounted to determine its present value and the fair value of the plan asset is deducted. Actuarial gains and losses are recognised in Other Comprehensive Income.

In accordance with the provisions of the Payment of Gratuity Act, 1972, the Company has a defined benefit plan which provides for gratuity payments. The plan provides a lump sum gratuity payment to eligible employees at retirement or termination of their employment. The amounts are based on the respective employee's last drawn salary and the years of employment with the Company.

## Notes forming part of the Standalone Financial Statements

For the year ended March 31, 2022

Liabilities in respect of the gratuity plan are determined by an actuarial valuation, based upon which the Company makes annual contributions to the Group Gratuity cum Life Assurance Schemes administered by the LIC of India, a funded defined benefit plan for qualifying employees. Trustees administer the contributions made by the Company to the gratuity scheme.

The most recent actuarial valuation of the defined benefit obligation along with the fair valuation of the plan assets in relation to the gratuity scheme was carried out as at March 31, 2022. The present value of the defined benefit obligations and the related current service cost and past service cost, were measured using the Projected Unit Credit Method.

Based on the actuarial valuation obtained in this respect, the following table sets out the details of the employee benefit obligation and the plan assets as at balance sheet date:

(₹. lakh)

Particulars	March 31, 2022	March 31, 2021
Defined benefit obligation	(226.86)	(201.46)
Fair value of plan assets	215.63	156.70
<b>Net defined benefit (obligation)/assets</b>	<b>(11.23)</b>	<b>(44.76)</b>

### i. Movement in net defined benefit (asset) / liability

The following table shows a reconciliation from the opening balances to the closing balances for net defined benefit (asset) / liability and its components.

(₹. lakh)

Particulars	Defined Benefit Obligation		Fair value of plan assets		Net defined benefit (asset) / liability	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
Opening balance	201.46	151.80	156.70	112.92	44.76	38.88
<b>Included in profit or loss</b>						
Current service cost	23.90	18.56	-	-	23.90	18.56
Past service cost	-	-	-	-	-	-
Interest cost (income)	14.00	10.38	10.89	7.73	3.11	2.65
Liability / Assets transferred in / Acquisitions	-	-	-	-	-	-
<b>Included in OCI</b>						
Re-measurement loss (gain):						
Actuarial loss (gain) arising from:						
Demographic assumptions	(0.21)	21.79	-	-	(0.30)	21.79
Financial assumptions	(9.34)	(2.40)	-	-	(9.34)	(2.40)
Experience adjustment	9.25	24.19	-	-	9.25	24.19
Return on plan assets excluding interest income	-	-	(1.02)	(1.75)	1.02	1.75
	<b>239.06</b>	<b>202.53</b>	<b>166.57</b>	<b>118.90</b>	<b>72.49</b>	<b>83.63</b>
<b>Others</b>						
Contributions paid by the employer	-	-	61.26	38.87	(61.26)	(38.87)
Benefits paid	(12.20)	(1.07)	(12.20)	(1.07)	-	-
<b>Closing balance</b>	<b>226.86</b>	<b>201.46</b>	<b>215.63</b>	<b>156.70</b>	<b>11.23</b>	<b>44.76</b>

## Notes forming part of the Standalone Financial Statements

For the year ended March 31, 2022

### Represented by:

(₹. lakh)

Particulars	March 31, 2022	March 31, 2021
Net defined benefit asset	-	-
Net defined benefit liability	11.23	44.76
<b>Total</b>	<b>11.23</b>	<b>44.76</b>

### ii. Plan assets

Plan assets comprise the following:

(₹. lakh)

Particulars	March 31, 2022	March 31, 2021
Cash And Cash Equivalents	16.50	-
Insurer managed fund	199.13	156.70
<b>Total</b>	<b>215.63</b>	<b>156.70</b>

### iii. Actuarial assumptions

The following were the principal actuarial assumptions at the reporting date (expressed as weighted averages).

Particulars	March 31, 2022	March 31, 2021
Discount rate	7.33%	6.95%
Future salary growth	5.00%	5.00%
Rate of employee turnover	For service 4 yrs. & Below 7.00 % p.a. & For service 5 yrs. and above 2.00 % p.a.	For service 4 yrs. & Below 7.00 % p.a. & For service 5 yrs. and above 2.00 % p.a.
Mortality rate	Indian Assured Lives Mortality (2012-14)	Indian Assured Lives Mortality (2006-08)

Assumptions regarding future mortality have been based on published statistics and mortality tables.

### iv. Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.

(₹. lakh)

Particulars	March 31, 2022		March 31, 2021	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	(21.88)	25.96	(19.88)	23.70
Future salary growth (1% movement)	26.31	(22.52)	23.93	(20.40)
Rate of employee turnover (1% movement)	5.05	(5.85)	3.87	(4.50)

The sensitivity analysis above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period.

## Notes forming part of the Standalone Financial Statements

For the year ended March 31, 2022

### v. Expected future cash flows

The expected future cash flows in respect of gratuity as at March 31, 2022 were as follows

(₹. lakh)

Expected future benefit payments	March 31, 2022	March 31, 2021
1 <sup>st</sup> Following year	24.57	20.99
2 <sup>nd</sup> Following year	6.16	6.91
3 <sup>rd</sup> Following year	6.52	8.97
4 <sup>th</sup> Following year	16.81	5.94
5 <sup>th</sup> Following year	9.18	15.83
Thereafter	89.05	70.30

### Other long-term employee benefits:

Compensated absences are payable to employees at the rate of daily salary for each day of accumulated leave on death or on resignation or upon retirement. The charge towards compensated absences for the year ended March 31, 2022 based on actuarial valuation using the projected accrued benefit method is ₹ 1.45 lakh (Previous year : ₹ 24.21 lakh).

**Terminal Benefits:** All terminal benefits including voluntary retirement compensation are fully written off to the Statement of Profit & Loss.

### Note 40: Financial instruments – Fair values and risk management

#### Note 40.1: Accounting classification and fair values

Carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy, are presented below. It does not include the fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

(₹. lakh)

March 31, 2022	Carrying amount				Fair value			
	FVTPL	FVOCI	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
<b>Financial assets</b>								
<b>I. Non-Current Financial Assets</b>								
1. Investments	0.53	-	-	0.53	-	0.53	-	0.53
2. Loans	-	-	278.94	278.94	-	-	-	-
<b>II. Current Financial Assets</b>								
1. Trade and other receivables	-	-	27,362.76	27,362.76	-	-	-	-
2. Cash and cash equivalents	-	-	54.46	54.46	-	-	-	-
3. Bank balance other than (2) above	-	-	127.02	127.02	-	-	-	-
4. Loans and advances	-	-	14.62	14.62	-	-	-	-
5. Others	278.96	-	221.69	500.65	-	278.90	-	278.90
	<b>279.49</b>	-	<b>28,059.49</b>	<b>28,338.98</b>	-	<b>279.43</b>	-	<b>279.43</b>



## Notes forming part of the Standalone Financial Statements

For the year ended March 31, 2022

### Note 40.1: Accounting classification and fair values (Contd.)

(₹. lakh)

March 31, 2022	Carrying amount				Fair value			
	FVTPL	FVOCI	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
<b>Financial liabilities</b>								
<b>I. Non -Current Financial Liabilities</b>								
1. Lease liabilities	-	-	20.39	20.39	-	-	-	-
<b>II. Current Financial liabilities</b>								
1. Borrowings	-	-	27,937.31	27,937.31	-	-	-	-
2. Trade payables	-	-	19,024.49	19,024.49	-	-	-	-
3. Other financial liabilities	6.37	-	1,409.34	1,415.71	-	6.37	-	6.37
	<b>6.37</b>	-	<b>48,391.53</b>	<b>48,397.90</b>	-	<b>6.37</b>	-	<b>6.37</b>

(₹. lakh)

March 31, 2021	Carrying amount				Fair value			
	FVTPL	FVOCI	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
<b>Financial assets</b>								
<b>I. Non-Current Financial Assets</b>								
1. Investments	0.53	-	-	0.53	-	0.53	-	0.53
2. Loans	-	-	323.64	323.64	-	-	-	-
<b>II. Current Financial Assets</b>								
1. Trade and other receivables	-	-	18,715.31	18,715.31	-	-	-	-
2. Cash and cash equivalents	-	-	32.94	32.94	-	-	-	-
3. Bank balance other than (2) above	-	-	123.44	123.44	-	-	-	-
4. Loans and advances	-	-	5.99	5.99	-	-	-	-
5. Others	120.29	-	26.92	147.21	-	120.27	-	120.27
	<b>120.82</b>	-	<b>19,228.24</b>	<b>19,349.06</b>	-	<b>120.80</b>	-	<b>120.80</b>
<b>Financial liabilities</b>								
<b>I. Non -Current Financial Liabilities</b>								
1. Lease liabilities	-	-	28.61	28.61	-	-	-	-
2. Other non-current financial liabilities	-	-	4,000.00	4,000.00	-	-	-	-
<b>II. Current Financial liabilities</b>								
1. Borrowings	-	-	14,703.10	14,703.10	-	-	-	-
2. Trade payables	-	-	12,545.56	12,545.56	-	-	-	-
3. Other financial liabilities	-	-	4,863.05	4,863.05	-	-	-	-
	-	-	<b>36,140.32</b>	<b>36,140.32</b>	-	-	-	-

## Notes forming part of the Standalone Financial Statements

For the year ended March 31, 2022

### Valuation technique used to determine fair value

Specific valuation techniques used to value financial instruments include :

- the fair value of the forward foreign exchange contracts is determined using forward exchange rates at the balance sheet date.
- the fair value of the remaining financial instruments is determined using discounted cash flow analysis.

All of the resulting fair value estimates are included in level 2 where the fair values have been determined based on present values and the discount rates used were adjusted for counterparty or own credit risk.

### C. Financial risk management

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

- Credit risk ;
- Liquidity risk;
- Market risk;
- Currency risk;

#### i. Risk management framework

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The board of directors has established the Risk Management Committee, which is responsible for developing and monitoring the Company's risk management policies. The committee reports regularly to the board of directors on its activities.

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 and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The audit committee oversees how management monitors compliance with the company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and adhoc reviews of risk management controls and procedures, the results of which are reported to the audit committee.

#### Note 40.2: 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 and loans and advances.

The carrying amount of following financial assets represents the maximum credit exposure.

## Notes forming part of the Standalone Financial Statements

For the year ended March 31, 2022

### Trade receivables and loans and advances

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

The Company has established a credit policy under which each new customer is analysed individually for creditworthiness before the Company's standard payment and delivery terms and conditions are offered. The Company's export sales are backed by letters of credit and Trade Credit Insurance policy from Export Credit Guarantee Corporation of India (ECGC).

The company individually monitors the sanctioned credit limits as against the outstanding balances. Accordingly, the Company makes specific provisions against such trade receivables wherever required and monitors the same at periodic intervals.

The Company monitors each loans and advances given and makes any specific provision wherever required.

The Company establishes an allowance for impairment that represents its estimate of expected losses in respect of trade receivables and loans and advances.

The maximum exposure to credit risk for trade and other receivables by type of counterparty was as follows.

Particulars	(₹. lakh)	
	Carrying amount	
	March 31, 2022	March 31, 2021
Exports	16,492.05	7,856.74
Domestic	10,870.71	10,858.57
<b>Total of Trade Receivables (Net of Loss Allowance)</b>	<b>27,362.76</b>	<b>18,715.31</b>

**Impairment-** The ageing of trade receivables that were not impaired is as per Note 10. 1.

The movement in the allowance for impairment in respect of trade and other receivables during the year was as follows:

For Trade Receivables	(₹. lakh)	
	March 31, 2022	March 31, 2021
Balance as at the beginning of the year	24.78	35.34
Loss allowance recognised	-	-
Amounts written off	(24.78)	(10.56)
<b>Balance as at the end of the year</b>	<b>-</b>	<b>24.78</b>

### Other financial assets

This comprises mainly of balances with banks, deposits with Government authorities and other receivables. Credit risk arising from these financial assets is limited and there is no collateral held against these because the counterparties are banks and government organizations. The Company considers that its balances with banks have low credit risk based on the external credit ratings of the counterparties. The Company has created the loss allowance for other receivables on specific identification basis.

## Notes forming part of the Standalone Financial Statements

For the year ended March 31, 2022

### Cash and cash equivalents

The Company held cash and cash equivalents of ₹ 54.46 lakh at March 31, 2022 (previous year ₹ 32.94 lakh). The cash and cash equivalents are held with bank and financial institution counterparties with good credit rating.

### Note 40.3: Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

### Exposure to liquidity risk

The company has sufficient current assets to manage the liquidity risk, if any in relation to current financial liabilities.

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include estimated interest payments and exclude the impact of netting agreements.

(₹. lakh)

March 31, 2022	Contractual cash flows						
	Carrying amount	Total	0-6 months	6-12 months	1-2 years	2-5 years	More than 5 years
<b>Non-derivative financial liabilities</b>							
<b>Non-current, non-derivative financial liabilities</b>							
Long term borrowings	-	-	-	-	-	-	-
Lease Liability	20.39	23.40	-	-	10.80	12.60	-
<b>Current, non-derivative financial liabilities</b>							
Lease Liability	8.22	8.22	4.11	4.11	-	-	-
Cash credit from bank	719.38	719.38	719.38	-	-	-	-
Working capital loans	3,217.93	3,217.93	3,217.93	-	-	-	-
Commercial Paper	20,000.00	20,000.00	20,000.00	-	-	-	-
Current maturities of long-term debt	4,000.00	4,000.00	4,000.00	-	-	-	-
Trade payables	19,024.49	19,024.49	19,024.49	-	-	-	-
Other current financial liabilities	1,409.34	1,409.34	1,409.34	-	-	-	-
<b>Derivative liability</b>	6.37	6.37	6.37	-	-	-	-
<b>Total</b>	<b>48,406.12</b>	<b>48,409.13</b>	<b>48,381.62</b>	<b>4.11</b>	<b>10.80</b>	<b>12.60</b>	<b>-</b>

## Notes forming part of the Standalone Financial Statements

For the year ended March 31, 2022

(₹. lakh)

March 31, 2021	Contractual cash flows						
	Carrying amount	Total	0-6 months	6-12 months	1-2 years	2-5 years	More than 5 years
<b>Non-derivative financial liabilities</b>							
<b>Non-current, non-derivative financial liabilities</b>							
Long term borrowings	4,000.00	4,000.00	-	-	4,000.0	-	-
Lease Liability	28.61	34.20	-	-	10.80	23.40	-
<b>Current, non-derivative financial liabilities</b>							
Lease Liability	7.55	7.55	3.78	3.77	-	-	-
Cash credit from bank	299.89	299.89	299.89	-	-	-	-
Working capital loans	6,903.21	6,903.21	6,903.21	-	-	-	-
Commercial Paper	7,500.00	7,500.00	7,500.00	-	-	-	-
Current maturities of long-term debt	16.81	16.81	16.81	-	-	-	-
Trade payables	12,881.73	12,881.73	10,290.40	2,591.33	-	-	-
Other current financial liabilities	4,502.52	4,502.52	4,243.06	259.47	-	-	-
<b>Derivative liability</b>	-	-	-	-	-	-	-
<b>Total</b>	<b>36,140.32</b>	<b>36,145.91</b>	<b>29,257.15</b>	<b>2,854.57</b>	<b>4,010.8</b>	<b>23.40</b>	-

The gross outflows disclosed in the above table represent the contractual undiscounted cash flows relating to derivative financial liabilities held for risk management purposes and which are not usually closed out before contractual maturity. The disclosure shows net cash flow amounts for derivatives that are net cash-settled and gross cash inflow and outflow amounts for derivatives that have simultaneous gross cash settlement.

### Note 40.4: Currency Risk

#### Market risk

Market risk is the risk that changes in market prices – such as foreign exchange rates, interest rates and equity prices – will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return. The Company uses derivatives to manage market risks. Generally, the Company hedge the financial instruments to manage volatility in profit or loss.

#### Currency risk

The company operates internationally and portion of the business is transacted in USD, EURO and GBP currencies and consequently the company is exposed to foreign exchange risk through its sales in overseas market and purchases from overseas suppliers in various foreign currencies. Foreign currency exchange rate exposure is partly balanced by purchasing of goods and services in the respective currencies and through derivative instruments.

The company evaluates exchange rate exposure arising from foreign currency transactions and the company follows established risk management policies, including the use of derivatives like foreign exchange forward contracts to hedge exposure to foreign currency risk.

## Notes forming part of the Standalone Financial Statements

For the year ended March 31, 2022

### Exposure to currency risk

The summary quantitative data about the Company's exposure to currency risk as reported to the management of the Company is as follows. The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include estimated interest payments and exclude the impact of netting agreements.

(₹. lakh)

Particulars	March 31, 2022			March 31, 2021		
	USD	EUR	GBP	USD	EUR	GBP
<b>Financial Assets</b>						
Trade receivables	15,955.97	-	-	7,856.74	-	-
Foreign exchange forward contracts	(6,083.46)	-	-	-	-	-
<b>Net exposure to foreign currency risk (Assets)</b>	<b>9,872.51</b>	<b>-</b>	<b>-</b>	<b>7,856.74</b>	<b>-</b>	<b>-</b>
<b>Financial Liabilities</b>						
Trade payables	(13,845.02)	(29.61)	-	(8,873.27)	-	(8.50)
Foreign exchange forward contracts	-	-	-	-	-	-
<b>Net exposure to foreign currency risk (Liabilities)</b>	<b>(13,845.02)</b>	<b>(29.61)</b>	<b>-</b>	<b>(8,873.27)</b>	<b>-</b>	<b>(8.50)</b>
<b>Net exposure</b>	<b>(3,972.51)</b>	<b>(29.61)</b>	<b>-</b>	<b>(1,016.53)</b>	<b>-</b>	<b>(8.50)</b>
<b>Un-hedged foreign currency exposures</b>						
Payable	(13,845.02)	(29.61)	-	(8,873.27)	-	(8.50)
Receivable	9,872.51	-	-	7,856.74	-	-

### Sensitivity analysis

A reasonably possible strengthening / (weakening) of the Indian Rupee against all other currencies at March 31, 2022 would have affected the measurement of financial instruments denominated in a foreign currency and affected equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases.

Effect ₹ in lakh	Profit or (loss) before tax	
	Strengthening	Weakening
<b>March 31, 2022</b>		
USD (2% movement)	(79.45)	79.45
EUR (3% movement)	(0.89)	0.89
<b>Total</b>	<b>(80.34)</b>	<b>80.34</b>

Effect ₹ in lakh	Profit or (loss) before tax	
	Strengthening	Weakening
<b>March 31, 2021</b>		
USD (2% movement)	(20.33)	20.33
GBP (3% movement)	(0.26)	0.26
	<b>(20.59)</b>	<b>20.59</b>

## Notes forming part of the Standalone Financial Statements

For the year ended March 31, 2022

Note: Sensitivity has been calculated using standard Deviation % of Foreign currency rate movement.

### Note 40.5: Interest rate risk

Interest rate risk can either be fair value interest rate risk or cash flow interest rate risk. Fair value interest rate risk is the risk of changes in fair values of fixed interest bearing financial assets or borrowings because of fluctuations in the interest rates, if such assets/borrowings are measured at fair value through profit or loss. Cash flow interest rate risk is the risk that the future cash flows of floating interest bearing borrowings will fluctuate because of fluctuations in the interest rates.

#### Exposure to interest rate risk

The interest rate profile of the Company's interest-bearing financial instruments as reported to the management of the Company is as follows.

(₹. lakh)

Nominal amount	March 31, 2022		March 31, 2021	
<b>Fixed-rate instruments</b>				
<b>Financial assets</b>				
Loans	270.75		283.31	
Bank Deposits	121.09		116.93	
<b>Total</b>	<b>391.84</b>		<b>400.24</b>	
<b>Variable-rate instruments</b>				
<b>Financial liabilities</b>				
Borrowings - Non-Current	-		4,000.00	
Borrowings - Current	27,937.31		14,719.91	
<b>Total</b>	<b>27,937.31</b>		<b>18,719.91</b>	

#### Cash flow sensitivity analysis for variable-rate instruments

A reasonably possible change of 100 basis points in interest rates at the reporting date would have increased / (decreased) profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency exchange rates, remain constant.

(₹. lakh)

Particulars	Profit or (loss) before tax		Profit or (loss) before tax	
	March 31, 2022		March 31, 2021	
	100 bp increase	100 bp decrease	100 bp increase	100 bp decrease
Variable-rate instruments	(279.37)	279.37	(187.20)	187.20
<b>Cash flow sensitivity (net)</b>	<b>(279.37)</b>	<b>279.37</b>	<b>(187.20)</b>	<b>187.20</b>

The risk estimates provided assume a change of 100 basis points interest rate for the interest rate benchmark as applicable to the borrowings summarized above. This calculation also assumes that the change occurs at the balance sheet date and has been calculated based on risk exposures outstanding as at that date. The year end balances are not necessarily representative of the average debt outstanding during the year.

## Notes forming part of the Standalone Financial Statements

For the year ended March 31, 2022

### Note 41: Income Taxes

#### (a) Amounts recognised in profit and loss

(₹. lakh)

Particulars	March 31, 2022	March 31, 2021
<b>Current income tax</b>		
In respect of current year	2,861.27	2,324.43
Adjustments in respect of earlier years	-	134.73
<b>Deferred income tax</b>		
In respect of current year		
Origination and reversal of temporary differences	261.01	(61.24)
<b>Deferred tax expense</b>	261.01	(61.24)
<b>Tax expense recognised in the Statement of Profit &amp; Loss</b>	<b>3,122.28</b>	<b>2,397.92</b>

#### (b) Amounts recognised in other comprehensive income

(₹. lakh)

Particulars	March 31, 2022			March 31, 2021		
	Before tax	Tax (expense) / benefit	Net of tax	Before tax	Tax (expense) / benefit	Net of tax
<b>Items that will not be reclassified to profit or loss</b>						
Re-measurements of defined benefit (liability) / asset	(0.72)	0.18	(0.54)	(23.54)	5.92	(17.62)
	<b>(0.72)</b>	<b>0.18</b>	<b>(0.54)</b>	<b>(23.54)</b>	<b>5.92</b>	<b>(17.62)</b>

#### (c) Reconciliation of tax expense and accounting profit for the year is as under:

(₹. lakh)

Particulars	March 31, 2022	March 31, 2021
<b>Profit before tax</b>	<b>12,104.08</b>	<b>8,867.17</b>
Company's domestic tax rate	25.168%	25.168%
Tax using the Company's domestic tax rate (Current year 25.168% and Previous Year 25.168%)	3,046.35	2,231.69
<b>Tax effect of:</b>		
Expense not allowed for tax purposes	47.51	29.77
Others	28.42	1.73
<b>Total</b>	<b>3,122.28</b>	<b>2,263.19</b>
Adjustments in respect of earlier years	-	134.73
<b>Tax expense as per Statement of Profit &amp; Loss</b>	<b>3,122.28</b>	<b>2,397.92</b>
Current tax	2,861.27	2,324.43
Deferred tax	261.01	(61.24)
Adjustment for tax of previous years (net)	-	134.73

The Company's weighted average tax rates for the year ended March 31, 2022 and March 31, 2021 were 25.80% and 27.04%, respectively.



## Notes forming part of the Standalone Financial Statements

For the year ended March 31, 2022

The Company has filed applications under the Vivad se Vishwas Scheme, 2020 with the Income Tax authorities pertaining to Assessment Years (AY) 2007-08 and AY 2009-10 to AY 2014-15. Consequently, the Company has made a provision of ₹ 134.73 lakh stated as “Adjustment for tax of previous years (net)” for the Year ended 31st March, 2021.

### Note 42: Movement in deferred tax balances for the year ended March 31, 2022

(₹. lakh)

Particulars	Net balance April 1, 2021	Recognised in profit or loss	Recognised in other equity	Recognised in OCI	Net	Deferred tax liability	Deferred tax asset	Net Deferred Tax March 31, 2022
<b>Deferred tax asset/(Liabilities)</b>								
Property, plant and equipment & Intangible assets	(624.54)	279.53	-	-	279.53	904.07	-	(904.07)
Lease	1.94	0.19	-	-	0.19	-	1.75	1.75
Provision for gratuity	11.26	8.42	-	-	8.42	-	2.84	2.84
Provisions for leave encashment	13.85	2.24	-	-	2.24	-	11.61	11.61
Provisions for doubtful debts & other receivables	28.48	(0.87)	-	-	(0.87)	-	29.35	29.35
Others	3.86	(28.50)	-	-	(28.50)	-	32.36	32.36
OCI Item	22.82	-	-	(0.18)	(0.18)	-	23.00	23.00
<b>Deferred Tax assets / (Liabilities)</b>	<b>(542.33)</b>	<b>261.01</b>	<b>-</b>	<b>(0.18)</b>	<b>260.83</b>	<b>904.07</b>	<b>100.91</b>	<b>(803.16)</b>

## Notes forming part of the Standalone Financial Statements

For the year ended March 31, 2022

### Movement in deferred tax balances for the year ended March 31, 2021

(₹. lakh)

Particulars	Net balance April 1, 2020	Recognised in profit or loss	Recognised in other equity	Recognised in OCI	Net	Deferred tax liability	Deferred tax asset	Net Deferred Tax March 31, 2021
<b>Deferred tax asset/(liabilities)</b>								
Property, plant and equipment & Intangible assets	(659.92)	(35.38)	-	-	(35.38)	624.54	-	(624.54)
Lease	1.95	0.01	-	-	0.01	-	1.94	1.94
Provision for gratuity	9.78	(1.48)	-	-	(1.48)	-	11.26	11.26
Provisions for leave encashment	8.84	(5.01)	-	-	(5.01)	-	13.85	13.85
Provisions for doubtful debts & other receivables	9.83	(18.65)	-	-	(18.65)	-	28.48	28.48
Others	3.13	(0.73)	-	-	(0.73)	-	3.86	3.86
OCI Item	16.90	-	-	(5.92)	(5.92)	-	22.82	22.82
<b>Deferred Tax assets / (Liabilities)</b>	<b>(609.49)</b>	<b>(61.24)</b>	-	<b>(5.92)</b>	<b>(67.16)</b>	<b>624.54</b>	<b>82.21</b>	<b>(542.33)</b>

The company offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

Significant management judgement is required in determining provision for income tax, deferred income tax assets and liabilities and recoverability of deferred income tax assets. The recoverability of deferred income tax assets is based on estimates of taxable income by each jurisdiction in which the relevant entity operates and the period over which deferred income tax assets will be recovered.

Given that the Company does not have any intention to dispose investments in subsidiaries in the foreseeable future, deferred tax asset on indexation benefit in relation to such investments has not been recognized.

## Notes forming part of the Standalone Financial Statements

For the year ended March 31, 2022

### Note 43: Capital Management

The Company's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. Management monitors the return on capital as well as the level of dividends to ordinary shareholders.

The board of directors seeks to maintain a balance between the higher returns that might be possible with higher levels of borrowings and the advantages and security afforded by a sound capital position. The primary objective of the Company's Capital Management is to maximise shareholder value. The Company manages its capital structure and makes adjustments in the light of changes in the economic environment and the requirements of the financial covenants, if any.

The Company monitors capital using a ratio of 'adjusted net debt' to 'equity'. For this purpose, adjusted net debt is defined as total borrowings, comprising interest-bearing loans and borrowings less cash and cash equivalents. Equity comprises all components of equity.

#### a) The Company's adjusted net debt to equity ratio at March 31, 2022 was as follows:

(₹. lakh)

Particulars	March 31, 2022	March 31, 2021
Total borrowings	27,937.31	18,719.91
Less : Cash and cash equivalents	54.46	32.94
<b>Adjusted net debt</b>	<b>27,882.85</b>	<b>18,686.97</b>
<b>Total equity</b>	<b>39,598.10</b>	<b>30,870.26</b>
Adjusted net debt to total equity ratio	0.70	0.61

#### b) Dividends

(₹. lakh)

Particulars	March 31, 2022	March 31, 2021
<b>(i) Equity shares</b>		
Final dividend for the year ended March 31, 2021 of ₹ 1.50/- (March 31, 2020 - ₹ 1.50/-) per fully paid share	293.78	293.56
<b>(ii) Dividend not recognised at the end of the reporting period</b>		
The directors have recommended the payment of a final dividend of ₹ 1.50/- per fully paid equity share (March 31, 2021 - ₹ 1.50/- per fully paid equity share). This proposed dividend is subject to the approval of shareholders in the ensuing annual general meeting.	293.96	293.78

### Note 44: Operating Segment

In accordance with Ind AS 108 "Operating Segments", segment information has been given in the consolidated financial statements of Astec LifeSciences Limited and therefore no separate disclosure on segment information is given in these financial statements.

## Notes forming part of the Standalone Financial Statements

For the year ended March 31, 2022

### Note 45: Share based payments

#### (a) Employee stock option scheme (ESOP, 2012 as amended by the Shareholders by way of a Special Resolution)

The Company had set up the Employees Stock Option Plan 2012 which was amended by the Shareholders by way of a Special Resolution obtained by way of Postal Ballot, whose results have been declared on September 27, 2021.

The Scheme applies to the Eligible Employees who are in whole time employment of the Company or its Subsidiary Companies. The entitlement of each employee would be decided by the Nomination and Remuneration Committee of the respective Company based on the employee's performance, level, grade, etc.

The total number of Stock Option to be awarded under the ESOP Scheme are restricted to 1% of the issued equity share capital at the time of awarding the Stock Option, can be awarded to any one employee in any one year.

The Stock Options shall vest in the Eligible Employees pursuant to the ESOP Scheme in the proportion of 1/3rd at the end of each year from the date on which the Stock Options are awarded for a period of three consecutive years, or as may be determined by the Nomination and Remuneration Committee, subject to the condition that the Eligible Employee continues to be in employment of the Company or the Subsidiary company as the case may be.

The Eligible Employee shall exercise her / his right to acquire the shares vested in her / him all at one time within 1 month from the date on which the shares vested in her / him or such other period as may be determined by the Nomination and Remuneration Committee.

#### (b) Employee stock option scheme (ESOS, 2015)

The Company has implemented Employees under Employee stock option scheme (ESOS, 2015) which was approved by the Shareholders at the 21st Annual General Meeting. The employee stock option scheme is designed to provide incentives to all the permanent employees to deliver long-term returns. Under the plan, participants are granted options which will vest in 4 years (40% in 1st year, 30% in 2nd year, 20% in 3rd year and 10% in 4th year) from the date of grant. Participation in the plan is at the discretion of the Compensation Committee / Board of Directors of the Company.

Once vested, the options remains exercisable for a period of three years.

Options are granted at the market price on which the options are granted to the employees under ESOS 2015. When exercisable, each option is convertible into one equity share.

#### (c) Employee stock option plan (ESOP, 2012)

The Company has implemented Employee Stock Option Plan (ESOP 2012) which was approved by the Shareholders at the Extra-Ordinary General Meeting of the Company in the Year 2012. The employee stock option plan is designed to provide incentives to all the permanent employees to deliver long-term returns. Under the plan, participants are granted options which will vest in 4 years (40% in 1st year, 30% in 2nd year, 20% in 3rd year and 10% in 4th year) from the grant date. Participation in the plan is at the discretion of the Compensation Committee / Board of Directors of the Company.

## Notes forming part of the Standalone Financial Statements

For the year ended March 31, 2022

Once vested, the options remain exercisable for a period of seven years.

Options are granted under ESOP 2012 at an exercise price of ₹34/- each. When exercisable, each option is convertible into one equity share.

Set out below is a summary of options granted under both the plans:

### Employee stock option scheme (ESOP, 2012 as amended by the Shareholders by way of a Special Resolution)

Particulars	March 31, 2022	
	Average exercise price per share option (₹)	Number of options
Opening balance	-	-
Granted during the year	10.00	3,316
Exercised during the year	-	-
Lapsed during the year	-	-
<b>Closing balance</b>	<b>10.00</b>	<b>3,316</b>
<b>Vested and exercisable</b>		<b>3,316</b>

### Employee stock option scheme (ESOS,2015)

Particulars	March 31, 2022		March 31, 2021	
	Average exercise price per share option (₹)	Number of options	Average exercise price per share option (₹)	Number of options
Opening balance	387.35	12,500	387.35	29,700
Granted during the year	-	-	-	-
Exercised during the year	387.35	7,500	387.35	17,200
Lapsed during the year	-	-	-	-
<b>Closing balance</b>	<b>-</b>	<b>5,000</b>	<b>-</b>	<b>12,500</b>
<b>Vested and exercisable</b>		<b>5,000</b>		<b>12,500</b>

### Employee stock option plan (ESOP,2012)

Particulars	March 31, 2022		March 31, 2021	
	Average exercise price per share option (₹)	Number of options	Average exercise price per share option (₹)	Number of options
Opening balance	34.00	6,800	34.00	8,800
Granted during the year	-	-	-	-
Exercised during the year	34.00	2,500	34.00	2,000
Lapsed during the year	-	-	-	-
<b>Closing balance</b>	<b>-</b>	<b>4,300</b>	<b>-</b>	<b>6,800</b>
<b>Vested and exercisable</b>		<b>4,300</b>		<b>6,800</b>

No options expired during the periods covered in the above tables.

## Notes forming part of the Standalone Financial Statements

For the year ended March 31, 2022

Share options outstanding at the end of the year have the following expiry date and exercise prices:

Grant date	Expiry date	Exercise price	March 31, 2022	March 31, 2021
			Share options	Share options
January 31, 2015	January 30, 2023	34.00	-	-
January 31, 2015	January 30, 2024	34.00	-	-
January 31, 2015	January 30, 2025	34.00	-	1,000
January 31, 2015	January 30, 2026	34.00	1,300	2,800
May 16, 2015	May 15, 2023	34.00	-	-
May 16, 2015	May 15, 2024	34.00	-	-
May 16, 2015	May 15, 2025	34.00	2,000	2,000
May 16, 2015	May 15, 2026	34.00	1,000	1,000
July 26, 2016	July 25, 2020	387.35	-	-
July 26, 2016	July 25, 2021	387.35	-	1,500
July 26, 2016	July 25, 2022	387.35	1,000	7,000
July 26, 2016	July 25, 2023	387.35	4,000	4,000
October 30,2021	November 30, 2022	10.00	1,105	-
October 30,2021	August 31, 2023	10.00	1,105	-
October 30,2021	August 31, 2024	10.00	1,106	-
<b>Total</b>			<b>12,616</b>	<b>19,300</b>
Weighted average remaining contractual life of options outstanding at end of period			2.30	2.58

### (i) Fair value of options granted

The fair value of grant date of options granted is mentioned in the table below. The fair value at grant date is determined using the Black Scholes model which takes into account the exercise price, the term of option, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option.

Grant date	Expiry date	Fair Value	March 31, 2022	March 31, 2021
			Share options	Share options
January 31, 2015	January 30, 2023	95.84	-	-
January 31, 2015	January 30, 2024	109.41	-	-
January 31, 2015	January 30, 2025	109.91	-	1,000
January 31, 2015	January 30, 2026	110.49	1,300	2,800
May 16, 2015	May 15, 2023	105.77	-	-
May 16, 2015	May 15, 2024	118.18	-	-
May 16, 2015	May 15, 2025	119.30	2,000	2,000
May 16, 2015	May 15, 2026	119.67	1,000	1,000
July 26, 2016	July 25, 2020	100.00	-	-
July 26, 2016	July 25, 2021	159.00	-	1,500
July 26, 2016	July 25, 2022	278.00	1,000	7,000
July 26, 2016	July 25, 2023	297.00	4,000	4,000
October 30,2021	November 30, 2022	1,241.00	1,105	-
October 30,2021	August 31, 2023	1,239.65	1,105	-
October 30,2021	August 31, 2024	1,238.16	1,106	-
<b>Total</b>			<b>12,616</b>	<b>19,300</b>

## Notes forming part of the Standalone Financial Statements

For the year ended March 31, 2022

The model inputs for options granted includes:

### ESOP, 2012 as amended, granted on October 30, 2021

Particulars	October 30, 2021
Exercise Price	₹ 10
Grant Date	October 30, 2021
Expected life of share options	1 to 3 years
Share price at grant date	₹ 1,242.71
Expected price volatility of the company's shares	44% to 58%
Expected dividend yield	0.12%
Risk free interest rate	4.107% to 5.124%

### ESOS, 2015 granted on 26 July 2016

Options are granted for a consideration as mentioned in the below table and 40% of options vest after 1 year, 30% of options after 2 years, 20% of options after 3 years and 10% of options after 4 years. Vested options are exercisable for a period of 3 years after vesting.

Particulars	July 25, 2020	July 25, 2021	July 25, 2022	July 25, 2023
Exercise Price	₹ 387.35/-	₹ 387.35/-	₹ 387.35/-	₹ 387.35/-
Grant Date	July 26, 2016	July 26, 2016	July 26, 2016	July 26, 2016
Expiry Date	July 25, 2020	July 25, 2021	July 25, 2022	July 25, 2023
Share price at grant date	₹ 387.35/-	₹ 387.35/-	₹ 387.35/-	₹ 387.35/-
Expected price volatility of the company's shares	57%	66%	115%	109%
Expected dividend yield	0.00%	0.00%	0.00%	0.00%
Risk free interest rate	8.27%	8.17%	8.20%	8.32%

The model inputs for options granted includes:

### ESOP, 2012- Option B granted on 16 May 2015

Options are granted for a consideration as mentioned in the below table and 40% of options vest after 1 year, 30% of options after 2 years, 20% of options after 3 years and 10% of options after 4 years. Vested options are exercisable for a period of 7 years after vesting.

Particulars	May 15, 2023	May 15, 2024	May 15, 2025	May 15, 2026
Exercise Price	₹ 34/-	₹ 34/-	₹ 34/-	₹ 34/-
Grant Date	May 16, 2015	May 16, 2015	May 16, 2015	May 16, 2015
Expiry Date	May 15, 2023	May 15, 2024	May 15, 2025	May 15, 2026
Share price at grant date	₹ 138/-	₹ 138/-	₹ 138/-	₹ 138/-
Expected price volatility of the company's shares	71%	139%	121%	108%
Expected dividend yield	0.91%	0.91%	0.91%	0.91%
Risk free interest rate	8.30%	8.19%	8.21%	8.30%

## Notes forming part of the Standalone Financial Statements

For the year ended March 31, 2022

The model inputs for options granted includes:

### ESOP, 2012- Option A granted on 31 January 2015

Options are granted for a consideration as mentioned below in the table and vest 40% of options after 1 year, 30% of options after 2 years, 20% of options after 3 years and 10% of options after 4 years. Vested options are exercisable for a period of 7 years after vesting.

Particulars	January 30, 2023	January 30, 2024	January 30, 2025	January 30, 2026
Exercise Price	₹ 34/-	₹ 34/-	₹ 34/-	₹ 34/-
Grant Date	January 31, 2015	January 31, 2015	January 31, 2015	January 31, 2015
Expiry Date	January 30, 2023	January 30, 2024	January 30, 2025	January 30, 2026
Share price at grant date	₹ 127.70/-	₹ 127.70/-	₹ 127.70/-	₹ 127.70/-
Expected price volatility of the company's shares	72%	143%	120%	108%
Expected dividend yield	0.78%	0.78%	0.78%	0.78%
Risk free interest rate	8.27%	8.17%	8.20%	8.32%

The expected price volatility is based on the historic volatility (based on the remaining life of the options), adjusted for any expected changes to future volatility due to publicly available information

### c) Expense arising from share based payment transactions

Total expenses arising from share-based payment transactions recognised in profit or loss as part of employee benefit expense were as follows:

Particulars	(₹. lakh)	
	March 31, 2022	March 31, 2021
Employee stock option plan	10.47	0.99
<b>Total</b>	<b>10.47</b>	<b>0.99</b>

### Note 46: Contingent Liabilities

Particulars	(₹. lakh)	
	March 31, 2022	March 31, 2021
<b>Claims against the Company not acknowledged as debts:</b>		
<b>(i) Excise matter</b>		
Excise duty demands relating to clearance/storage of Raw Material/goods from DTA and used/manufactured in 100% EOU unit, availment of cenvat credit, etc. The said amount includes up-to-date interest.	10,705.01	10,097.02
<b>(ii) Customs matter</b>		
The company has replied to the SCN no. 1624 / 2013 -14 dated 9th July 2013 issued by the Commissioner of Custom - Raigarh alleging that goods imported in Unit B-16 were kept in unit B-17 and therefore are liable for confiscation. The personal hearing of the said SCN is pending. The said amount includes up-to-date interest.	32.77	30.72



## Notes forming part of the Standalone Financial Statements

For the year ended March 31, 2022

### Note 46: Contingent Liabilities (Contd.)

Particulars	(₹. lakh)	
	March 31, 2022	March 31, 2021
<b>(iii) Goods and Service tax (GST)</b>		
a. GST demands relating to issues pertaining to cenvat credit transition to GST. The said amount includes up-to-date interest.	319.04	287.84
b. Issue pertaining to service tax credit of EOU unit -The said amount includes up-to-date interest.	143.23	131.11
c. GST Demands pertaining to Compensation Cess credit -The said amount includes up-to-date interest.	65.97	-
<b>(iv) Income tax</b>		
The company has preferred appeal against the order of various income tax authorities in which demand of ₹ 449.05 lakh has been determined for various assessment years. The said demand also includes interest payable as determined by the competent authority.		
(i) Pending before DCIT/JCIT/AO	78.26	78.26
(ii) Pending before CIT (Appeal)	370.79	370.79
(iii) Pending before High Court	23.20	-
<b>(v) Sales tax matters</b>		
(a) Pending before JSCT(Appeal)	659.93	659.93
(b) Pending C & H Forms	61.51	56.72
<b>(vi) Civil matters</b>		
Nath Bio-Genes (India) Ltd has filed a suit against the Company alleging that some product supplied by the company was responsible for the poor germination of its seeds.	6,500.00	6,500.00
<b>(vii) Guarantees outstanding</b>	462.14	460.14
<b>(viii) Letters of Credit given by the company (different letter of credits issued to various suppliers for supply of materials)</b>	5,018.89	2,480.38

**Note 46.1:** Contingent liabilities represents estimates made mainly for probable claims arising out of litigation/ disputes pending with authorities under various statutes (Excise duty, Customs duty, Income tax, etc).The probability and timing of outflow with regard to these matters depend on the final outcome of litigations/ disputes. Hence, the Company is not able to reasonably ascertain the timing of the outflow.

**Note 47:**The Hon'ble Supreme Court of India ("SC") by their order dated February 28, 2019, in the case of Surya Roshani Limited & others v/s EPFO, set out the principles based on which allowances paid to the employees should be identified for inclusion in basic wages for the purposes of computation of Provident Fund contribution. The company has started complying with this prospectively from the month of March 2019. In respect of the past period there are significant implementation and interpretative challenges that the management is facing and is awaiting for clarity to emerge in this regard, pending which, this matter has been disclosed under the Contingent liability section in the financial statements. The impact of the same is not ascertainable.

## Notes forming part of the Standalone Financial Statements

For the year ended March 31, 2022

### Note 48 : Commitments

(₹. lakh)

Particulars	March 31, 2022	March 31, 2021
Estimated value of contracts remaining to be executed on capital account (net of advances), to the extent not provided for:	2,100.03	2,218.62

### Note 49: Quarterly statements submitted with Banks for Borrowings

Company has borrowing from banks on the basis of security of current assets. The Quarterly returns/statements of current assets filed by the company are in agreement with the books of accounts.

### Note 50: Corporate Social Responsibility (CSR) expenditure

(₹. lakh)

Particulars	March 31, 2022	March 31, 2021
1. Amount required to be spent by the company during the year	137.69	107.65
2 Amount of expenditure incurred on:		
(i). Construction/acquisition of any asset	-	-
(ii) On purposes other than (i) above	99.40	102.31
3. Shortfall at the end of the year	38.29	5.34
4. Total of previous years shortfall	43.63	-
5. Reason for shortfall	The amount was carried forward for ongoing projects	The amount was carried forward for ongoing projects
6. Nature of CSR activities details	Disaster Relief, Education, Skilling, Employment, Entrepreneurship, Health, Wellness and Water, Sanitation and Hygiene, Heritage	

### Note 51: Related Party Disclosures

In compliance with Ind AS 24 - "Related Party Disclosures" as notified under Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015, as amended, the required disclosures are given below:

#### 1. Relationships:

##### I. Holding Companies:

Godrej Agrovet Limited (GAVL) holds 63.29% Equity Shareholding in Astec LifeSciences Limited. GAVL is the subsidiary of Godrej Industries Limited (GIL). GIL is the Ultimate Holding Company of the Company.

##### II. Subsidiary Companies:

- Behram Chemicals Private Limited
- Astec Europe Spri (ceased to be a subsidiary w.e.f. 31st August, 2020)
- Comercializadora Agricola Agroastrachem Cia Ltda

## Notes forming part of the Standalone Financial Statements

For the year ended March 31, 2022

### III. Fellow Subsidiaries:

1. Creamline Dairy Products Limited
2. Godrej Tyson Foods Limited
3. Godrej Maxximilk Private Limited
4. Godrej One Premises Management Private Limited
5. Godvet Agrochem Limited

### IV. Associates / Joint Ventures of Godrej Industries Limited (GIL):

Godrej Consumer Products Limited

### V. Entities which is controlled/ jointly controlled/has significant influence of KMP's of Astec LifeSciences Limited:

Astec Crop Care Private Limited

### VI. Entities which has significant influence of Director's of Astec LifeSciences Limited :

Nichem Solutions (up to 21<sup>st</sup> September, 2020)

### VII. Other related parties

Godrej & Boyce Manufacturing Company Limited

### VIII. Post-employment benefit plan (entities) for the benefit of employees of the company

Astec LifeSciences Limited Employees Group Gratuity Trust

### IX. Key Managerial Personnel

1. Mr. Nadir B. Godrej, Chairman and Non-Executive Director
2. Mr. B. S. Yadav, Non-Executive Director
3. Mr. Rakesh Dogra, Non-Executive Director
4. Mr. Ashok V. Hiremath (Managing Director up to 31<sup>st</sup> March, 2022)
5. Mr. Arijit Mukherjee (Whole-Time Director up to 27<sup>th</sup> July, 2021)
6. Mr. Anurag Roy (Whole-Time Director w.e.f. 28<sup>th</sup> July, 2021)
7. Mr. Saurav Bhala, Chief Financial Officer
8. Ms. Tejashree Pradhan, Company Secretary
9. Mr. R. R. Govindan, Independent Director (w.e.f. 30<sup>th</sup> January, 2020)
10. Mr. Sitendu Sharma, Independent Director (up to 30<sup>th</sup> January, 2020)
11. Dr. Leena Raje, Independent Director (up to 21<sup>st</sup> September, 2020)
12. Mr. Vinod Malshe, Independent Director (up to 21<sup>st</sup> September, 2020)
13. Dr. Brahmanand Vyas, Independent Director
14. Mr. Vijay Kashinath Khot, Independent Director
15. Mr. Nandkumar Vasant Dhekne, Independent Director (w.e.f. 18<sup>th</sup> December, 2020)
16. Ms. Anjali Rajesh Gupte, Independent Director (w.e.f. 18<sup>th</sup> December, 2020)

## Notes forming part of the Standalone Financial Statements

For the year ended March 31, 2022

Related party disclosures as required by IND AS - 24, "Related Party Disclosures", are given below:

### 2. The following transactions were carried out with the related parties in the ordinary course of business:

(₹. lakh)

Nature of Transaction	Nature of Relationship	March 31, 2022	March 31, 2021
<b>1. Sale of materials / finished goods</b>			
Godrej Agrovet Limited	Holding company	2,885.42	842.87
Godrej Consumer Products Limited	Other related party	-	382.22
Nichem Solutions	Other related party	-	4.78
<b>2. Purchase of materials / finished goods</b>			
Godrej Agrovet Limited	Holding company	3.79	-
Godrej Consumer Products Limited	Other related party	8.57	-
<b>3. Purchase of Property, plant &amp; equipment</b>			
Godrej & Boyce Manufacturing Company Limited	Other related party	5.86	47.50
<b>4. Expenses Charged by / Reimbursement made to other companies</b>			
Godrej Agrovet Limited	Holding company	612.11	576.94
Godrej Industries Limited	Holding company	5.24	0.15
Godrej & Boyce Manufacturing Company Limited	Other related party	11.16	1.52
Godrej Consumer Products Limited	Other related party	-	11.16
<b>5. Expenses Charged to / Reimbursement made by other companies</b>			
Godrej Agrovet Limited	Holding company	62.37	40.27
Behram Chemicals Private Limited	Subsidiary company	0.95	2.13
<b>6. Plant Maintenance charges</b>			
Behram Chemicals Private Limited	Subsidiary company	10.80	10.80
<b>7. Dividend Paid</b>			
Godrej Agrovet Limited	Holding company	186.06	183.06
<b>8. Inter-corporate deposits taken</b>			
Godrej Agrovet Limited	Holding company	-	1,350.00
<b>9. Inter-corporate deposits repaid</b>			
Godrej Agrovet Limited	Holding company	-	1,350.00
<b>10. Interest expense on inter-corporate deposits taken</b>			
Godrej Agrovet Limited	Holding company	-	1.92
<b>11. Inter-corporate deposits placed</b>			
Godrej Maxximilk Private Limited	Fellow subsidiary	-	275.00
<b>12. Inter-corporate deposits returned</b>			
Godvet Agrochem Limited	Fellow subsidiary	-	480.00
Godrej Maxximilk Private Limited	Fellow subsidiary	-	1,180.00
Godrej Tyson Foods Limited	Fellow subsidiary	-	1,500.00
<b>13. Interest income on inter-corporate deposits given</b>			
Godvet Agrochem Limited	Fellow subsidiary	-	10.30

## Notes forming part of the Standalone Financial Statements

For the year ended March 31, 2022

(₹. lakh)

Nature of Transaction	Nature of Relationship	March 31, 2022	March 31, 2021
Godrej Maxximilk Private Limited	Fellow subsidiary	-	23.25
Godrej Tyson Foods Limited	Fellow subsidiary	-	19.07
<b>14. Capital advance given</b>			
Godrej & Boyce Manufacturing Company Limited	Other related party	<b>4.07</b>	55.54
<b>15. Contribution to post employment benefit plans</b>			
Astec LifeSciences Limited Employees Group Gratuity Trust	Other related party	<b>44.76</b>	38.87
<b>16. Outstanding capital advance</b>			
Godrej & Boyce Manufacturing Company Limited	Other related party	<b>0.49</b>	8.03
<b>17. Outstanding Receivables</b>			
Godrej Agrovet Limited	Holding company	<b>1,127.73</b>	309.96
Comercializadora Agricola Agroastrachem Cia Ltda	Subsidiary company	<b>3.27</b>	3.27
<b>18. Outstanding Payables</b>			
Godrej Agrovet Limited	Holding company	<b>56.24</b>	201.95
Behram Chemicals Private Limited	Subsidiary company	<b>45.66</b>	67.84
Godrej Industries Limited	Holding company	<b>0.06</b>	-
<b>19. Remuneration to Key Management Personnel</b>			
Short Term Employee Benefit		<b>571.37</b>	327.86
Post employment gratuity benefits		<b>8.75</b>	4.44
Share based payment		<b>45.23</b>	53.03
<b>Dividend Paid</b>		<b>4.96</b>	29.19
<b>Director's Sitting Fees</b>		<b>31.12</b>	13.20

### Note 52: Assessment of impact of Covid-19 pandemic

The management has considered internal and certain external sources of information including economic forecasts and industry reports up to the date of approval of the financial statements in determining the impact on various elements of its financial statements. The management has used the principles of prudence in applying judgments, estimates and assumptions including sensitivity analysis and based on the current estimates, the management expects that it will fully recover the carrying amount of inventories, trade receivables, intangible assets and investments. The eventual outcome of impact of the global health pandemic may be different from those estimated as on the date of approval of these financial statements.

### Note 53:

The figures for the previous year have been regrouped / reclassified to correspond with current year's classification/ disclosure that include changes consequent to the issuance of "Guidance Note on Division II – Ind AS Schedule III to the Companies Act, 2013.

## Notes forming part of the Standalone Financial Statements

For the year ended March 31, 2022

As per our report of even date attached.

**For B S R & Co. LLP**

*Chartered Accountants*

Firm Registration Number:

101248W/W-100022

**For and on behalf of the Board of Directors of  
Astec LifeSciences Limited**

**(CIN: L99999MH1994PLC076236)**

**ANURAG ROY**

Whole – Time Director &

Chief Executive Officer

DIN: 07444595

**B. S. YADAV**

Director

DIN: 00294803

**BURJIS PARDIWALA**

*Partner*

Membership Number: 103595

**Mumbai, May 2, 2022**

**SAURAV BHALA**

Chief Financial Officer

ICAI Memb. No. 062106

**TEJASHREE PRADHAN**

Company Secretary

ICSI Memb. No. FCS7167

## Independent Auditors' Report

To the Members of  
Astec LifeSciences Limited

### Report on the Audit of Consolidated Financial Statements

#### Opinion

We have audited the consolidated financial statements of **Astec LifeSciences Limited** (hereinafter referred to as the 'Holding Company') and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), which comprise the consolidated balance sheet as at 31 March 2022, and the consolidated statement of profit and loss (including other comprehensive income), consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of other auditor on separate financial statements of such subsidiary as were audited by the other auditor, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group, as at 31 March 2022, of its consolidated profit and other comprehensive income, consolidated changes in equity and consolidated cash flows for the year then ended.

#### Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those SAs 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, in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in terms of the Code of Ethics issued by the Institute of Chartered Accountants of India and the relevant provisions of the Act, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence obtained by us along with the consideration of audit reports of the other auditors referred to in sub paragraph (a) of the "Other Matters" paragraph below, 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 judgment, 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.

Description of Key Audit Matter

#### Revenue Recognition

See note 27 to the consolidated financial statements

The key audit matter	How the matter was addressed in our audit
Revenue from sale of goods is recognised when the control of the goods has passed, which is usually on delivery of the goods. We have considered that there is a risk of fraud on account of revenue being overstated on account of it being	In view of the importance of the matter we applied the following audit procedures in this area, among others to obtain sufficient audit evidence:

## Independent Auditors' Report (Continued)

### Revenue Recognition (Contd.)

The key audit matter	How the matter was addressed in our audit
<p>recognised in the wrong period or before the control has passed.</p>	<ul style="list-style-type: none"> <li>• We have assessed the appropriateness of the Group's accounting policies in respect of revenue recognition by comparing with applicable accounting standards;</li> <li>• We have evaluated the design, testing the implementation and operating effectiveness of the Group's internal controls over recognition of revenue</li> <li>• We have evaluated the process followed by the group for revenue recognition including understanding and testing of key controls relating to recognition of revenue in correct period;</li> <li>• We have inspected documentation/records for sales transactions recorded both side of year-end to determine if revenue has been recognised in the correct period; and</li> <li>• We have critically assessed manual journals posted to revenue to identify unusual or irregular items.</li> </ul>

### Pending Litigation and Claim

See note 44 to the Consolidated financial statements

The key audit matter	How the matter was addressed in our audit
<p>As at 31 March 2022, the Group is having pending litigations under various laws such as Income Tax, Excise, VAT, Customs and GST.</p> <ul style="list-style-type: none"> <li>• The Group applies significant judgment estimating the likelihood of the future outcome in each case based on its own past assessments, judicial precedents and opinions of experts when considering how much to provide or in determining the required disclosure for the potential exposure.</li> <li>• Due to inherent complexity and magnitude of potential exposures, we regard this as key audit matter.</li> </ul>	<p>In view of the significance of the matter we applied the following audit procedures in this area, among others to obtain sufficient audit evidence:</p> <ul style="list-style-type: none"> <li>• Obtained and read the list of direct and indirect tax assessment/ litigations for movements from previous period;</li> <li>• We inquired the status of significant and potential litigations with Group who have knowledge of these matters and where relevant we also obtained formal communication from the Group's external tax consultants;</li> <li>• Use of our own local Direct and Indirect tax specialists to assess the value of contingent liabilities in light of the nature of exposure, applicable regulations and related correspondence with authorities; and</li> <li>• Considered the adequacy of the provision/ disclosure made in the financial statements</li> </ul>



## Independent Auditors' Report (Continued)

### Other Information

The Holding Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the holding Company's annual report, but does not include the financial statements and our auditors' 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 in the audit or otherwise appears to be materially misstated. If, based on the work we have performed and based on the work done/ audit report of other auditor, 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.

### Management's and Board of Directors' Responsibilities for the Consolidated Financial Statements

The Holding Company's Management and Board of Directors are responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Act that give a true and fair view of the consolidated state of affairs, consolidated profit/ loss and other comprehensive income, consolidated statement of changes in equity and consolidated cash flows of the Group including in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act. The respective Management and Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of each company. and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Management and Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Management and Board of Directors of the companies included in the Group are responsible for assessing the ability of each company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are responsible for overseeing the financial reporting process of each company.

### Auditor's Responsibilities for the Audit of the 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 Auditors' Report (Continued)

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on the internal financial controls with reference to the consolidated financial statements and the operating effectiveness of such controls based on our audit.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management and Board of Directors.
- Conclude on the appropriateness of Management and Board of Directors use of the going concern basis of accounting in preparation of consolidated financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the appropriateness of this assumption. 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 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 such entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of financial information of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion. Our responsibilities in this regard are further described in para (a) of the section titled 'Other Matters' in this audit report.

We believe that the audit evidence obtained by us along with the consideration of audit reports of the other auditors referred to in sub-paragraph (a) of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a

## Independent Auditors' Report (Continued)

matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### Other Matters

- (a) We did not audit the financial statements of a subsidiary; whose financial statements reflect total assets of ₹ 117.27 lakh as at 31 March 2022, total revenues of ₹ 11.23 lakh and net cash flows amounting to ₹ 30.44 lakh for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditor whose report has been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiary, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiary is based solely on the audit report of the other auditor
- (b) The financial information of one subsidiary whose financial information reflect total assets of ₹ 0.17 lakh as at 31 March 2022, total revenues of ₹ Nil and net cash flows amounting to ₹ Nil for the year ended on that date, as considered in the consolidated financial statements, have not been audited either by us or by other auditor. These unaudited financial information have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiary, and our report in terms of sub-sections (3) of Section 143 of the Act in so far as it relates to the aforesaid subsidiaries, is based solely on such unaudited financial information. In our opinion and according to the information and explanations given to us by the Management, these financial information are not material to the Group.

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 matters with respect to our reliance on the work done and the report of the other auditor and the financial information certified by the Management.

### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of Section 143 (11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. (A) As required by Section 143(3) of the Act, based on our audit and on the consideration of reports of the other auditor on separate financial statements of such subsidiaries as were audited by other auditors, as noted in the 'Other Matters' paragraph, 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 so far as it appears from our examination of those books and the reports of the other auditors.
  - c) The consolidated balance sheet, the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of changes in equity and the consolidated statement of cash flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
  - d) In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under section 133 of the Act.
  - e) On the basis of the written representations received from the directors of the Holding Company as on 31 March 2022 taken on record by the Board of Directors of the Holding Company and the report of

## Independent Auditors' Report (Continued)

the statutory auditor of its subsidiary company, incorporated in India, none of the directors of the Group companies, incorporated in India is disqualified as on 31 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 with reference to financial statements of the Holding Company, its subsidiary companies, incorporated in India and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

(B) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on separate financial statements of the subsidiaries, as noted in the 'Other Matters' paragraph:

- a) The consolidated financial statements disclose the impact of pending litigations as at 31 March 2022 on the consolidated financial position of the Group, Refer Note 44 to the consolidated financial statements.
- b) The Group did not have any material foreseeable losses on long-term contracts including derivative contracts during the year ended 31 March 2022.
- c) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company and there are no amounts which are required to be transferred to the Investor Education and Protection Fund in case of its subsidiary company incorporated in India during the year ended 31 March 2022.
- d) (i) The management has represented that, to the best of its knowledge and belief, as disclosed in note 13 to the consolidated financial statements, 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 or its subsidiary companies incorporated in India to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall:
- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Holding Company or its subsidiary companies incorporated in India or
  - provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- (ii) The management has represented, that, to the best of its knowledge and belief, as disclosed in note 13 consolidated financial statements to the accounts, no funds have been received by the Holding Company or its subsidiary companies, incorporated in India from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or its subsidiary companies incorporated in India shall:
- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Holding Company or its subsidiary companies incorporated in India or
  - provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
- (iii) Based on audit procedures as 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 d(i) and d (ii) of Rule 11(e) contain any material mis-statement.
- e) The dividend declared or paid during the year by the Holding Company is in compliance with Section 123 of the Act. The subsidiary company incorporated in India has neither declared nor paid any dividend during the year.



## Independent Auditors' Report *(Continued)*

(C) With respect to the matter to be included in the Auditor's report under section 197(16):

In our opinion and according to the information and explanations given to us and based on the reports of the statutory auditors of such subsidiary companies, incorporated in India which were not audited by us, the remuneration paid during the current year by the Holding Company, its subsidiary companies, to its directors is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director by the Holding Company, its subsidiary companies, is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.

**For B S R & Co. LLP**

*Chartered Accountants*

Firm's Registration No: 101248W/W-100022

Place: Mumbai

Date : May 02, 2022

**Burjis Pardiwala**

*Partner*

Membership No: 103595

UDIN: 22103595AIHEYF2799

## Astec LifeSciences Limited

### Annexure A to the Independent Auditor's Report on Consolidated Financial Statements

With reference to the Annexure A referred to in our report to the members of the Company on the Consolidated Ind AS financial statements for the year ended 31 March 2022, we report the following:

(xxi) In our opinion and according to the information and explanations given to us, there are no qualifications or adverse remarks by the respective auditors in the Companies (Auditor's Report) Order, 2020 reports of the companies incorporated in India and included in the consolidated financial statements.

**For B S R & Co. LLP**

*Chartered Accountants*

Firm's Registration No: 101248W/W-100022

Place: Mumbai

Date: May 02, 2022

**Burjis Pardiwala**

*Partner*

Membership No: 103595

UDIN: 22103595AIHEYF2799

## Astec LifeSciences Limited

### Annexure B to the Independent Auditor's Report of even date on the consolidated financial statements of Astec LifeSciences Limited for the year ended 31 March 2022

#### Report on the internal financial controls with reference to financial statements under clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

(Referred to in paragraph (A) (f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

#### Opinion

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended 31 March 2022, we have audited the internal financial controls with reference to consolidated financial statements of Astec LifeSciences Limited (hereinafter referred to as "the Holding Company") and such company incorporated in India under the Companies Act, 2013 which is its subsidiary company, as of that date.

In our opinion, the Holding Company and such company incorporated in India which is its subsidiary company, have, in all material respects, adequate internal financial controls with reference to consolidated financial statements and such internal financial controls were operating effectively as at 31 March 2022, based on the internal financial controls with reference to consolidated financial statements criteria established by such companies considering the essential components of such internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

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

The respective Company's management and the Board of Directors are responsible for establishing and maintaining internal financial controls with reference to consolidated financial statements based on the criteria established by the respective Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013 (hereinafter referred to as "the Act").

#### Auditors' Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to consolidated financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to consolidated financial statements. 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 consolidated financial statements 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 adequacy of the internal financial controls with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of the

## Annexure B to the Independent Auditor's Report of even date on the consolidated financial statements of Astec LifeSciences Limited for the year ended 31 March 2022 (Contd.)

internal controls based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the 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 of the relevant subsidiary company in terms of their report referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to consolidated financial statements.

### Meaning of Internal Financial controls with Reference to Consolidated Financial Statements

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

### Inherent Limitations of Internal Financial controls with Reference to consolidated Financial Statements

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

### Other Matters

Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated financial statements insofar as it relates to a subsidiary company, which is company incorporated in India, is based on the corresponding report of the auditor of such company incorporated in India.

**For B S R & Co. LLP**

*Chartered Accountants*

Firm's Registration No: 101248W/W-100022

**Burjis Pardiwala**

*Partner*

Membership No: 103595

UDIN : 2210359AIHEYF2799

Place: Mumbai

Date: May 02, 2022



## Consolidated Balance Sheet

As at March 31, 2022

(₹. lakh)

Particulars	Note No.	For the year ended March 31, 2022	For the year ended March 31, 2021
<b>ASSETS</b>			
<b>(I) Non-current assets</b>			
(a) Property, plant and equipment	2 (a)	30,814.21	18,169.42
(b) Capital work-in-progress	2 (b)	1,373.24	11,167.69
(c) Right of use assets	3	2,950.45	2,985.46
(d) Intangible assets	4 (a)	229.79	112.77
(e) Intangible assets under development	4 (b)	909.25	403.50
(f) Financial assets			
(i) Investments	5	0.53	0.53
(ii) Other non-current financial assets	6	289.06	333.76
(g) Other tax assets (net)	7	243.27	191.72
(h) Other non-current assets	8	1,298.15	1,350.70
<b>Total Non-current assets</b>		<b>38,107.95</b>	<b>34,715.55</b>
<b>(II) Current Assets</b>			
(a) Inventories	9	18,694.64	10,609.15
(b) Financial assets			
(i) Trade receivables	10	27,362.76	18,715.31
(ii) Cash and cash equivalents	11	55.45	33.88
(iii) Bank balances, other than (ii) above	12	157.42	123.44
(iv) Loans	13	14.62	5.99
(v) Others	14	500.65	147.21
(c) Other current assets	15	4,782.18	3,408.06
<b>Total current assets</b>		<b>51,567.72</b>	<b>33,043.04</b>
<b>Total Assets</b>		<b>89,675.67</b>	<b>67,758.59</b>
<b>EQUITY AND LIABILITIES</b>			
<b>(I) Equity</b>			
(a) Equity share capital	16	1,959.76	1,958.76
(b) Other equity	17	37,689.78	28,959.05
<b>Equity attributable to equity holders of the parent</b>		<b>39,649.54</b>	<b>30,917.81</b>
Non-controlling interests		16.32	13.92
<b>Total equity</b>		<b>39,665.86</b>	<b>30,931.73</b>

(₹. lakh)

Particulars	Note No.	For the year ended March 31, 2022	For the year ended March 31, 2021
<b>(II) Liabilities</b>			
<b>(1) Non-current liabilities</b>			
(a) Financial liabilities			
(i) Borrowings	18	-	4,000.00
(ii) Other non-current liabilities	19	100.00	-
(b) Provisions	20	42.77	51.72
(c) Deferred tax liabilities (net)	21	808.23	547.49
<b>Total non-current liabilities</b>		<b>951.00</b>	<b>4,599.21</b>
<b>(2) Current liabilities</b>			
(a) Financial liabilities			
(i) Borrowings	22	27,937.31	14,719.91
(ii) Trade payables	23		
Total outstanding dues of MicroEnterprises and Small Enterprises		213.44	123.06
Total outstanding dues of other than MicroEnterprises and Small Enterprises		18,769.32	12,694.60
(iii) Other financial liabilities	24	1,417.48	4,504.26
(b) Other current liabilities	25	678.08	122.39
(c) Provisions	26	43.18	63.43
<b>Total current liabilities</b>		<b>49,058.81</b>	<b>32,227.65</b>
<b>Total liabilities</b>		<b>50,009.81</b>	<b>36,826.86</b>
<b>Total Equity and Liabilities</b>		<b>89,675.67</b>	<b>67,758.59</b>

The Notes 1 to 52 form an integral part of the Consolidated Financial Statements

As per our report of even date attached

**For B S R & Co. LLP**

Chartered Accountants

Firm Registration Number:

101248W/W-100022

**For and on behalf of the Board of Directors of**

**Astec LifeSciences Limited**

**(CIN:L99999MH1994PLC076236)**

**ANURAG ROY**

Whole – Time Director &

Chief Executive Officer

DIN: 07444595

**B. S. YADAV**

Director

DIN: 00294803

**BURJIS PARDIWALA**

Partner

Membership Number: 103595

**Mumbai, May 2, 2022**

**SAURAV BHALA**

Chief Financial Officer

ICAI Memb. No. 062106

**TEJASHREE PRADHAN**

Company Secretary

ICSI Memb. No. FCS7167

## Consolidated Statement of Profit & Loss

For the Year ended March 31, 2022

(₹. lakh)

Particulars	Note No.	For the year ended March 31, 2022	For the Year ended March 31, 2021
I. Revenue from operations	27	67,656.61	55,487.21
II. Other income	28	1,046.78	792.11
<b>III. Total Income (I + II)</b>		<b>68,703.39</b>	<b>56,279.32</b>
<b>IV. Expenses</b>			
Cost of materials consumed	29	44,481.50	34,459.78
Purchases of Stock-in-Trade		-	-
Changes in inventories of finished goods work-in-progress and stock-in-trade	30	(5,800.42)	(254.75)
Employee benefits expense	31	5,031.41	3,834.69
Finance costs	32	905.77	475.14
Depreciation and amortisation expense	33	3,435.63	2,565.53
Other expenses	34	8,536.92	6,291.84
<b>Total expenses (IV)</b>		<b>56,590.81</b>	<b>47,372.23</b>
<b>V. Profit before tax (III - IV)</b>		<b>12,112.58</b>	<b>8,907.09</b>
<b>VI. Tax expense:</b>		<b>3,124.32</b>	<b>2,400.21</b>
1. Current tax		2,863.40	2,326.47
2. Deferred tax		260.92	(60.99)
3. Adjustment for tax of previous years (net)		-	134.73
<b>VII. Profit for the year (V - VI)</b>		<b>8,988.26</b>	<b>6,506.88</b>
<b>VIII. Other comprehensive income</b>			
(A) (i) Items that will not be reclassified to profit or loss			
Re-measurement of defined benefit liability		(0.72)	(23.54)
(ii) Income tax related to items that will not be reclassified to profit or loss		0.18	5.92
		(0.54)	(17.62)
(B) (i) Items that will be reclassified to profit or loss			
Foreign operations – foreign currency translation differences		(0.18)	(0.78)
		(0.18)	(0.78)
<b>Other comprehensive income for the year</b>		<b>(0.72)</b>	<b>(18.40)</b>
<b>IX. Total comprehensive income for the year (VII + VIII)</b>		<b>8,987.54</b>	<b>6,488.48</b>

(₹. lakh)

Particulars	Note No.	For the year ended March 31, 2022	For the Year ended March 31, 2021
<b>Profit attributable to:</b>			
Equity holders of the Company		8,985.86	6,504.89
Non-controlling interest		2.40	1.99
		8,988.26	6,506.88
<b>Other Comprehensive Income is attributable to:</b>			
Equity holders of the Company		(0.72)	(18.40)
Non-controlling interest		-	-
		<b>(0.72)</b>	<b>(18.40)</b>
<b>Total Comprehensive income attributable to:</b>			
Equity holders of the Company		8,985.14	6,486.49
Non-controlling interest		2.40	1.99
		<b>8,987.54</b>	<b>6,488.48</b>
<b>X. Earnings per equity share (Nominal value of ₹ 10 each, fully paid-up)</b>			
Basic (in ₹)	35	45.87	33.23
Diluted (in ₹)		45.85	33.21

The Notes 1 to 52 form an integral part of the Consolidated Financial Statements

As per our report of even date attached

As per our report of even date attached

**For B S R & Co. LLP**

Chartered Accountants

Firm Registration Number:

101248W/W-100022

**For and on behalf of the Board of Directors of**

**Astec LifeSciences Limited**

**(CIN: L99999MH1994PLC076236)**

**ANURAG ROY**

Whole – Time Director &

Chief Executive Officer

DIN: 07444595

**B. S. YADAV**

Director

DIN: 00294803

**BURJIS PARDIWALA**

Partner

Membership Number: 103595

**Mumbai, May 2, 2022**

**SAURAV BHALA**

Chief Financial Officer

ICAI Memb. No. 062106

**TEJASHREE PRADHAN**

Company Secretary

ICSI Memb. No. FCS7167

## Consolidated Statement for Changes in Equity

For the Year ended March 31, 2022

### (a) Equity share capital

	(₹. lakh)				
(1) Current reporting period ended March 31, 2022	Balance as at April 1, 2021	Changes in equity share capital due to prior period errors	Restated balance as at April 1, 2021	Changes in equity share capital during the year	Balance as at March 31, 2022
	1,958.76	-	1,958.76	1.00	1,959.76
(1) Previous reporting period ended March 31, 2021	Balance as at April 1, 2020	Changes in equity share capital due to prior period errors	Restated balance as at April 1, 2020	Changes in equity share capital during the year	Balance as at March 31, 2021
	1,956.84	-	1,956.84	1.92	1,958.76

## Consolidated Statement for Changes in Equity

For the Year ended March 31, 2022

### (b) Other Equity

(₹. lakh)

Particulars	Capital redemption reserve	Securities Premium	General reserve	Employee share option outstanding	Retained earnings	Foreign currency translation reserve	Total	Non - controlling interest	Total
Balance as at April 1, 2021	0.30	5,983.14	1,249.28	41.50	21,683.50	1.33	28,959.05	13.92	28,972.97
Changes in accounting policy or prior period errors	-	-	-	-	-	-	-	-	-
Restated Balance as at April 1, 2021	0.30	5,983.14	1,249.28	41.50	21,683.50	1.33	28,959.05	13.92	28,972.97
Total comprehensive income for the year									
Profit for the year	-	-	-	-	8,985.86	-	8,985.86	2.40	8,988.26
Other comprehensive income for the year	-	-	-	-	(0.54)	(0.18)	(0.72)	-	(0.72)
Total comprehensive income for the year	-	-	-	-	8,985.32	(0.18)	8,985.14	2.40	8,987.54
Transactions with the owners of the Company									
Contributions and distributions									
Dividends	-	-	-	-	(293.78)	-	(293.78)	-	(293.78)
Exercise of employee stock options	-	51.66	-	(22.76)	-	-	28.90	-	28.90
Employee stock option expense	-	-	-	10.47	-	-	10.47	-	10.47
Balance at March 31, 2022	0.30	6,034.80	1,249.28	29.21	30,375.04	1.15	37,689.78	16.32	37,706.10

## Consolidated Statement for Changes in Equity

For the Year ended March 31, 2022

### (b) Other Equity (Contd.)

(₹. lakh)

Particulars	Capital redemption reserve	Securities Premium	General reserve	Employee share option outstanding	Retained earnings	Foreign currency translation reserve	Total	Non - controlling interest	Total
<b>Balance as at April 1, 2020</b>	0.30	5,891.64	1,249.28	66.63	15,489.79	2.11	22,699.75	32.85	22,732.60
Changes in accounting policy or prior period errors	-	-	-	-	-	-	-	-	-
<b>Restated Balance as at April 1, 2020</b>	0.30	5,891.64	1,249.28	66.63	15,489.79	2.11	22,699.75	32.85	22,732.60
Profit for the year	-	-	-	-	6,504.89	-	6,504.89	1.99	6,506.88
Other comprehensive income for the year	-	-	-	-	(17.62)	(0.78)	(18.40)	-	(18.40)
<b>Total comprehensive income for the year</b>	-	-	-	-	6,487.27	(0.78)	6,486.49	1.99	6,488.48
<b>Transactions with the owners of the Company</b>									
Sale of Subsidiary	-	-	-	-	-	-	-	(20.92)	(20.92)
Dividends	-	-	-	-	(293.56)	-	(293.56)	-	(293.56)
Exercise of employee stock options	-	91.50	-	(26.12)	-	-	65.38	-	65.38
Employee stock option expense	-	-	-	0.99	-	-	0.99	-	0.99
<b>Balance at March 31, 2021</b>	0.30	5,983.14	1,249.28	41.50	21,683.50	1.33	28,959.05	13.92	28,972.97

The Notes 1 to 52 form an integral part of the Consolidated Financial Statements.

As per our report of even date attached

**For B S R & Co. LLP**

*Chartered Accountants*

Firm Registration Number:

101248W/W-100022

**For and on behalf of the Board of Directors of  
Astec LifeSciences Limited**

**(CIN: L99999MH1994PLC076236)**

**ANURAG ROY**

Whole – Time Director &

Chief Executive Officer

DIN: 07444595

**B. S. YADAV**

Director

DIN: 00294803

**BURJIS PARDIWALA**

*Partner*

Membership Number: 103595

**Mumbai, May 2, 2022**

**SAURAV BHALA**

Chief Financial Officer

ICAI Memb. No. 062106

**TEJASHREE PRADHAN**

Company Secretary

ICSI Memb. No. FCS7167



## Consolidated Statement of Cash Flow

For the period ended March 31, 2022

(₹. lakh)

Particulars	March 31, 2022	March 31, 2021
<b>Cash flow from operating activities</b>		
<b>Profit before tax</b>	<b>12,112.58</b>	<b>8,907.09</b>
<b>Adjustments for</b>		
Depreciation and amortisation expense	3,435.63	2,565.53
Interest income	(26.31)	(78.48)
Finance cost	905.77	475.14
Unrealised foreign exchange (gain)/loss	(151.30)	(114.75)
Loss allowance - trade receivables	(24.78)	-
Bad debts written off	25.14	-
Loss allowance - other receivables	28.22	84.66
Loss/(Gain) on sale of property, plant and equipment	(1.43)	1.67
Loss/(Gain) on sale of Subsidiary	-	(25.06)
Employee stock options expense	10.47	0.99
Sundry balances written back	(28.38)	-
	<b>4,173.03</b>	<b>2,909.70</b>
<b>Operating profit before working capital changes</b>	<b>16,285.61</b>	<b>11,816.79</b>
<b>Change in operating assets and liabilities</b>		
(Increase)/Decrease in trade receivables	(8,368.32)	(3,017.23)
(Increase)/Decrease in loans	(8.63)	(81.30)
(Increase)/Decrease in other financial assets	(315.26)	99.02
(Increase)/Decrease in other current assets	(1,361.11)	(1,985.52)
(Increase)/Decrease in inventories	(8,085.49)	1,507.91
(Increase)/Decrease in other non-current assets	145.73	(32.35)
Increase/(Decrease) in trade payables	6,071.50	(6,669.16)
Increase/(Decrease) in other financial liabilities	285.53	(188.21)
Increase/(Decrease) in other current liabilities	555.72	29.71
Increase/(Decrease) in provisions	(29.92)	5.16
Increase/(Decrease) in other non-current financial liabilities	100.00	-
	<b>(11,010.25)</b>	<b>(10,331.97)</b>
<b>Cash generated from operations</b>	<b>5,275.36</b>	<b>1,484.82</b>
Direct Taxes paid (net of refunds received)	(2,914.95)	(2,301.06)
<b>Net cash inflow / (outflow) operating activities</b>	<b>2,360.41</b>	<b>(816.24)</b>
<b>Cash flow from investing activities</b>		
Acquisition of property, plant and equipment and capital work-in-progress	(10,397.83)	(10,252.78)
Proceeds from sale of property, plant and equipment	12.39	0.48
Inter-corporate deposits (given)/ returned	-	2,886.52
Deposits redeemed / (placed)	(33.98)	(3.24)
Interest received	32.83	58.07
<b>Net cash inflow / (outflow) investing activities</b>	<b>(10,386.59)</b>	<b>(7,310.95)</b>

(₹. lakh)

Particulars	March 31, 2022	March 31, 2021
<b>Cash flow from financing activities</b>		
Proceeds from long term borrowings	-	4,000.00
Proceeds / (Repayment) of short term borrowings (net)	9,202.67	4,835.02
Proceeds from issue of shares	29.90	67.30
Finance cost paid	(891.04)	(475.14)
Dividend paid to company's shareholders	(293.78)	(293.56)
<b>Net cash inflow / (outflow) from financing activities</b>	<b>8,047.75</b>	<b>8,133.62</b>
Net increase / (Decrease) in cash and cash equivalents	21.57	6.43
Cash and cash equivalents at the beginning of the year	33.88	30.81
Cash and cash equivalents in respect of subsidiary sold	-	(3.36)
<b>Cash and cash equivalents at the end of the year</b>	<b>55.45</b>	<b>33.88</b>

**Note 1:**

The above statement of cash flow has been prepared under the indirect method as set out in Indian Accounting Standard 7 Cash Flow Statement notified u/s 133 of Companies Act, 2013 ("Act") read with Rule 4 of the Companies (Indian Accounting Standards) Rules 2015 and the relevant provisions of the Act.

**Note 2: Movement in Borrowings**

(₹. lakh)

Particulars	As at March 31, 2021	Cash Flows	Non-cash changes	As at March 31, 2022
Long term borrowings (Refer Note 2.1)	4,016.81	-	(16.81)	4,000.00
Short term borrowings	14,703.10	9,202.67	31.54	23,937.31
<b>Total borrowings</b>	<b>18,719.91</b>	<b>9,202.67</b>	<b>14.73</b>	<b>27,937.31</b>

(₹. lakh)

Particulars	As at March 31, 2020	Cash Flows	Non-cash changes	As at March 31, 2021
Long term borrowings (Refer Note 2.1)	-	4,000.00	16.81	4,016.81
Short term borrowings	9,871.16	4,835.02	(3.08)	14,703.10
<b>Total borrowings</b>	<b>9,871.16</b>	<b>8,835.02</b>	<b>13.73</b>	<b>18,719.91</b>

**Note 2.1:**

The Term Loan from Bank for ₹ 4,000 lakh (previous year ₹ 16.81 Lakh) has been disclosed as current maturity of Long term Borrowings under Current Borrowing.



The Notes 1 to 52 form an integral part of the Consolidated Financial Statements

As per our report of even date attached

**For B S R & Co. LLP**

*Chartered Accountants*

Firm Registration Number:  
101248W/W-100022

**BURJIS PARDIWALA**

*Partner*

Membership Number: 103595

**Mumbai, May 2, 2022**

**For and on behalf of the Board of Directors of**

**Astec LifeSciences Limited**

**(CIN:L99999MH1994PLC076236)**

**ANURAG ROY**

Whole – Time Director &  
Chief Executive Officer  
DIN: 07444595

**B. S. YADAV**

Director  
DIN: 00294803

**SAURAV BHALA**

Chief Financial Officer  
ICAI Memb. No. 062106

**TEJASHREE PRADHAN**

Company Secretary  
ICSI Memb. No. FCS7167

## Notes forming part of the Consolidated Financial Statements

For the year ended March 31, 2022

### Note 1: Significant accounting policies

#### A. General Information

Astec LifeSciences Limited ("the Company") is a public limited Group, which is domiciled and incorporated in the Republic of India with its registered office situated at Godrej One, 3rd Floor, Pirojsha Nagar, Eastern Express Highway, Vikhroli East, Mumbai - 400 079. The Company & its subsidiaries together considered as a group manufactures & distributes a wide range of Agrochemical active ingredients and pharmaceutical intermediates.

#### B. Basis of preparation

##### (1) Statement of compliance with Ind AS

The accompanying consolidated financial statements have been prepared in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015, as amended and notified under section 133 of the Companies Act, 2013, (the 'Act') and other relevant provisions of the Act.

The consolidated financial statements for the year ended 31 March 2022 have been reviewed by the Audit Committee and subsequently approved by the Board of Directors at its meeting held on May 02, 2022.

##### (2) Historical cost convention

The financial statements have been prepared on a historical cost basis, except for the following:

- certain financial assets and liabilities (including derivative instruments) that is measured at fair value (refer- Accounting policy regarding financials instruments);
- defined benefit plans – plan assets measured at fair value less present value of defined benefit obligation; and
- share-based payments - measured at fair value

##### (3) Basis of Consolidation

###### (i) Subsidiaries:

Subsidiaries are all entities over which the group has control. The group controls an entity when the group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the group. They are deconsolidated from the date that control ceases.

The acquisition method of accounting is used to account for business combinations by the group. The group combines the financial statements of the parent and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses. Inter Group transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed wherever necessary to ensure consistency with the policies adopted by the group.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of profit and loss, consolidated statement of changes in equity and balance sheet respectively.

## Notes forming part of the Consolidated Financial Statements

For the year ended March 31, 2022

### (ii) Equity method:

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the group's share of the post-acquisition profits or losses of the investee in the Consolidated Statement of Profit and Loss, and the group's share of other comprehensive income of the investee in other comprehensive income.

When the group's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the unless it has incurred obligations or made payments on behalf of the other entity group does not recognise further losses, Unrealised gains on transactions between the group and its subsidiaries are eliminated to the extent of the group's interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of equity accounted investees have been changed where necessary to ensure consistency with the policies adopted by the group.

### (4) Functional and presentation currency

Items included in the financial statements of the Group are measured using the currency of the primary economic environment in which the entity operates ('the functional currency') The Indian Rupee (INR) is the functional and presentation currency of the Group. All amounts have been rounded off to the nearest lakh, unless otherwise indicated.

## C. Key estimates and assumptions

While preparing consolidated financial statements in conformity with Ind AS, the management has made certain estimates and assumptions that require subjective and complex judgments. These judgments affect the application of accounting policies and the reported amount of assets, liabilities, income and expenses, disclosure of contingent liabilities at the balance sheet date and the reported amount of income and expenses for the reporting period. Future events rarely develop exactly as forecasted and the best estimates require adjustments, as actual results may differ from these estimates under different assumptions or conditions.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized prospectively. Judgement, estimates and assumptions are required in particular for:

### (1) Determination of the estimated useful lives

Useful lives of property, plant and equipment are based on the life prescribed in Schedule II of the Companies Act, 2013. In cases, where the useful lives are different from that prescribed in Schedule II and in case of intangible assets, they are based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers' warranties and maintenance support.

### (2) Recognition and measurement of defined benefit obligations

The obligation arising from defined benefit plan is determined on the basis of actuarial assumptions. Key actuarial assumptions include discount rate, trends in salary escalation, actuarial rates and life expectancy. The discount rate is determined by reference to market yields at the end of the reporting period on government bonds. The period to maturity of the underlying bonds correspond to the probable maturity of the post-employment benefit obligations. Due to complexities involved in the valuation and its long-term nature, defined benefit obligation is sensitive to changes in these assumptions. All assumptions are reviewed at each reporting period.

## Notes forming part of the Consolidated Financial Statements

For the year ended March 31, 2022

### (3) Recognition of deferred tax assets

Deferred tax assets and liabilities are recognized for the future tax consequences of temporary differences between the carrying values of assets and liabilities and their respective tax bases, and unutilized business loss and depreciation carry-forwards and tax credits. Deferred tax assets are recognized to the extent that it is probable that future taxable income will be available against which the deductible temporary differences, unused tax losses, depreciation carry-forwards and unused tax credits could be utilized.

### (4) Recognition and measurement of other provisions

The recognition and measurement of other provisions are based on the assessment of the probability of an outflow of resources, and on past experience and circumstances known at the balance sheet date. The actual outflow of resources at a future date may therefore, vary from the amount included in other provisions.

### (5) Discounting of long-term financial assets/liabilities

All financial assets/liabilities are required to be measured at fair value on initial recognition. In case of financial liabilities/assets which are required to subsequently be measured at amortised cost, interest is accrued using the effective interest method.

### (6) Fair valuation of employee share options

The fair valuation of the employee share options is based on the Black-Scholes model used for valuation of options. Key assumptions made with respect to expected volatility includes share price, expected dividends and discount rate, under this option pricing model.

### (7) Determining whether an arrangement contains a lease

Ind AS 116 requires lessee to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Group makes an assessment on the expected lease term on a lease-by-lease basis and thereby assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised. In evaluating the lease term, the Group considers factors such as any significant leasehold improvements undertaken over the lease term, costs relating to the termination of the lease and the importance of the underlying asset taking into account the location of the underlying asset and the availability of suitable alternatives. The lease term in future periods is reassessed to ensure that the lease term reflects the current economic circumstances. After considering current and future economic conditions, the Group has concluded that no changes are required to lease period relating to the existing lease contracts.

### (8) Fair value of financial instruments

Derivatives are carried at fair value. Derivatives includes foreign currency forward contracts. Fair value of foreign currency forward contracts are determined using the fair value reports provided by respective bankers.

### (9) Liability for Sales Return

Accruals for estimated product returns, which are based on historical experience of actual sales returns and adjustment on account of current market scenario is considered by Group to be reliable estimate of future sales returns.

### (10) Provisions and contingent liabilities

A provision is recognised when the Group has a present obligation because of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

## Notes forming part of the Consolidated Financial Statements

For the year ended March 31, 2022

Contingent assets are neither recognised nor disclosed in the consolidated financial statements.

### D. Measurement of fair values

The Group's accounting policies and disclosures require the measurement of fair values for, both financial and non-financial assets and liabilities. The Group has an established control framework with respect to the measurement of fair values. The management regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the management assesses the evidence obtained from the third parties to support the conclusion that such valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which such valuations should be classified.

When measuring the fair value of a financial asset or a financial liability, the Group uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Group recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

### E. Significant accounting policies

#### (1) Revenue recognition:

##### i. Sale of goods

Revenue from operations comprises of sales of goods after the deduction of discounts, goods and service tax and estimated returns. Discounts given by the Group includes trade discounts, volume rebates and other incentive given to the customers. Accumulated experience is used to estimate the provision for discounts. Revenue is only recognized to the extent that it is highly probable a significant reversal will not occur.

Revenue from the sale of goods are recognized when control of the goods has transferred to our customer and when there are no longer any unfulfilled obligations to the customer, This is generally when the goods are delivered to the customer depending on individual customer terms, which can be at the time of dispatch or delivery. This is considered the appropriate point where the performance obligations in our contracts are satisfied as the Group no longer have control over the inventory.

Our customers have the contractual right to return goods only when authorized by the Group. As at 31 March 2022, an estimate has been made of goods that will be returned and a liability has been recognized for this amount. An asset has also been recorded for the corresponding inventory that is estimated to return to the Group using a best estimate based on accumulated experience.

## Notes forming part of the Consolidated Financial Statements

For the year ended March 31, 2022

### ii. Dividend income

Dividend income is recognised only when the right to receive the same is established, it is probable that the economic benefits associated with the dividend will flow to the Group, and the amount of dividend can be measured reliably.

### iii. Interest income

For all financial instruments measured at amortised cost, interest income is recorded using the effective interest rate (EIR), which is the rate that discounts the estimated future cash payments or receipts through the expected life of the financial instruments or a shorter period, where appropriate, to the net carrying amount of the financial assets. Interest income is included in other income in the Statement of Profit and Loss.

## (2) Foreign currency:

### (i) Transaction and balances

Transactions in foreign currencies are translated into the respective functional currencies of the Group at the exchange rates at the dates of the transactions or an average rate if the average rate approximates the actual rate at the date of the transaction. Foreign currency transactions are recorded on initial recognition in the functional currency, using the exchange rate at the date of the transaction. At each balance sheet date, foreign currency monetary items are reported using the closing exchange rate. Exchange differences that arise on settlement of monetary items or on reporting at each balance sheet date of the Group's monetary items at the closing rate are recognized as income and expenses in the period in which they arise.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of transactions. Non-monetary items that are measured at fair value in a foreign currency shall be translated using the exchange rates at the date when the fair value was measured.

Exchange differences are generally recognised in the Statement of Profit and Loss, except exchange differences arising from the translation of the following item which are recognized in OCI:

Qualifying cash flow hedges to the extent that the hedges are effective.

## (3) Employment Benefits

### (i) Short-term obligations

Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably. The Group has a scheme of Performance Linked Variable Remuneration (PLVR) which rewards its employees based on either Economic Value Added (EVA) or Profit before tax (PBT). The PLVR amount is related to actual improvement made in either EVA or PBT over the previous year when compared with expected improvements.

### (ii) Other long-term employee benefit obligations

The liabilities for earned leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Re-



## Notes forming part of the Consolidated Financial Statements

For the year ended March 31, 2022

measurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss.

Liability toward Long-term Compensated Absences is provided for on the basis of an actuarial valuation, using the Projected Unit Credit Method, as at the date of the Balance Sheet. Actuarial gains/losses comprising of experience adjustments and the effects of changes in actuarial assumptions are immediately recognised in the Statement of Profit and Loss.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

### (iii) Post-employment obligations

The Group operates the following post-employment schemes:

- (a) defined benefit plans such as gratuity, and
- (b) defined contribution plans such as provident fund.

#### Gratuity obligations

The following post – employment benefit plans are covered under the defined benefit plans:

##### Gratuity :

The Group's net obligation in respect of defined benefit plans is calculated by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

The calculation of defined benefit obligations is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Group, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan.

Re-measurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

#### Defined contribution plans

The Group pays provident fund contributions to publicly administered provident funds as per local regulations. The Group has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefit expense when they are due.

### (iv) Share-based payments

Share-based compensation benefits are provided to employees via the Astec LifeSciences Limited Employee Stock Option Plan.

## Notes forming part of the Consolidated Financial Statements

For the year ended March 31, 2022

### Employee options:

The fair value of options granted under the Astec LifeSciences Limited Employee Stock Option Plan is recognised as an employee benefits expense with a corresponding increase in equity. The total amount to be expensed is determined by reference to the fair value of the options granted:

- including any market performance conditions (e.g., the entity's share price)
- excluding the impact of any service and non-market performance vesting conditions (e.g. profitability, sales growth targets and remaining an employee of the entity over a specified time period), and
- Including the impact of any non-vesting conditions (e.g. the requirement for employees to save or holdings shares for a specific period of time).

The total expense is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of each period, the entity revises its estimates of the number of options that are expected to vest based on the non-market vesting and service conditions. It recognises the impact of the revision to original estimates, if any, in profit or loss, with a corresponding adjustment to equity.

### (v) Bonus plans

The Group recognises a liability and an expense for bonuses. The Group recognises a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

### (vi) Terminal benefits

All terminal benefits are recognized as an expense in the period in which they are incurred.

### (4) Income-tax

Income tax expense comprises current and deferred tax. It is recognised in the Statement of Profit and Loss except to the extent that it relates to a business combination, or items recognised directly in equity or in the OCI.

#### (i) Current tax

Current tax is the amount of tax payable (recoverable) in respect of the taxable profit/(tax loss) for the year determined in accordance with the provisions of the Income-Tax Act, 1961. 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 tax rates and tax laws that have been enacted or substantively enacted at the reporting date.

Current tax assets and liabilities are offset only if, the Group:

- a) has a legally enforceable right to set off the recognised amounts; and
- b) intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

#### (ii) Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for:

- temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss;
- temporary differences related to investments in subsidiaries and associates to the extent that the Group is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and
- taxable temporary differences arising on the initial recognition of goodwill.

## Notes forming part of the Consolidated Financial Statements

For the year ended March 31, 2022

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves. Unrecognized deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. Taxes relating to items recognized directly in equity or OCI is recognized in equity or OCI and not in the statement of profit and loss.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are off-set only if:

- a) the entity has a legally enforceable right to set off current tax assets against current tax liabilities; and
- b) The deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority on the same taxable entity.

### (5) Inventories

#### (i) Raw materials and stores, work in progress, traded and finished goods

Raw materials and stores, work in progress, traded and finished goods are stated at the lower of cost and net realisable value. Cost of raw materials and traded goods comprises cost of purchases. Cost of work-in progress and finished goods comprises direct materials, direct labour and an appropriate proportion of variable and fixed overhead expenditure, the latter being allocated on the basis of normal operating capacity. Cost of inventories also include all other costs incurred in bringing the inventories to their present location and condition. Cost includes the reclassification from equity of any gains or losses on qualifying cash flow hedges relating to purchases of raw material but excludes borrowing costs. Costs are assigned to individual items of inventory on the basis of weighted average price. Costs of purchased inventory are determined after deducting rebates and discounts. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

### (6) Property, plant and equipment

#### (i) Recognition and measurement

Items of property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses, if any.

The cost of an item of property, plant and equipment comprises:

- a) its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates.
- b) any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.
- c) the initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located, the obligation for which an entity incurs either when the item is acquired or as a consequence of

## Notes forming part of the Consolidated Financial Statements

For the year ended March 31, 2022

having used the item during a particular period for purposes other than to produce inventories during that period.

Income and expenses related to the incidental operations, not necessary to bring the item to the location and condition necessary for it to be capable of operating in the manner intended by management, are recognised in the Statement of Profit and Loss.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted and depreciated for as separate items (major components) of property, plant and equipment.

Any gain or loss on disposal of an item of property, plant and equipment is recognised in the Statement of Profit and Loss.

### (ii) Subsequent expenditure

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Group.

### (iii) Depreciation/ Amortizations

Depreciation is calculated using the straight-line method to allocate their cost, net of their residual values, over their estimated useful lives specified in schedule II to the Companies Act, 2013 except for the following:

- Plant and Machinery: Based on the condition of the plants, regular maintenance schedule, material of construction, external and internal assessment and past experience, the Group has considered useful life of Plant and Machinery as 20 years.
- Computer Hardware: Depreciated over its estimated useful life of 4 years.
- Right of use Asset: Amortized over the primary lease period.
- Leasehold improvements and equipments': Amortised over the Primary lease period or 16 years whichever is less.

Assets costing less than ₹ 5,000 are fully depreciated in the year of purchase/acquisition. Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss within other gains/(losses).

## (7) Intangible assets

### (i) Computer software

#### Recognition and measurement

Intangible assets are recognized when it is probable that the future economic benefits that are attributable to the assets will flow to the Group and the cost of the asset can be measured reliably.

Intangible assets viz. Computer software and product registration, which are acquired by the Group and have finite useful lives are measured at cost less accumulated amortisation and any accumulated impairment losses.

## Notes forming part of the Consolidated Financial Statements

For the year ended March 31, 2022

### Amortisation

Amortisation is calculated to write off the cost of intangible assets less their estimated residual values using the straight-line method over their estimated useful lives, and is generally recognised in profit or loss.

The intangible assets are amortised over the estimated useful lives as given below:

- Computer software 6 years
- Product Registration 5 years

### (ii) Research and development

Revenue expenditure on research & development is charged to the Statement of Profit and Loss of the year in which it is incurred.

Capital expenditure incurred during the period on research & development is accounted for as an addition to property, plant & equipment.

### (8) Borrowing costs

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Other borrowing costs are expensed in the period in which they are incurred.

### (9) Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker ("CODM") of the Group. The CODM, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Managing Director and Chief Operating Officer of the Group. The Group has identified only one segment i.e. Agrochemicals as reporting segment based on the information reviewed by CODM.

### (10) Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial instruments also include derivative contracts such as foreign currency foreign exchange forward contracts.

Financial instruments also covers contracts to buy or sell a non-financial item that can be settled net in cash or another financial instrument, or by exchanging financial instruments, as if the contracts were financial instruments, with the exception of contracts that were entered into and continue to be held for the purpose of the receipt or delivery of a non-financial item in accordance with the entity's expected purchase, sale or usage requirements.

Derivatives are currently recognized at fair value on the date on which the derivative contract is entered into and are subsequently re-measured to their fair value at the end of each reporting period.

### (11) Hedge accounting

The Group designates certain hedging instruments in respect of foreign currency risk, interest rate risk and commodity price risk as cash flow hedges. At the inception of the hedge relationship, the entity documents the relationship between the hedging instrument and the hedged item, along with its risk management

## Notes forming part of the Consolidated Financial Statements

For the year ended March 31, 2022

objectives and its strategy for undertaking various hedge transactions. Furthermore, at the inception of the hedge and on an ongoing basis, the Group documents whether the hedging instrument is highly effective in offsetting changes in fair values or cash flows of the hedged item attributable to the hedged risk.

The effective portion of changes in the fair value of the designated portion of derivatives that qualify as cash flow hedges is recognised in other comprehensive income and accumulated under equity. The gain or loss relating to the ineffective portion is recognised immediately in statement of profit or loss.

Amounts previously recognised in other comprehensive income and accumulated in equity relating to effective portion as described above are reclassified to profit or loss in the periods when the hedged item affects profit or loss, in the same line as the recognised hedged item. However, when the hedged forecast transaction results in the recognition of a non-financial asset or a non-financial liability, such gains and losses are transferred from equity and included in the initial measurement of the cost of the non-financial asset or non-financial liability.

Hedge accounting is discontinued prospectively when the hedging instrument expires or is sold, terminated, or exercised, or when it no longer qualifies for hedge accounting. Any gain or loss recognised in other comprehensive income and accumulated in equity at that time remains in equity and is recognised when the forecast transaction is ultimately recognised in profit or loss. When a forecast transaction is no longer expected to occur, the gain or loss accumulated in equity is recognised immediately in the statement profit or loss.

### i. Financial assets

#### Classification

The Group classifies its financial assets in the following measurement categories:

- Where assets are measured at fair value, gains and losses are either recognized entirely in the Statement of Profit and Loss (i.e. fair value through profit or loss), or recognized in Other Comprehensive Income (i.e. fair value through other comprehensive income).
- A financial asset that meets the following two conditions is measured at amortized cost (net of any write down for impairment) unless the asset is designated at fair value through profit or loss under the fair value option.

Business model test: The objective of the Group's business model is to hold the financial asset to collect the contractual cash flows (rather than to sell the instrument prior to its contractual maturity to realize its fair value changes).

Cash flow characteristics test: 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.

#### Initial recognition & measurement

At initial recognition, the Group measures a financial asset at fair value plus, in the case of a financial asset not recorded at fair value through the Statement of Profit and Loss, transaction costs that are attributable to the acquisition of the financial asset.

## Notes forming part of the Consolidated Financial Statements

For the year ended March 31, 2022

### Equity investments

- All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Group decides to classify the same either as at FVOCI or FVTPL. The Group makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.
- If the Group decides to classify an equity instrument as FVOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to profit and loss, even on sale of investment. However, the Group may transfer the cumulative gain or loss within equity.
- Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

### Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a Group of similar financial assets) is primarily derecognised (i.e. removed from the Group's balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of the Group's continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

### Impairment of financial assets

In accordance with Ind-AS 109, the Group applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- a) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, deposits, and bank balance.
- b) Trade receivables - The application of simplified approach does not require the Group to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition. Trade receivables are tested for impairment on a specific basis after considering the sanctioned credit limits, security like letters of credit, security deposit collected etc. and expectations about future cash flows.

## Notes forming part of the Consolidated Financial Statements

For the year ended March 31, 2022

### ii. Financial liabilities

#### Classification

Financial liabilities and equity instruments issued by the Group are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

The Group classifies all financial liabilities as subsequently measured at amortised cost, except for financial liabilities at fair value through the Statement of Profit and Loss. Such liabilities, including derivatives that are liabilities, shall be subsequently measured at fair value.

#### Initial recognition and measurement

Financial liabilities are recognised when the Group becomes a party to the contractual provisions of the instrument. Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable and incremental transaction cost.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

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

#### Financial guarantee contracts

Financial guarantee contracts issued by the Group are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind-AS 109 and the amount recognised less cumulative amortisation.

#### Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit and loss.

#### Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.



## Notes forming part of the Consolidated Financial Statements

For the year ended March 31, 2022

### Derivative financial instruments

The Group uses derivative financial instruments, such as forward currency contracts and interest rate swaps, to hedge its foreign currency risks and interest rate risks respectively. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. The accounting for subsequent changes in fair value depends on whether the derivative is designated as a hedging instrument, and if so, the nature of item being hedged and the type of hedge relationship designated.

Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

### (12) Provisions, contingent liabilities and contingent assets

Provisions are recognized when there is a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

The expenses relating to a provision is presented in the Statement of Profit and Loss net of any reimbursement.

If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows specific to the liability. The unwinding of the discount is recognised as finance cost.

A provision for onerous contracts is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established, the Group recognises any impairment loss on the assets associated with that contract.

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but will probably not, require an outflow of resources. When there is a possible obligation of a present obligation in respect of which the likelihood of outflow of resources is remote, no provision disclosure is made.

A contingent asset is not recognised but disclosed in the financial statements where an inflow of economic benefit is probable.

Commitments includes the amount of purchase order (net of advance) issued to parties for completion of assets. Provisions, contingent assets, contingent liabilities and commitments are reviewed at each balance sheet date.

### (13) Cash flow hedges that qualify for hedge accounting

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognized in the other comprehensive income in cash flow hedging reserve within equity, limited to the cumulative change in fair value of hedged item on a present value basis from the inception of hedge. The gain or loss relating to the effective portion is recognized immediately in profit or loss.

Amounts accumulated in equity are reclassified to profit or loss in the periods when the hedged item affects profit or loss.

### (14) 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.

## Notes forming part of the Consolidated Financial Statements

For the year ended March 31, 2022

### Group as a lessee

The Group's lease asset classes primarily consist of leases for land and buildings. The group assesses whether a contract contains a lease, at inception of a contract. 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. To assess whether a contract conveys the right to control the use of an identified asset, the group assesses whether: (1) the contract involves the use of an identified asset (2) the group has substantially all of the economic benefits from use of the asset through the period of the lease and (3) the group has the right to direct the use of the asset.

At the date of commencement of the lease, the Group recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short term and low value leases, the Group recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognized 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. They are 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.

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.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the group changes its assessment if whether it will exercise an extension or a termination option.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

### Group as a lessor

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

## Notes forming part of the Consolidated Financial Statements

For the year ended March 31, 2022

When the Group is an intermediate lessor, it accounts for its interests in the head lease and the sublease separately. The sublease is classified as a finance or operating lease by reference to the right-of-use asset arising from the head lease.

For operating leases, rental income is recognized on a straight line basis over the term of the relevant lease.

### (15) Impairment of non-financial assets

Goodwill and intangible assets that have infinite useful life are not subjected to amortization and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired.

The carrying values of other assets/cash generating units at each balance sheet date are reviewed for impairment if any indication of impairment exists. If the carrying amount of the assets exceed the estimated recoverable amount, an impairment is recognised for such excess amount.

The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor that reflects current market assessments of the time value of money and the risk specific to the asset.

When there is indication that an impairment loss recognised for an asset (other than a revalued asset) in earlier accounting periods which no longer exists or may have decreased, such reversal of impairment loss is recognised in the Statement of Profit and Loss, to the extent the amount was previously charged to the Statement of Profit and Loss. In case of revalued assets, such reversal is not recognised.

### (16) Dividends

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.

### (17) Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Group's cash management.

### (18) Earnings per share

#### (i) Basic earnings per share

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the Group
- by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year and excluding treasury shares.

#### (ii) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

## Notes forming part of the Consolidated Financial Statements

For the year ended March 31, 2022

- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

### (F) Recent Indian Accounting Standards (Ind AS)

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. There is no such notification which would have been applicable from April 1, 2022.

### Recent Pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 23, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, applicable from April 1st, 2022, as below:

#### Ind AS 103 – Reference to Conceptual Framework

The amendments specify that to qualify for recognition as part of applying the acquisition method, the identifiable assets acquired and liabilities assumed must meet the definitions of assets and liabilities in the Conceptual Framework for Financial Reporting under Indian Accounting Standards (Conceptual Framework) issued by the Institute of Chartered Accountants of India at the acquisition date. These changes do not significantly change the requirements of Ind AS 103. The Company does not expect the amendment to have any significant impact in its financial statements.

#### Ind AS 16 – Proceeds before intended use

The amendments mainly prohibit an entity from deducting from the cost of property, plant and equipment amounts received from selling items produced while the company is preparing the asset for its intended use. Instead, an entity will recognise such sales proceeds and related cost in profit or loss. The Company does not expect the amendments to have any impact in its recognition of its property, plant and equipment in its financial statements.

#### Ind AS 37 – Onerous Contracts - Costs of Fulfilling a Contract

The amendments specify that that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts. The amendment is essentially a clarification and the Company does not expect the amendment to have any significant impact in its financial statements.

#### Ind AS 109 – Annual Improvements to Ind AS (2021)

The amendment clarifies which fees an entity includes when it applies the '10 percent' test of Ind AS 109 in assessing whether to derecognise a financial liability. The Company does not expect the amendment to have any significant impact in its financial statements.

#### Ind AS 106 – Annual Improvements to Ind AS (2021)

The amendments remove the illustration of the reimbursement of leasehold improvements by the lessor in order to resolve any potential confusion regarding the treatment of lease incentives that might arise because of how lease incentives were described in that illustration. The Company does not expect the amendment to have any significant impact in its financial statements.

## Notes forming part of the Consolidated Statements

For the year ended March 31, 2022

### Note 2 (a) : Property, Plant & Equipment

(₹. lakh)

Particulars	Plant and Machinery	Factory Building	Office Buildings	Electrical Installations	Furniture and Fixtures	Vehicles	Computers	Office & Other Equipment	Total
<b>Gross Block</b>									
As at April 1, 2021	19,792.83	6,651.20	267.48	542.76	176.81	305.88	132.52	92.01	27,961.49
Additions	8,492.39	5,939.64	-	1,153.35	98.63	111.99	65.08	123.46	15,984.54
Disposals	-	-	-	-	-	11.62	2.84	-	14.46
As at March 31, 2022	28,285.22	12,590.84	267.48	1,696.11	275.44	406.25	194.76	215.47	43,931.57
<b>Accumulated Depreciation</b>									
As at April 1, 2021	8,179.35	1,016.78	28.20	197.22	118.44	127.75	75.80	48.53	9,792.07
For the year	2,620.19	464.10	4.73	120.07	21.85	41.98	30.10	25.77	3,328.79
Disposals	-	-	-	-	-	0.69	2.81	-	3.50
As at March 31, 2022	10,799.54	1,480.88	32.93	317.29	140.29	169.04	103.09	74.30	13,117.36
Net Block as at March 31, 2022	17,485.68	11,109.96	234.55	1,378.82	135.15	237.21	91.67	141.17	30,814.21
<b>Gross Block</b>									
As at April 1, 2020	17,653.80	6,008.32	267.48	532.25	174.87	272.38	105.19	81.79	25,096.08
Additions	2,157.50	642.88	-	10.51	1.94	33.50	27.33	10.22	2,883.88
Disposals	18.47	-	-	-	-	-	-	-	18.47
As at March 31, 2021	19,792.83	6,651.20	267.48	542.76	176.81	305.88	132.52	92.01	27,961.49
<b>Accumulated Depreciation</b>									
As at April 1, 2020	6,125.06	736.81	23.48	150.29	102.64	96.23	54.06	35.10	7,323.67
For the year	2,070.61	279.97	4.72	46.93	15.80	31.52	21.74	13.43	2,484.72
Disposals	16.32	-	-	-	-	-	-	-	16.32
As at March 31, 2021	8,179.35	1,016.78	28.20	197.22	118.44	127.75	75.80	48.53	9,792.07
Net Block as at March 31, 2021	11,613.48	5,634.42	239.28	345.54	58.37	178.13	56.72	43.48	18,169.42

## Notes forming part of the Consolidated Financial Statements

For the year ended March 31, 2022

**Note 2(a) 1:** During the year the Company Capitalised borrowing cost for ₹ 74.02 lakh (Previous Year ₹ 59.93 lakh)

### Note 2 (b): Capital work-in-progress

		(₹. lakh)
Particulars	Total	
As at April 1, 2021		11,167.69
Additions		6,037.19
Capitalised during the year		(15,831.64)
<b>As at March 31, 2022</b>		<b>1,373.24</b>
As at April 1, 2020		2,211.22
Additions		11,777.32
Capitalised during the year		(2,820.85)
<b>As at March 31, 2021</b>		<b>11,167.69</b>

### Note 2(b) 2: Capital work-in-progress Ageing Schedule as of March 31, 2022

						(₹. lakh)
Capital work-in-progress Ageing Schedule for current year	Amount in Capital work-in-progress for a period of				Total	
	Less than 1 year	1-2 years	2-3 years	More than 3 years		
Projects in Progress	1,337.69	35.55	-	-	1,373.24	

There are no Projects temporarily suspended during the current year.

						(₹. lakh)
Capital work-in-progress Ageing Schedule for previous year	Amount in Capital work-in-progress for a period of				Total	
	Less than 1 year	1-2 years	2-3 years	More than 3 years		
Projects in Progress	11,167.69	-	-	-	11,167.69	

There are no Projects temporarily suspended during the previous year.

### Note 3 - Right-of-use assets

		(₹. lakh)
Particulars	Leasehold Land	
<b>Gross Block</b>		
<b>As at April 1, 2020</b>		<b>1,441.21</b>
Additions		1,582.45
Disposals		-
<b>Balance as at March 31, 2021</b>		<b>3,023.66</b>
Additions		1.65
Disposals		-
<b>Balance as at March 31, 2022</b>		<b>3,025.31</b>

## Notes forming part of the Consolidated Financial Statements

For the year ended March 31, 2022

### Note 3 - Right-of-use assets (Contd.)

(₹. lakh)

Particulars	Leasehold Land
<b>As at April 1, 2020</b>	<b>8.04</b>
Depreciation	30.16
Impairment loss	-
<b>Balance as at March 31, 2021</b>	<b>38.20</b>
Depreciation	36.66
Impairment loss	-
<b>Balance as at March 31, 2022</b>	<b>74.86</b>
<b>Carrying amounts</b>	
As at April 1, 2020	1,433.17
<b>Balance as at March 31, 2021</b>	<b>2,985.46</b>
<b>Balance as at March 31, 2022</b>	<b>2,950.45</b>

### Note 3.1 - Breakdown of lease expenses

(₹. lakh)

Particulars	For the Year ended March 31, 2022	For the Year ended March 31, 2021
Short-term lease expense	101.80	105.32
<b>Total lease expense</b>	<b>101.80</b>	<b>105.32</b>

### Note 3.2 - Cash outflow on leases

(₹. lakh)

Particulars	For the Year ended March 31, 2022	For the Year ended March 31, 2021
Repayment of lease liabilities	-	-
Interest on lease liabilities	-	-
Short-term lease expense	101.80	105.32
<b>Total cash outflow on leases</b>	<b>101.80</b>	<b>105.32</b>

### Note 4 (a): Intangible Assets

(₹. lakh)

Particulars	Computer Software	Product Registration	Total
<b>Gross Block</b>			
<b>As at April 1, 2021</b>	<b>317.41</b>	<b>250.57</b>	<b>567.98</b>
Additions	187.20	-	187.20
Disposals	-	-	-
<b>As at March 31, 2022</b>	<b>504.61</b>	<b>250.57</b>	<b>755.18</b>

## Notes forming part of the Consolidated Financial Statements

For the year ended March 31, 2022

### Note 4 (a): Intangible Assets (Contd.)

(₹. lakh)

Particulars	Computer Software	Product Registration	Total
<b>Accumulated amortisation</b>			
As at April 1, 2021	204.64	250.57	455.21
For the year	70.18	-	70.18
Disposals	-	-	-
<b>As at March 31, 2022</b>	<b>274.82</b>	<b>250.57</b>	<b>525.39</b>
<b>Net Block as at March 31, 2022</b>	<b>229.79</b>	<b>-</b>	<b>229.79</b>
<b>Gross Block</b>			
As at April 1, 2020	310.85	250.57	561.42
Additions	6.56	-	6.56
Disposals	-	-	-
<b>As at March 31, 2021</b>	<b>317.41</b>	<b>250.57</b>	<b>567.98</b>
<b>Accumulated amortisation</b>			
As at April 1, 2020	153.99	250.57	404.56
For the year	50.65	-	50.65
Disposals	-	-	-
<b>As at March 31, 2021</b>	<b>204.64</b>	<b>250.57</b>	<b>455.21</b>
<b>Net Block as at March 31, 2021</b>	<b>112.77</b>	<b>-</b>	<b>112.77</b>

### Note 4 (b): Intangible Assets under development

(₹. lakh)

Particulars	Total
As at April 1, 2021	403.50
Additions	672.70
Capitalised during the year	(166.95)
<b>As at March 31, 2022</b>	<b>909.25</b>
As at April 1, 2020	199.52
Additions	203.98
Capitalised during the year	-
<b>As at March 31, 2021</b>	<b>403.50</b>



## Notes forming part of the Consolidated Financial Statements

For the year ended March 31, 2022

### Note 4 (b). 2: Intangible Assets under development Ageing Schedule as of March 31, 2022

(₹. lakh)

Intangible Assets under development Ageing Schedule for current year	Amount in Intangible Assets under development for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in Progress	614.66	169.31	125.28	-	909.25

There are no Projects temporarily suspended during the current year.

(₹. lakh)

Intangible Assets under development Ageing Schedule for previous year	Amount in Intangible Assets under development for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in Progress	276.90	126.60	-	-	403.50

There are no Projects temporarily suspended during the previous year.

### Note 5: Non-current financial assets- Investments

(₹. lakh)

Particulars	As at March 31, 2022	As at March 31, 2021
<b>A. Investment in equity instruments at fair value through Statement of Profit &amp; Loss (Fully paid, unquoted)</b>		
Shamrao Vithal Co-operative Bank Ltd 2,100 (Previous Year 2,100) equity shares of ₹ 25/- each	0.53	0.53
<b>Total</b>	<b>0.53</b>	<b>0.53</b>

### Note 5.1: Other disclosures

(₹. lakh)

Particulars	As at March 31, 2022	As at March 31, 2021
Aggregate amount of quoted investment	-	-
Market value of quoted investment	-	-
Aggregate amount of unquoted investments	0.53	0.53
Aggregate amount of impairment in value of investments	-	-

### Note 6: Non-current financial assets

(₹. lakh)

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Unsecured, considered good (unless otherwise stated)</b>		
Security deposits	289.06	333.76
<b>Total</b>	<b>289.06</b>	<b>333.76</b>

## Notes forming part of the Consolidated Financial Statements

For the year ended March 31, 2022

### Note 7: Other tax assets / (liabilities) (net)

(₹. lakh)

Particulars	As at March 31, 2022	As at March 31, 2021
Opening balance	191.72	351.55
Less: Current tax payable for the year	2,863.40	2,326.47
Add: Taxes paid	2,914.95	2,301.06
Less: Earlier year tax adjustment	-	134.42
<b>Closing balance</b>	<b>243.27</b>	<b>191.72</b>

### Note 8: Other non-current assets

(₹. lakh)

Particulars	As at March 31, 2022	As at March 31, 2021
1. Capital advances	336.00	201.58
2. Balance with Government Authorities		
(i) Considered good	962.15	1,149.12
(ii) Credit impaired	93.33	52.09
Less : Loss allowance	(93.33)	(52.09)
	<b>962.15</b>	<b>1,149.12</b>
<b>Total</b>	<b>1,298.15</b>	<b>1,350.70</b>

### Note 9: Inventories

(₹. lakh)

Particulars	As at March 31, 2022	As at March 31, 2021
(Valued at lower of cost and net realisable value)		
1. Raw materials (including stock in transit of ₹ 2,355.45 Lakh (Previous year : ₹ 1,688.79 Lakh)	8,044.14	5,786.79
2. Work-in-progress	5,830.68	3,791.80
3. Finished goods	4,489.43	727.89
4. Stores and Spares	330.39	302.67
<b>Total</b>	<b>18,694.64</b>	<b>10,609.15</b>

**Note 9.1:** During the year ended March 31, 2022, an amount of ₹ 228.67 lakh (previous year ₹ Nil) was charged to the statement of profit and loss on account of write-down of inventories.

### Note 10: Current trade receivables (Refer note 38.2)

(₹. lakh)

Particulars	As at March 31, 2022	As at March 31, 2021
- Unsecured and considered good	27,362.76	18,715.31
- Credit impaired	-	24.78
Less : Loss allowance	-	(24.78)
<b>Total</b>	<b>27,362.76</b>	<b>18,715.31</b>

## Notes forming part of the Consolidated Financial Statements

For the year ended March 31, 2022

### Note 10.1: Trade Receivables Ageing Schedule

(₹. lakh)

Trade Receivables Ageing Schedule as at March 31, 2022	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade receivables						
Considered good	27,268.69	91.95	2.12	-	-	27,362.76
Credit impaired	-	-	-	-	-	-
<b>Total</b>	<b>27,268.69</b>	<b>91.95</b>	<b>2.12</b>	<b>-</b>	<b>-</b>	<b>27,362.76</b>

(₹. lakh)

Trade Receivables Ageing Schedule as at March 31, 2021	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade receivables						
Considered good	18,704.29	10.51	0.51	-	-	18,715.31
Credit impaired	-	-	1.20	4.38	19.20	24.78
<b>Total</b>	<b>18,704.29</b>	<b>10.51</b>	<b>1.71</b>	<b>4.38</b>	<b>19.20</b>	<b>18,740.09</b>

**Note 10.2:** There are no Disputed Trade Receivables during the current year or previous year.

### Note 11: Cash and cash equivalents

(₹. lakh)

Particulars	As at March 31, 2022	As at March 31, 2021
1. Cash on hand	0.15	0.74
2. Balances with Banks:		
Current Accounts	55.30	33.14
<b>Total</b>	<b>55.45</b>	<b>33.88</b>

### Note 12: Bank balances other than cash & cash equivalents

(₹. lakh)

Particulars	As at March 31, 2022	As at March 31, 2021
1. Fixed deposits - maturity more than 3 months and less than 12 months (Refer Note 12.1)	151.49	116.93
2. Unclaimed Dividend accounts	5.93	6.51
<b>Total</b>	<b>157.42</b>	<b>123.44</b>

## Notes forming part of the Consolidated Financial Statements

For the year ended March 31, 2022

**Note 12.1:** Fixed deposits are restricted and the same is held towards security of bank guarantees.

### Note 13: Current financial assets - loans

(₹. lakh)

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Unsecured, considered good, unless otherwise stated</b>		
1. Loans and Advances - Others	-	-
Loans and advances to employees	14.62	5.99
Security Deposits	-	-
<b>Total</b>	<b>14.62</b>	<b>5.99</b>

**Note 13.1:** 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 or its subsidiary companies incorporated in India to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall: directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Holding Company or its subsidiary companies incorporated in India or provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

The Holding Company or its subsidiary companies, incorporated in India have not received any funds from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or its subsidiary companies incorporated in India shall: directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Funding Parties or provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries.

### Note 14: Other current financial assets

(₹. lakh)

Particulars	As at March 31, 2022	As at March 31, 2021
1. Security Deposits	2.85	1.56
2. Merchandise exports incentive scheme - scripts in hand	278.96	120.29
3. Interest accrued on financial assets	18.84	25.36
4. Claims receivable	200.00	-
<b>Total</b>	<b>500.65</b>	<b>147.21</b>

### Note 15: Other current assets

(₹. lakh)

Particulars	As at March 31, 2022	As at March 31, 2021
1. Advances to suppliers	419.86	108.17
2. Balance with government authorities		
(i) Considered good	3,875.59	3,023.68
(ii) Credit impaired	23.29	36.30

## Notes forming part of the Consolidated Financial Statements

For the year ended March 31, 2022

### Note 15: Other current assets (Contd.)

(₹. lakh)

Particulars	As at March 31, 2022	As at March 31, 2021
Less : Loss allowance	(23.29)	(36.30)
Total Balance with government authorities (net)	3,875.59	3,023.68
3. Prepaid expenses	486.71	275.08
4. Others	0.02	1.13
<b>Total</b>	<b>4,782.18</b>	<b>3,408.06</b>

### Note 16: Share Capital

(₹. lakh)

Particulars	As at March 31, 2022	As at March 31, 2021
<b>1. Authorised:</b>		
2,50,00,000 (Previous year: 2,50,00,000) Equity shares of the par value of ₹ 10 each	2,500.00	2,500.00
<b>Total</b>	<b>2,500.00</b>	<b>2,500.00</b>
<b>2. Issued, Subscribed and Paid-up:</b>		
1,95,87,555 (Previous year: 1,95,68,355) Equity shares fully paid up	1,959.76	1,958.76
<b>Total</b>	<b>1,959.76</b>	<b>1,958.76</b>
<b>3. Reconciliation of number of shares outstanding at the beginning and end of the year :</b>		
<u>Equity shares :</u>		
Outstanding at the beginning of the year	1,95,87,555	1,95,68,355
Issued during the year	10,000	19,200
<b>Outstanding at the end of the year</b>	<b>1,95,97,555</b>	<b>1,95,87,555</b>

### 4. Rights, preferences and restrictions attached to equity shares

**Equity Shares:** The Company has one class of Equity shares having a par value of ₹ 10 per share. Each Shareholder is eligible for one vote per share held. All Equity Shareholders are eligible to receive dividends in proportion to their shareholdings. The dividends proposed by the Board of Directors are subject to the approval of the Shareholders in the ensuing Annual General Meeting. In the event of liquidation, the Equity Shareholders are eligible to receive the remaining assets of the Company, after distribution of all preferential amounts, in proportion to their shareholding.

### 5. Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company

Equity shares	As at March 31, 2022		As at March 31, 2021	
	No. of shares	% of share holding	No. of shares	% of share holding
1. Godrej Agrovvet Limited - Holding company	1,24,04,016	63.29%	1,22,04,016	62.30%

## Notes forming part of the Consolidated Financial Statements

For the year ended March 31, 2022

### 6. Shares held by promoters at the end of the year in the company is set-out below:

Equity shares	As at March 31, 2022			As at March 31, 2021		
	Promoter name	No. of shares	% of total shares	% Change during the year	No. of shares	% of total shares
1. Godrej Agrovet Limited - Holding company	1,24,04,016	63.29%	0.99%	1,22,04,016	62.30%	-0.06%
2. Ashok Hiremath	3,90,802	1.99%	-0.91%	5,67,514	2.90%	-7.04%

### 7. There are no shares reserved for issue under options.

#### Note 17: Other equity

(₹. lakh)

Particulars	As at March 31, 2022	As at March 31, 2021
1. Retained earnings	30,375.04	21,683.50
2. General reserve	1,249.28	1,249.28
3. Capital redemption reserve	0.30	0.30
4. Employee stock options outstanding	29.21	41.50
5. Securities premium	6,034.80	5,983.14
6. Foreign currency translation reserve	1.15	1.33
<b>Total Equity</b>	<b>37,689.78</b>	<b>28,959.05</b>

#### General reserve

General reserve is a free reserve which is created by transferring fund from retained earnings to meet future obligations and purposes.

#### Capital redemption reserve

Capital redemption reserve was created for buy back of shares. The company may issue fully paid-up bonus shares out of the capital redemption reserve.

#### Employee stock options outstanding

The employee stock options outstanding is used to recognise the grant date fair value of options issued to employees under the Company's stock option plan.

#### Securities Premium

Securities Premium is used to record the premium received on issue of shares. The reserve is utilised in accordance with the provisions of the Companies Act, 2013.

#### Foreign currency translation reserve

Exchange differences arising on translation of the foreign operations, if any, are recognised in other comprehensive income as described in accounting policy and accumulated in a separate reserve within equity. The cumulative amount is reclassified to profit or loss when the net investment is disposed-off.

## Notes forming part of the Consolidated Financial Statements

For the year ended March 31, 2022

### Note 18: Non - Current Financial Liabilities-Borrowings

(₹. lakh)

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Unsecured</b>		
Term Loan from Bank (Refer Note 18.1)	-	4,000.00
<b>Total</b>	<b>-</b>	<b>4,000.00</b>

**Note 18.1:** Term Loan from Bank during the previous year carries interest rate at 3 month T Bill + 175 bps and is repayable on 15th April, 2022. During the current year the same (previous year ₹16.81 Lakh) has been disclosed under current maturity of Long term Borrowing.

The Company does not have any continuing default as on the Balance Sheet date in repayment of loans and interest.

### Note 19: Other non-current liabilities

(₹. lakh)

Particulars	As at March 31, 2022	As at March 31, 2021
Employee benefit payable	100.00	-
<b>Total</b>	<b>100.00</b>	<b>-</b>

### Note 20: Non-current liabilities - provisions

(₹. lakh)

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Provision for employee benefits :</b>		
- Provision for compensated absences	42.77	51.72
<b>Total</b>	<b>42.77</b>	<b>51.72</b>

### Note 21: Deferred tax liabilities (net)

(₹. lakh)

Particulars	As at March 31, 2022	As at March 31, 2021
Deferred tax liabilities (net) (Refer Note 39)	808.23	547.49
<b>Total</b>	<b>808.23</b>	<b>547.49</b>

### Note 22 : Current financial liabilities - borrowings

(₹. lakh)

Particulars	As at March 31, 2022	As at March 31, 2021
<b>1. Secured</b>		
(a) Cash credit from banks (Refer Note 22.1)	719.38	299.89
(b) Working Capital loan Rupee (Refer Note 22.2)	1,200.00	1,500.20
<b>2. Unsecured</b>		
(a) Working Capital loan Rupee (Refer Note 22.3)	2,017.93	5,403.01
(b) Commercial Paper (Refer Note 22.4)	20,000.00	7,500.00
3. Current maturities of secured long-term debt (Refer Note 18.1)	4,000.00	16.81
<b>Total</b>	<b>27,937.31</b>	<b>14,719.91</b>

## Notes forming part of the Consolidated Financial Statements

For the year ended March 31, 2022

**Note 22.1:** Cash Credit from banks are repayable on demand and carries interest at MCLR + 0.25% (Previous year - MCLR + 0.25%).

**Note 22.2:** Working capital loan from Bank carries interest rate at 4.70% (Previous year 4.75%) and is repayable within 3 months.

**Note 22.3:** Working capital loan (Rupee) from banks carries interest rate at 6.10% (Previous year - 3.41% to 4.53%). These loans are repayable on different dates within 6 months.

**Note 22.4:** Commercial Paper carries interest rate of 4.16% to 4.78% (Previous year - 3.77% to 4.25%) and are repayable on different dates within 3 months.

### Details of security:

All the secured current borrowings (Note 22 above) have first pari passu charge on the current assets of the Group, including inventory and receivables both present and future.

The group does not have any default as on the Balance Sheet date in repayment of any loan or interest.

### Note 23: Current - trade payables

(₹. lakh)

Particulars	As at March 31, 2022	As at March 31, 2021
<b>1. Trade Payables</b>		
a. Due to micro and small enterprises (Refer Note 23.1)	213.44	123.06
b. Others	18,769.32	12,694.60
<b>Total</b>	<b>18,982.76</b>	<b>12,817.66</b>

### Note 23.1: Additional disclosure related to Micro Enterprises and Small Enterprises

(₹. lakh)

Particulars	As at March 31, 2022	As at March 31, 2021
A Principal amount remaining unpaid	213.44	123.06
B Interest due thereon	-	-
C Interest paid by the company in term of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 along with the amount of the payment made to the suppliers beyond the appointed day during the year	-	-
D Interest due and payable for the year of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro, Small and Medium Enterprises Development Act, 2006	-	-
E Interest accrued and remaining unpaid	-	-
F Further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise	-	-



## Notes forming part of the Consolidated Financial Statements

For the year ended March 31, 2022

**Note 23.2:** Micro and small enterprises as defined under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) have been identified by the Group on the basis of the information available with the Group and the auditors have relied on the same. Accordingly, ₹ Nil is overdue as on March 31, 2022 (Previous year ₹ Nil) to Micro and Small Enterprises on account of principal or interest.

### Note 23.3: Trade Payable Ageing Schedule

(₹. lakh)

Trade Payable Ageing Schedule for current year	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade Payable					
(i) MSME	213.44	-	-	-	213.44
(ii) Others	18,742.87	12.70	2.10	11.65	18,769.32
<b>Total</b>	<b>18,956.31</b>	<b>12.70</b>	<b>2.10</b>	<b>11.65</b>	<b>18,982.76</b>

Trade Payable Ageing Schedule for previous year	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade Payable					
(i) MSME	123.06	-	-	-	123.06
(ii) Others	12,674.91	5.57	1.63	12.49	12,694.60
<b>Total</b>	<b>12,797.97</b>	<b>5.57</b>	<b>1.63</b>	<b>12.49</b>	<b>12,817.66</b>

### Note 23.4:

There are no Disputed Trade Payable during the current year or earlier year.

### Note 24: Other financial liabilities

(₹. lakh)

Particulars	As at March 31, 2022	As at March 31, 2021
1. Non trade payables	593.06	3,971.78
2. Derivative liability		
- Foreign exchange forward contracts designated as hedge	6.37	-
3. Unclaimed dividend	5.61	6.51
4. Others (includes accrual for bonus, incentives, etc.)	812.44	525.97
<b>Total</b>	<b>1,417.48</b>	<b>4,504.26</b>

## Notes forming part of the Consolidated Financial Statements

For the year ended March 31, 2022

### Note 25: Other current liabilities

(₹. lakh)

Particulars	As at March 31, 2022	As at March 31, 2021
1. Advances from customers	536.07	11.20
2. Employee deductions	30.66	26.79
3. Statutory liabilities	110.94	83.71
4. Others	0.41	0.69
<b>Total</b>	<b>678.08</b>	<b>122.39</b>

### Note 26: Current liabilities - provisions

(₹. lakh)

Particulars	As at March 31, 2022	As at March 31, 2021
1. Provision for employee benefits		
- Provision for compensated absences	3.36	3.32
- Provision for gratuity	11.23	44.76
2. Provision for sales return (Refer note 26.1)	28.59	15.35
<b>Total</b>	<b>43.18</b>	<b>63.43</b>

#### Note 26.1: Movement of Provision for Sales return

(₹. lakh)

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Opening balance</b>	15.35	12.45
Less:- Utilised during the year	15.35	12.45
Less:- Reversed during the year	-	-
Add:- Provision for the year	28.59	15.35
<b>Closing balance</b>	<b>28.59</b>	<b>15.35</b>

### Note 27: Revenue from operations (Refer Note 27.1)

(₹. lakh)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
<b>1. Sale of products</b>		
- Export sales	39,060.09	27,046.21
- Domestic sales	28,596.52	28,441.00
<b>Total</b>	<b>67,656.61</b>	<b>55,487.21</b>

## Notes forming part of the Consolidated Financial Statements

For the year ended March 31, 2022

### Note 27.1: (1.) Sales by performance obligations

(₹. lakh)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Upon delivery	26,961.88	25,463.41
Upon shipment	40,694.73	30,023.80
<b>Total</b>	<b>67,656.61</b>	<b>55,487.21</b>

### 2. Reconciliation of revenue from contract with customers

(₹. lakh)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Revenue from contract with customer as per the contract price	67,983.07	55,879.23
<b>Adjustments made to contract price on account of :-</b>		
(a) Commission / Discounts	(326.46)	(392.02)
<b>Total</b>	<b>67,656.61</b>	<b>55,487.21</b>

### Note 28: Other Income

(₹. lakh)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
1. Export Incentives	33.35	379.57
2. Interest income		
a. Instruments measured at amortised cost		
(i) Interest received on deposits	6.30	7.70
(ii) Interest received on Inter-corporate deposits	-	52.61
(iii) Interest received on others	20.01	18.17
3. Profit on sale of Fixed Assets (net)	1.43	-
4. Insurance claims	200.00	4.51
5. Sundry balances/Provision written back	28.38	-
6. Foreign exchange difference (net)	724.53	304.02
7. Profit on sale of Subsidiary	-	25.06
8. Miscellaneous income	32.78	0.47
<b>Total</b>	<b>1,046.78</b>	<b>792.11</b>

### Note 29: Cost of material consumed

(₹. In lakh)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
1. Stocks at the beginning of the year	5,786.79	7,584.46
2. Add : Purchases	46,738.85	32,662.11
	<b>52,525.64</b>	<b>40,246.57</b>
3. Less: Stocks at the end of the year	8,044.14	5,786.79
<b>Total</b>	<b>44,481.50</b>	<b>34,459.78</b>

## Notes forming part of the Consolidated Financial Statements

For the year ended March 31, 2022

### Note 30: Changes in inventories of finished goods and work-in-progress

(₹. lakh)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
<b>1. Stocks at the beginning of the year</b>		
(a) Finished goods	727.89	1,318.50
(b) Work-in-progress	3,791.80	2,946.44
<b>Total Stock at the beginning of the year</b>	<b>4,519.69</b>	<b>4,264.94</b>
<b>2. Less : Stocks at the end of the year</b>		
(a) Finished goods	4,489.43	727.89
(b) Work-in-progress	5,830.68	3,791.80
<b>Total Stock at the end of the year</b>	<b>10,320.11</b>	<b>4,519.69</b>
<b>Changes in the stock of finished goods and work-in-progress</b>	<b>(5,800.42)</b>	<b>(254.75)</b>

### Note 31: Employee benefit expense

(₹. lakh)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
1. Salaries, wages, bonus and allowances	4,671.72	3,553.48
2. Contribution to provident, gratuity and other funds	201.70	197.88
3. Expense on employee stock-based payments (Refer note 43)	10.47	0.99
4. Staff welfare expense	147.52	82.34
<b>Total</b>	<b>5,031.41</b>	<b>3,834.69</b>

### Note 32: Finance Costs

(₹. lakh)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
1. Interest expense		
Paid towards loans and cash credit	869.49	427.07
2. Other borrowing costs	36.28	48.07
<b>Total</b>	<b>905.77</b>	<b>475.14</b>

### Note 33: Depreciation and amortisation expense

(₹. lakh)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
1. Depreciation	3,328.79	2,484.72
2. Amortisation	70.18	50.65
3. Amortisation of right of use asset (Refer Note 3)	36.66	30.16
<b>Total</b>	<b>3,435.63</b>	<b>2,565.53</b>

## Notes forming part of the Consolidated Financial Statements

For the year ended March 31, 2022

### Note 34: Other expense

(₹. lakh)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
1. Power and fuel	3,804.16	2,528.24
2. Rent	101.80	105.32
3. Rates and taxes	60.41	56.38
4. Effluent treatment plant charges	415.68	490.15
5. Stores and spares consumed	402.56	316.07
6. Repairs and maintenance		
(a) Machinery	450.49	344.68
(b) Buildings	49.74	13.11
(c) Other assets	18.82	6.17
7. Insurance	502.92	355.26
8. Auditor's remuneration	21.35	20.40
9. Freight	1,083.38	629.75
10. Professional and legal fees	289.89	284.72
11. Directors sitting fees	31.00	13.20
12. Bad debts/advances written off	25.14	
Less: Utilised from loss allowance	(24.78)	-
13. Security charges	137.36	137.74
14. Loss on sale of fixed assets	-	1.67
15. Research expenses	91.40	92.23
16. Travelling expenses	35.77	22.36
17. Loss allowance - other receivables	28.22	84.66
18. Corporate social responsibility (Refer note 47)	137.69	109.14
19. Miscellaneous expenses	873.92	680.59
<b>Total</b>	<b>8,536.92</b>	<b>6,291.84</b>

### Note 35: Earnings per share

#### Calculation of weighted average number of equity shares – Basic

(₹. lakh)

Particulars	March 31, 2022	March 31, 2021
<b>1. Calculation of weighted average number of equity shares - Basic</b>		
(a) Number of shares at the beginning of the year	1,95,87,555	1,95,68,355
Number of shares outstanding at the end of the year	1,95,97,555	1,95,87,555
Weighted average number of equity shares outstanding during the year	<b>1,95,89,899</b>	<b>1,95,75,811</b>

## Notes forming part of the Consolidated Financial Statements

For the year ended March 31, 2022

### Note 35: Earnings per share (Contd.)

(₹. lakh)

Particulars	March 31, 2022	March 31, 2021
<b>2. Calculation of weighted average number of equity shares - Diluted</b>		
(a) Number of equity shares at the beginning of the year	1,95,87,555	1,95,68,355
Effect of potential equity shares	14,049	10,518
Revised number of potential shares at the beginning of the year	<b>1,96,01,604</b>	<b>1,95,78,873</b>
(b) Number of equity shares outstanding at the end of the year	1,95,97,555	1,95,87,555
Effect of potential equity shares	9,097	14,049
Revised number of potential equity shares outstanding at the end of the year	<b>1,96,06,652</b>	<b>1,96,01,604</b>
Weighted average number of potential equity shares outstanding during the year	<b>1,95,98,996</b>	<b>1,95,89,860</b>
<b>3. Profit attributable to ordinary shareholders (Basic/diluted)</b>		
Profit (loss) for the period/year, attributable to the owners of the Group	8,985.86	6,504.89
4. Basic Earnings per share (₹)	<b>45.87</b>	<b>33.23</b>
5. Diluted Earnings per share (₹)	<b>45.85</b>	<b>33.21</b>
6. Nominal Value of Shares (₹)	<b>10</b>	<b>10</b>

**Note 35.1:** The calculation of diluted earnings per share is based on profit attributed to equity shareholders and weighted average number of equity shares outstanding after adjustments for the effects of all dilutive potential equity shares.

### Note 36: Financial Ratios

(₹. lakh)

Particulars	March 31, 2022	March 31, 2021
(a) Current Ratio (refer note 36. 1)	1.05	1.03
(b) Debt Equity ratio (refer note 36. 2)	0.70	0.61
(c) Debt Service Coverage Ratio (DSCR) (refer note 36. 3)	13.23	16.45
(d) Return on Equity Ratio (refer note 36. 4)	25%	23%
(e) Inventory turnover (refer note 36. 5)	2.64	3.01
(f) Trade Receivables turnover ratio (refer note 36. 6)	2.92	3.12
(g) Trade payables turnover ratio (refer note 36. 7)	3.04	1.89
(h) Net capital turnover ratio (refer note 36. 8)	26.97	68.05
(i) Net profit ratio (refer note 36. 9)	13%	12%
(j) Return on Capital employed (refer note 36. 10)	19%	19%

## Notes forming part of the Consolidated Financial Statements

For the year ended March 31, 2022

**Note 36.1:** Current ratio: Current assets / Current liabilities

**Note 36.2:** Debt Equity ratio: Total Debt / Shareholder's Equity

**Note 36.3:** Debt Service Coverage Ratio: (Net Profit after taxes + Non-cash operating expenses like depreciation and other amortizations + Interest + other adjustments like loss on sale of Fixed assets/Investment etc.) / (Interest & Lease Payments + Principal Repayments)

**Note 36.4:** Return on Equity Ratio: Net Profits after taxes – Preference Dividend (if any) / Average Shareholder's Equity

**Note 36.5:** Inventory turnover: Cost of goods sold / Average Inventory

**Note 36.6:** Trade Receivables turnover ratio: Net Credit Sales / Average Trade Receivable

**Note 36.7:** Trade payables turnover ratio: Net Credit Purchases / Average Trade Payables

The average Trade payable for the current financial year is lesser than that of previous financial year. With the increase in Purchases, this has caused increasing the Trade payable turnover ratio from previous year.

**Note 36.8:** Net capital turnover ratio: Net Sales / Working Capital

During the current financial year, the working capital was increased significantly due to increase in Inventory and Trade receivable. This has caused reducing the Net Capital turnover Ratio from previous year.

**Note 36.9:** Net profit ratio: Net Profit / Net Sales

**Note 36.10:** Return on Capital employed: Earnings before interest and taxes / (Tangible Net Worth + Total Debt + Deferred Tax Liability)

### **Note 37: Employee benefits**

The Group contributes to the following post-employment plans in India.

#### **Defined Contribution Plans:**

The Group pays provident fund contributions to publicly administered provident funds as per local regulations and are recognised as expense in the Statement of Profit and Loss during the period in which the employee renders the related service. There are no further obligations other than the contributions payable to the appropriate authorities.

The Group recognised ₹ 163.36 lakh for the year ended March 31, 2022 (Previous Year ₹ 136.81 lakh) towards provident fund contribution in the Statement of Profit and Loss.

#### **Defined Benefit Plan:**

The Group's gratuity scheme is defined benefit plan. The Group's liability for the defined benefit schemes is actuarially determined based on the projected unit credit method. The Group's net obligations in respect of such plans is calculated by estimating the amount of future benefit that the employees have earned in return for their services and the current and prior periods that benefit is discounted to determine its present value and the fair value of the plan asset is deducted. Actuarial gains and losses are recognised in Other Comprehensive Income.

## Notes forming part of the Consolidated Financial Statements

For the year ended March 31, 2022

In accordance with the provisions of the Payment of Gratuity Act, 1972, the Group has a defined benefit plan which provides for gratuity payments. The plan provides a lump sum gratuity payment to eligible employees at retirement or termination of their employment. The amounts are based on the respective employee's last drawn salary and the years of employment with the Group.

Liabilities in respect of the gratuity plan are determined by an actuarial valuation, based upon which the Group makes annual contributions to the Group Gratuity cum Life Assurance Schemes administered by the LIC of India, a funded defined benefit plan for qualifying employees. Trustees administer the contributions made by the Group to the gratuity scheme.

The most recent actuarial valuation of the defined benefit obligation along with the fair valuation of the plan assets in relation to the gratuity scheme was carried out as at March 31, 2022. The present value of the defined benefit obligations and the related current service cost and past service cost, were measured using the Projected Unit Credit Method.

Based on the actuarial valuation obtained in this respect, the following table sets out the details of the employee benefit obligation and the plan assets as at balance sheet date.

(₹. lakh)

Particulars	March 31, 2022	March 31, 2021
Defined benefit obligation	(226.86)	(201.46)
Fair value of plan assets	215.63	156.70
<b>Net defined benefit (obligation)/assets</b>	<b>(11.23)</b>	<b>(44.76)</b>

### i. Movement in net defined benefit (asset) / liability

The following table shows a reconciliation from the opening balances to the closing balances for net defined benefit (asset) / liability and its components.

(₹. lakh)

Particulars	Defined Benefit Obligation		Fair value of plan assets		Net defined benefit (asset)/liability	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
Opening balance	201.46	151.80	156.70	112.92	44.76	38.88
<b>Included in Profit or Loss</b>						
Current service cost	23.90	18.56	-	-	23.90	18.56
Past service cost	-	-	-	-	-	-
Interest cost (income)	14.00	10.38	10.89	7.73	3.11	2.65
					-	-
Liability / Assets transferred in / Acquisitions	-	-	-	-	-	-
<b>Included in OCI</b>						
Remeasurement loss (gain):						
Actuarial loss (gain) arising from:	(0.30)	21.79	-	-	(0.30)	21.79



## Notes forming part of the Consolidated Financial Statements

For the year ended March 31, 2022

### i. Movement in net defined benefit (asset) / liability (Contd.)

(₹. lakh)

Particulars	Defined Benefit Obligation		Fair value of plan assets		Net defined benefit (asset)/liability	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
Demographic assumptions	(0.21)	-	-	-	(0.21)	-
Financial assumptions	(9.34)	(2.40)	-	-	(9.34)	(2.40)
Experience adjustment	9.25	24.19	-	-	9.25	24.19
Return on plan assets excluding interest income	-	-	(1.02)	(1.75)	1.02	1.75
	<b>239.06</b>	<b>202.53</b>	<b>166.57</b>	<b>118.90</b>	<b>72.49</b>	<b>83.63</b>
<b>Other</b>						
Contributions paid by the employer	-	-	61.26	38.87	(61.26)	(38.87)
Benefits paid	(12.20)	(1.07)	(12.20)	(1.07)	-	-
<b>Closing balance</b>	<b>226.86</b>	<b>201.46</b>	<b>215.63</b>	<b>156.70</b>	<b>11.23</b>	<b>44.76</b>

### Represented by

(₹. lakh)

Particulars	March 31, 2022	March 31, 2021
Net defined benefit asset	-	-
Net defined benefit liability	11.23	44.76
<b>Total</b>	<b>11.23</b>	<b>44.76</b>

### ii. Plan assets

Plan assets comprise the following:

(₹. lakh)

Particulars	March 31, 2022	March 31, 2021
Cash and Cash Equivalents	16.51	-
Insurer managed fund (100%)	199.12	156.70
<b>Total</b>	<b>215.63</b>	<b>156.70</b>

### iii. Actuarial assumptions

The following were the principal actuarial assumptions at the reporting date (expressed as weighted averages)

Particulars	March 31, 2022	March 31, 2021
Discount rate	7.33%	6.95%
Future salary growth	5.00%	5.00%
Rate of employee turnover	For service 4 yrs & Below 7.00 % p.a. & For service 5 yrs and above 2.00 % p.a.	For service 4 yrs & Below 7.00 % p.a. & For service 5 yrs and above 2.00 % p.a.
Mortality rate	Indian Assured Lives Mortality (2012-14)	Indian Assured Lives Mortality (2006-08)

## Notes forming part of the Consolidated Financial Statements

For the year ended March 31, 2022

Assumptions regarding future mortality have been based on published statistics and mortality tables.

### iv. Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.

(₹. lakh)

Particulars	March 31, 2022		March 31, 2021	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	(21.88)	25.96	(19.88)	23.70
Future salary growth (1% movement)	26.31	(22.52)	23.93	(20.40)
Rate of employee turnover (1% movement)	5.05	(5.85)	3.87	(4.50)

The sensitivity analysis above has been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period.

### v. Expected future cash flows

The expected future cash flows in respect of gratuity as at March 31, 2022 were as follows

(₹.lakh)

Expected future benefit payments	March 31, 2022	March 31, 2021
1 <sup>st</sup> Following year	24.57	20.99
2 <sup>nd</sup> Following year	6.16	6.91
3 <sup>rd</sup> Following year	6.52	8.97
4 <sup>th</sup> Following year	16.81	5.94
5 <sup>th</sup> Following year	9.18	15.83
Thereafter	89.05	70.30

### Other long-term employee benefits:

Compensated absences are payable to employees at the rate of daily salary for each day of accumulated leave on death or on resignation or upon retirement. The charge towards compensated absences for the year ended March 31, 2022 based on actuarial valuation using the projected accrued benefit method is ₹ 1.45 lakh (Previous year : ₹ 24.21 lakh).

Terminal Benefits: All terminal benefits including voluntary retirement compensation are fully written-off to the Statement of Profit & Loss.

### Note 38: Financial instruments – Fair values and risk management

#### Note 38.1: Accounting classification and fair values

Carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy, are presented below. It does not include the fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

## Notes forming part of the Consolidated Financial Statements

For the year ended March 31, 2022

### Note 38.1: Accounting classification and fair values (Contd.)

(₹. lakh)

March 31, 2022	Carrying amount				Fair value			
	FVTPL	FVOCI	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
<b>(I) Non-current Financial Assets</b>								
1. Investments	0.53	-	-	0.53	-	0.53	-	0.53
2. Loans	-	-	289.06	289.06	-	-	-	-
<b>(II) Current Financial Assets</b>								
1. Trade and other receivables	-	-	27,362.76	27,362.76	-	-	-	-
2. Cash and cash equivalents	-	-	55.45	55.45	-	-	-	-
3. Bank balance other than (2) above	-	-	157.42	157.42	-	-	-	-
4. Loans and advances	-	-	14.62	14.62	-	-	-	-
5. Others	278.96	-	221.69	500.65	-	278.90	-	278.90
	<b>279.49</b>	<b>-</b>	<b>28,101.00</b>	<b>28,380.49</b>	<b>-</b>	<b>279.43</b>	<b>-</b>	<b>279.43</b>
<b>Financial liabilities</b>								
<b>(II) Current Financial liabilities</b>								
1. Borrowings	-	-	27,937.31	27,937.31	-	-	-	-
2. Trade payables	-	-	18,982.76	18,982.76	-	-	-	-
3. Other financial liabilities	6.37	-	1,411.11	1,417.48	-	6.37	-	6.37
	<b>6.37</b>	<b>-</b>	<b>48,331.18</b>	<b>48,337.55</b>	<b>-</b>	<b>6.37</b>	<b>-</b>	<b>6.37</b>

(₹. lakh)

March 31, 2021	Carrying amount				Fair value			
	FVTPL	FVOCI	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
<b>(I) Non-current Financial Assets</b>								
1. Investments	0.53	-	-	0.53	-	0.53	-	0.53
2. Loans	-	-	333.76	333.76	-	-	-	-
<b>(II) Current Financial Assets</b>								
1. Trade and other receivables	-	-	18,715.31	18,715.31	-	-	-	-
2. Cash and cash equivalents	-	-	33.88	33.88	-	-	-	-
3. Bank balance other than (2) above	-	-	123.44	123.44	-	-	-	-
4. Loans and advances	-	-	5.99	5.99	-	-	-	-
5. Others	120.29	-	26.92	147.21	-	120.27	-	120.27
	<b>120.82</b>	<b>-</b>	<b>19,239.30</b>	<b>19,360.12</b>	<b>-</b>	<b>120.80</b>	<b>-</b>	<b>120.80</b>
<b>Financial liabilities</b>								
<b>Non-Current Financial liabilities</b>								
1. Long term borrowings	-	-	4,000.00	4,000.00	-	-	-	-
<b>(I) Current Financial liabilities</b>								
1. Borrowings	-	-	14,719.91	14,719.91	-	-	-	-
2. Trade payables	-	-	12,817.66	12,817.66	-	-	-	-
3. Other financial liabilities	-	-	4,504.26	4,504.26	-	-	-	-
	<b>-</b>	<b>-</b>	<b>36,041.83</b>	<b>36,041.83</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

## Notes forming part of the Consolidated Financial Statements

For the year ended March 31, 2022

### Valuation technique used to determine fair value

Specific valuation techniques used to value financial instruments include:

- The fair value of the forward foreign exchange contracts is determined using forward exchange rates at the balance sheet date.
- The fair value of the remaining financial instruments is determined using discounted cash flow analysis.

All of the resulting fair value estimates are included in level 2 where the fair values have been determined based on present values and the discount rates used were adjusted for counterparty or own credit risk.

### C. Financial risk management

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

- Credit risk ;
- Liquidity risk;
- Market risk;
- Currency risk;

#### i. Risk management framework

The Group's board of directors has overall responsibility for the establishment and oversight of the Group's risk management framework. The board of directors has established the Risk Management Committee, which is responsible for developing and monitoring the Group's risk management policies. The committee reports regularly to the board of directors on its activities.

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 and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities. The Group, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The audit committee oversees how management monitors compliance with the Group's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Group. The audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and adhoc reviews of risk management controls and procedures, the results of which are reported to the audit committee.

## Notes forming part of the Consolidated Financial Statements

For the year ended March 31, 2022

### Note 38.2: 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 and loans and advances.

The carrying amount of following financial assets represents the maximum credit exposure.

#### Trade receivables and loans and advances

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

The Group has established a credit policy under which each new customer is analysed individually for creditworthiness before the Group's standard payment and delivery terms and conditions are offered. The Group's sales are backed by letters of credit and Trade Credit Insurance policy from Export Credit Guarantee Corporation of India (ECGC).

The Group individually monitors the sanctioned credit limits as against the outstanding balances. Accordingly, the Group makes specific provisions against such trade receivables wherever required and monitors the same at periodic intervals.

The Group monitors each loans and advances given and makes any specific provision wherever required.

The Group establishes an allowance for impairment that represents its estimate of expected losses in respect of trade receivables and loans and advances.

The maximum exposure to credit risk for trade and other receivables by type of counterparty was as follows.

#### Carrying amount

Particulars	(₹. lakh)	
	March 31, 2022	March 31, 2021
Exports	16,492.04	7,856.74
Domestic	10,870.71	10,858.57
Total of Trade Receivables (Net of Loss Allowance)	<b>27,362.76</b>	<b>18,715.31</b>

**Impairment** - The ageing of trade receivables that were not impaired is as per Note 10. 1.

The movement in the allowance for impairment in respect of trade and other receivables during the year was as follows:

#### For Trade Receivables

Particulars	(₹. lakh)	
	March 31, 2022	March 31, 2021
Balance as at the beginning of the year	24.78	35.34
Loss allowance recognised	-	-
Amounts written off	(24.78)	(10.56)
Balance as at the end of the year	<b>-</b>	<b>24.78</b>

## Notes forming part of the Consolidated Financial Statements

For the year ended March 31, 2022

### Other financial assets

This comprises mainly of balances with banks, deposits with Government authorities and other receivables. Credit risk arising from these financial assets is limited and there is no collateral held against these because the counterparties are banks and government organizations. The Group considers that its balances with banks have low credit risk based on the external credit ratings of the counterparties. The Group has created the loss allowance for other receivables on specific identification basis.

The movement in respect of loss allowance is as follows:

### Cash and cash equivalents

The Group held cash and cash equivalents of ₹ 55.45 lakh at March 31, 2022 (previous year ₹ 33.88 lakh). The cash and cash equivalents are held with bank and financial institution counterparties with good credit rating.

### Note 38.3: Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

### Exposure to liquidity risk

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include estimated interest payments and exclude the impact of netting agreements.



## Notes forming part of the Consolidated Financial Statements

For the year ended March 31, 2022

(₹. lakh)

March 31, 2022	Contractual cash flows						
	Carrying amount	Total	0-6 months	6-12 months	1-2 years	2-5 years	More than 5 years
<b>Non-derivative financial liabilities</b>							
<b>Non-current, non-derivative financial liabilities</b>							
Borrowings	-	-	-	-	-	-	-
<b>Current, non-derivative financial liabilities</b>							
Cash credit from bank	719.38	719.38	719.38	-	-	-	-
Working Capital Loans	3,217.93	3,217.93	3,217.93	-	-	-	-
Commercial Paper	20,000.00	20,000.00	20,000.00	-	-	-	-
Current maturities of long-term debt	4,000.00	4,000.00	4,000.00	-	-	-	-
Trade payables	18,982.76	18,982.76	18,982.76	-	-	-	-
Other current financial liabilities	1,411.11	1,411.11	1,411.11	-	-	-	-
<b>Derivative liability</b>	6.37	6.37	6.37	-	-	-	-
<b>Total</b>	<b>48,337.55</b>	<b>48,337.55</b>	<b>48,337.55</b>	<b>48,337.55</b>	<b>48,337.55</b>	<b>48,337.55</b>	<b>48,337.55</b>

## Notes forming part of the Consolidated Financial Statements

For the year ended March 31, 2022

March 31, 2021	Contractual cash flows						(₹. lakh)
	Carrying amount	Total	0-6 months	6-12 months	1-2 years	2-5 years	
<b>Non-derivative financial liabilities</b>							
<b>Non-current, non-derivative financial liabilities</b>							
Borrowings	4,000.00	4,000.00	-	-	4,000.00	-	-
<b>Current, non-derivative financial liabilities</b>							
Cash credit from bank	299.89	299.89	299.89	-	-	-	-
Working Capital Loans	6,903.21	6,903.21	6,903.21	-	-	-	-
Buyers credit	7,500.00	7,500.00	7,500.00	-	-	-	-
Current maturities of long-term debt	16.81	16.81	16.81	-	-	-	-
Trade payables	12,817.66	12,817.66	10,226.33	2,591.33	-	-	-
Other current financial liabilities	4,504.26	4,504.26	4,248.57	255.69	-	-	-
<b>Derivative liability</b>	-	-	-	-	-	-	-
<b>Total</b>	<b>36,041.83</b>	<b>36,041.83</b>	<b>29,194.81</b>	<b>2,847.02</b>	<b>4,000.00</b>	-	-

The gross inflows/(outflows) disclosed in the above table represent the contractual undiscounted cash flows relating to derivative financial liabilities held for risk management purposes and which are not usually closed out before contractual maturity. The disclosure shows net cash flow amounts for derivatives that are net cash-settled and gross cash inflow and outflow amounts for derivatives that have simultaneous gross cash settlement.



## Notes forming part of the Consolidated Financial Statements

For the year ended March 31, 2022

### Note 38.4: Currency Risk

#### Market risk

Market risk is the risk that changes in market prices – such as foreign exchange rates, interest rates and equity prices – will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return. The Group uses derivatives to manage market risks. Generally, the Group hedge the financial instruments to manage volatility in profit or loss

#### Currency risk

The Group operates internationally and portion of the business is transacted in USD, GBP & EURO currencies and consequently the Group is exposed to foreign exchange risk through its sales in overseas market and purchases from overseas suppliers in various foreign currencies. Foreign currency exchange rate exposure is partly balanced by purchasing of goods and services in the respective currencies and through derivative instruments.

The Group evaluates exchange rate exposure arising from foreign currency transactions and the Group follows established risk management policies, including the use of derivatives like foreign exchange forward contracts to hedge exposure to foreign currency risk.

#### Exposure to currency risk

The summary quantitative data about the Group's exposure to currency risk as reported to the management of the Group is as follows. The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include estimated interest payments and exclude the impact of netting agreements.

(₹. lakh)

Particulars	March 31, 2022			March 31, 2021		
	USD	EUR	GBP	USD	EUR	GBP
<b>Financial Assets</b>						
Trade receivables	15,955.97	-	-	7,856.74	-	-
Foreign exchange forward contracts	(6,083.46)	-	-	-	-	-
<b>Net exposure to foreign currency risk (Assets)</b>	<b>9,872.51</b>	<b>-</b>	<b>-</b>	<b>7,856.74</b>	<b>-</b>	<b>-</b>
<b>Financial Liabilities</b>						
Trade payables	(13,845.02)	(29.61)	-	(8,873.27)	-	(8.50)
Foreign exchange forward contracts	-	-	-	-	-	-
<b>Net exposure to foreign currency risk (Liabilities)</b>	<b>(13,845.02)</b>	<b>(29.61)</b>	<b>-</b>	<b>(8,873.27)</b>	<b>-</b>	<b>(8.50)</b>
<b>Net exposure</b>	<b>(3,972.50)</b>	<b>(29.61)</b>	<b>-</b>	<b>(1,016.53)</b>	<b>-</b>	<b>(8.50)</b>
Un-hedged foreign currency exposures						
Payable	(13,845.02)	(29.61)	-	(8,873.27)	-	(8.50)
Receivable	9,872.51	-	-	7,856.74	-	-

## Notes forming part of the Consolidated Financial Statements

For the year ended March 31, 2022

### Sensitivity analysis

A reasonably possible strengthening / (weakening) of the Indian Rupee against all other currencies at 31 March, 2022 would have affected the measurement of financial instruments denominated in a foreign currency and affected equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases.

Effect ₹ in lakh	Profit or (loss) before tax	
	Strengthening	Weakening
<b>March 31, 2022</b>		
USD (2% movement)	(79.45)	79.45
EUR (3% movement)	(0.89)	0.89
	<b>(80.34)</b>	<b>80.34</b>

Effect ₹ in lakh	Profit or (loss) before tax	
	Strengthening	Weakening
<b>March 31, 2021</b>		
USD (2% movement)	(20.33)	20.33
GBP (3% movement)	(0.26)	0.26
	<b>(20.59)</b>	<b>20.59</b>

Note: Sensitivity has been calculated using standard Deviation % of Foreign currency rate movement.

### Note 38.5: Interest rate risk

Interest rate risk can be either fair value interest rate risk or cash flow interest rate risk. Fair value interest rate risk is the risk of changes in fair values of fixed interest bearing financial assets or borrowings because of fluctuations in the interest rates, if such assets/borrowings are measured at fair value through profit or loss. Cash flow interest rate risk is the risk that the future cash flows of floating interest bearing borrowings will fluctuate because of fluctuations in the interest rates.

### Exposure to interest rate risk

The interest rate profile of the Group's interest-bearing financial instruments as reported to the management of the Group is as follows.

(₹. lakh)

Particulars	March 31, 2022	March 31, 2021
<b>Fixed-rate instruments</b>		
<b>Financial assets</b>		
Loans	270.75	283.31
Bank Deposits	151.49	116.93
<b>Total</b>	<b>422.24</b>	<b>400.24</b>

## Notes forming part of the Consolidated Financial Statements

For the year ended March 31, 2022

### Exposure to interest rate risk (Contd.)

(₹. lakh)

Particulars	March 31, 2022	March 31, 2021
<b>Variable-rate instruments</b>		
<b>Financial liabilities</b>		
Borrowings - Non-Current	-	4,000.00
Borrowings - Current	27,937.31	14,719.91
<b>Total</b>	<b>27,937.31</b>	<b>18,719.91</b>

### Cash flow sensitivity analysis for variable-rate instruments

A reasonably possible change of 100 basis points in interest rates at the reporting date would have increased/(decreased) profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency exchange rates, remain constant.

(₹. lakh)

Particulars	Profit or (loss) before tax		Profit or (loss) before tax	
	March 31, 2022		March 31, 2021	
	100 bp increase	100 bp decrease	100 bp increase	100 bp decrease
Variable-rate instruments	(279.37)	279.37	(187.20)	187.20
<b>Cash flow sensitivity (net)</b>	<b>(279.37)</b>	<b>279.37</b>	<b>(187.20)</b>	<b>187.20</b>

The risk estimates provided assume a change of 100 basis points interest rate for the interest rate benchmark as applicable to the borrowings summarized above. This calculation also assumes that the change occurs at the balance sheet date and has been calculated based on risk exposures outstanding as at that date. The year end balances are not necessarily representative of the average debt outstanding during the year.

### Note 39: Income Taxes

#### (a) Amounts recognised in profit and loss

(₹. lakh)

Particulars	March 31, 2022	March 31, 2021
<b>Current income tax</b>		
In respect of current year	2,863.40	2,326.47
Adjustments in respect of earlier years	-	134.43
<b>Deferred income tax liability/(asset), net</b>		
<u>In respect of current year</u>		
Origination and reversal of temporary differences	260.92	(60.99)
<u>Adjustments in respect of earlier years</u>		
Origination and reversal of temporary differences	-	0.30
<b>Deferred tax expense</b>	<b>260.92</b>	<b>(60.69)</b>
<b>Tax expense recognised in the Statement of Profit &amp; Loss</b>	<b>3,124.32</b>	<b>2,400.21</b>

## Notes forming part of the Consolidated Financial Statements

For the year ended March 31, 2022

### (b) Amounts recognised in other comprehensive income

(₹. lakh)

Particulars	March 31, 2022			March 31, 2021		
	Before tax	Tax (expense) / benefit	Net of tax	Before tax	Tax (expense) / benefit	Net of tax
<b>Items that will not be reclassified to profit or loss</b>						
Re-measurements of defined benefit liability (asset)	(0.72)	0.18	(0.54)	(23.54)	5.92	(17.62)
<b>Items that will be reclassified to profit or loss</b>						
Foreign operations – foreign currency translation differences	(0.18)	-	(0.18)	(0.78)	-	(0.78)
	<b>(0.90)</b>	<b>0.18</b>	<b>(0.72)</b>	<b>(24.32)</b>	<b>5.92</b>	<b>(18.40)</b>

### (c) Reconciliation of tax expense and accounting profit for the year is as under:

(₹. lakh)

Particulars	March 31, 2022	March 31, 2021
<b>Profit before tax</b>	<b>12,112.58</b>	<b>8,907.09</b>
Company's domestic tax rate	25.168%	25.168%
Tax using the Company's domestic tax rate (Current year 25.168% and Previous Year 34.944%)	3,048.49	2,241.74
<b>Tax effect of:</b>		
Expense not allowed for tax purposes	47.51	29.77
Change in tax rate	-	(7.76)
Others	28.32	1.73
<b>Total</b>	<b>3,124.32</b>	<b>2,265.48</b>
Adjustments in respect of earlier years	-	<b>134.73</b>
<b>Tax expense as per Statement of Profit &amp; Loss</b>	<b>3,124.32</b>	<b>2,400.21</b>
Current tax	<b>2,863.40</b>	<b>2,326.47</b>
Deferred tax	<b>260.92</b>	<b>(60.99)</b>
Adjustment for tax of previous years (net)	-	<b>134.73</b>

The Group's weighted average tax rates for the year ended March 31, 2022 and March 31, 2021 were 25.79% and 26.95%, respectively.

The Group has elected to apply the reduced tax rate as per the new section 115BAA which was inserted in the Income Tax Act, 1961, by the Government of India on September 20, 2019 vide the Taxation Laws (Amendment) Ordinance 2019 in accordance with the provisions/conditions defined in the said section.

The Group has filed applications under the Vivad se Vishwas Scheme, 2020 with the Income Tax authorities pertaining to Assessment Years (AY) 2007-08 and AY 2009-10 to AY 2014-15. Consequently, the Group has made a provision of ₹ 134.73 lakh stated as "Adjustment for tax of previous years (net)" for the Year ended 31st March, 2021.



## Notes forming part of the Consolidated Financial Statements

For the year ended March 31, 2022

### Note 40: Movement in deferred tax balances for the year ended March 31, 2022

(₹. lakh)

Particulars	Net balance April 1, 2021	Recognised in profit or loss	Tax for earlier years	Recognised in OCI	Net	Deferred tax liability (net)	Deferred tax asset	Net Deferred Tax March 31, 2022
<b>Deferred tax asset / (liabilities)</b>								
Property, plant and equipment & Intangible assets	(627.76)	279.63	-	-	279.63	907.39	-	(907.39)
Provision for gratuity	11.26	8.42	-	-	8.42	-	2.84	2.84
Provisions for leave encashment	13.85	2.24	-	-	2.24	-	11.61	11.61
Provisions for doubtful debts & other receivables	28.48	(0.87)	-	-	(0.87)	-	29.35	29.35
Others	3.86	(28.50)	-	-	(28.50)	-	32.36	32.36
OCI Item	22.82	-	-	(0.18)	(0.18)	-	23.00	23.00
<b>Deferred Tax assets / (Liabilities)</b>	<b>(547.49)</b>	<b>260.92</b>	<b>-</b>	<b>(0.18)</b>	<b>260.74</b>	<b>907.39</b>	<b>99.16</b>	<b>(808.23)</b>
<b>Movement in deferred tax balance for the year ended March 31, 2021</b>								
<b>Deferred tax asset / (liabilities)</b>								
Property, plant and equipment & Intangible assets	(662.91)	(35.15)	-	-	(35.15)	627.76	-	(627.76)
MAT Credit Entitlement	0.31	0.31	0.30	-	0.61	-	-	-
Provision for gratuity	9.78	(1.48)	-	-	(1.48)	-	11.26	11.26
Provisions for leave encashment	8.85	(5.00)	-	-	(5.00)	-	13.85	13.85
Provisions for doubtful debts & other receivables	9.84	(18.64)	-	-	(18.64)	-	28.48	28.48
Others-Sales return provision	3.13	(0.73)	-	-	(0.73)	-	3.86	3.86
OCI Item	16.90	-	-	(5.92)	(5.92)	-	22.82	22.82
<b>Deferred Tax assets / (Liabilities)</b>	<b>(614.10)</b>	<b>(60.69)</b>	<b>0.30</b>	<b>(5.92)</b>	<b>(66.31)</b>	<b>627.76</b>	<b>80.27</b>	<b>(547.49)</b>

## Notes forming part of the Consolidated Financial Statements

For the year ended March 31, 2022

The Group offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

Significant management judgement is required in determining provision for income tax, deferred income tax assets and liabilities and recoverability of deferred income tax assets. The recoverability of deferred income tax assets is based on estimates of taxable income by each jurisdiction in which the relevant entity operates and the period over which deferred income tax assets will be recovered

Given that the Group does not have any intention to dispose investments in subsidiaries in the foreseeable future, deferred tax asset on indexation benefit in relation to such investments has not been recognised.

### Note 41: Capital Management

The Group's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. Management monitors the return on capital as well as the level of dividends to ordinary shareholders.

The board of directors seeks to maintain a balance between the higher returns that might be possible with higher levels of borrowings and the advantages and security afforded by a sound capital position. The primary objective of the Group's Capital Management is to maximise shareholder value. The Group manages its capital structure and makes adjustments in the light of changes in the economic environment and the requirements of the financial covenants, if any.

The Group monitors capital using a ratio of 'adjusted net debt' to 'equity'. For this purpose, adjusted net debt is defined as total borrowings, comprising interest-bearing loans and borrowings less cash and cash equivalents. Equity comprises all components of equity.

#### a) The Group's adjusted net debt to equity ratio at March 31, 2022 was as follows:

Particulars	(₹. lakh)	
	March 31, 2022	March 31, 2021
Total borrowings	27,937.31	18,719.91
Less : Cash and cash equivalents	55.45	33.88
<b>Adjusted net debt</b>	<b>27,881.86</b>	<b>18,686.03</b>
<b>Total equity</b>	<b>39,665.86</b>	<b>30,931.73</b>
Adjusted net debt to total equity ratio	0.70	0.60

#### b) Dividends

Particulars	(₹. lakh)	
	March 31, 2022	March 31, 2021
<b>(i) Equity shares</b>		
Final dividend for the year ended March 31, 2021 of ₹ 1.50/- (March 31, 2020 - ₹ 1.50/-) per fully paid share	293.78	293.56

## Notes forming part of the Consolidated Financial Statements

For the year ended March 31, 2022

### b) Dividends (Contd.)

Particulars	(₹. lakh)	
	March 31, 2022	March 31, 2021
<b>(ii) Dividend not recognised at the end of the reporting period</b>		
The directors have recommended the payment of a final dividend of ₹ 1.50/- per fully paid equity share (March 31, 2021 - ₹ 1.50/- per fully paid equity share). This proposed dividend is subject to the approval of shareholders in the ensuing annual general meeting.	293.96	293.78

### Note 42: Segment reporting

#### A. General Information

##### (a) Factors used to identify the entity's reportable segments, including the basis of organisation -

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker ("CODM") of the Group. The CODM, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Managing Director (MD) and Chief Operating Officer (COO) of the Group. The Group has identified only one segment i.e. Agrochemicals as reporting segment based on the information reviewed by CODM.

#### B. Information about geographical segment

Particulars	(₹. lakh)	
	March 31, 2022	March 31, 2021
<b>(a) Revenue from external customers</b>		
Within India	28,596.52	28,441.00
Outside India	39,060.09	27,046.21
<b>(b) Segment assets</b>		
Within India	89,675.50	67,758.42
Outside India	0.17	0.17
<b>(c) Segment liabilities</b>		
Within India	50,004.11	36,821.34
Outside India	5.70	5.52

#### C. Information about major customers

Revenues from customers of the only segment i.e. Agrochemicals which contributed more than 10% of the group's total revenues represented approximately ₹ 14,841.76 Lakh from 2 customers (March 31, 2021 - ₹ 5,809.33 Lakh from 1 customer)

## Notes forming part of the Consolidated Financial Statements

For the year ended March 31, 2022

### Note 43: Share based payments

#### (a) Employee stock option scheme (ESOP, 2012 as amended by the Shareholders by way of a Special Resolution)

The Company had set up the Employees Stock Option Plan 2012 which was amended by the Shareholders by way of a Special Resolution obtained by way of Postal Ballot, whose results have been declared on September 27, 2021

The Scheme applies to the Eligible Employees who are in whole time employment of the Company or its Subsidiary Companies. The entitlement of each employee would be decided by the Nomination and Remuneration Committee of the respective Company based on the employee's performance, level, grade, etc.

The total number of Stock Option to be awarded under the ESOP Scheme are restricted to 1% of the issued equity share capital at the time of awarding the Stock Option, can be awarded to any one employee in any one year.

The Stock Options shall vest in the Eligible Employees pursuant to the ESOP Scheme in the proportion of 1/3rd at the end of each year from the date on which the Stock Options are awarded for a period of three consecutive years, or as may be determined by the Nomination and Remuneration Committee, subject to the condition that the Eligible Employee continues to be in employment of the Company or the Subsidiary company as the case may be.

The Eligible Employee shall exercise her / his right to acquire the shares vested in her / him all at one time within 1 month from the date on which the shares vested in her / him or such other period as may be determined by the Nomination and Remuneration Committee.

#### (b) Employee stock option scheme (ESOS, 2015)

The Company has implemented Employees under Employee stock option scheme (ESOS, 2015) which was approved by the Shareholders at the 21st Annual General Meeting. The employee stock option scheme is designed to provide incentives to all the permanent employees to deliver long-term returns. Under the plan, participants are granted options which will vest in 4 years (40% in 1st year, 30% in 2nd year, 20% in 3rd year and 10% in 4th year) from the date of grant. Participation in the plan is at the discretion of the Compensation Committee / Board of Directors of the Company.

Once vested, the options remain exercisable for a period of three years.

Options are granted at the market price on which the options are granted to the employees under ESOS 2015. When exercisable, each option is convertible into one equity share.

#### (c) Employee stock option plan (ESOP, 2012)

The Company has implemented Employee Stock Option Plan (ESOP 2012) which was approved by the Shareholders at the Extra-Ordinary General Meeting of the Company in the Year 2012. The employee stock option plan is designed to provide incentives to all the permanent employees to deliver long-term returns. Under the plan, participants are granted options which will vest in 4 years (40% in 1st year, 30% in 2nd year, 20% in 3rd year and 10% in 4th year) from the grant date. Participation in the plan is at the discretion of the Compensation Committee / Board of Directors of the Company.

Once vested, the options remain exercisable for a period of seven years.



## Notes forming part of the Consolidated Financial Statements

For the year ended March 31, 2022

Options are granted under ESOP 2012 at an exercise price of ₹34/- each. When exercisable, each option is convertible into one equity share.

Set out below is a summary of options granted under both the plans:

### Employee stock option scheme (ESOP, 2012 as amended by the Shareholders by way of a Special Resolution)

Particulars	March 31, 2022	
	Average exercise price per share option (₹)	Number of options
Opening balance	-	-
Granted during the year	10.00	3,316
Exercised during the year	-	-
Lapsed during the year	-	-
<b>Closing balance</b>		<b>3,316</b>
<b>Vested and exercisable</b>		<b>3,316</b>

### Employee stock option scheme (ESOS, 2015)

Particulars	March 31, 2022		March 31, 2021	
	Average exercise price per share option (₹)	Number of options	Average exercise price per share option (₹)	Number of options
Opening balance	387.35	12,500	387.35	29,700
Granted during the year	-	-	-	-
Exercised during the year	387.35	7,500	387.35	17,200
Lapsed during the year	-	-	-	-
<b>Closing balance</b>		<b>5,000</b>		<b>12,500</b>
<b>Vested and exercisable</b>		<b>5,000</b>		<b>12,500</b>

### Employee stock option plan (ESOP, 2012)

Particulars	March 31, 2022		March 31, 2021	
	Average exercise price per share option (₹)	Number of options	Average exercise price per share option (₹)	Number of options
Opening balance	34.00	6,800	34.00	8,800
Granted during the year	-	-	-	-
Exercised during the year	34.00	2,500	34.00	2,000
Lapsed during the year	-	-	-	-
Forefeited during the year	-	-	-	-
<b>Closing balance</b>		<b>4,300</b>		<b>6,800</b>
<b>Vested and exercisable</b>		<b>4,300</b>		<b>6,800</b>

No options expired during the periods covered in the above tables.

## Notes forming part of the Consolidated Financial Statements

For the year ended March 31, 2022

Share options outstanding at the end of the year have the following expiry date and exercise prices:

Grant date	Expiry date	Exercise price	March 31, 2022	March 31, 2021
			Share options	Share options
January 31, 2015	January 30, 2023	34.00	-	-
January 31, 2015	January 30, 2024	34.00	-	-
January 31, 2015	January 30, 2025	34.00	-	1,000
January 31, 2015	January 30, 2026	34.00	1,300	2,800
May 16, 2015	May 15, 2023	34.00	-	-
May 16, 2015	May 15, 2024	34.00	-	-
May 16, 2015	May 15, 2025	34.00	2,000	2,000
May 16, 2015	May 15, 2026	34.00	1,000	1,000
July 26, 2016	July 25, 2020	387.35	-	-
July 26, 2016	July 25, 2021	387.35	-	1,500
July 26, 2016	July 25, 2022	387.35	1,000	7,000
July 26, 2016	July 25, 2023	387.35	4,000	4,000
October 30, 2021	November 30, 2022	10.00	1,105	-
October 30, 2021	August 31, 2023	10.00	1,105	-
October 30, 2021	August 31, 2024	10.00	1,106	-
<b>Total</b>			<b>12,616</b>	<b>19,300</b>
Weighted average remaining contractual life of options outstanding at end of period			2.30	2.58

### (i) Fair value of options granted

The fair value of grant date of options granted is mentioned in the table below. The fair value at grant date is determined using the Black Scholes model which takes into account the exercise price, the term of option, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option.

Grant date	Expiry date	Fair Value	March 31, 2022	March 31, 2021
			Share options	Share options
January 31, 2015	January 30, 2023	95.84	-	-
January 31, 2015	January 30, 2024	109.41	-	-
January 31, 2015	January 30, 2025	109.91	-	1,000
January 31, 2015	January 30, 2026	110.49	1,300	2,800
May 16, 2015	May 15, 2023	105.77	-	-
May 16, 2015	May 15, 2024	118.18	-	-
May 16, 2015	May 15, 2025	119.30	2,000	2,000
May 16, 2015	May 15, 2026	119.67	1,000	1,000
July 26, 2016	July 25, 2020	100.00	-	-
July 26, 2016	July 25, 2021	159.00	-	1,500
July 26, 2016	July 25, 2022	278.00	1,000	7,000
July 26, 2016	July 25, 2023	297.00	4,000	4,000

## Notes forming part of the Consolidated Financial Statements

For the year ended March 31, 2022

### (i) Fair value of options granted (Contd.)

Grant date	Expiry date	Fair Value	March 31, 2022	March 31, 2021
			Share options	Share options
October 30, 2021	November 30, 2022	1,241.00	1,105	-
October 30, 2021	August 31, 2023	1,239.65	1,105	-
October 30, 2021	August 31, 2024	1,238.16	1,106	-
<b>Total</b>			<b>12,616</b>	<b>19,300</b>

The model inputs for options granted includes:

#### ESOP, 2012 as amended, granted on October 30, 2021

Particulars	October 30, 2021
Exercise Price	₹ 10
Grant Date	October 30, 2021
Expected life of share options	1 to 3 years
Share price at grant date	₹ 1,242.71
Expected price volatility of the company's shares	44% to 58%
Expected dividend yield	0.12%
Risk free interest rate	4.107% to 5.124%

#### ESOS, 2015 granted on 26 July 2016

Options are granted for a consideration as mentioned in the below table and 40% of options vest after 1 year, 30% of options after 2 years, 20% of options after 3 years and 10% of options after 4 years. Vested options are exercisable for a period of 3 years after vesting.

Particulars	July 25, 2020	July 25, 2021	July 25, 2022	July 25, 2023
Exercise Price	₹ 387.35/-	₹ 387.35/-	₹ 387.35/-	₹ 387.35/-
Grant Date	July 26, 2016	July 26, 2016	July 26, 2016	July 26, 2016
Expiry Date	July 25, 2020	July 25, 2021	July 25, 2022	July 25, 2023
Share price at grant date	₹ 387.35/-	₹ 387.35/-	₹ 387.35/-	₹ 387.35/-
Expected price volatility of the Group's shares	57%	66%	115%	109%
Expected dividend yield	0.00%	0.00%	0.00%	0.00%
Risk free interest rate	8.27%	8.17%	8.20%	8.32%

The model inputs for options granted includes:

#### ESOP, 2012- Option B granted on 16 May 2015

Options are granted for a consideration as mentioned in the below table and 40% of options vest after 1 year, 30% of options after 2 years, 20% of options after 3 years and 10% of options after 4 years. Vested options are exercisable for a period of 7 years after vesting.

## Notes forming part of the Consolidated Financial Statements

For the year ended March 31, 2022

Particulars	May 15, 2023	May 15, 2024	May 15, 2025	May 15, 2026
Exercise Price	₹ 34/-	₹ 34/-	₹ 34/-	₹ 34/-
Grant Date	May 16, 2015	May 16, 2015	May 16, 2015	May 16, 2015
Expiry Date	May 15, 2023	May 15, 2024	May 15, 2025	May 15, 2026
Share price at grant date	₹ 138/-	₹ 138/-	₹ 138/-	₹ 138/-
Expected price volatility of the company's shares	71%	139%	121%	108%
Expected dividend yield	0.91%	0.91%	0.91%	0.91%
Risk free interest rate	8.30%	8.19%	8.21%	8.30%

The model inputs for options granted includes:

### ESOP, 2012- Option A granted on 31 January 2015

Options are granted for a consideration as mentioned below in the table and vest 40% of options after 1 year, 30% of options after 2 years, 20% of options after 3 years and 10% of options after 4 years. Vested options are exercisable for a period of 7 years after vesting.

Particulars	January 30, 2023	January 30, 2024	January 30, 2025	January 30, 2026
Exercise Price	₹ 34/-	₹ 34/-	₹ 34/-	₹ 34/-
Grant Date	January 31, 2015	January 31, 2015	January 31, 2015	January 31, 2015
Expiry Date	January 30, 2023	January 30, 2024	January 30, 2025	January 30, 2026
Share price at grant date	₹ 127.70/-	₹ 127.70/-	₹ 127.70/-	₹ 127.70/-
Expected price volatility of the company's shares	72%	143%	120%	108%
Expected dividend yield	0.78%	0.78%	0.78%	0.78%
Risk free interest rate	8.27%	8.17%	8.20%	8.32%

The expected price volatility is based on the historic volatility (based on the remaining life of the options), adjusted for any expected changes to future volatility due to publicly available information

### b) Expense arising from share based payment transactions

Total expenses arising from share-based payment transactions recognised in profit or loss as part of employee benefit expense were as follows:

Particulars	₹. lakh	
	March 31, 2022	March 31, 2021
Employee stock option plan (Note 29)	10.47	0.99
<b>Total</b>	<b>10.47</b>	<b>0.99</b>

## Notes forming part of the Consolidated Financial Statements

For the year ended March 31, 2022

### Note 44: Contingent Liabilities

Particulars	(₹. lakh)	
	March 31, 2022	March 31, 2021
<b>Claims against the Company not acknowledged as debts:</b>		
<b>(i) Excise matter</b>		
Excise duty demands relating to clearance/storage of Raw Material/goods from DTA and used/manufactured in 100% EOU unit, availment of cenvat credit, etc. The said amount includes up-to-date interest.	10,705.01	10,097.02
<b>(ii) Customs matter</b>		
The company has replied to the SCN no. 1624 / 2013 -14 dated 9th July 2013 issued by the Commissioner of Custom - Raigarh alleging that goods imported in Unit B-16 were kept in unit B-17 and therefore are liable for confiscation. The personal hearing of the said SCN is pending. The said amount includes up-to-date interest.	32.77	30.72
<b>(iii) Goods and Service tax (GST)</b>		
a. GST demands relating to issues pertaining to cenvat credit transition to GST. The said amount includes up-to-date interest.	319.04	287.84
b. Issue pertaining to service tax credit of EOU unit -The said amount includes up-to-date interest.	143.23	131.11
c. GST Demands pertaining to Compensation Cess credit -The said amount includes up-to-date interest.	65.97	-
<b>(iv) Income tax</b>		
The company has preferred appeal against the order of various income tax authorities in which demand of ₹ 452.34 lakh has been determined for various assessment years. The said demand also includes interest payable as determined by the competent authority.		
(i) Pending before DCIT/JCIT/AO	81.55	81.55
(ii) Pending before CIT (Appeal)	370.79	370.79
(iii) Pending before High Court	23.20	-
<b>(v) Sales tax matters</b>		
a. Pending before JSCT(Appeal)	659.93	659.93
b. Pending C & H Forms	61.51	56.72
<b>(vi) Civil matters</b>		
Nath Bio-Genes (India) Ltd has filed a suit against the Group alleging that some product supplied by the Group was responsible for the poor germination of its seeds.	6,500.00	6,500.00
<b>(vii) Guarantees outstanding</b>	462.14	460.14
<b>(viii) Letters of Credit given by the company (different letter of credits issued to various suppliers for supply of materials)</b>	5,018.89	2,480.38

**Note 44.1:** Contingent liabilities represents estimates made mainly for probable claims arising out of litigation/ disputes pending with authorities under various statutes (Excise duty, Customs duty, Income tax).The probability and timing of outflow with regard to these matters depend on the final outcome of litigations/ disputes. Hence, the Company is not able to reasonably ascertain the timing of the outflow.

## Notes forming part of the Consolidated Financial Statements

For the year ended March 31, 2022

**Note 45:** The Hon'ble Supreme Court of India ("SC") by their order dated February 28, 2019, in the case of Surya Roshani Limited & others v/s EPFO, set out the principles based on which allowances paid to the employees should be identified for inclusion in basic wages for the purposes of computation of Provident Fund contribution. The company has started complying with this prospectively from the month of March 2019. In respect of the past period there are significant implementation and interpretative challenges that the management is facing and is awaiting for clarity to emerge in this regard, pending which, this matter has been disclosed under the Contingent liability section in the financial statements. The impact of the same is not ascertainable.

### Note 46: Commitments

(₹. lakh)		
Particulars	March 31, 2022	March 31, 2021
Estimated value of contracts remaining to be executed on capital account (net of advances), to the extent not provided for:	2,100.03	2,218.62
<b>Total</b>	<b>2,100.03</b>	<b>2,218.62</b>

### Note 47: Corporate Social Responsibility (CSR) expenditure

(₹. lakh)		
Particulars	March 31, 2022	March 31, 2021
1. Amount required to be spent by the company during the year	137.69	107.65
2. Amount of expenditure incurred on:		
i. Construction/acquisition of any asset	-	-
ii. On purposes other than (i) above	99.40	102.31
3. Shortfall at the end of the year	38.29	5.34
4. Total of previous years shortfall	43.63	-
5. Reason for shortfall	The amount was carried forward for ongoing projects	The amount was carried forward for ongoing projects
6. Nature of CSR activities details	Disaster Relief, Education, Skilling, Employment, Entrepreneurship, Health, Wellness and Water, Sanitation and Hygiene, Heritage	

### Note 48: Related Party Disclosures

In compliance with Ind AS 24 - "Related Party Disclosures" as notified under Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015, as amended, the required disclosures are given below:

## Notes forming part of the Consolidated Financial Statements

For the year ended March 31, 2022

### 1. Relationships:

#### I. Holding Companies:

Godrej Agrovet Limited (GAVL) holds 63.29% Equity Shareholding in Astec LifeSciences Limited. GAVL is the subsidiary of Godrej Industries Limited (GIL). GIL is the Ultimate Holding Company of the Company.

#### II. Fellow Subsidiaries:

1. Creamline Dairy Products Limited
2. Godrej Tyson Foods Limited
3. Godrej Maxximilk Private Limited
4. Godrej One Premises Management Private Limited
5. Godvet Agrochem Limited

#### III. Associates / Joint Ventures of Godrej Industries Limited (GIL) :

Godrej Consumer Products Limited

#### IV. Entities which is controlled/jointly controlled/has significant influence of KMP's of Astec LifeSciences Limited :

Astec Crop Care Private Limited

#### V. Entities which has significant influence of Director's of Astec LifeSciences Limited :

Nichem Solutions (up to 21<sup>st</sup> September, 2020)

#### VI. Other related parties

Godrej & Boyce Manufacturing Company Limited

#### VII. Post-employment benefit plan (entities) for the benefit of employees of the company

Astec LifeSciences Limited Employees Group Gratuity Trust

#### VIII. Key Managerial Personnel

1. Mr. Nadir B. Godrej, Chairman and Non-Executive Director
2. Mr. B. S. Yadav, Non-Executive Director
3. Mr. Rakesh Dogra, Non-Executive Director
4. Mr. Ashok V. Hiremath (Managing Director up to 31<sup>st</sup> March, 2022)
5. Mr. Arijit Mukherjee (Whole-Time Director up to 27<sup>th</sup> July, 2021)
6. Mr. Anurag Roy (Whole-Time Director w.e.f. 28<sup>th</sup> July, 2021)
7. Mr. Saurav Bhala, Chief Financial Officer
8. Ms. Tejashree Pradhan, Company Secretary
9. Mr. R. R. Govindan, Independent Director (w.e.f. 30<sup>th</sup> January, 2020)
10. Mr. Sitendu Sharma, Independent Director (up to 30<sup>th</sup> January, 2020)
11. Dr. Leena Raje, Independent Director (up to 21<sup>st</sup> September, 2020)
12. Mr. Vinod Malshe, Independent Director (up to 21<sup>st</sup> September, 2020)
13. Dr. Brahmanand Vyas, Independent Director
14. Mr. Vijay Kashinath Khot, Independent Director
15. Mr. Nandkumar Vasant Dhekne, Independent Director (w.e.f. 18<sup>th</sup> December, 2020)
16. Ms. Anjali Rajesh Gupte, Independent Director (w.e.f. 18<sup>th</sup> December, 2020)

## Notes forming part of the Consolidated Financial Statements

For the year ended March 31, 2022

Related party disclosures as required by Ind AS – 24, “Related party disclosures”, are given below:

### 2. The following transactions were carried out with the related parties in the ordinary course of business :

(₹. lakh)

Sr. No.	Nature of Transaction	Nature of Relationship	March 31, 2022	March 31, 2021
1	<b>Sale of materials / finished goods</b>			
	Godrej Agrovet Limited	Holding company	2,885.42	842.87
	Godrej Consumer Products Limited	Other related party	-	382.22
	Nichem Solutions	Other related party	-	4.78
2	<b>Purchase of materials / finished goods</b>			
	Godrej Agrovet Limited	Holding company	3.79	-
	Godrej Consumer Products Limited	Other related party	8.57	-
3	<b>Purchase of Property, plant &amp; equipment</b>			
	Godrej & Boyce Manufacturing Company Limited	Other related party	5.86	47.50
4	<b>Expenses Charged by / Reimbursement made to other companies</b>			
	Godrej Agrovet Limited	Holding company	612.11	576.94
	Godrej Industries Limited	Holding company	5.24	0.15
	Godrej & Boyce Manufacturing Company Limited	Other related party	11.16	1.52
	Godrej Consumer Products Limited	Other related party	-	11.16
5	<b>Expenses Charged to / Reimbursement made by other companies</b>			
	Godrej Agrovet Limited	Holding company	62.37	40.27
6	<b>Dividend Paid</b>			
	Godrej Agrovet Limited	Holding company	186.06	183.06
7	<b>Inter-corporate deposits taken</b>			
	Godrej Agrovet Limited	Holding company	-	1,350.00
8	<b>Inter-corporate deposits repaid</b>			
	Godrej Agrovet Limited	Holding company	-	1,350.00
9	<b>Interest expense on Inter-corporate deposits taken</b>			
	Godrej Agrovet Limited	Holding company	-	1.92
10	<b>Inter-corporate deposits placed</b>			
	Godrej Maxximilk Private Limited	Fellow subsidiary	-	275.00
11	<b>Inter-corporate deposits returned</b>			
	Godvet Agrochem Limited	Fellow subsidiary	-	480.00
	Godrej Maxximilk Private Limited	Fellow subsidiary	-	1,180.00
	Godrej Tyson Foods Limited	Fellow subsidiary	-	1,500.00
12	<b>Interest income on Inter-corporate deposits given</b>			
	Godvet Agrochem Limited	Fellow subsidiary	-	10.30
	Godrej Maxximilk Private Limited	Fellow subsidiary	-	23.25
	Godrej Tyson Foods Limited	Fellow subsidiary	-	19.07



## Notes forming part of the Consolidated Financial Statements

For the year ended March 31, 2022

### 2. The following transactions were carried out with the related parties in the ordinary course of business: (Contd.)

(₹. lakh)

Sr. No.	Nature of Transaction	Nature of Relationship	March 31, 2022	March 31, 2021
13	<b>Capital advances given</b>			
	Godrej & Boyce Manufacturing Company Limited	Other related party	4.07	55.54
14	<b>Contribution to post employment benefit plans</b>			
	Astec LifeSciences Limited Employees Group Gratuity Trust	Other related party	44.76	38.87
15	<b>Outstanding capital advance</b>			
	Godrej & Boyce Manufacturing Company Limited	Other related party	0.49	8.03
16	<b>Outstanding Receivables</b>			
	Godrej Agrovet Limited	Holding company	1,127.73	309.96
17	<b>Outstanding Payables</b>			
	Godrej Agrovet Limited	Holding company	56.24	201.95
	Godrej Industries Limited	Holding company	0.06	-
18	<b>Remuneration to Key Management Personnel</b>			
	Short term employee benefit		571.37	327.86
	Post employment gratuity benefits		8.75	4.44
	Share based payment		45.23	53.03
	<b>Dividend Paid</b>		4.96	29.19
	<b>Director's Sitting Fees</b>		31.12	13.20

#### Note 49: Interest in other entities

##### (a) Subsidiaries

The group's subsidiaries at March 31, 2022 are set out below. Unless otherwise stated, they have share capital consisting solely of equity shares that are held directly by the group, and the proportion of ownership interests held equals the voting rights held by the group. The country of incorporation or registration is also their principal place of business.

Name of the entity	Principal activities	Place of business / Country of incorporation	Ownership interest held by the group		Ownership interest held by the non-controlling interest	
			March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
			%	%	%	%
Behram Chemicals Private Limited	Manufacturing of agrochemicals	India	65.63	65.63	34.37	34.37
Comercializadora Agricola Agroastrachem Cia Ltda	Distribution of agrochemicals	Columbia	100.00	100.00	-	-

## Notes forming part of the Consolidated Financial Statements

For the year ended March 31, 2022

### (b) Non-controlling interests (NCI)

#### Behram Chemicals Pvt Ltd

(₹. lakh)

Summarised balance sheet	As on March 31, 2022	As on March 31, 2021
Current Assets	79.20	71.48
Current liabilities	0.44	0.69
<b>Net current assets</b>	<b>78.76</b>	<b>70.79</b>
Non-current assets	38.07	38.95
Non-current liabilities	3.31	3.22
<b>Net non-current assets</b>	<b>34.76</b>	<b>35.73</b>
<b>Net assets</b>	<b>113.52</b>	<b>106.52</b>
<b>Accumulated NCI</b>	<b>16.32</b>	<b>13.92</b>

#### Behram Chemicals Pvt Ltd

(₹. lakh)

Summarised statement of profit and loss	March 31, 2022	March 31, 2021
Revenue	11.24	10.80
Profit for the year	7.00	6.60
Other comprehensive income	-	-
<b>Total comprehensive income</b>	<b>7.00</b>	<b>6.60</b>
<b>Profit allocated to NCI</b>	<b>2.40</b>	<b>2.27</b>
<b>Dividends paid to NCI</b>	<b>-</b>	<b>-</b>

#### Behram Chemicals Pvt Ltd

(₹. lakh)

Summarised cash flow	March 31, 2022	March 31, 2021
Cash flows from operating activities	30.01	-
Cash flows from investing activities	(29.96)	-
Cash flows from financing activities	-	-
<b>Total cash flows</b>	<b>0.05</b>	<b>-</b>
<b>Net increase/ (decrease) in cash and cash equivalents</b>	<b>0.05</b>	<b>-</b>

## Notes forming part of the Consolidated Financial Statements

For the year ended March 31, 2022

Note 50: Additional information pursuant to paragraph 2 of Division II of Schedule III to the Companies Act 2013

(₹. lakh)

Name of the entities in group	Net assets (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	As a % of consolidated profit or loss	Amount	As a % of consolidated other comprehensive income	Amount	As a % of consolidated total comprehensive income	Amount
<b>Astec LifeSciences Limited (Parent)</b>								
<b>March 31, 2022</b>	<b>99.84%</b>	<b>39,603.50</b>	<b>99.92%</b>	<b>8,981.28</b>	<b>75.00%</b>	<b>(0.54)</b>	<b>99.92%</b>	<b>8,980.74</b>
March 31, 2021	99.89%	30,898.40	99.91%	6,470.16	95.76%	(17.61)	99.92%	6,452.55
<b>Subsidiaries (group's share)</b>								
<b>Indian</b>								
<b>Behram Chemicals Private limited</b>								
<b>March 31, 2022</b>	<b>0.17%</b>	<b>67.86</b>	<b>0.08%</b>	<b>6.99</b>	<b>0.00%</b>	<b>-</b>	<b>0.08%</b>	<b>6.99</b>
March 31, 2021	0.13%	38.68	0.10%	6.60	0.00%	-	0.10%	6.60
<b>Foreign</b>								
<b>Astec Europe sprl</b>								
<b>March 31, 2022</b>	<b>0.00%</b>	<b>-</b>	<b>0.00%</b>	<b>-</b>	<b>0.00%</b>	<b>-</b>	<b>0.00%</b>	<b>-</b>
March 31, 2021	0.00%	-	-0.01%	(0.55)	1.09%	(0.20)	-0.01%	(0.75)
<b>Foreign</b>								
<b>Comercializadora Agricola Agroastrachem Cia Ltd</b>								
<b>March 31, 2022</b>	<b>-0.01%</b>	<b>(5.53)</b>	<b>0.00%</b>	<b>-</b>	<b>25.00%</b>	<b>(0.18)</b>	<b>0.00%</b>	<b>(0.18)</b>
March 31, 2021	-0.02%	(5.35)	0.00%	(0.10)	3.15%	(0.58)	-0.01%	(0.68)
<b>Total</b>								
<b>March 31, 2022</b>	<b>100.00%</b>	<b>39,665.83</b>	<b>100.00%</b>	<b>8,988.27</b>	<b>100.00%</b>	<b>(0.72)</b>	<b>100.00%</b>	<b>8,987.55</b>
March 31, 2021	100.00%	30,931.73	100.00%	6,476.11	100.00%	(18.39)	100.00%	6,457.72

## Notes forming part of the Consolidated Financial Statements

For the year ended March 31, 2022

### Note 51: Assessment of impact of Covid-19 pandemic

The management has considered internal and certain external sources of information including economic forecasts and industry reports up to the date of approval of the financial statements in determining the impact on various elements of its financial statements. The management has used the principles of prudence in applying judgments, estimates and assumptions including sensitivity analysis and based on the current estimates, the management expects that it will fully recover the carrying amount of inventories, trade receivables, intangible assets and investments. The eventual outcome of impact of the global health pandemic may be different from those estimated as on the date of approval of these financial statements.

**Note 52:** The figures for the previous year have been regrouped / reclassified to correspond with current year's classification/ disclosure that include changes consequent to the issuance of "Guidance Note on Division II - Ind AS Schedule III to the Companies Act, 2013.

As per our report of even date attached  
**For B S R & Co. LLP**  
*Chartered Accountants*  
Firm Registration Number:  
101248W/W-100022

**For and on behalf of the Board of Directors of  
Astec LifeSciences Limited**  
**(CIN: L99999MH1994PLC076236)**

**ANURAG ROY**

Whole – Time Director &  
Chief Executive Officer  
DIN: 07444595

**B. S. YADAV**

Director  
DIN: 00294803

**BURJIS PARDIWALA**

*Partner*  
Membership Number: 103595  
**Mumbai, May 2, 2022**

**SAURAV BHALA**

Chief Financial Officer  
ICAI Memb. No. 062106

**TEJASHREE PRADHAN**

Company Secretary  
ICSI Memb. No. FCS7167



Astec LifeSciences Limited



## Astec LifeSciences Limited

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