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Ambalal Sarabhai Enterprises Limited

Registered Office : Shantisadan, Mirzapur Road, Ahmedabad-380001.
Telephone : +9179-25507671 / 25507073, Fax : +9179-25507483, E-mail : ase@sarabhai.co.in

Ref. No. :

Date :

September 1, 2021

To,
Department of Corporate Services
BSE Limited
2nd Floor, P.J. Towers,
Dalal Street,
Mumbai – 400 001
Code: 500009

Re: Notice of the 43rd Annual General Meeting and Annual Report for the F.Y. 2020-21

Dear Sir / Madam,

Pursuant to regulation 34(1) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Listing Regulations"), we are submitting herewith the Annual Report of the Company along with the Notice of 43rd Annual General Meeting ("AGM") for the Financial Year 2020-21 which is being sent to the members through electronic means as per the circulars from Ministry of Corporate Affairs and Securities and Exchange Board of India.

The AGM of the Company will be held on Thursday, 23rd September, 2021 at 11:00 A.M. (IST) through Video Conferencing/Other Audio Visual Means to transact the businesses as set forth in the Notice of AGM.

Important details with regard to AGM are as under:

Sr. No.	Particulars	Details
1.	AGM details	**Day:** Thursday **Date:** 23rd September, 2021 **Time:** 11.00 a.m. (IST) Through Vide Conference / Other Audio Visual Means ("VC / OVAM")
2.	Cut-off date to determine list of members entitled to receive Notice of AGM and Annual Report	20.08.2021
3.	Book Closure Date	21.09.2021 to 23.09.2021 (both days inclusive)
4.	Cut-off date for e-voting	16.09.2021
5.	Remote e-voting start time, day and date	Monday, 20th September,2021 at 9:00 (IST)
6.	Remote e-voting end time, day and date	Wednesday, 22nd September,2021 at 17:00 (IST)
7.	E-voting website of CDSL	www.evotingindia.com
8.	Notice of AGM and Annual Report 2020-21	Attached herewith
9.	Scrutinizer	Mr. Rajesh Parekh (Mem. No.A8073), failing him Ms. Aishwariya Parekh (Mem. No.A58980), Partner of M/s. RPAP & Company, Practicing Company Secretary, Ahmedabad
10.	EVSN	210825017 (CDSL)

For, **Ambalal Sarabhai Enterprises Limited**

DHSejpal

Damodar H. Sejpal
Company Secretary & Compliance Officer
Encl.: a/a

AMBALAL SARABHAI ENTERPRISE LTD.

Legacy of a Century...

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Ambalal Sarabhai Enterprises Limited®

43rd Annual Report 2020-21

www.ase.life

Group Companies

synbiotics® LIMITED

asence® Pharma Private Limited

COSARA® DIAGNOSTICS PVT. LTD

SYSTRONICS®

vovantis™ LABORATORIES

TELERAD®

suvik®

SARABHAI®

SARABHAI CHEMICALS®

Board of Directors

Mr. Kartikeya V. Sarabhai
Chairman & Whole-time Director

Mr. Anil H. Parekh
Non-Executive Director

Mr. Ashwin P. Hathi

Ms. Chaula M. Shastri
Whole-time Director

Mr. Chandrashekhar B. Bohra

Mr. Mayur K. Swadia
(w.e.f. 20th August,2020)

Key Managerial Personnel

Mr. Navinchandra R. Patel
Chief Financial Officer

Mr. Damodar H. Sejpal
Company Secretary &
Compliance Officer
(w.e.f. 14th March,2020)

Practising Company Secretaries
Rajesh Parekh & Company,
Ahmedabad

Auditors
M/s. Khandhar & Asscociates
Chartered Accountants
311, Dhiraj Avenue,
Opp. Chhadawad Police Chowki,
Ambawadi, Ahmedabad-380006

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Registered Office :
Shanti Sadan, Mirzapur Road,
Ahmedabad – 380001, Gujarat, India
CIN: L52100GJ1978PLC003159
Email: dsejpal@ase.life
Website: www.ase.life

Registrar & Transfer Agent:
MCS Share Transfer Agent Limited
88, Sampatrao Colony,
1st Floor, Neelam Apartment,
Above Chhapan Bhog Sweets,
Alkapuri, Vadodara-390007
Email: mcsstabaroda@gmail.com
Website: www.mcsregistrars.com

Notice

Notice is given that the **43rd Annual General Meeting ("AGM") of AMBALAL SARABHAI ENTERPRISES LIMITED** will be held on Thursday, 23rd September, 2021 at 11:00 A.M. Indian Standard Time ("IST"), through Video Conferencing/ Other Audio Visual Means ("VC/ OAVM") Facility to transact following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements of the Company for the year 2020-21 including Balance Sheet as at 31st March, 2021, the Statement of Profit and Loss and Cash Flow Statement for the year ended on that date and the Reports of the Board of Directors and Auditors thereon.

2. To appoint a Director in place of Ms. Chaula Shastri (DIN: 0604118), who retires by rotation and being eligible, offers herself for re-appointment by passing the following resolution as an Ordinary Resolution:

   "**RESOLVED THAT** Ms. Chaula Shastri (DIN: 0604118), who retires by rotation and being eligible, offers herself for re-appointment, be and is hereby appointed as Director of the Company, liable to retire by rotation."

SPECIAL BUSINESS:

3. **Re-appointment of Mr. Kartikeya V. Sarabhai as Whole-time Director.**

   To consider and if thought fit, to pass, with or without modifications, the following Resolution as a **Special Resolution**.

   "**RESOLVED THAT** pursuant to the provisions of Section 196, 197, 198 and 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013, consent of the Company be and is hereby accorded to the re-appointment of Mr. Kartikeya V. Sarabhai (DIN: 00313585) as "Whole-time Director" for a period of 3 years with effect from 1-4-2021 on the terms and conditions as stated in Explanatory Statement"

4. **Re-appointment of Ms. Chaula Shastri as Whole-time Director**.

   To consider and if thought fit, to pass, with or without modifications, the following Resolution as a Special Resolution.

   "**RESOLVED THAT** pursuant to the provisions of Section 196, 197, 198 and 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013, consent of the Company be and is hereby accorded to the re-appointment of Ms. Chaula Shastri (DIN: 06404118) as "Whole-time Director" for a period of 3 years with effect from 1-4-2021 on the terms and conditions as stated in Explanatory Statement"

By Order of the Board of Directors,
Sd/-
Damodar H. Sejpal
Company Secretary

Date: 11th August, 2021
Place: Ahmedabad

IMPORTANT NOTES:

1. As you are aware, in view of the situation arising due to COVID-19 global pandemic, the general meetings of the companies shall be conducted as per the guidelines issued by the Ministry of Corporate Affairs (MCA) vide Circular No. 14/2020 dated April 8, 2020, Circular No.17/2020 dated April 13, 2020 and Circular No. 20/2020 dated May 05, 2020. The forthcoming AGM will thus be held through video conferencing (VC) or other audio visual means (OAVM). Hence, Members can attend and participate in the ensuing AGM through VC/OAVM. The detailed procedure for participation in the meeting through VC / OAVM is as per Note No. 25.

2. 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 Obligations & Disclosure Requirements) Regulations 2015 (as amended), and MCA Circulars dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting's agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL. The information and other instructions regarding remote e-voting and e-voting at AGM are detailed in Note No. 24 and 25 respectively.

3. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to atleast 1000 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.

4. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.

5. Pursuant to MCA Circular No. 14/2020 dated April 08, 2020, , the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the members such as the President of India or the Governor of a State or body corporate can attend the AGM through VC/OAVM and cast their votes through e-voting.

6. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at www.ase.life. The Notice can also be accessed from the websites of the Stock Exchange i.e. BSE Limited at www.bseindia.com. The AGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM) i.e. www.evotingindia.com.

7. The AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 8, 2020 and MCA Circular No. 17/2020 dated April 13, 2020 and MCA Circular No. 20/2020 dated May 05, 2020.

8. In continuation of this Ministry's **General Circular No. 20/2020**, dated 05th May, 2020 and after due examination, it has been decided to allow companies whose AGMs were due to be held in the year 2020, or become due in the year 2021, to conduct their AGMs on or before 31.12.2021, in accordance with the requirements provided in paragraphs 3 and 4 of the General Circular No. 20/2020 as per MCA circular no. 02/2021 dated January,13,2021.

9. Since the 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. Further, in pursuant to MCA Circular No. 14/2020 dated April 08, 2020, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the members such as the President of India or the Governor of a State or body corporate can attend the AGM through VC/OAVM and cast their votes through e-voting.

10. Members of the Company who are Institutional Investors are encouraged to attend and vote at the AGM through VC / OAVM. Corporate Members intending to authorize their representatives to participate and vote through e-voting on their behalf at the meeting are requested to send a certified copy of the Board Resolution / authorization letter to the Company.

11. The statement pursuant to section 102 of the Act and Regulation 36(3) of the Listing Regulations is annexed hereto and forms part of this Notice.

12. The Register of Members and the Share Transfer Books of the Company will remain closed from 21-09-2021 to 23-09-2021(both days inclusive).

13. Nomination facility is available for the Members as per section 72 of the Act. As a Member of the Company, you have an option to nominate any person as your nominee to whom your shares shall vest in the unfortunate event of your death. It is advisable to avail this facility especially by the Members who currently hold shares in their single name. Nomination can avoid the process of acquiring any right in shares through transmission by law. In case of nomination for the shares held by the joint holders, such nomination will be effective only on death of all the holders. In case the shares are held in dematerialised form, the nomination form needs to be forwarded to your Depository Participant (DP).

14. Trading in equity shares of the Company is compulsorily in dematerialised mode by all the Members. Also, as per provisions of Listing Regulations, transfer of listed securities shall not be processed unless the securities are in dematerialized form. This measure is aimed at curbing fraud and manipulation risk in physical transfer of securities by unscrupulous entities. Members holding shares in physical form are requested to convert their holding(s) to dematerialized form to eliminate all risks associated with physical shares.

15. With a view to conserve natural resources, we request Members to update and register their email addresses with their DPs or RTA, as the case may be, to enable the Company to send communications including Annual Report, Notices, Circulars, etc. electronically. Members may register their email addresses by following below process:

    Physical Holding Send a request to the Registrar and Transfer Agents of the Company, MCS Share Transfer Agent Ltd. 88, Sampatrao Colony, 1st Floor, Neelam Apartment, Above Chhappan Bhog Sweets, Alkapuri, Vadodara-390 007 at mcsltdbaroda@gmail.com providing Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) for registering email address.

Demat Holding Please contact your Depository Participant (DP) and register your email address and bank account details in your demat account, as per the process advised by your DP.

16. Members who hold shares in physical form in multiple folios, in identical names or joint holding in the same order of names, are requested to send the share certificates to the RTA, for consolidation of such multiple folios into a single folio.
17. The SEBI has mandated the submission of PAN by every participant in the securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their DPs in case the shares are held by them in electronic form and to RTA in case the shares are held by them in physical form.
18. Members are requested to intimate changes, if any, pertaining to their name, postal address, email address, telephone /mobile numbers, PAN, mandates, nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc., to their DPs in case the shares are held by them in electronic form and to RTA in case the shares are held by them in physical form.
19. All documents referred to in the Notice along with the Statutory Registers maintained by the Company as per the Act will be available for inspection in electronic mode upto the date of the AGM of the Company and will also be available electronically for inspection by the Members during the AGM. Members seeking to inspect such documents can send an email to dsejpal@ase.life
20. Mr. Rajesh Parekh (Mem. No.A8073), failing him Ms. Aishwariya Parekh (Mem. No.A58980), Partner of M/s.RPAP & Company, Practicing Company Secretary, Ahmedabad has been appointed as the Scrutinizer to scrutinize the voting during the AGM and remote e-voting process in a fair and transparent manner.
21. The results shall be declared by the Chairperson or a person so authorised by him in writing on receipt of consolidated report from Scrutinizer. The results declared along with Scrutinizer's Report shall be placed on the Company's website i.e. www.ase.life and on the website of CDSL and shall also be communicated to the stock exchanges where the shares of the Company are listed.
22. The resolutions shall be deemed to have been passed on the date of the AGM, subject to the same being passed with requisite majority.
23. Since the AGM will be held through VC / OAVM in accordance with the MCA Circulars, the route map, proxy form and attendance slip are not attached to this Notice.
24. **THE INTRUCTIONS OF SHAREHOLDERS FOR REMOTE E-VOTING AND E-VOTING DURING AGM AND JOINING MEETING THROUGH VC/OAVM ARE AS UNDER:**

(i) The voting period begins on Monday, 20th September 2021 at 9:00 (IST) and ends on Wednesday, 22nd September 2021 at 17:00 (IST). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 16th September, 2021 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

(ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.

(iii) Pursuant to SEBI Circular No. **SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020**, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to **all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants.** Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

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

Pursuant to abovesaid SEBI Circular, Login method for e-Voting and joining virtual meetings **for Individual shareholders holding**

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with **CDSL**	1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or visit www.cdslindia.com and click on Login icon and select New System Myeasi. 2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. CDSL/NSDL/KARVY/LINKINTIME, so that the user can visit the e-Voting service providers' website directly. 3) If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration 4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.
Individual Shareholders holding securities in demat mode with **NSDL**	1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' 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. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 2) If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS "Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting
Individual Shareholders (holding securities in demat mode) login through their **Depository Participants**	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful 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 company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

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

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

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

(v) Login method for e-Voting and joining virtual meeting for **shareholders other than individual shareholders holding in Demat form & physical shareholders.**

1) The shareholders should log on to the e-voting website www.evotingindia.com.
2) Click on "Shareholders" module.

3) Now enter your User ID
   a. For CDSL: 16 digits beneficiary ID,
   b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
   c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
4) Next enter the Image Verification as displayed and Click on Login.
5) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any company, then your existing password is to be used.
6) If you are a first-time user follow the steps given below:

	For Shareholders holding shares in Demat Form other than individual and Physical Form
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) • Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.
Dividend Bank Details **OR** Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. • If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).

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

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

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

(ix) Click on the EVSN for the relevant **AMBALAL SARABHAI ENTERPRISES LIMITED** on which you choose to vote.

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

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

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

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

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

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

(xvi) **Facility for Non – Individual Shareholders and Custodians –Remote Voting**

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the "Corporates" module.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; dsejpal@ase.life, if

they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

25. **INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM THROUGH VC/OAVM & E-VOTING DURING MEETING ARE AS UNDER:**

1) The procedure for attending meeting & e-Voting on the day of the AGM is same as the instructions mentioned above for Remote e-voting.
2) The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for Remote e-voting.
3) Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM.
4) Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
5) Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
6) Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
7) Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance atleast 7 **days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at dsejpal@ase.life. The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance 7 **days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at dsejpal@ase.life These queries will be replied to by the company suitably by email.
8) Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
9) Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.
10) If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

26. **PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL/MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY / DEPOSITORIES.**

1. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to **Company/RTA email id.**
2. For Demat shareholders -, Please update your email id & mobile no. with your respective Depository Participant (DP)
3. For Individual Demat shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.

If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to helpdesk.evoting@cdslindia.com or contact at 022-23058738 and 022-23058542/43.

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL,) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call on 022-23058542/43.

27. In terms of provisions of Section 152 of the Companies Act, 2013, Ms. Chaula Shastri, Director, retires by rotation at the Meeting. Nomination and Remuneration Committee & Board of Directors of the Company recommend her appointment. Ms. Chaula Shastri is interested in the Ordinary Resolution set out as Item No. 2 of the Notice with regards to her appointment

By Order of the Board of Directors,
Damodar H. Sejpal
Company Secretary

Date : 11.8.2021
Place : Ahmedabad.

EXPLANATORY STATEMENT UNDER SECTION 102(1) OF THE COMPANIES ACT, 2013

Item No: 3

Mr. Kartikeya V. Sarabhai is M.A. (Cantab), did his Post Graduate studies at MIT, USA. He joined the Board of the Company in 1992 and was appointed as the Chairman of the Company since 1995. He has been very actively associated with the overall operations of the Company, monitoring various areas of operations and management on day to day basis.

The tenure of Mr. Sarabhai as Whole-time Director completed on 31.3.2021.

The Nomination and Remuneration Committee of Directors and the Board of Directors at their respective meetings held on 12.2.2021 and 7.6.2021 had subject to requisite approval/s, re-appointed him for a period of 3 years with effect from 1.4.2021 and his terms and conditions including remuneration have been decided at their meeting held on 7.6.2021 as under:

1.	Period	:	From 1st April, 2021 to 31st March, 2024.
2. a)	Basic Salary	:	Rs.2,55,000/- p.m. in the grade of 1,40,000 – 7500 - 2,50,000-10,000-4,00,000
b)	House rent allowance @ 40% of Basic	:	Rs.1,02,000/- p.m.
c)	Perquisites/ Allowance	:	Rs.81,553/-
d)	Additional Reimbursement 10% of basic	:	Rs.25,500/-
e)	Expenditure incurred on gas, electricity, water, furnishing.	:	To be valued as per I.T. Rules and in absence of such rules, to be valued at actual cost.
f)	Medical benefits for self and family.	:	Reimbursement of expenses actually incurred for self, spouse and dependent children. However, such reimbursement as it would exceed maximum limit laid down under I.T. Rules, would be subject to tax, from time to time.
g)	Leave Travel Concession for self and family.	:	Only travel fare, once a year to & fro for any place in India.
h)	Additional allowance.	:	In the form of conveyance / petrol / miscellaneous expenses.
I)	Telephone facilities at Residence	:	Personal long distance call to be paid by the appointee.

j) Club fees and personal accident insurance, as per Company's rules.

He shall also be entitled for the following other benefits. However, the same will not be taken into account while computing Managerial Remuneration.

Other Benefits:

A) Reimbursements of actual entertainment expenses incurred for the business of the Company, as per Company's rules.

B) Leave on full pay, as per rules of the Company, but not exceeding one month's leave for every eleven months of service.

C) Company's contribution towards provident fund as per rules of the Company.

D) Gratuity would become payable at the rate not exceeding half a month's salary for each completed years of service.

E) Encashment of leave in respect of leave accumulated but not availed of at the end of the tenure, would be permissible.

3.	Annual Increment	:	Entitled to get annual increment as may be decided by the Board of Directors within the limit prescribed in Schedule V of the Companies Act, 2013.
4.	Key Performance Area	:	He shall be entitled for compensation of Rs.3,00,000/- p.a. on achieving pre determined Key Performance Area as determined by Nomination and Remuneration Committee of Directors in proportion to achievement of key performance target both quantitative and qualitative.

5. In absence of or in-adequacy of profits in any financial year, he will be entitled to said salary, perquisites etc. as mentioned above as **minimum remuneration**.

6. Other terms and conditions:

   i) In the capacity of a Whole-time Director, he shall not be paid any sitting fees to attend the meeting of the Board and/or Committee thereof.

   ii) In the event of cessation of his respective office during any financial year, the aforesaid remuneration will be paid on a pro-rata basis.

   iii) He shall not, so long as he functions as a Whole-time Director of the Company, become interested or otherwise concerned directly or through spouse/or minor children in any selling agency of the company without the prior approval of the Central Government.

   iv) The Company shall deduct all taxes from the remuneration, as per applicable law, from time to time.

   v) Without the approval of the Board of Directors of the Company, neither he nor any of his relatives nor any firm or private company in which he or any of his relatives are a Director, member or partner shall enter into any contract with the Company for sale, purchase or supply of any goods, materials or services for whatever value. He shall also report to the Board the names of all private companies, firms or proprietorship in which he or any of his relatives as defined in the Companies Act, have any interest as Director, member, partner or proprietor.

vi) This appointment is terminable by notice on either side or by payment of three months salary in lieu thereof.

7. The Board of Directors / Nomination and Remuneration Committee of Directors of the Company would be empowered to modify the terms of remuneration as may be required and also to increase the above remuneration on an annual basis during the tenure and such an increase would be within the limit of Schedule V of the Companies Act, 2013 (or any amendment of reenactment made thereof from time to time) as applicable to the Company and would be subject to other compliance/s, if any, as might be required.

8. His terms of re-appointment of Whole-Time Director can be renewed by the Board of Directors before the expiry of the said term and in case the terms are not renewed before the expiry of the existing terms by the Board of Directors, he shall cease to be Whole-Time Director on expiration of the present term.

The proposed resolution and explanatory statement may be treated as an abstract of the terms and conditions of the re-appointment of Mr. Sarabhai as Whole-time Director in terms of section 190 of the Companies Act, 2013 .

The Board of Directors recommends the Special Resolution set out at Item no. 3 of the Notice of approval by the Members.

Except Mr. Kartikeya V. Sarabhai, none of other directors or key managerial personnel of the Company or their relatives, financially or otherwise, is in any way concerned or interested in the aforesaid Special Resolution.

Item No :4

Ms. Chaula Shastri B.Com, LLB, Diploma in Business Management. She has been associated with the Company since 1979. Ms. Shastri has wide and varied experience of over 35 years in various areas of Administration and Management. At present, she is looking after the day to day management functions at the vadodara campus under the superintendence and control of the Board of Directors. The tenure of Ms.Shastri as Whole-time Director completed on 31.3.2021. In view of her involvement and contribution in restructuring of the Company, Nomination and Remuneration Committee of Directors and the Board of Directors at their respective meetings held on 12.2.2021 and 7.6.2021 had subject to requisite approval/s, re-appointed him for a period of 3 years with

1.	Period	:	From 1st April, 2021 to 31st March, 2024.
2. a)	Basic Salary	:	Rs.1,32,000/- p.m. in the grade of 97,000, - 6,000 – 1,50,000
b)	House rent allowance @ 40% of Basic	:	Rs.52,800/- p.m.
c)	Perquisites/ Allowance- 60% of Basic + News paper allowance –Rs.400/-	:	Rs.79,600/-
d)	Additional Reimbursement (@10% of basic)	:	Rs.13,200/-
e)	Expenditure incurred on gas, electricity, water, furnishing.	:	To be valued as per I.T. Rules and in absence of such rules, to be valued at actual cost.
f)	Medical benefits for self and family.	:	Reimbursement of expenses actually incurred for self, spouse and dependent children. However, such reimbursement as it would exceed maximum limit laid down under I.T. Rules, would be subject to tax, from time to time.
g)	Leave Travel Concession for self and family.	:	Only travel fare, once a year to & fro for any place in India.
h)	Additional allowance.	:	In the form of conveyance / petrol / miscellaneous expenses.
I)	Telephone facilities at Residence	:	Personal long distance call to be paid by the appointee.

j) Club fees and personal accident insurance, as per Company's rules.

She shall also be entitled for the following other benefits. However, the same will not be taken into account while computing Managerial Remuneration.

Other Benefits:

A) Reimbursements of actual entertainment expenses incurred for the business of the Company, as per Company's rules.

B) Leave on full pay, as per rules of the Company, but not exceeding one month's leave for every eleven months of service.

C) Company's contribution towards provident fund as per rules of the Company.

D) Gratuity would become payable at the rate not exceeding half a month's salary for each completed years of service.

E) Encashment of leave in respect of leave accumulated but not availed of at the end of the tenure, would be permissible.

3. Annual Increment : Entitled to get annual increment as may be decided by the Board of Directors within the limit prescribed in Schedule V of the Companies Act, 2013.

4. Key Performance Area : She shall be entitled for compensation of Rs.3,00,000/- p.a. on achieving pre determined Key Performance Area as determined by Nomination and Remuneration Committee of Directors in proportion to achievement of key performance target both quantitative and qualitative.

5. In absence of or in-adequacy of profits in any financial year, she will be entitled to said salary, perquisites etc. as mentioned above as **minimum remuneration**.

6. **Other terms and conditions:**

   i) In the capacity of a Whole-time Director, she shall not be paid any sitting fees to attend the meeting of the Board and/or Committee thereof.

   ii) In the event of cessation of her respective office during any financial year, the aforesaid remuneration will be paid on a pro-rata basis.

   iii) She shall not, so long as she functions as a Whole-time Director of the Company, become interested or otherwise concerned directly or through spouse/or minor children in any selling agency of the company without the prior approval of the Central Government.

   iv) The Company shall deduct all taxes from the remuneration, as per applicable law, from time to time.

   v) Without the approval of the Board of Directors of the Company, neither she nor any of her relatives nor any firm or private company in which she or any of her relatives are a Director, member or partner shall enter into any contract with the Company for sale, purchase or supply of any goods, materials or services for whatever value. She shall also report to the Board the names of all private companies, firms or proprietorship in which she or any of her relatives as defined in the Companies Act, have any interest as Director, member, partner or proprietor.

   vi) This appointment is terminable by notice on either side or by payment of three months salary in lieu thereof.

7. The Board of Directors / Nomination and Remuneration Committee of Directors of the Company would be empowered to modify the terms of remuneration as may be required and also to increase the above remuneration on an annual basis during the tenure and such an increase would be within the limit of Schedule V of the Companies Act, 2013 (or any amendment of reenactment made thereof from time to time) as applicable to the Company and would be subject to other compliance/s, if any, as might be required.

8. Her terms of re-appointment of Whole-Time Director can be renewed by the Board of Directors before the expiry of the said term and in case the terms are not renewed before the expiry of the existing terms by the Board of Directors, she shall cease to be Whole-Time Director on expiration of the present term.

The proposed resolution and explanatory statement may be treated as an abstract of the terms and conditions of the re-appointment of Ms. Chaula Shastri as Whole-time Director in terms of section 190 of the Companies Act, 2013 .

The Board of Directors recommends the Special Resolution set out at Item no. 4 of the Notice of approval by the Members.

Except Ms. Chaula Shastri none of other directors or key managerial personnel of the Company or their relatives, financially or otherwise, is in any way concerned or interested in the aforesaid Special Resolution.

By Order of the Board of Directors,
Damodar Sejpal
Company Secretary

Date : 11.8.2021
Place : Ahmedabad.

This AGM is being held and conducted as per provisions of Companies Act, 2013, Rules framed thereunder and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Ministry of Corporate Affairs ("MCA") circular dated 8th April, 2020, 13th April, 2020, 5th May, 2020 and 13th January, 2021 (collectively referred to as "MCA Circulars") and SEBI Circular dated 12th May, 2020 and 15th January, 2021 (referred to as "SEBI Circulars").

DETAILS OF THE DIRECTORS SEEKING REAPPOINTMENT AT THE 43RD ANNUAL GENERAL MEETING

Information pursuant to the provisions of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 read with the provisions of the Secretarial Standard on General meetings (‘SS-2’) issued by the Institute of Company Secretaries of India regarding the Director proposed to be re-appointed:

Details of the Directors seeking Reappointment at the 43rd Annual General Meeting		
Name of Director	Mr. Kartikeya V. Sarabhai (DIN: 00313585)	Ms. Chaula M. Shastri (DIN: 06404118)
Date of Birth	27.11.1947	19.01.1959
Age as on 31st March,2021	74 years	62 years
Qualifications	M.A.(Cantab) Post Graduate Studies at MIT U.S.A.	B.Com. LL.B. Diploma in Business Management
Experience / Expertise	Mr. Kartikeya Sarabhai has a long association with the Company and with the Pharmaceutical sector. He has been a member of the Board since 1992 and was appointed Chairman in 1995. He also involved in a number of policies initiated by the Government of India particularly in the environment and educational fields.	She has very good experience in Administration, communication, Public Relations and liasoning with people from different segments.
Terms and conditions of re-appointment	There is no change in the terms and conditions relating to appointment of Mr. Kartikeya V. Sarabhai as a Director of the Company.	There is no change in the terms and conditions relating to appointment of Ms. Chaula M. Shastri as a Director of the Company.
Shareholding in the Company as on 31st March, 2021	123142 Equity Shares	NIL
Relationship with other Directors and Key Managerial Personnel of the Company	N.A.	N.A.
No. of Board Meetings attended during the financial year 2020-21	7 (Seven)	7 (Seven)
Directorships held in other Public Limited companies including other Listed companies	NIL	NIL
Chairmanship/ Membership of the Committee of Board of Directors of the Company*	Chairmanship of the Committee of Board of Directors of the Company : NIL Membership of the Committee of Board of Directors of the Company: 1 (One) i.e. Stakeholders Relationship Committee	Chairmanship of the Committee of Board of Directors of the Company : NIL Membership of the Committee of Board of Directors of the Company: 1 (One) i.e. Stakeholders Relationship Committee
Chairmanship/Membership of the Committee of the Board of Directors of other Public Limited Companies*	NIL	NIL

* The Committee of the Board of Directors includes only Audit committee and Stakeholders Relationship committee as per Regulation 26 of the SEBI (Listing Obligations and Disclosure Requirements) regulations, 2015.

Directors' Report

To

The Shareholders

The Directors hereby present their 43rd Annual Report together with the Audited Financial Statements of the Company for the year ended March 31, 2021.

(Rs. lakh)

	2020-21	2019-20
(Consolidated Accounts)		
Turnover (Net)	16364	13350
Other Income	3058	2439
Total Income	19422	15789
Financial Cost	295	332
Depreciation	241	257
Profit/Loss before extra-ordinary		
Income	3254	1494
Net Profit/ (Loss) before Taxation	3254	1494
Net Profit (Loss)	2938	1377

Your directors regret their inability to recommend payment of any dividend.

Consolidated Results:

The Company's strategy of moving each business into a focused subsidiary has led to better growth and has been a success over the past few years. The Company has shown an overall increase in both turnover and net profit and the company strives to perform even better in the future.

Asence Group:

Asence Inc., a wholly – owned subsidiary of the Company, specializes in the supply of quality pharmaceutical preparation (Finished Dosage Forms and Active Pharmaceutical Ingredients) to the international markets.

Asence is developing some novel products for the European and US markets using the infrastructure of the group companies.

Sarabhai Chemicals (India) Pvt. Ltd.:

Sarabhai Chemicals, a subsidiary Company, has made inroads in the domestic market with key strategic products in Oncology, Infertility and Uro-gynaec areas. These three subdivisions of the company are marketing speciality pharmaceutical products under the Sarabhai house mark across India.

Suvik Hitek Pvt. Ltd.:

Suvik, a wholly owned subsidiary of the Company, is manufacturing Pharmaceuticals products and marketing Generics and Veterinary products in the domestic market.

Synbiotics Limited:

Synbiotics is an USFDA inspected manufacturing Company in the fermentation area. It manufactures an antifungal active ingredient – Amphotericin B product which has an expanding global market and was widely used in India during the mucormycosis crisis.

Systronics (India) Limited:

It has two divisions Systronics & Telerad.

SYSTRONICS is a leading manufacturer of Analytical and Test & Measuring instruments distributing its products across India.

TELERAD is one of the oldest representatives of SONY in India promoting Broadcast and Professional Video/ Audio products of various International Companies across India

Sarabhai M. Chemicals Ltd.:

Sarabhai M Chemicals Ltd, a wholly owned subsidiary company has started its Vitamin C coated products manufacturing in August 2019.

Joint Venture Companies:

Vovantis Laboratories Pvt. Ltd.:

Vovantis, a joint venture Company is manufacturing USFDA inspected effervescent product manufacturing company with increased focus on the USA and European markets. It has recently set up a state of the art manufacturing facility to expand its business.

CoSara Diagnostics Pvt. Ltd.:

CoSara, a joint venture company has the exclusive manufacturing rights in India for the complete menu of its US partner – Co-Diagnostics Inc. infectious disease molecular diagnostics kits. CoSara manufactures Saragene – COVID-19 IVD Real-Time PCR Test Kit which are sold across India as well as many other tests.

Corporate Governance:

Pursuant to provisions of SEBI (LODR), Regulations, 2015, Management Discussion and Analysis Report, Corporate Governance Report and Auditors' Certificate regarding Compliance of Conditions of Corporate Governance are made part of the Annual Report.

Subsidiaries:

The Company has 8 (eight) subsidiaries and 2 (two) joint venture and one associate company. Their performance is integrated in the consolidated accounts.

Consolidated Financial Statement:

In compliance of the Accounting Standard AS-21 on Consolidated Financial Statement, the Consolidated Financial Statements, which form part of the Annual Report and Accounts, are attached herewith.

Directors and Key Managerial Personnel:

Pursuant to the provisions of Section 152 of the Companies act, 2013, Ms. Chaula M. Shastri, who retires by rotation and being eligible, offers herself for the appointment.

The two whole time directors namely Mr. Kartikeya V. Sarabhai and Ms. Chaula M. Shastri have been reappointed by the Board for a further period of three years. These resolutions are proposed for your approval in the ensuing AGM.

During the year under review, Mr. Mohandas K. Nair had resigned as Director of the Company w.e.f. 20th August,2020 and Mr. Mayur K. Swadia was appointed as an Independent Director of the Company w.e.f. 20th August,2020.

Declaration by Independent Directors:

The Independent Director have submitted the declaration of independence, as required pursuant to Section 149(7) of the Companies act, 2013 stating that they meet the criteria of independence as provided in sub-section (6).

Annual Evaluation:

The Board of Directors has carried out an annual Evaluation of its own performance, Board Committees and individual Directors pursuant to the provisions of the Act and the Corporate Governance requirements as prescribed by Securities & Exchange Board of India (SEBI) under Listing Regulation.

The performance of the Board was evaluated by the Board after seeking inputs from the Directors on the basis of the criteria such as Board composition and structure, effectiveness of board processes, information and functioning, etc.

The performance of the Committees was evaluated by the Board after seeking inputs from the Committee members on the basis of the criteria such as the composition of Committees, effectiveness of the Committees Meeting, etc.

The Board and the Nomination and Remuneration Committee (NRC) reviewed the performance of the individual Directors on the basis of the criteria such as the contribution of the individual Director to the Board and Committee Meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings, etc. In addition, the Chairman was also evaluated on the key aspects of his role.

Particulars of Loans, Guarantees or Investments:

Information regarding loans, guarantees and Investments covered under the provisions of section 186 of the Companies Act, 2013 are detailed in the financial statements.

Related Party Transactions:

Since all the related party transactions are carried out in the ordinary course of business on arm's length basis such transactions entered into by the Company during the financial year did not attract the provisions of Section 188 of the Companies Act, 2013. There are no materially significant related party transactions made 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 at large and thus a disclosure in Form AOC-2 in terms of Section 134 of the Act is not required.

None of the Non-Executive Directors has any pecuniary relationship or transactions with the Company other than sitting fees payable to them.

During the year 2020-21, pursuant to Section 177 of the Companies Act, 2013 and SEBI (LODR) Regulations, 2015 all RPTs were placed before Audit Committee for its prior/ omnibus approval.

Material Changes and Commitments:

There have been no material changes and

commitments, affecting the financial position of the Company, which have occurred between the end of the financial year of the Company and the date of this Report.

Number of Meetings of the Board:

There were five Meetings of the Board held during the year. Detailed information is given in the Corporate Governance Report.

Extract of Annual Return:

Extract of Annual Report is available on the website of Company www.ase.life

Policy of Director's Appointment and Remuneration and other details:

The Company's policy on director's appointment and remuneration and other matters provided in Section 178(3) of the Act has been followed by Nomination and Remuneration Committee or Key Managerial Personnel. They have fixed criteria for appointment of directors and Key Managerial Persons. Every year their performance is evaluated by the Committee and accordingly suitable recommendations are made.

Internal Financial Control Systems and their adequacy:

The Company has an Internal Control System commensurate with size, scale and complexity of its operations. The Company has appointed an Independent Internal Auditor who carries out Internal Auditing works according to policies and rules framed to monitor and control financial transactions within the Company and submits his report at every quarter which is put before the Audit Committee for their perusal.

Audit Committee:

The details pertaining to composition of Audit Committee are included in the Corporate Governance Report which forms part of this report.

Auditors' Report and Secretarial Auditors' Report:

Auditors' Report does not contain any qualifications, reservations or adverse remarks. Report of the Secretarial Auditor is given as an annexure which forms part of it.

Risk Management:

The Audit Committee of the Company is assigned the task to frame, implement and monitor the risk management plan of the Company. The Committee is responsible for reviewing the risk management plan and ensuring its effectiveness. The Audit Committee has additional oversight in the area of financial risks and controls. Major risks identified by the business and functions are systematically addressed through mitigating actions on a continuing basis.

Corporate Social Responsibility (CSR):

During the year under review the Company is not required to comply with the provisions related to Corporate Social Responsibility on the basis of its financial statement.

Particular of Employees:

The information required U/s. 197 of the Act read with rule 5(1) of the Companies (Appointment and Remuneration of Management Personnel) Rules, 2014 will be provided upon request in terms of section 136 of the Act, the reports and accounts are being sent to the members and other excluding the information on employees' particulars, which is available for inspection by members at the registered office of the Company during 2:00 p.m. to 4:00 p.m. on working days of the Company up to the date of AGM. If any Member is interested in obtaining a copy thereof, he/she may write to Secretarial Department of the Company. There is no employee drawing salary in excess of limit prescribed in Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

Fixed Deposits:

The Company has not accepted any fixed deposit during the year neither there was any unpaid/unclaimed amount of deposit at the beginning of the year or at the end of the year.

Details of Significant Orders passed by Regulators or Courts:

There is no significant or material order passed by any Regulators or courts during the financial year.

Disclosure Pursuant to section 197(14) of the Companies Act 2013

No Whole time director of the Company was in receipt of any remuneration/ commission from the company's holding/ subsidiary companies during the financial year.

Details of Establishment of Vigil Mechanism:

The Company has formulated Whistle Blower policy to establish a vigil mechanism for directors and employees of the Company to report concerns about unethical behavior, actual or suspended fraud or violation of Company's code of conduct policy.

Details under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

The Company has established Internal Complaints Committee to redress the complaints received from any woman employee of the Company as required under the provisions of the Act.

Fraud Reporting:

There was no fraud reporting by the Auditors of the Company u/s. 143(12) of the Companies Act, 2013 to the Audit Committee or the Board of Directors during the year under review.

Energy Conservation, Technology Absorption and Foreign Exchange earnings and outgo:

Particulars of Energy Conservation, Technology Absorption and Foreign Exchange earnings and outgo required to be given, are given in the Annexure to this Report in the prescribed format.

Directors' Responsibility Statement:

Pursuant to Section 134(5) of the Companies Act, 2013 the Board of Directors of the Company confirms that-

a) In the preparation of the annual accounts for the year ended 31.03.2021, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any.

b) The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as on 31.03.2021 and of the profit of the Company for the year ended on that date.

c) The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.

d) The Directors have prepared the annual accounts on a 'going concern' basis.

e) The Company has laid down Internal Financial Controls to be followed by the Company and that such Internal Financial Controls are adequate and were operating effectively.

f) The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such system are adequate and operating effectively.

Insurance:

Building, Plant and Machinery and Stocks, have been adequately insured.

Statutory Auditors:

Pursuant to section 139 of the Companies Act, 2013 and the Rules made there under, M/s. Khandhar & Associates, Chartered Accountants, (Firm Registration No. 118940W), are appointed as Auditors by the Members in the AGM held on 29.09.2017 to hold office until the conclusion of 44th Annual General Meeting, to be held in the year 2022.

Acknowledgement:

Your Directors would like to take opportunity to express their deep sense of gratitude to the Banks, Government Authorities, Customers and Shareholders for their continuous guidance and support. Further they would also like to place on record their sincere appreciation for dedication and hard work put in by one and all Members of Sarabhai Pariwar including workers.

For and on behalf on the Borad

Date : 11th August, 2021 Kartikeya V Sarabhai

Place : Ahmedabad Chairman

ANNEXURE TO THE DIRECTORS' REPORT

Disclosure of additional particulars as required under the Companies (Disclosure of particulars in the Report of Board of Directors) Rules, 1988, forming part of the Directors' Report for the year ended 31.03.2021.

A. Conservation of Energy &

B. Technology absorption

During the year under report, there was no production activities carried out in the Company and therefore, details are not required to be given.

C. Foreign Exchange Earnings and Outgo (Standalone)

i) The Company is making all efforts to boost up the exports of its various products.

(ii) Total Foreign Exchange Earned and Used:

	Rs. Lakh
For exchange earned	Nil
Foreign exchange used	0.07

Management Discussions and Analysis Report

Overview of Indian Pharmaceutical Industry 2021 – Future is now

Introduction

India is the largest provider of generic drugs globally. Indian pharmaceutical sector supplies over 50% of global demand for various vaccines, 40% of generic demand in the US and 25% of all medicine in the UK. Globally, India ranks 3rd in terms of pharmaceutical production by volume and 14th by value.

The domestic pharmaceutical industry includes a network of 3,000 drug companies and ~10,500 manufacturing units.

India enjoys an important position in the global pharmaceuticals sector. The country also has a large pool of scientists and engineers with a potential to steer the industry ahead to greater heights. Presently, over 80% of the antiretroviral drugs used globally to combat AIDS (Acquired Immune Deficiency Syndrome) are supplied by Indian pharmaceutical firms.

According to the Indian Economic Survey 2021, the domestic market is expected to grow 3x in the next decade. India's domestic pharmaceutical market is estimated at US$ 42 billion in 2021 and likely to reach US$ 65 billion by 2024 and further expand to reach ~US$ 120-130 billion by 2030.

India's biotechnology industry comprising biopharmaceuticals, bio-services, bio-agriculture, bio-industry, and bioinformatics. The Indian biotechnology industry was valued at US$ 64 billion in 2019 and is expected to reach US$ 150 billion by 2025.

Indian pharmaceutical sector is expected to grow at a CAGR of 22.4% in the near future and medical device market expected to grow US$ 25 billion by 2025.India is the second largest contributor of global biotech and pharmaceutical workforce. Indian pharmaceutical sector, one of the fastest growing sectors, is expected to cross US$372 billion by 2022. India plans to set up a nearly Rs. 1 lakh crore (US$ 1.3 billion) fund to provide boost to companies to manufacture pharmaceutical ingredients domestically by 2023

Indian drugs are exported to more than 200 countries in the world, with US being the key market. Generic drugs account for 20% of the global export in terms of volume, making the country the largest provider of generic medicines globally. It is expected to expand even further in the coming years. The Indian pharmaceutical exports, including bulk drugs, intermediates, drug formulations, biologicals, Ayush & herbal products and surgical, reached US$ 24.44 billion in FY21.

The Union Cabinet has given its nod for the amendment of existing Foreign Direct Investment (FDI) policy in the pharmaceutical sector in order to allow FDI up to 100% under the automatic route for manufacturing of medical devices subject to certain conditions. The drugs and pharmaceuticals sector attracted cumulative FDI inflow worth US$ 17.75 billion between April 2000 and December 2020 according to the data released by Department for Promotion of Industry and Internal Trade (DPIIT)

ANNEXURE TO THE DIRECTORS' REPORT

REPORT ON CORPORATE GOVERNANCE FOR THE YEAR 2020-21

Good Corporate Governance calls for transparency and accountability of a Company's management. Your company remains committed to these basic tenets of good governance by full disclosure of its policies and operational practices as well be evident below.

Composition of the Board:

The Company's Board at present has 6 Directors including one woman director, comprising of 2 Executive Directors and 4 Non Executive Directors. Names and categories of the Directors on the Board and the numbers of Directorship and the Committee position held by them in other public limited companies are given below:

Name of Director	Category / Designation	No. of Directorships held in other Public ltd. companies	No. of Committee Memberships in other companies
Mr. Kartikeya V. Sarabhai	Chairman and Whole-time Director	–	–
Mr. Mohandas K. Nair*	Non-Executive/	–	–
Mr. Anil H. Parekh	Non-Executive/ Non-Independent Director	–	–
Mr. Ashwin P. Hathi	Non-Executive/ Independent	–	–
Ms. Chaula M. Shastri	Whole-time Director	–	–
Mr. Chandra-shekhar B. Bohra	Non-Executive/ Independent	4	–
Mr. Mayur K Swadia**	Non-Executive/ Independent	3	3

* ceased to be director w.e.f. 20-8-2020

** Appointed as an Independent Director w.e.f. 20-8-2020

b) Board Meetings:

The Board met 7 times on the following dates during the financial year 2020-21 and the maximum time gap between the two meetings did not exceed 120 days

22-7-2020	2-1-2021
20-8-2020	12-2-2021
30-9-2020	05-3-2021
10-11-2020	

The Agenda papers were circulated to the Directors in advance before the meetings with sufficient information. The details of attendance of each Director at the Board Meeting held during the financial year 2020-21 and at the last Annual General Meeting held on 30-09-2020 together with the sitting fees paid to each Director are given below:

Name of Director	No. of Meetings held during the tenure	No. of Meetings attended	Sitting fees paid for Board Meetings & other Committee Meetings	Attendance at the last AGM	Date of Appointment
Mr. Kartikeya V.Sarabhai	7	7	-	Yes	30-7-1992
Mr. Mohandas K. Nair*	2	0	-	No	3-3-2011
Mr. Anil H. Parekh	7	5	25,000.00	Yes	4-5-2005
Mr. Ashwin P. Hathi	7	7	75,000.00	Yes	24-6-2010
Ms. Chaula Shastri	7	7	-	Yes	16-10-2012
Mr. Chandrashekhar B. Bohra	5	5	40,000.00	Yes	13-6-2013
Mr. Mayur K. Swadia**	6	5	45,000.00	Yes	20-8-2020

* ceased to be director w.e.f. 20-8-2020

** Appointed as an Independent Director w.e.f. 20-8-2020

II) Committee of Directors :

The involvement of non-executive Directors in providing guidance on policy matters to the operating management is formalized through constitution of Committees of the Board. These committees provide periodical and regular guidance; have exchanged of information and ideas between the Non-Executive Directors and the operating management.

The Board has accordingly, as required under SEBI (LODR) Regulations, 2015, constituted the following Committees.

All the meetings as required under the provisions of Companies Act, 2013 and SEBI (LODR) Regulations, 2015 were duly held.

I) Audit Committee:

The Company has complied with requirements of SEBI (LODR) Regulation, 2015, with regard to composition of Audit Committee. The details of attendance of Audit committee Meetings held during the financial year 2020-21 are as under:

Name of Director	Status	No. of Meetings held	No. of Meetings attended
Mr. Chandrashekhar B .Bohra	Chairman	4	3
Mr. Ashwin P Hathi	Member	4	4
Mr. Mohandas K. Nair*	Member	1	0
Mr. Mayur K. Swadia**	Member	3	3

* ceased to be a director w.e.f 20-8-2020

** Appointed as Independent Director w.e.f. 20-8-2020

The Broad terms of reference specified by the Board to the Audit Committee are as contained under regulations of SEBI (Listing and Disclosure requirements) Regulations, 2015 and under the Companies Act, 2013.

II. Stake holders Relationship committee:

The details of attendance of Stake holders Relationship Committee Meetings held during the financial year 2020-21 are as under:

Name of Director	Status	No. of Meetings held	No. of Meetings attended
Mr. Chandrashekhar B. Bohra	Chairman	1	1
Mr. Kartikeya V Sarabhai	Member	1	1
Ms. Chaula M Shastri	Member	1	1

III) Nomination and Remuneration Committee:

The details of attendance of Nomination and Remuneration Committee Meeting held during the financial year 2020-21 are as under:

Name of Director	Status	No. of Meetings held	No. of Meetings attended
Mr. Ashwin P. Hathi	Chairman	3	3
Mr. Chandra Shekhar B. Bohra	Member	3	3
Mr. Mohandas K. Nair*	Member	1	0
Mr. Mayur K. Swadia**	Member	2	2

* ceased to be director w.e.f. 20-8-2020

** Appointed as an Independent Director w.e.f. 20-8-2020

Details of Remuneration of Directors (2020-21)

(Amt. in Rs.)

Name of Director	Salary & perquisites	Sitting Fees	Total
Mr. Kartikeya V. Sarabhai	41,91,457.00	-	41,91,457.00
Mr. Anil H Parekh	-	25,000.00	25,000.00
Ms. Chaula M. Shastri	28,23,831.00	-	28,23,831.00
Mr. Ashwin P Hathi	-	75,000.00	75,000.00
Mr. Chandrashekhar B. Bohra	-	75,000.00	75,000.00
Mr. Mohandas K. Nair*	-	-	-
Mr. Mayur K. Swadia**	-	45,000.00	45,000.00

* ceased to be director w.e.f 20-8-2020

** Appointed as an Independent Director w.e.f. 20-8-2020

Code of Conduct:

In terms of SEBI (LODR) Regulations, the Board of Directors of the Company has laid down a code of conduct for all Board members and senior management personnel of the company. The Board members and senior management personnel of the company have affirmed compliance with the code. The Chairman and Whole-time Director of the Company has given a declaration to the Company that all the Board members and senior management personnel have affirmed compliance with the code.

Whistle Blower Policy:

The Company has a WHISTLE BLOWER (WB) policy that provides a secured avenue to directors, employees and other stakeholders for raising their concerns against unethical practices, if any, in the Company. The WB policy also ensures that strict confidentiality is maintained whilst dealing with concerns and also that no discrimination will be meted out to any person for a genuinely raised concern.

Protection against Sexual Harassment at work place:

Pursuant to provisions of "The Sexual Harassment of Women at workplace (Prevention, Prohibition and Redressal) Act,2013" and rules made there under, the Company has constituted Internal Complaints Committee with majority of women members which looks after complaint , if any, with regard to sexual harassment in the organization.

General Body Meetings:

The Annual General Meetings of the Company for the years 2017-18 , and 2018-19 were held at The Auditorium of Ahmedabad Textile Mills Association(ATMA), Ashram Road, Ahmedabad and for the year 2019-20 was held through Video Conferencing/ Other Audio Visual Means ("VC/OAVM") Facility on the following dates and time:

Year		Date	Time	Location
2017-18	40th AGM	27th September, 2018	11.00 a.m.	Auditorium of Ahmedabad Textile Mills Association (ATMA) , OPP: Citigold Cinema, Ashram Road, Ahmedabad
2018-19	41st AGM	29th August, 2019	11.00 a.m.	Auditorium of Ahmedabad Textile Mills Association (ATMA) , OPP: Citigold Cinema, Ashram Road, Ahmedabad
2019-20	42nd AGM	30th September, 2020	11.00 a.m.	Through Video Conferencing/ Other Audio Visual Means ("VC/OAVM") Facility.

Disclosures:

1) As required under the Companies Act, the Directors disclose the name of the Companies / parties in which they are interested and accordingly, the Register of Contracts under Section 189 of the Companies, 2013 is tabled and signed at the Board Meeting/s.

2) Transactions with the "related parties" are disclosed in detail in note forming part of Accounts' annexed to the financial statements for the year ended 31st March, 2021, Adequate care was taken by the Board to ensure that the potential conflict of interest did not harm the interest of the Company.

3) The Company complied with the provisions of Stock Exchange / SEBI / Statutory Authorities on all matters related to Capital Markets. There was no non-compliance during the year 2020-21 by the Company on any matter related to Capital Markets.

4) **Means of Communications:**

   a) Quarterly/ Half yearly financial Results of the Company are submitted to the BSE Limited and published in Economic Times (English Language) and Navgujarat Samay (Gujarati Language)

   b) Management Discussion & Analysis Report is a part of this Directors' Report to the Shareholders.

General Shareholder Information:

1	Registered Office	Shantisadan, Mirzapur Road, Ahmedabad-380 001
2	Venue, Day &	Thursday, 23rd September,2021 at 11.00 a.m. through Vedio Conferencing/ other audio Visual Means (Means ("VC/OAVM") Meeting
3	Mode	Video conference and other Audio Visual Means ("VC/OAVM")
4	Financial Calendar	From 1st April 2020 to 31st March 2021
5	Book Closure dates	From 21-09-2021 to 23-09- 2021 (both days inclusive)
6	Dividend Payment Date	Not applicable
7	E-Voting Dates	Commences at 9.00 HRS (IST) on, 20th September,2021 and ends at 17.00 HRS (IST) on 22th September,2021.
8	Listing on stock exchange:	BSE Ltd. Stock Code No. 500009

VIII) Stock Price Data:

MONTH	HIGH (BSE) (Rs.)	LOW (BSE) (Rs.)	BSE SENSEX	
			High	Low
April-2020	21.25	16.55	33,887.25	27,500.79
May-2020	18.95	15.70	32,845.48	29,968.45
June-2020	18.55	14.90	35,706.55	32,348.10
July-2020	21.60	15.70	38,617.03	34,927.20
August-2020	30.95	20.15	40,010.17	36,911.23
September-2020	24.20	16.55	39,359.51	36,495.98
October-2020	23.50	16.60	41,048.05	38,410.20
November-2020	23.60	16.60	44,825.37	39,334.92
December-2020	22.55	18.75	47,896.97	44,118.10
January-2021	26.20	20.05	50,184.01	46,160.46
February-2021	22.50	18.20	52,516.76	46,433.65
March-2021	20.95	17.00	51,821.84	48,236.35

VIII) Share Transfer System:

The shares of the Company are compulsorily traded in dematerialized form, with effect from 28-8-2000, as per SEBI/S directive. The company has appointed MCS Share Transfer Agent Ltd, Vadodara as its RTA for dematerialization purposes and has also set up the requisite facilities for dematerialization of share with National Securities Depositories Ltd. (NSDL) and Central Depository Services (India) Ltd. (CDSL). For physical Share Transfer, if the share transfers documents are in order, share transfer are registered upon approval by the Share Transfer Committee of Directors, the meetings of which Committee of Directors are generally held at regular intervals of about 15/20 days. Thereafter, duly transferred share certificates are dispatched to the respective shareholders.

Total shares transferred during financial year 2020-21	NIL
Total Transfer Deeds received and processed during financial year 2020-21	NIL
Total No. of shares(s) Demated as on 31st March 2021	6,37,48,196
% of total Equity shares in Demat as on 31st March 2021	83.1860%

IX) Distribution of Shareholding - as on 31st March, 2021:

Category	No. of Shares	%
Promoters	23571244	30.76
FII/NRI	653827	00.85
Public Financial Institutions & Nationalized Banks	4412	0.00
Mutual Funds/UTI	-	-
Bodies Corporate	15700170	20.49
Indian Public	36703643	47.90
Total	**76633296**	**100.%**

X) Distribution of Shareholding as on 31st March, 2021 (both in physical & electronic form):

No. of Shares held	No. of Share held	% of Share holding	No. of Share holders	% of Share holders
1 to 500	10548334	13.7647	149383	93.5046
501 to 1000	5094613	6.648	6714	4.2026
1001 to 2000	3145385	4.1045	2131	1.3339
2001 To 3000	1074007	1.4015	421	0.2635
3001 To 4000	7 35294	0.9595	206	0.1289
4001 To 5000	962487	1.256	203	0.1271
5001 To 10000	2451891	3.1995	322	0.2016
Over 10000	52621285	68.6663	380	0.2378
Total......	**76633296**	**100.00**	**159760**	**100.00**

XI) Dematerialization of Shares:

During the year under review, 31,567 (0.04%) shares were dematerialized in National Securities Depository Ltd. and Central Depository Services (India) Ltd.

ISIN No. : INE432A01017

XII) Plant Locations: (subsidiary companies)

Village Ranoli Dist: Vadodara

XIII) Address for Correspondence:

Shareholders can correspond either at the office of its Share Transfer Agent viz. MCS Share Transfer Agent Ltd. 88, Sampatrao Colony, 1st Floor, Neelam Apartment, Above Chhappan Bhog Sweets, Alkapuri, Vadodara-390 007.or at its registered office at Shantisadan, Mirzapur Road, Ahmedabad-380 001. Queries of shareholders shall be addressed to Mr. Damodar Sejpal, Company Secretary-Email-dsejpal@ase.life The Company Secretary is designated by Company as " Complain Officer"

DECLARATION REGARDING COMPLIANCE BY BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL WITH THE CODE OF CONDUCT

This is to confirm that the Company has in respect of financial year ended 31st March, 2019, received from the members of the Board and Senior Management of the Company, a declaration of compliance with the Code of Conduct as applicable to them.

For, Ambalal Sarabhai Enterprises Ltd.

Ahmedabad Kartikeya V Sarabhai
11-8-2021 Chairman & Whole-time Director

COMPLIANCE CERTIFICATE BY AUDITORS

To the Members of
Ambalal Sarabhai Enterprises Limited

We have examined the compliance of conditions of Corporate Governance by Ambalal Sarabhai Enterprises Limited, for the year ended 31st March, 2021 as stipulated in schedule V of SEBI (LODR) Regulations, 2015.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuing 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 above mentioned Listing Agreement.

We state that no investor grievances are pending for a period exceeding one month against the Company as per the records maintained by the Shareholders / Investors Grievance Committee.

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

For **Khandhar & Associates**
Chartered Accountants
Firm Registration No. 118940W
CA. Vipul B. Khandhar
Partner
Date : 11-08- 2021 Membership No.105986
Place : Ahmedabad UDIN:21105986AAAAJZ5787

FORM NO. MGT-9
EXTRACT OF ANNUAL RETURN
as on the financial year ended on 31.3.2021

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

I. REGISTRATION AND OTHER DETAILS:

(i)	CIN:-	L52100GJ1978PLC003159
(ii)	Registration Date -	27-06-1977
(iii)	Name of the Company	Ambalal Sarabhai Enterprises Ltd.,
(iv)	Category / Sub- Category of the Company	Public Limited Company
(v)	Address of the Registered office and contact details	Shantisadan, Mirzapur Road, Ahmedabad- 380001
(vi)	Whether listed company	Yes
(vii)	Name, Address and Contact details of Registrar and Transfer Agent, if any	MCS Share Transfer Agent Limited 88, Sampatrao Colony 1st Floor, Neelam Apartment, Above Chappan Bhog Sweets, Alkapuri, Vadodara-390 007

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

SI No	Name and Discription of main product/services	NIC Code of the Product/Serviceds	% to total Turnover of the Company
	NA	NA	NA

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr No	Name and Address of the Company	CIN/GLN/FCRN	Holding/ Subsidiary/ Associate	% of Shares held	Applicable Section
1.	Synbiotics Ltd.	U24232GJ1960PLC000992	Subsidiary	100	2(87)
2.	Systronics (India) Ltd	U32201GJ1973PLC002437	Subsidiary	100	2(87)
3.	Sarabhai Chemicals (India) Pvt. Ltd	U24231GJ2004PTC043478	Subsidiary	99.90	2(87)
4.	Asence Inc.	F02269	Subsidiary	100	2(87)
5.	Asence Pharma Pvt ltd	U24230GJ2004PTC045141	Subsidiary	100	2(87)
6.	Sarabhai M. Chemicals Ltd.	U50101GJ2000PLC039109	Subsidiary	100	2(87)
7.	Suvik Hitek Pvt Ltd.	U24231GJ1977PTC003036	Subsidiary	100	2(87)
8.	Swetsri Investments Pvt Ltd.	U67120MH1986PTC041664	Subsidiary	100	2(87)
9.	Haryana Containers Ltd	U25202GJ1970PLC037926	Associate	45.45	2(6)
10.	Vovantis Laboratories Pvt Ltd.	U24230GJ2008PTC055176	J.V.	33.34	2(6)
11.	CoSara Diagnostics Private Ltd.	U24110GJ2017PTC098068	J.V.	49.93	2(6)

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

(i) Category wise Shareholding

Category of Shareholders	No. of Shares held at the beginning of the year 1.4.2020				No. of Shares held at the end of the year 31.3.2021				
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	% Charge during the year
A. Promoters									
(I) Indian									
a) Individual/ HUF	344724	0	344724	0.45	344724	0	344724	0.45	-
b. Central Govt.	-	-	-	-	-	-	-	-	-
c. State Govt.	-	-	-	-	-	-	-	-	-
d. Bodies Corp.	23226520	0	23226520	30.31	23226520	0	23226520	30.31	-
e. Banks/ FIs	-	-	-	-	-	-	-	-	-
f. Any other	-	-	-	-	-	-	-	-	-
Sub Total (A)(1)	**23571244**	**0**	**23571244**	**30.76**	**23571244**	**0**	**23571244**	**30.76**	**0**
(II) Foreign									
g) NRIs	--	--	--	--	--	--	--	--	--
h) Other Individuals	--	--	--	--	--	--	--	--	--
i) Bodies Corp	--	--	--	--	--	--	--	--	--
j) Bank/FI	--	--	--	--	--	--	--	--	--
k) Any Other	--	--	--	--	--	--	--	--	--
Sub Total (A)(2)	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Total Sharehodling Promoter (A)=(A)(1)+(A)(2)	**23571244**	**0**	**23571244**	**30.76**	**23571244**	**0**	**23571244**	**30.76**	**0**
B. Public Shareholding.									
1. Institutions									
a) Mutual Funds	--	--	--	--	--	--	--	--	--
b) Banks/ FIs	1292	1420	2712	0.00	1292	1420	2712	0.00	-
c) Central Govt.	-	-	-	-	-	-	-	-	-
d) State Govt.	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	--	--	--	--	--	--	--	--	--
f) Insurance Companies	0	1700	1700	0.00	0	1700	1700	0.00	-
g) FIIs	--	--	--	--	--	--	--	--	--
h) Foreing Venture Capital Funds	--	--	--	--	--	--	--	--	--
i) Others (specify)	--	--	--	--	--	--	--	--	--
Sub Total (B)(1)	**1292**	**3120**	**4412**	**0.01**	**1292**	**3120**	**4412**	**0.01**	**-**

2) Non Institutions									
a) Body Corp									
i) Indian	15391499	133417	15524916	20.26	15566753	133417	15700170	20.49	0.23
ii) Overseas	--	--	--	--	--	--	--	--	--
b) Individuals									
i) Individual Shareholders Holding Nominal Share Capital upto Rs. 2 Lakh	11693730	12626918	24320648	31.74	12109719	12595351	24705070	32.24	0.5
ii) Individual Shareholders Holding Nominal Share Capital in excess of Rs. 2 Lakh	11504010	0	11504010	15.01	10340784	0	10340784	13.49	(1.52)
c) Others (Specify)									
i) NRI	269191	153212	422403	0.55	284465	153212	437677	0.57	0.02
ii) Trust	88039	0	88039	0.11	88039	0	88039	0.11	-
iii) HUF	1197624	0	1197624	1.56	1785900	0	1785900	2.33	0.77
Sub Total (B)(2)	**40144093**	**12913547**	**53057640**	**69.23**	**40175660**	**12881980**	**53057640**	**69.23**	**-**
Total Public Sharehodling (B)=(B)(1)+(B)(2)	**40145385**	**12916667**	**53062052**	**69.24**	**40176952**	**12885100**	**53062052**	**69.24**	**-**
C. Shares held by Custodian for GDRs & ADRs	--	--	--	--	--	--	--	--	--
Grand Total (A+B+C)	**63716629**	**12916667**	**76633296**	**100**	**63748196**	**12885100**	**76633296**	**100**	**-**

ii Shareholding of Promoters

Category of Shareholders	No of shares held at the beginning of the year 01.04.2020				No of shares held at the end of the year 31.03.2021				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
Mohal K. Sarabhai	51387	0	51387	0.07	51387	0	51387	0.07	-
Mallika Sarabhai	125655	0	125655	0.16	125655	0	125655	0.16	-
Kartikeya Sarabhai	123142	0	123142	0.16	123142	0	123142	0.16	-
Samvit Sarabhai	44540	0	44540	0.06	44540	0	44540	0.06	-
Ashavari Inv. Pvt. Ltd. (IVL)	182513	0	182513	0.24	182513	0	182513	0.24	-
Bhadrapad Inv. Pvt. Ltd. (IVL)	157920	0	157920	0.21	157920	0	157920	0.21	-
Talimi Inv. Pvt. Ltd (IVL)	163323	0	163323	0.21	163323	0	163323	0.21	-
Todirag Holdings Pvt. Ltd.(IVL)	185675	0	185675	0.24	185675	0	185675	0.24	-
Rajka Designs Pvt. Ltd	163850	0	163850	0.21	163850	0	163850	0.21	-
Leena Inv. Pvt. Ltd.(IVL)	128217	0	128217	0.17	128217	0	128217	0.17	-
Koshalya Inv. Pvt. Ltd. (IVL)	456722	0	456722	0.60	456722	0	456722	0.60	-
Kanda Inv. Pvt. Ltd. (IVL)	209288	0	209288	0.27	209288	0	209288	0.27	-
Khamaj Inv. Pvt. Ltd. (IVL)	159086	0	159086	0.21	159086	0	159086	0.21	-
Jonpuri Inv. Pvt. Ltd. (IVL)	178667	0	178667	0.23	178667	0	178667	0.23	-
Himalaya Inv. Pvt. Ltd. (IVL)	1911	0	1911	0.00	1911	0	1911	0.00	-
Sarabhai Holdings Pvt. Ltd	19303972	0	19303972	25.19	19303972	0	19303972	25.19	-
Sarabhai Management Corp P. Ltd	91634	0	91634	0.12	91634	0	91634	0.12	-
Sahayog Inv. Pvt. Ltd. (IVL)	161011	0	161011	0.21	161011	0	161011	0.21	-
Medicinal Drugs Mfg. Pvt. Ltd. (IVL)	157716	0	157716	0.21	157716	0	157716	0.21	-
Madhavbag Holdings Pvt. Ltd. (IVL)	178651	0	178651	0.23	178651	0	178651	0.23	-
Mrigank Inv. Pvt. Ltd. (IVL)	178669	0	178669	0.23	178669	0	178669	0.23	-
Yudhisthar Inv. Pvt. Ltd. (IVL)	469305	0	469305	0.61	469305	0	469305	0.61	-
Vasantbahar Inv. Pvt. Ltd	200989	0	200989	0.26	200989	0	200989	0.26	-
Vaishakhi Inv. Pvt. Ltd. (IVL)	181561	0	181561	0.24	181561	0	181561	0.24	-
Bilawal Inv. Pvt. Ltd. (IVL)	157920	0	157920	0.21	157920	0	157920	0.21	-
Adana Inv. Pvt. Ltd. (IVL)	157920	0	157920	0.21	157920	0	157920	0.21	-
TOTAL	**23571244**	**0**	**23571244**	**30.76**	**23571244**	**0**	**23571244**	**30.76**	**-**

iii Change in Promoter's Shareholding (Please specify, if there is no change)

SI No		Sharehodling at the beginning of the year 01-04-2020		Cumulative shareholding during the year 31-03-2021	
		No of Shares	% of total Shares of the company	No of Shares	% of total Shares of the company
	Date wise Increase/ decrease in Promoters shareholding during the year specifying the reasons for increase/decrease (e.g. allottment / transfer/sweat equity etc):	--	--	--	--
	At the End of the year	--	--	--	--

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

SI No		Sharehodling at the beginning of the year 01.04.2020		Cumulative Shareholding during the year 31.03.2021	
	For Each of the Top 10 Shareholders	No of Shares	% of total Shares of the Company	No of Shares	% of total Shares of the Company
1	Caplin Viniyog Pvt Ltd	4222789	5.5104	4222789	5.5104
2	Navtech farm Products Pvt Ltd	3646167	4.7579	3646167	4.7579
3	Ontime hire Purchase Agencies Pvt Ltd	3295625	4.3006	3295625	4.3005
4	Monet Securities Pvt Ltd	2026256	2.6441	2275688	2.9696
5	M. Prasad & Co. Ltd	974214	1.2713	974214	1.2713
6	Sarita Govind Yadav	556528	0.7262	463528	0.6049
7	Gira Ambalal Sarabhai	438376	0.5720	438376	0.5720
8	Anand Zaveri	327428	0.4273	327428	0.4273
9	Sarah Faisal Hawa	-	-	303113	0.3955
10	Mahavir Sohanlal Shah	-	-	264909	0.3457
11	Manju Bhalotia Manju	383494	0.5004	134062	0.1749
12	Bilkis Zubair Hawa	337261	0.4401	-	-
	At the End of the year (or on the date of Seperation, if separated during the year) 31.03.2021				
1	Caplin Viniyog Pvt Ltd	4222789	5.5104		
2	Navtech farm Products Pvt Ltd	3646167	4.7579		
3	Ontime hire Purchase Agencies Pvt Ltd	3295625	4.3005		
4	Monet Securities Pvt Ltd	2275688	2.9696		
5	M. Prasad & Co. Ltd	974214	1.2713		
6	Sarita Govind Yadav	463528	0.6049		
7	Gira Ambalal Sarabhai	438376	0.5720		
8	Anand Zaveri	327428	0.4273		
9	Sarah Faisal Hawa	303113	0.3955		
10	Mahavir Sohanlal Shah	264909	0.3457		

v Shareholding of Directors and Key Management Personnel

SI No		Sharehodling at the beginning of the year 01.04.2020		Cumulative Shareholding during the year 31.03.2021	
	For Each of the Director and Key Management Personnel	No of Shares	% of total Shares of the company	No of Shares	% of total Shares of the company
1	At the beginning of the year	123142	0.16	123142	0.16
2	Date wise Increase/ decrease in shareholding during the year specifying the reasons for increase/decrease (e.g. allottment/ transfer/Bonus/sweat equity etc):	-	-	-	-
	At the End of the year (or on the date of the year)	123142	0.16	123142	0.16

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for Payment Rs. Lakh

	Secured Loans excluding Deposits	Unsecured Loan	Deposit	Total Indebtedness
Indebtedness at the beginning of the				
financial year 01-04-2020				
(i) Principal Amount	20.04	1080.10	0	1100.14
(ii) Interest Due but not paid	193.04	4.16	0	197.20
(iii) Interest accrued but not due	0	0	0	0
Total (i+ii+iii)			**0**	
Changes in Indebtedness during				
the financial year				
* Addition	25.80	0	0	25.80
*Reduction	9.10	0	0	9.10
Net Change	**16.70**	**0**	**0**	**16.70**
Indebtedness at the end of the				
financial year 31-3-2021				
(i) Principal Amount	33.94	1,080.10	0	1,114.04
(ii) Interest Due but not paid	195.84	4.16	0	200.00
(iii) Interest accrued but not due	0	0	0	0
Total (i+ii+iii)	**229.78**	**1,084.26**	**0**	**1,314.04**

VI. REMUNERATION OF DIRECTORS AND KEY MANAGEMENT PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager Amount in Rs.

Sr. No	Particulars of Remuneration	Name of MD/WTD/ Manager		Total Amount
		Mr. Kartikeya V Sarabhai	Ms. Chaula M. Shastri	
1	Gross Salary (a) Salary as per provisions contained in section 17(1) of the income-tax act, 1961	41,79,789.00	26,60,800.00	68,40,589.00
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	11,668.00	1,18,275.00	1,29,943.00
	(c) Profits in lieu of salary under section 17(3) Income-Tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission as % of profit Others specify	-	-	-
5	Others, Please specify	-	44,756.00	44,756.00
	Total (A)	41,91,457.00	28,23,831.00	70.15.288.00
	Ceiling as per the Act	-	-	-

B. Remuneration of other Directors

Amount in Rs.

SI No	Particulars	Name of Directors				Total Amount
		Mr. Mayur K. Swadia*	Mr. A. P. Hathi	Mr. Chandra-shekhar B. Bohra	Mr. A.H. Parekh	
	Independent Directors:					
1.	Fee for attending board/					
	Committee meetings	45,000.00	75,000.00	75,000.00	-	1,95,000.00
2.	Commission	-	-	-	-	-
3.	Others, please specify					
	Total (1)	**45,000.00**	**75,000.00**	**75,000.00**	**0**	**1,95,000.00**
	Other Non-Executive Director:					
1.	Fee for attending board/					
	Committee meetings	-	-	-	25,000.00	-
2.	Commission	-	-	-	-	-
3.	Others, please specify	-	-	-	-	-
	Total (2)	**-**	**-**	**-**	**25,000.00**	**25,000.00**
	Total B (1)+(2)					
	Total Managerial Remuneration	**40,000.00**	**45,000.00**	**35,000.00**	**25,000.00**	**2,20,000.00**
	Overall ceiling as per the Act	**-**	**-**	**-**	**-**	**-**

* appointed as Independent Director w.e.f. 20th August,2020

C REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

Amount in Rs.

SI No	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Company Secretary	CFO	Total
1	Gross Salary (a) Salary as per provisions contained in section 17(1) of the income-tax act, 1961	-	16,35,858.00	23,08,035.00	39,43,893.00
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income-Tax Act, 1961	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission as % of profit Others specify	-	-	-	-
5	Others, Please specify	-	2,11,377.00	-	2,11,377.00
	Total	**-**	**18,47,235.00**	**23,08,035.00**	**41,55,270.00**

VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES

Type	Section of the Companies Act	Brief Description	Details of Penalty /Punishment/ Compounding fees imposed	Authority (RD/NCLT/ COURT)	Appeal made if any (give details)
A. COMPANY					
Penalty					
Punishment					
Compounding					
B. DIRECTORS					
Penalty					
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty					
Punishment					
Compounding					

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED ON 31ST MARCH, 2021

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To, The Members,

Ambalal Sarabhai Enterprises Limited

CIN: L52100GJ1978PLC003159

Shanti Sadan, Mirzapur Road,

Ahmedabad, Gujarat, 380001

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **AMBALAL SARABHAI ENTERPRISE LIMITED** (hereinafter called the "Company"). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing my opinion thereon.

Based on our verification of the **Company's** books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has during the audit period covering the financial year ended on **31st March, 2021** complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We further report that maintenance of proper and updated books, papers, Minutes Book, filing of forms and returns, with applicable statutory authority is responsibility of management of the company. Our responsibility is to verify the content of the documents produced before us, make objective evaluation of the content in respect of compliance and report thereon.

We have examined (physical as well *as online verification and examination was conducted of records, as facilitated by the Company due to Covid 19 pandemic for the purpose of issuing this report*) the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March 2021, according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the Rules made there under, to the extent applicable during our Audit Period;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):

(a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

(b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

(c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; -

(d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; - **Not Applicable during the Reporting Period**

(e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; - **Not Applicable during the Reporting Period**

(f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **Not Applicable during the Reporting Period** and

(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998. **Not Applicable during the Reporting Period**

(vi) As confirmed and certified by the management, there is no law specifically applicable to the Company based on the Sectors / Businesses.

We have also examined compliances with applicable clauses of the following:

(i) Secretarial Standards 1 and 2 issued by The Institute of Company Secretaries of India under provisions of The Companies Act, 2013 w.e.f.1st July, 2015 amended from time to time and

(ii) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time.

We further report, that compliance by the Company of applicable financial laws, like direct and indirect tax laws, has not been reviewed in this Audit since the same have been subject to review by Tax Auditor / Other designated professionals.

Based on the above said information provided by the company, we report that during the financial year under review, the company has generally complied with the applicable provisions of the above mentioned Acts including the applicable provisions of the Companies Act,2013 and Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We further report that few compliances related e-forms was filed by the company with

Ministry of Corporate Affairs (MCA) beyond the time limit prescribed under Companies Act, 2013 by paying additional fees.

We further report that:

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

(b) Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent in advance. A system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting based on the representation made by the company and its Officers. Majority decision is carried through and that there were no dissenting member's views on any of the matter during the year that were required to be captured and recorded as part of the minutes.

(c) Based on general review of compliance mechanisms established by the Company and on basis of management representations, there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines. As informed, the company has responded appropriately to notices received from any statutory/regulatory authorities including initiating actions for corrective measures, wherever found necessary.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with all the applicable laws, rules, regulations and guidelines, standards etc.

We further report that during the audit period the Company has not conducted any actions / events which could have a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. referred to above.

For, **RAJESH PAREKH & CO.**
Company Secretaries
Rajesh Parekh
(Proprietor)
Mem. No.: 8073

Date: 11.08.2021 C.P No. : 2939
Place: Ahmedabad UDIN: A008073C000829621

To,
The Members,

Ambalal Sarabhai Enterprises Limited
CIN: L52100GJ1978PLC003159
Shanti Sadan, Mirzapur Road,
Ahmedabad, Gujarat, 380001

Our report of even date provided in Form MR-3 is to be read along with this letter.

1. Maintenance of secretarial records is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, I follow provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedure on test basis, for the purpose of issuing Secretarial Audit Report.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For, **RAJESH PAREKH & CO.**
Company Secretaries
Rajesh Parekh
(Proprietor)
Mem. No.: 8073
C.P No. : 2939
UDIN: A008073C000829621

Date: 11.08.2021
Place: Ahmedabad

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF AMBALAL SARABHAI ENTERPRISES LIMITED

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of Ambalal Sarabhai Enterprises Limited (“the Company”), which comprise the Balance Sheet as at March 31, 2021, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as “the standalone financial statements”).

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 (“the Act”) in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, (“Ind AS”) and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, the loss and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor’s Responsibilities for the Audit of the 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 (ICAI) together with the independence requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI’s Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Emphasis of Matter

We draw attention to note no. 36 of the ?nancial statements, which describes that based on current indicators of future economic conditions, the Company expects to recover the carrying amount of all its assets and revenue recognised. The impact of the COVID-19 pandemic may be different from that estimated as at the date of approval of these ?nancial statements and the Company will continue to closely monitor any material changes to future economic conditions. Our opinion is not modi?ed in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report. There are no Key audit matters for the current period.

Information Other than the Standalone Financial Statements and Auditor’s Report Thereon

The Company’s Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board’s Report including Annexures to Board’s Report, Business Responsibility Report, Corporate Governance and Shareholder’s Information, but does not include the standalone financial statements and our auditor’s 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 during the course of our audit or otherwise appears to be materially misstated.

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

Management’s Responsibility for the Standalone Financial Statements

The Company’s Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

The Board of Directors are 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 financial controls 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 system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

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

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit we report that:

a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.

d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

e) On the basis of the written representations received from the directors as on March 31, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164 (2) of the Act.

f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

   i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements;

   ii. The Company did not have any long-term contract including derivative contracts for which there were any material foreseeable losses

   iii. There have been no amounts required to be transferred to the Investor Education and Protection Fund by the Company.

2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For **Khandhar & Associates**
Chartered Accountants
Firm Registration No. 118940W

CA. Vipul B. Khandhar
Partner
Membership No.105986
UDIN: 21105986AAAAHQ1728

Place : Ahmedabad
Date : June 04, 2021

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Ambalal Sarabhai Enterprises Limited of even date)

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

We have audited the internal financial controls over financial reporting of **AMBALAL SARABHAI ENTERPRISES LIMITED** ("the Company") as of March 31, 2021 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the 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 internal financial controls system over financial reporting of the Company.

Meaning of Internal Financial Controls Over Financial Reporting

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

Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **Khandhar & Associates**
Chartered Accountants
Firm Registration No. 118940W
CA. Vipul B. Khandhar
Partner
Membership No.105986

Place : Ahmedabad
Date : June 04, 2021

ANNEXURE 'B' TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Ambalal Sarabhai Enterprises Limited of even date)

i. In respect of the Company's fixed assets:

(a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) The Company has a program of verification to cover all the items of fixed assets in a phased manner which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain fixed assets were physically verified by the management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us, the records examined by us and based on the examination of the conveyance deeds / registered sale deed provided to us, we report that, the title deeds, comprising all the immovable properties of buildings which are freehold, are held in the name of the Company as at the balance sheet date.

ii. As explained to us, physical verification of inventory has been conducted at reasonable intervals by the management and the discrepancies noticed on verification between the physical stocks and the book records were not material having regard to the size of the Company, and the same have been properly dealt with in the books of account.

iii. According the information and explanations given to us, the Company has not granted secured / unsecured loans to Companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Act. Consequently, requirements of clause (iii) of paragraph 3 of the order are not applicable.

iv. In our opinion and according to the information and explanations given to us, the Company has not advanced any loan or given any guarantee or provided any security or made any investment covered under section 185 of the Act. However, the Company has advanced loans or given guarantees or provided security or made investments covered under section 186 of the Act. We are of the opinion that provisions of section 186 of the Act have been complied with.

v. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public within the meaning of Sections 73 to 76 or any other relevant provisions of the Act and rules framed thereunder. No order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal.

vi. To the best of our knowledge and belief, the Central Government has not prescribed maintenance of cost records under section 148 (1) of the Act in respect of the Company's product. Consequently, requirement of clause (vi) of paragraph 3 of the order are not applicable.

vii. According to the information and explanations given to us, in respect of statutory dues:

(a) The Company is generally regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Wealth Tax, Custom Duty, Goods and Service Tax, Cess and other material statutory dues applicable to it.

(b) According to the information and explanations given to us, following amounts payable in respect of outstanding statutory dues were in arrears as at March 31, 2021 for a period of more than six months from the date they became payable.

Sr. No.	Particulars	Rs. in Lakh
1	ESIC	2.59
2	Professional Tax	75.53

(c) Following amounts have not been deposited as on March 31, 2021 on account of any dispute:

Nature of the Statute	Nature of the dues	Rs. in Lakh	Period to which the amount relates	Forum where matter is pending
Income tax Act, 1961	Income tax	850.81	2002-2003, 2003-2004, 2004-2005, 2005-2006, 2006-2007, 2007-2008, 2008-2009, 2009-2010, 2013-2014, 2018-2019	ITAT
		292.12	2004-2005, 2005-2006, 2006-2007, 2013-2014, 2015-2016, 2017-2018	CIT(A)
Customs Act	Custom Duty	8.62	2003-2004	Jt. DGFT
Employee State	ESI	36.63	2000-2006, 2011-2018	ESI Court, Vadodara
Insurance Act				
Provident Fund Act	PF	69.61	2010-2016	CGIT

viii. In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to financial institutions and banks.

ix. To the best of our knowledge and belief and according to the information and explanations given to us, the Company has not raised moneys by way of initial public offer or further public offer. However, the term loans obtained during the year were, prima facie, applied by the Company for the purpose for which they were raised, other than temporary deployment pending application.

x. To the best of our knowledge and belief and according to the information and explanations given to us, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year.

xi. In our opinion and according to the information and explanations given to us, the Company has paid/provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.

xii. The Company is not a Nidhi Company. Consequently, requirements of clause (xii) of paragraph 3 of the order are not applicable.

xiii. To the best of our knowledge and belief and according to the information and explanations given to us, all transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and the details have been disclosed in the standalone financial statements etc. as required by the applicable accounting standards.

xiv. To the best of our knowledge and belief and according to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares during the year under review. Consequently, requirements of clause (xiv) of paragraph 3 of the order are not applicable.

xv. To the best of our knowledge and belief and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with directors or persons connected with him.

xvi. According to the nature of the business, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For **Khandhar & Associates**
Chartered Accountants
Firm Registration No. 118940W
CA. Vipul B. Khandhar
Partner
Membership No.105986

Place : Ahmedabad
Date : June 04, 2021

Standalone Balance Sheet as at March 31, 2021

₹ in Lakh

	Notes	As at March 31,2021	As at March 31,2020
Assets			
1. Non-current assets			
(a) Property, Plant and Equipment	5	1,397.29	1,448.09
(b) Intangible assets	6	0.04	0.17
(c) Financial Assets			
(i) Investments	7(a)	2,657.82	5,642.55
(ii) Other Financial Assets	7(f)	834.59	834.59
(d) Deferred tax assets(net)	24	223.51	191.96
Total non-current assets (A)		**5,113.25**	**8,117.36**
2. Current assets			
(a) Inventories	9	0.43	0.43
(b) Financial Assets			
(i) Trade receivables	7(b)	-	-
(ii) Loans	7(c)	2.21	6.52
(iii) Cash and Bank balances	7(d)	527.01	24.84
(iv) Bank balance other than(iii) above	7(e)	327.60	424.61
(v) Other Financial Assets	7(f)	2,554.51	2,472.38
(c) Others current assets	8	133.78	90.02
(d) Current Tax Assets (Net)	10	1,346.11	1,323.81
Total current assets (B)		**4,891.65**	**4,342.61**
Total Assets (A+B)		**10,004.90**	**12,459.97**
EQUITY AND LIABILITES			
Equity			
(a) Equity Share Capital	11	7,663.33	7,663.33
(b) Other Equity	12	(4,584.79)	(3,638.52)
Total Equity (A)		**3,078.54**	**4,024.81**
LIABILITES			
1. Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	13(a)	17.91	-
(b) Long Term Provisions	14	131.01	212.37
Total non-current liabilities (B)		**148.92**	**212.37**
2. Current liabilities			
(a) Financial liabilities			
(i) Borrowings	13(a)	1,096.13	1,100.14
(ii)Trade Payable	13(b)		
Total outstanding dues of mirco enterprises and small enterprises		-	-
Total outstanding dues of creditors other than mirco enterprises and small enterprises		1,798.38	1,854.91
(iii) Other financial liabilities	13(c)	1,174.00	1,282.74
(b) Short Term Provisions	14	125.33	76.78
(c) Other Current liabilities	15	2,583.60	3,908.22
Total current liabilities (C)		**6,777.44**	**8,222.79**
Total Equity and Liabilities (A+B+C)		**10,004.90**	**12,459.97**
See accompanying notes forming part of the standalone financial statements	3		

As per our report of even date attached

For Khandhar & Associates
Firm Registration No. 118940W
Chartered Accountants
CA. Vipul B. Khandhar
Partner
Membership no. 105986
Date : 04.06.2021
Place : Ahmedabad

Mr. Kartikeya V. Sarabhai
Chairman
(DIN: 00313585)
Mr. Damodar H. Sejpal
Company Secretary

Date : 04.06.2021
Place : Ahmedabad

Mr. Chandrashekhar B. Bohra
Director
(DIN: 00055288)
Mr. Navinchandra R. Patel
CFO

Standalone Statement of Profit and Loss for the year ended 31st March, 2021

₹ in Lakh

		Notes	**Year Ended March 31, 2021**	Year Ended March 31, 2020
I	**Income**			
	(a) Revenue from operations	-	-	-
	(b) Other Income	16	2,961.29	2,460.99
	Total Income		**2,961.29**	**2,460.99**
II.	**Expenses**			
	(a) Cost of materials consumed	17	-	-
	(b) Changes in inventories of Stock in Trade	18	-	-
	(c) Employee benefits expense	19	326.02	334.55
	(d) Finance costs	20	55.75	46.47
	(e) Depreciation and amortization expense	21	37.80	38.85
	(f) Other expenses	22	3,488.53	450.70
	Total Expenses		**3,908.10**	**870.57**
III.	**Profit/(Loss) before exceptional items and tax (I-II)**		(946.81)	1,590.42
IV.	Exceptional items		-	-
V.	**Profit/(Loss) before tax (III-IV)**		**(946.81)**	**1,590.42**
VI.	**Tax expense:**			
	(a) Current Tax	23	21.00	4.00
	(b) Deferred tax charge/(credit)	23	(29.10)	31.39
	Total tax Expense		**(8.10)**	**35.39**
VII.	**Profit /(Loss) after Tax**		**(938.71)**	**1,555.03**
VIII.	**Other comprehensive income:**			
	Other comprehensive income not to be reclassified to profit or loss in subsequent periods:			
	(i) Re-measurement gains / (losses) on defined benefit plans		(9.74)	(12.12)
	(ii) Income tax effect on above		2.45	3.15
	(i) Net gain / (loss) on FVOCI equity instruments		(0.27)	0.54
	Total other comprehensive income for the year, net of tax		(7.56)	(8.43)
IX.	**Total comprehensive income for the year, net of tax (VII+VIII)**		**(946.27)**	**1,546.60**
X.	**Earning per equity share equity (nominal value per share Rs. 10/-)** Basic/Diluted	24	(1.22)	2.03

See accompanying notes forming part of the standalone financial statements 3

As per our report of even date attached
For Khandhar & Associates
Firm Registration No. 118940W
Chartered Accountants
CA. Vipul B. Khandhar
Partner
Membership no. 105986
Date : 04.06.2021
Place : Ahmedabad

Mr. Kartikeya V. Sarabhai
Chairman
(DIN: 00313585)
Mr. Damodar H. Sejpal
Company Secretary

Date : 04.06.2021
Place : Ahmedabad

Mr. Chandrashekhar B. Bohra
Director
(DIN: 00055288)
Mr. Navinchandra R. Patel
CFO

Standalone Statement of cash flows for the year ended March 31, 2021

₹ in Lakh

Particulars		Year ended March 31, 2021		Year ended March 31, 2020	
A	**Operating activities**				
	Profit/(Loss) before taxation		**(946.81)**		**1,590.42**
	Adjustments to reconcile profit before tax to net cash flows:				
	Depreciation /Amortization	37.80		38.85	
	Interest Income	(122.13)		(236.95)	
	Interest and Other Borrowing Cost	55.75		46.47	
	Financial Guarantee Commission	(7.32)		(10.04)	
	Sundry Credit Balances Appropriated	-		(291.59)	
	Loss on Sale of Investment in Subsidiary	2,644.55			
	(Profit)/Loss on Sale of Property, Plant & Equipment	(1,953.05)		(1,528.57)	
	Excess Provision Written Back	(502.08)		(181.90)	
			153.52		**(2,163.73)**
	Operating Profit before Working Capital Changes		**(793.29)**		**(573.31)**
	Working Capital Changes:				
	Changes in Inventories	-		8.53	
	Changes in trade payables	445.55		102.13	
	Changes in other liabilities	(466.44)		(161.93)	
	Changes in other financial liabilities	(111.54)		(280.72)	
	Changes in provisions	(42.55)		(71.40)	
	Changes in other assets	(43.76)		85.22	
	Changes in other financial assets	(83.92)		529.33	
	Changes in Other Bank Balances	97.01		(42.31)	
	Net Changes in Working Capital		**(205.65)**		**168.85**
	Cash Generated from Operations		**(998.94)**		**(404.46)**
	Direct Taxes paid (Net of refund)		(43.30)		(49.00)
	Net Cash from Operating Activities		**(1,042.24)**		**(453.46)**
B	**Cash Flow from Investing Activities**				
	Purchase of property, plant & equipment/intangible assets	(28.81)		(33.83)	
	Income related to Sale of Property, Plant & Equipment	1,136.82		37.03	
	Changes in Share Application Money	-		304.65	
	Changes in Long Term Investments	339.90		(45.00)	
	Changes in Loans given	4.31		(5.98)	
	Interest Income	123.91		235.00	
	Net cash flow from Investing Activities		**1,576.13**		**491.87**

Standalone Statement of cash flows for the year ended March 31, 2021

₹ in Lakh

Particulars		Year ended March 31, 2021		Year ended March 31, 2020
C Cash Flow from Financing Activities				
Changes in long term borrowings	17.91		-	
Changes in short term borrowings	(4.01)		(6.63)	
Financial Guarantee Commission	7.32		10.04	
Interest and Other Borrowing Cost Paid	(52.94)		(45.14)	
Net Cash flow from Financing Activities		**(31.72)**		**(41.73)**
Net Increase/(Decrease) in cash & cash equivalents		**502.17**		**(3.32)**
Cash & Cash equivalent at the beginning of the year		24.84		28.16
Cash & Cash equivalent at the end of the year		527.01		24.84

Reconciliation of Cash & Cash equivalents:

Particulars	**Year ended March 31, 2021**	**Year ended March 31, 2020**
Cash and cash equivalents comprise of: (Note 7d)		
Cash on Hand	0.44	0.58
Balances with Banks	526.57	24.26
Cash and cash equivalents	**527.01**	**24.84**

Disclosure under para 44A as set out in Ind As 7 on cash flow statements under companies (Indian Accounting Standards) Rules 2015 (as amended)

Particulars of liabilities arising from financing activity	Note No.	As at April 1, 2020	Net cash flows	Non Cash Changes: Adjustment on account of Business Combination	Non Cash Changes: Effect of change in Foreign Currency Rates	Non Cash Changes: Other Changes	As at March 31, 2021
As at March 31, 2021							
Borrowings:							
Short term borrowings	13(a)	1,100.14	(4.01)	-	-	-	1,096.13
Long term borrowings	13(a)	-	17.91	-	-	-	17.91
Total		**1,100.14**	**13.90**	**-**	**-**	**-**	**1,114.04**

Particulars of liabilities arising from financing activity	Note No.	As at April 1, 2019	Net cash flows	Non Cash Changes: Adjustment on account of Business Combination	Non Cash Changes: Effect of change in Foreign Currency Rates	Non Cash Changes: Other Changes	As at March 31, 2020
As at March 31, 2020							
Borrowings:							
Short term borrowings	13(a)	1,106.77	(6.63)		-	-	1,100.14
Total		**1,106.77**	**(6.63)**		**-**	**-**	**1,100.14**

Notes: 1 The cash flow statement has been prepared under the indirect method as set out in Indian Accounting Standard (Ind AS 7) statement of cash flows.

As per our report of even date attached

For Khandhar & Associates
Firm Registration No. 118940W
Chartered Accountants
CA. Vipul B. Khandhar
Partner
Membership no. 105986
Date : 04.06.2021
Place : Ahmedabad

Mr. Kartikeya V. Sarabhai
Chairman
(DIN: 00313585)
Mr. Damodar H. Sejpal
Company Secretary

Date : 04.06.2021
Place : Ahmedabad

Mr. Chandrashekhar B. Bohra
Director
(DIN: 00055288)
Mr. Navinchandra R. Patel
CFO

Standalone Statement of changes in Equity for the year ended March 31, 2021

A. Equity Share Capital ₹ in Lakh

Particulars	Balance at the beginning of the reporting year	Changes in Equity Share Capital during the year	Balance at the end of the reporting year
For the year ended March 31, 2020	7,663.33	-	7,663.33
For the year ended March 31, 2021	7,663.33	-	7,663.33

B. Other Equity

₹ in Lakh

Particulars	Reserves & Surplus			Item of Other Comprehensive Income	Total Other Equity
	General Reserve	Security Premium	Retained Earnings	Equity instruments through Other Comprehensive Income (FVOCI)	
Balance as at April 1, 2019	**5,633.14**	**1,060.92**	**(11,862.10)**	**(17.08)**	**(5,185.12)**
Profit for the year	-	-	1,555.03	-	1,555.03
other comprehensive income for the year	-	-	(8.97)	0.54	(8.43)
Total Comprehensive income for the year	**-**	**-**	**1,546.06**	**0.54**	**1,546.60**
Balance as at March 31, 2020	**5,633.14**	**1,060.92**	**(10,316.04)**	**(16.54)**	**(3,638.52)**
Balance as at April 1, 2020	**5,633.14**	**1,060.92**	**(10,316.04)**	**(16.54)**	**(3,638.52)**
Profit for the year	-	-	(938.71)	-	(938.71)
other comprehensive income for the year	-	-	(7.29)	(0.27)	(7.56)
Total Comprehensive income for the year	-	-	(946.00)	(0.27)	(946.27)
Balance as at March 31,2021	**5,633.14**	**1,060.92**	**(11,262.04)**	**(16.81)**	**(4,584.79)**

The accompanying notes are an integral part of the finacial statements
As per our report of even date attached

For Khandhar & Associates
Firm Registration No. 118940W
Chartered Accountants
CA. Vipul B. Khandhar
Partner
Membership no. 105986
Date : 04.06.2021
Place : Ahmedabad

Mr. Kartikeya V. Sarabhai
Chairman
(DIN: 00313585)
Mr. Damodar H. Sejpal
Company Secretary

Date : 04.06.2021
Place : Ahmedabad

Mr. Chandrashekhar B. Bohra
Director
(DIN: 00055288)
Mr. Navinchandra R. Patel
CFO

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

1. Corporate Information

Ambalal Sarabhai Enterprises Limited is engaged in manufacturing Pharmaceuticals.

The Company is a Public Limited Company domiciled in India and incorporated under the provisions of the Companies Act, 2013 (“the Act” erstwhile Companies Act, 1956) applicable in India. Its equity shares are listed on the BSE Limited. The registered office of the Company is located at Shanti Sadan, Ahmedabad.

The financial statements have been considered and approved by the Board of Directors at their meeting held on June 04, 2021.

2. Statement of Compliance and Basis of Preparation

2.1 Basis of Preparation and Presentation and Statement of Compliance

The Financial Statements have been prepared on a historical cost convention on the accrual basis except for the certain financial assets and liabilities measured at fair value, the provisions of the Companies Act, 2013 to the extent notified (“the Act”).

Accounting policies were consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

The Financial Statements comprising of Balance Sheet, Statement of Profit and Loss including other comprehensive income, Statement of Changes in Equity and Statement of Cash Flows as at March 31, 2021 have been prepared in accordance with Indian Accounting Standards (Ind AS) prescribed under section 133 of the Companies Act, 2013 read with rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and presentation requirements of Division II of schedule III of the Companies Act, 2013 (Ind AS compliant schedule III) as applicable to financial statement.

2.2 Historical Cost Convention

The financial statements have been prepared on a historical cost basis, except for the followings:

- Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments);
- Defined benefit plans – plan assets measured at fair value;

2.3 Rounding of amounts

The financial statements are presented in Rupees in Lakhs and all values are rounded to the nearest Lakhs as per the requirement of Schedule III, except when otherwise indicated.

3. Summary of Significant Accounting Policies

The following are the significant accounting policies applied by the Company in preparing its financial statements consistently to all the periods presented:

3.1. Current versus non-current classification

The Company presents assets and liabilities in the Balance Sheet based on current/non-current classification.

An asset is current when it is:

- Expected to be realised or intended to be sold or consumed in the normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realised within twelve months after the reporting period; or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in the normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period; or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

Operating cycle

Operating cycle of the Company is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents. As the Company’s normal operating cycle is not clearly identifiable, it is assumed to be twelve months.

3.2. Use of estimates and judgements

The estimates and judgements used in the preparation of the financial statements are continuously evaluated by the Company and are based on historical experience and various other assumptions and factors (including expectations of future events) that the Company believes to be reasonable under the existing circumstances.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH,2021 CONTD...

Difference between actual results and estimates are recognised in the period in which the results are known / materialised.

The said estimates are based on the facts and events, that existed as at the reporting date, or that occurred after that date but provide additional evidence about conditions existing as at the reporting date.

3.3. Business Combinations and Goodwill

In accordance with Ind AS 101 provisions related to first time adoption, the Company has elected to apply Ind AS accounting for business combinations prospectively from 1 April 2015. As such, Indian GAAP balances relating to business combinations entered into before that date, including goodwill, have been carried forward with minimal adjustment.

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred measured at acquisition date fair value and the amount of any non-controlling interests in the acquiree. For each business combination, the Company elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets.

Business Combination under Common Control

A business combination involving entities or businesses under common control is a business combination in which all of the combining entities or businesses are ultimately controlled by the same party or parties both before and after the business combination and the control is not transitory. The transactions between entities under common control are specifically covered by Ind AS 103. Such transactions are accounted for using the pooling-of-interest method. The assets and liabilities of the acquired entity are recognised at their carrying amounts of the parent entity's Standalone Financial Statements with the exception of certain income tax and deferred tax assets. No adjustments are made to reflect fair values, or recognise any new assets or liabilities. The only adjustments that are made are to harmonise accounting policies. The components of equity of the acquired companies are added to the same components within the Company's equity. The difference, if any, between the amounts recorded as share capital issued plus any additional consideration in the form of cash or other assets and the amount of share capital of the transferor is transferred to other equity and is presented separately from other capital reserves. The Company's shares issued in consideration for the acquired companies are recognized from the moment the acquired companies are included in these financial statements and the financial statements of the commonly controlled entities would be combined, retrospectively, as if the transaction had occurred at the beginning of the earliest reporting period presented.

Acquisition-related costs are expensed as incurred.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their acquisition date fair values. For this purpose, the liabilities assumed include contingent liabilities representing present obligation and they are measured at their acquisition fair values irrespective of the fact that outflow of resources embodying economic benefits is not probable. However, the following assets and liabilities acquired in a business combination are measured at the basis indicated below:

- Deferred tax assets or liabilities, the assets or liabilities related to employee benefit arrangements and related to leases are recognised and measured in accordance with Ind AS 12 “Income Taxes”, Ind AS 19 “Employee Benefits” and Ind AS 116 “Leases” respectively.
- Liabilities or equity instruments related to share-based payment arrangements of the acquiree or share – based payments arrangements of the Company entered into to replace share-based payment arrangements of the acquire are measured in accordance with Ind AS 102 “Share-based Payments” at the acquisition date.
- Assets (or disposal groups) that are classified as held for sale in accordance with Ind AS 105 “Non-current Assets Held for Sale and Discontinued Operations” are measured in accordance with that standard.
- Reacquired rights are measured at a value determined on the basis of the remaining contractual term of the related contract. Such valuation does not consider potential renewal of the reacquired right.

When the Company acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

If the business combination is achieved in stages,

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH,2021 CONTD...

any previously held equity interest is re-measured at its acquisition date fair value and any resulting gain or loss is recognised in profit or loss or OCI, as appropriate.

Any contingent consideration to be transferred by the acquirer is recognised at fair value at the acquisition date. Contingent consideration classified as an asset or liability that is a financial instrument and within the scope of Ind AS 109 “Financial Instruments”, is measured at fair value with changes in fair value recognised in profit or loss. If the contingent consideration is not within the scope of Ind AS 109, it is measured in accordance with the appropriate Ind AS. Contingent consideration that is classified as equity is not re-measured at subsequent reporting dates and subsequent its settlement is accounted for within equity.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Company re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in OCI and accumulated in equity as capital reserve. However, if there is no clear evidence of bargain purchase, the entity recognises the gain directly in equity as capital reserve, without routing the same through OCI.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Company’s cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

A cash generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised in profit or loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

Where goodwill has been allocated to a cash-generating unit and part of the operation within that unit is disposed of, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill disposed in these circumstances is measured based on the relative values of the disposed operation and the portion of the cash-generating unit retained.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Company reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted through goodwill during the measurement period, or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognized at that date. These adjustments are called as measurement period adjustments. The measurement period does not exceed one year from the acquisition date.

3.4. Foreign currencies

The Company’s functional and presentation currency is Indian Rupee. Transactions in foreign currencies are initially recorded by the Company’s functional currency spot rates at the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date. Differences arising on settlement of such transaction and on translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rate are recognised in profit or loss. They are deferred in equity if they relate to qualifying cash flow hedges.

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 the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or profit or

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loss are also recognised in OCI or profit or loss, respectively).

3.5. Fair value measurement

The Company measures financial instruments such as derivatives at fair value at the end of each reporting period.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability

  Or

- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

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

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

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The Company's management determines the policies and procedures for both recurring fair value measurement, such as derivative instruments and for non-recurring measurement, such as asset held for sale.

External valuers are involved for valuation of significant assets, such as properties. Involvement of external valuers is decided upon annually by the management after discussion with and approval by the Company's Audit Committee. Selection criteria include market knowledge, reputation, independence and whether professional standards are maintained. Management decides, after discussions with the Company's external valuers, which valuation techniques and inputs to use for each case.

At each reporting date, management analyses the movements in the values of assets and liabilities which are required to be re-measured or re-assessed as per the Company's accounting policies. For this analysis, management verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

Management, in conjunction with the Company's external valuers, also compares the change in the fair value of each asset and liability with relevant external sources to determine whether the change is reasonable on yearly basis.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy, as explained above.

This note summarises accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

- Significant accounting judgements, estimates and assumptions
- Quantitative disclosures of fair value measurement hierarchy
- Property, plant and equipment & Intangible assets measured at fair value on the date of transition
- Financial instruments (including those carried at amortised cost)

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3.6. Property, plant and equipment

Property, plant and equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of Property, plant and equipment are required to be replaced at intervals, the Company recognises such parts as individual assets with specific useful lives and depreciates them accordingly. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred. The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

Borrowing cost relating to acquisition / construction of fixed assets which take substantial period of time to get ready for its intended use are also included to the extent they relate to the period till such assets are ready to be put to use.

Capital work-in-progress comprises cost of fixed assets that are not yet installed and ready for their intended use at the balance sheet date.

Derecognition

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Statement of Profit and Loss when the asset is derecognised.

Depreciation

Depreciation on property, plant and equipment is provided so as to write off the cost of assets less residual values over their useful lives of the assets, using the straight-line method as prescribed under Part C of Schedule II to the Companies Act 2013.

Any change in useful life is being applied prospectively in accordance with Ind AS 8 – “Accounting Policies, Changes in Accounting Estimates and Errors”.

When parts of an item of property, plant and equipment have different useful life, they are accounted for as separate items (Major Components) and are depreciated over their useful life or over the remaining useful life of the principal assets whichever is less.

Depreciation for assets purchased/sold during a period is proportionately charged for the period of use.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

3.7. Leases

The Company's lease asset classes primarily consist of leases for buildings. 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: (1) the contract involves the use of an identified asset (2) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (3) 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 include 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

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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 the 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.

The 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.

The following is the summary of practical expedients elected on initial application:

1. Applied a single discount rate to a portfolio of leases of similar assets in similar economic environment with a similar end date;
2. Applied the exemption not to recognize right-of-use assets and liabilities for leases with less than 12 months of lease term on the date of initial application;
3. Excluded the initial direct costs from the measurement of the right-of-use asset at the date of initial application;
4. Applied the practical expedient to grandfather the assessment of which transactions are leases. Accordingly, Ind AS 116 is applied only to contracts that were previously identified as leases under Ind AS 17.

3.8. Intangible Assets

Intangible Assets that the Company controls and from which it expects future economic benefits are capitalised upon acquisition and measured initially:

- for assets acquired in a business combination at fair value on the date of acquisition
- for separately acquired assets, at cost comprising the purchase price and directly attributable costs to prepare the asset for its intended use.

Revenue expenditure pertaining to research is charged to the Statement of Profit and Loss. Development costs of products are charged to the Statement of Profit and Loss unless a product's technological and commercial feasibility has been established, in which case such expenditure is capitalised.

Following initial recognition, Intangible assets are carried at cost less accumulated amortisation and accumulated impairment losses, if any. Internally generated intangible assets, excluding capitalised development costs, are not capitalised and expenditure is recognised in the Statement of Profit and Loss in the period in which expenditure is incurred.

The useful lives of intangible assets are assessed as finite.

Intangible assets with finite lives are amortised over their useful economic lives and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the Statement of Profit and Loss.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss when the asset is derecognised.

Amortisation

Software is amortized over management estimate of its useful life of 3 years or License Period

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whichever is lower and Patent/Knowhow is amortized over its useful life of 5 years.

3.9. Borrowing cost

Borrowing cost includes interest expense as per Effective Interest Rate (EIR) and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the respective asset.

Where funds are borrowed specifically to finance a project, the amount capitalised represents the actual borrowing costs incurred. Where surplus funds are available out of money borrowed specifically to finance a project, the income generated from such current investments is deducted from the total capitalized borrowing cost. Where the funds used to finance a project form part of general borrowings, the amount capitalised is calculated using a weighted average of rates applicable to relevant general borrowings of the Company during the year. Capitalisation of borrowing costs is suspended and charged to the statement of profit and loss during the extended periods when the active development on the qualifying assets is interrupted.

All other borrowing costs are expensed in the period in which they occur.

3.10. Inventories

Inventories of Raw material and Stock-in-trade are valued at the lower of cost and net realisable value.

Costs incurred in bringing each product to its present location and condition are accounted for as follows:

- Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average basis.

All other inventories are valued at lower of cost or Net realisable value.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

3.11. Impairment of non-financial assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an assets or cash-generating unit's (CGU) fair value less costs to sell and its value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets of the Company. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs to sell, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded subsidiaries or other available fair value indicators.

The Company bases its impairment calculation on detailed budgets and forecasts which are prepared separately for each of the Company's CGU to which the individual assets are allocated. These budgets and forecast calculations are generally covering a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year.

Impairment losses, including impairment on inventories, are recognised in the Statement of Profit and Loss in those expense categories consistent with the function of the impaired asset, except for a property previously revalued where the revaluation was taken to other comprehensive income. In this case, the impairment is also recognised in other comprehensive income up to the amount of any previous revaluation.

For assets excluding goodwill, an assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the Company estimates the assets or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the

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Statement of Profit and Loss unless the asset is carried at a revalued amount, in which case the reversal is treated as a revaluation increase.

3.12. Revenue Recognition

The Company derives revenues primarily from sale of manufactured goods, traded goods and related services. Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services.

The Company satisfies a performance obligation and recognises revenue over time, if one of the following criteria is met:

1. The customer simultaneously receives and consumes the benefits provided by the Company's performance as the Company performs; or
2. The Company's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or
3. The Company's performance does not create an asset with an alternative use to the Company and an entity has an enforceable right to payment for performance completed to date.

For performance obligations where one of the above conditions are not met, revenue is recognised at the point in time at which the performance obligation is satisfied.

The Company does not expect to have any contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year. As a consequence, it does not adjust any of the transaction prices for the time value of money.

Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, service level credits, performance bonuses, price concessions and incentives, if any, as specified in the contract with the customer. Revenue also excludes taxes collected from customers.

a) Rendering of services

Revenue from other services is recognised based on the services rendered in accordance with the terms of contacts on the basis of work performed.

b) Interest income

For all financial instruments measured at amortised cost and interest-bearing financial assets classified as fair value through other comprehensive income, interest income is recorded using the effective interest rate (EIR). The EIR is the rate that exactly discounts the estimated future cash receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses. Interest income is included in other income in the statement of profit or loss.

c) Insurance claims

Claims receivable on account of Insurance are accounted for to the extent the Company is reasonably certain of their ultimate collection.

3.13. Financial instruments – initial recognition and subsequent measurement

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

a) Financial assets

(i) Initial recognition and measurement of financial assets

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

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

(ii) Subsequent measurement of financial assets

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

- Financial assets at amortised cost
- Financial assets at fair value through other comprehensive income (FVTOCI)
- Financial assets at fair value through profit or loss (FVTPL)
- Equity instruments measured at fair value through other comprehensive income (FVTOCI)
- **Financial assets at amortised cost:**

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A financial asset is measured at amortised cost if:

- the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows, and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

This category is the most relevant to the Company. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. 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 in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to trade and other receivables.

- **Financial assets at fair value through other comprehensive income**

A financial asset is measured at fair value through other comprehensive income if:

- the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets, and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

Financial assets included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Company recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the P&L. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to P&L. Interest earned whilst holding FVTOCI financial asset is reported as interest income using the EIR method.

- **Financial assets at fair value through profit or loss**

FVTPL is a residual category for financial assets. Any financial asset, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the Company may elect to designate a financial asset, which otherwise meets amortized cost or fair value through other comprehensive income criteria, as at fair value through profit or loss. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The Company has not designated any debt instrument as at FVTPL.

After initial measurement, such financial assets are subsequently measured at fair value with all changes recognised in Statement of profit and loss.

- **Equity instruments**

All equity investments in scope of Ind-AS 109 other than Investment in subsidiaries, Joint Ventures and Associates are measured at fair value. Equity instruments which are held for trading, are classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

Equity Investment in subsidiaries, Joint Ventures and Associates are measured at cost as per Ind AS 27 - Separate Financial Statements.

If the Company decides to classify an equity instrument as at FVTOCI, 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 Statement of Profit and Loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity

(iii) Derecognition of financial assets

A financial asset is derecognised when:

- the contractual rights to the cash flows from the financial asset expire,

or

- The Company has transferred its contractual 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'

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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.

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.

(iv) Reclassification of financial assets

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Company's senior management determines change in the business model as a result of external or internal changes which are significant to the Company's operations. Such changes are evident to external parties. A change in the business model occurs when the Company either begins or ceases to perform an activity that is significant to its operations. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

The following table shows various reclassifications and how they are accounted for.

Original classification	Revised classification	Accounting treatment
Amortised cost	FVTPL	Fair value is measured at reclassification date. Difference between previous amortized cost and fair value is recognised in P&L.
FVTPL	Amortised Cost	Fair value at reclassification date becomes its new gross carrying amount. EIR is calculated based on the new gross carrying amount.
Amortised cost	FVTOCI	Fair value is measured at reclassification date. Difference between previous amortised cost and fair value is recognised in OCI. No change in EIR due to reclassification.
FVOCI	Amortised cost	Fair value at reclassification date becomes its new amortised cost carrying amount. However, cumulative gain or loss in OCI is adjusted against fair value. Consequently, the asset is measured as if it had always been measured at amortised cost.
FVTPL	FVTOCI	Fair value at reclassification date becomes its new carrying amount. No other adjustment is required.
FVTOCI	FVTPL	Assets continue to be measured at fair value. Cumulative gain or loss previously recognized in OCI is reclassified to P&L at the reclassification date.

(v) 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:

- Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance
- Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 11 and Ind AS 18

The Company follows 'simplified approach' for recognition of impairment loss allowance

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on:

- Trade receivables or contract assets resulting from transactions within the scope of Ind AS 11 and Ind AS 18, if they do not contain a significant financing component
- Trade receivables or contract assets resulting from transactions within the scope of Ind AS 11 and Ind AS 18 that contain a significant financing component, if the Company applies practical expedient to ignore separation of time value of money, and
- All lease receivables resulting from transactions within the scope of Ind AS 17

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.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events on a financial instrument that are possible within 12 months after the reporting date.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive (i.e., all cash shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider:

- All contractual terms of the financial instrument (including prepayment, extension, call and similar options) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the Company is required to use the remaining contractual term of the financial instrument
- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the statement of profit and loss (P&L). This amount is reflected in a separate line under the head “Other expenses” in the P&L. The balance sheet presentation for various financial instruments is described below:

- Financial assets measured as at amortised cost, contract assets and lease receivables: ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Company does not reduce impairment allowance from the gross carrying amount.

For assessing increase in credit risk and impairment loss, the Company combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

The Company does not have any purchased or originated credit-impaired (POCI) financial assets, i.e., financial assets which are credit impaired on purchase/ origination.

b) Financial Liabilities

(i) Initial recognition and measurement of financial liabilities

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 minus, in the case of financial liabilities not recorded at fair value through profit or loss, transaction costs that are attributable to the issue of the financial

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liabilities.

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

(ii) Subsequent measurement of financial liabilities

The measurement of financial liabilities depends on their classification, as described below:

- **Financial liabilities at fair value through profit or loss**

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind-AS 109.

Gains or losses on liabilities held for trading are recognised in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in Ind-AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risks are recognized in OCI. These gains/ losses are not subsequently transferred to P&L. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss. The Company has not designated any financial liability as at fair value through profit and loss.

- **Loans and Borrowings**

This is the category most relevant to the Company. After initial recognition, interest-bearing borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

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.

This category generally applies to borrowings.

(iii) Derecognition of financial liabilities

A financial liability (or a part of a financial liability) is derecognised from its balance sheet when, and only when, it is extinguished i.e., when the obligation specified in the contract is discharged or cancelled or expired.

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

c) 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.

3.14. Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at banks and on hand and short-term deposits with a 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.

3.15. Taxes

Tax expense comprises of current income tax and deferred tax.

Current income tax

Current income tax assets and liabilities are

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH,2021 CONTD...

measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date.

Current income tax relating to items recognised outside Statement of profit and loss is recognised outside Statement of profit and loss. Current income tax is recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss;
- In respect of taxable temporary differences associated with investments in subsidiaries and interests in joint arrangements, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss;
- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint arrangements, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside Statement of profit and loss is recognised outside Statement of profit and loss. Deferred tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

The Company recognizes tax credits in the nature of MAT credit as an asset only to the extent that there is convincing evidence that the Company will pay normal income tax during the specified period, i.e., the period for which tax credit is allowed to be carried forward. In the year in which the Company recognizes tax credits as an asset, the said asset is created by way of tax credit to the Statement of profit and loss. The Company reviews such tax credit asset at each reporting date and writes down the asset to the extent the Company does not have convincing evidence that it will pay normal tax during the specified period. Deferred tax includes MAT tax credit.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH,2021 CONTD...

3.16. Employee Benefits

a) Short Term Employee Benefits

All employee benefits payable within twelve months of rendering the service are classified as short-term benefits. Such benefits include salaries, wages, bonus, short term compensated absences, awards, ex-gratia, performance pay etc. and the same are recognised in the period in which the employee renders the related service.

b) Post-Employment Benefits

(i) Defined contribution plan

The Company's approved provident fund scheme, employees' state insurance fund scheme and Employees' pension scheme are defined contribution plans. The Company has no obligation, other than the contribution paid/payable under such schemes. The contribution paid/payable under the schemes is recognised during the period in which the employee renders the related service.

(ii) Defined benefit plan

The employee's gratuity fund and Leave Encashment scheme is Company's defined benefit plans. The present value of the obligation under such defined benefit plans is determined based on the actuarial valuation using the Projected Unit Credit Method as at the date of the Balance sheet. In case of funded plans, the fair value of plan asset is reduced from the gross obligation under the defined benefit plans, to recognise the obligation on the net basis.

Re-measurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the Balance Sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Re-measurements are not reclassified to Statement of Profit and Loss in subsequent periods.

3.17. Earnings per share

Basic EPS is calculated by dividing the profit / loss for the year attributable to ordinary equity holders of the Company by the weighted average number of ordinary shares outstanding during the year.

Diluted EPS is calculated by dividing the profit / loss attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during the year plus the weighted average number of ordinary shares that would be issued on conversion of all the dilutive potential ordinary shares into ordinary shares.

3.18. Provisions and Contingencies

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

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the Financial Statements.

Contingent assets are not recognised but disclosed in the Financial Statements when an inflow of economic benefits is probable.

3.19. Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

3.20. Events after the reporting period

Adjusting events are events that provide further

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH,2021 CONTD...

evidence of conditions that existed at the end of the reporting period. The financial statements are adjusted for such events before authorisation for issue. Non-adjusting events are events that are indicative of conditions that arose after the end of the reporting period. Non-adjusting events after the reporting date are not accounted but disclosed.

3.21. Exceptional Items

An item of income or expense which by its size, type or incidence requires disclosure in order to improve an understanding of the performance of the Company is treated as an exceptional item and the same is disclosed in the notes to accounts

4. Critical accounting Judgements and key source of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions about the reported amounts of assets and liabilities, and, income and expenses that are not readily apparent from other sources. Such judgements, estimates and associated assumptions are evaluated based on historical experience and various other factors, including estimation of the effects of uncertain future events, which are believed to be reasonable under the circumstances. The Management has considered the possible effects, if any, that may result from the pandemic relating to COVID-19 on the carrying amounts of its assets. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

The following are the critical judgements and estimations that have been made by the management in the process of applying the Company's accounting policies and that have the most significant effect on the amount recognised in the financial statements and / or key sources of estimation uncertainty that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Defined benefit plans

The cost of the defined benefit plans and other post-employment benefits and the present value of the obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, mortality rates and future pension increases. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate, management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation and extrapolated as needed along the yield curve to correspond with the expected term of the defined benefit obligation. The underlying bonds are further reviewed for quality. Those having excessive credit spreads are excluded from the analysis of bonds on which the discount rate is based, on the basis that they do not represent high quality corporate bonds.

The mortality rate is based on publicly available mortality tables. Those mortality tables tend to change only at intervals in response to demographic changes. Future salary increases are based on expected future inflation rates for the country.

Further details about defined benefit obligations are provided in Note 29.

Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the Balance Sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions relating to these factors could affect the reported fair value of financial instruments. See Note 32 for further disclosures.

Taxes

Deferred tax assets are recognised for unused tax credits to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH,2021 CONTD...

required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

The Company has taxable temporary difference and tax planning opportunities available that could partly support the recognition of these credits as deferred tax assets.

Further details on taxes are disclosed in Note 23.

Inventories

An inventory provision is recognised for cases where the realisable value is estimated to be lower than the inventory carrying value. The inventory provision is estimated taking into account various factors, including prevailing sales prices of inventory item, the seasonality of the item's sales profile and losses associated with expired / slow-moving inventory items.

Useful lives of Property, Plant and Equipment and Intangible assets

The Company reviews the estimated useful lives of property, plant and equipment and intangible assets at the end of each reporting period. During financial years ended March 31, 2021, there were no changes in useful lives of property plant and equipment and intangible assets.

Impairment of non-financial assets

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a DCF model. The cash flows are derived from the budget for the next five years and do not include restructuring activities that the Company is not yet committed to or significant future investments that will enhance the asset's performance of the CGU being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes.

Provisions and contingencies

The assessments undertaken in recognising provisions and contingencies have been made in accordance with the applicable Ind AS. A provision is recognized if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Where the effect of time value of money is material, provisions are determined by discounting the expected future cash flows.

There are certain obligations which management has concluded, based on all available facts and circumstances, are not probable of payment or are very difficult to quantify reliably, and such obligations are treated as contingent liabilities and disclosed in the notes but are not reflected as liabilities in the Financial Statements. Although there can be no assurance regarding the final outcome of the legal proceedings in which the Company involved, it is not expected that such contingencies will have a material effect on its financial position or profitability (Refer Note 25).

Notes to the Standalone Financial Statements for the year ended March 31, 2021

Note 5: Property, Plant and Equipment

₹ in Lakh

Fixed Assets	Freehold Land	Buildings	Plant & Machinery	Furniture & Fixture	Vehicle	Computers, Servers and Network	Total
Gross Carrying Amount							
As at April 1, 2019	**1,278.85**	**204.43**	**212.89**	**40.58**	**23.82**	**5.78**	**1,766.35**
Additions	-	23.37	-	9.63		0.83	33.83
Deductions	11.43	-	-	-	-		11.43
As at March 31, 2020	**1,267.42**	**227.80**	**212.89**	**50.21**	**23.82**	**6.61**	**1,788.75**
Additions	-	-	-	0.20	28.28	0.34	28.82
Deductions	41.95	-	-	-	-	-	41.95
As at March 31 2021	**1,225.47**	**227.80**	**212.89**	**50.41**	**52.10**	**6.95**	**1,775.62**
Depreciation and Impairment							
As at April 1, 2019	**-**	**73.22**	**199.20**	**15.06**	**11.35**	**3.16**	**301.99**
Depreciation for the year	-	25.68	1.06	7.18	3.50	1.25	38.67
Deductions	-	-	-	-	-	-	-
As at March 31, 2020	**-**	**98.90**	**200.26**	**22.24**	**14.85**	**4.41**	**340.66**
Depreciation for the year	-	24.57	1.06	7.34	3.66	1.04	37.67
Deductions	-	-	-	-	-	-	-
As at March 31 2021	**-**	**123.47**	**201.32**	**29.58**	**18.51**	**5.45**	**378.33**
Net Carrying Amount							
As at March 31, 2021	**1,225.47**	**104.33**	**11.57**	**20.83**	**33.59**	**1.50**	**1,397.29**
As at March 31, 2020	**1,267.42**	**128.90**	**12.63**	**27.97**	**8.97**	**2.20**	**1,448.09**

Note :

1. In accordance with the Ind AS 36 on 'Impairment of Assets' , the Company has reassessed its Property, plant and equipment and is of the view that no impairment is considered to be necessary in view of its expected realisable value.

Note 6: Intangible assets

₹ in Lakh

Fixed Assets	Know how	Software	Total
Gross Carrying Amount			
As at April 1, 2019	**24.08**	**0.89**	**24.97**
Additions	-	-	-
Deductions	-	-	-
As at March 31, 2020	**24.08**	**0.89**	**24.97**
Additions	-	-	-
Deductions	-	-	-
As at March 31 2021	**24.08**	**0.89**	**24.97**
Amortisation and Impairment			
As at April 1, 2019	**24.08**	**0.54**	**24.62**
Amortisation for the year	-	0.18	0.18
Deductions	-	-	-
As at March 31, 2020	**24.08**	**0.72**	**24.80**
Amortisation for the year	-	0.13	0.13
Deductions	-	-	-
As at March 31 2021	**24.08**	**0.85**	**24.93**
Net Carrying Value			
As at March 31, 2021	**-**	**0.04**	**0.04**
As at March 31, 2020	**-**	**0.17**	**0.17**

Notes to the Standalone Financial Statements for the year ended March 31, 2021

Note 7: Financial Assets

7(a) Investments

₹ in Lakh

	Particulars	Face Value Per Sharein Rs. Unless otherwise stated	No of Shares	As at March 31, 2021	As at March 31, 2020
Non Current Investments					
Investment in Equiy Shares					
I	**Trade Investments (At Cost)**				
	Ordinary shares of each fully paid of ORG Informatics Limited (unquoted)	10	15,59,340	156.30	156.30
	Less: Provision for Impairment			(156.30)	(156.30)
	Total (I)			**-**	**-**
II	**Others**				
	(a) Fair value through Other Comprehensive Income:				
	unquoted				
	"B" class shares of each fully paid of Teknoserv (Jersey) Ltd.	£1	73,498	19.52	19.79
	(b) Measured at Cost (unquoted)				
	Ordinary shares each fully paid of Co-operative Bank of Baroda Limited *	25	1,100	0.28	0.28
	Ordinary share fully paid of Baroda Industrial Dev. Corp.Ltd *	1000	1	0.01	0.01
	Ordinary shares each fully paid of Manekchowk Co-op Bank Ltd *	25	1,204	0.30	0.30
	Ordinary shares of Asence Limited (Rs. 445, Previous Year Rs. 445) *	US$1	9		
	Ordinary shares of Belgium Satellite Services s.a. *	Euro 1	4,37,733	656.60	656.60
	Less: Provision for Impairment			(656.60)	656.60
				-	-
	Ordinary shares of each fully paid of Sardar Vallabhbhai Sahkari Bank Limited *	25	40	0.01	0.01
	Total (II)			**20.12**	**20.39**
III	**Investments in Subsidiaries - measured at cost**				
	(Unquoted)				
	Ordinary shares each paid of Synbiotics Limited (Rs.100 paid up) [35,000 shares sold during the year]	1000	35,000	-	35.00
	Ordinary shares each fully paid up of Synbiotics Limited [85,446 shares sold during the year]	1000	85,446	-	3,849.46
	Ordinary shares each fully paid of Sarabhai M Chemicals Ltd	10	50,000	5.00	5.00
	Non-assessable shares of Asence Inc.	US$10	500	2.34	2.34
	Ordinary shares fully paid of Systronics (India) Limited	10	1,19,85,018	1,198.50	1,198.50
	Ordinary shares fully paid of Sarabhai Chemicals(I) Pvt. Ltd	10	9,84,000	98.40	98.40
	Ordinary shares each fully paid of Suvik Hitek P Limited	100	2,50,000	1.00	1.00
	Ordinary shares each fully paid of Swetsri Investments Pvt. Ltd	100	1,000	1.00	1.00
	2% Redeemable, Non-Convertible, Non Cumulative, Participating Preference Shares of Rs.10 each, fully paid up of Asence Pharma Private Limited	10	90,00,000	900.00	-
	Total (III)			**2,206.24**	**5,190.70**
IV	**In Associate- measured at cost (Unquoted)**				
	Ordinary shares each fully paid of Haryana Containers Limited	10	50,000	8.53	8.53
V	**In Joint Venture- measured at cost (Unquoted)**				
	Ordinary shares each fully paid of Vovantis Laboratories Private Limited	10	42,29,258	422.93	422.93
Total Equity investments (I+II+III+IV+V)				**2,657.82**	**5,642.55**
Total Investments				**2,657.82**	**5,642.55**
a	Aggregate amount of quoted Investments and market value thereof			-	-
b	Aggregate amount of unquoted Investments			3,470.72	6,455.45
c	Aggregate impairment in value of investment			(812.90)	(812.90)

* The management has assessed that carrying value of the investments approximate to their fair value.

Notes to the Standalone Financial Statements for the year ended March 31, 2021

7 (b) Trade Receivables

₹ in Lakh

Particulars	As at March 31, 2021	As at March 31, 2020
Current		
Unsecured, considered good	-	-
Unsecured, considered doubtful	89.78	411.92
Less: Allowance for doubtful debts	(89.78)	(411.92)
Total Trade Receivables	**-**	**-**

Trade receivables are non-interest bearing and are generally on terms of 30 to 180 days.

Allowance for doubtful debts

Company has provided for doubtful debts based on the lifetime expected credit loss model using provision matrix.

Movement in allowance for doubtful debt :

₹ in Lakh

Particulars	As at March 31, 2021	As at March 31, 2020
Balance at the beginning of the year	411.92	411.92
Add: Allowance for the year	-	-
Less: Written off bad debts (net of recovery)	322.14	-
Balance at the end of the year	**89.78**	**411.92**

7 (c) Loans

₹ in Lakh

Particulars	As at March 31, 2021	As at March 31, 2020
Unsecured, considered good unless otherwise stated		
Current		
Loans to Employees	2.21	6.52
Total Loans	**2.21**	**6.52**

7 (d) Cash and Bank Balances

₹ in Lakh

Particulars	As at March 31, 2021	As at March 31, 2020
Cash on Hand	0.44	0.58
Balance with banks		
In Current Accounts	526.57	24.26
Total	**527.01**	**24.84**

Notes to the Standalone Financial Statements for the year ended March 31, 2021

7 (e) Other Bank balance

₹ in Lakh

Particulars	As at March 31, 2021	As at March 31, 2020
In Deposit Accounts		
With originally maturity more than 3 months but less than 12 months *	64.60	61.61
Held as Margin Money **	263.00	363.00
Total other bank balances	**327.60**	**424.61**
Total cash and bank balance	**854.60**	**449.45**

"* Under lien with Bank as Security Guarantee Facility, Margin Money and Income Tax Department

** Under lien with bank as Security for Guarantee Facility.

7 (f) Other Financial Assets

₹ in Lakh

Particulars	As at March 31, 2021	As at March 31, 2020
Unsecured, considered good unless otherwise stated		
Non-Current		
Share Application money	834.59	834.59
Current		
Security Deposits- Good	157.82	156.83
Security Deposits- Doubtful	0.18	23.66
Less: Provision for Doubtful deposits	0.18	23.66
	157.82	156.83
Advances to related parties (Refer Note 30)	1,696.55	1,528.22
Interest Accrued	10.60	12.39
Income Receivable	1.44	1.44
Receivable other than Trade Considered Good		
To Others	688.10	773.50
	2,554.51	**2,472.38**
Total financial assets	**3,389.10**	**3,306.97**

Allowance for Deposits

Company has provided for doubtful deposits based on the lifetime expected credit loss model using provision matrix.

Movement in allowance for doubtful deposits :

₹ in Lakh

Particulars	As at March 31, 2021	As at March 31, 2020
Balance at the beginning of the year	23.66	23.66
Add: Allowance for the year	-	-
Less: Written off deposits (net of recovery)	23.48	-
Balance at the end of the year	**0.18**	**23.66**

Notes to the Standalone Financial Statements for the year ended March 31, 2021

Note 8: Other current assets

₹ in Lakh

Particulars	As at March 31, 2021	As at March 31, 2020
Unsecured, considered good unless otherwise stated		
Current		
Advances		
To Suppliers		
Considered Goods	0.01	0.88
Considered doubtful	0.59	156.96
Less: Provision for doubtful advances	0.59	156.96
	0.01	0.88
Prepaid Expenses	5.64	1.51
Balances with Government Authorities (Refer Note (i) below)	128.13	87.63
Total	**133.78**	**90.02**

(i) Balance with Government Authorities mainly consists of input credit availed.

Movement in allowance for doubtful deposits :

₹ in Lakh

Particulars	As at March 31, 2021	As at March 31, 2020
Balance at the beginning of the year	156.96	156.96
Add: Allowance for the year	-	-
Less: Written off deposits (net of recovery)	156.37	-
Balance at the end of the year	**0.59**	**156.96**

Note 9: Inventories (At lower of cost and net realisable value)

₹ in Lakh

Particulars	As at March 31, 2021	As at March 31, 2020
Stock in Trade	0.43	0.43
Total	**0.43**	**0.43**

Note 10: Current Tax Assets (Net)

₹ in Lakh

Particulars	As at March 31, 2021	As at March 31, 2020
Tax paid in Advance (Net of Provision)	1,346.11	1,323.81
Total	**1,346.11**	**1,323.81**

Notes to the Standalone Financial Statements for the year ended March 31, 2021

Note 11: Equity Share Capital

₹ in Lakh

Particulars	As at March 31, 2021 No. of Shares	As at March 31, 2021 Rs. in Lakh	As at March 31, 2020 No. of Shares	As at March 31, 2020 Rs. in Lakh
Authorised Share Capital				
Equity Share of Rs. 10/- each	9,50,00,000	9,500.00	9,50,00,000	9,500.00
Issued and subscribed and paid up share capital				
Equity Share of Rs. 10/- each	7,66,33,296	7,663.33	7,66,33,296	7,663.33
Total	**7,66,33,296**	**7,663.33**	**7,66,33,296**	**7,663.33**

11.1 Reconciliation of shares outstanding at the beginning and at the end of the Reporting year

₹ in Lakh

Particulars	As at March 31, 2021 No. of Shares	As at March 31, 2021 Rs. in Lakh	As at March 31, 2020 No. of Shares	As at March 31, 2020 Rs. in Lakh
Balance at the beginning of the year	7,66,33,296	7,663.33	7,66,33,296	7,663.33
Add: Issued during the year	-	-	-	-
Balance at the end of the year	**7,66,33,296**	**7,663.33**	**7,66,33,296**	**7,663.33**

11.2. Terms/Rights attached to the equity shares

The Company has one class of shares referred to as equity shares having a par value of Rs.10 each. Each shareholder is entitled to one vote per share held. The dividend proposed by the Board of Directors is 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.

11.3. Number of Shares held by each shareholder holding more than 5% Shares in the company

₹ in Lakh

Particulars	As at March 31, 2021 No. of Shares	As at March 31, 2021 % of Share holding	As at March 31, 2020 No. of Shares	As at March 31, 2020 % of Share holding
Sarabhai Holdings Private Limited	1,93,03,972	25.19%	1,93,03,972	25.19%
Caplin Vuniyog Private Limited	42,22,789	5.51%	42,22,789	5.51%

11.4 Ordinary Shares allotted as fully paid pursuant to contract(s) without payment being received in cash during the period of five years immediately preceding March 31, 2021:

Nil

11.5 Objective, policy and procedure of capital management, refer Note 35

Notes to the Standalone Financial Statements for the year ended March 31, 2021

Note 12: Other Equity

₹ in Lakh

Particulars	As at March 31, 2021	As at March 31, 2020
12.1 Reserves & Surplus		
General Reserve		
Balance as per last financial statements	5,633.14	5,633.14
Balance as the end of the year	**5,633.14**	**5,633.14**
Securities Premium		
Balance as per last financial statements	1,060.92	1,060.92
Balance as the end of the year	**1,060.92**	**1,060.92**
Surplus in statement of profit and loss		
Balance as per last financial statements	(10,316.04)	(11,862.10)
Profit/(Loss) for the year	(938.71)	1,555.03
OCI for the year	(7.29)	(8.97)
Balance at the end of the year	**(11,262.04)**	**(10,316.04)**
Total reserves & surplus	**(4,567.98)**	**(3,621.98)**
Equity Instruments through OCI (net of tax)		
Balance as per last financial statements	(16.54)	(17.08)
OCI for the year	(0.27)	0.54
Balance at the end of the year	(16.81)	(16.54)
Total Other comprehensive income	**(16.81)**	**(16.54)**
Total Other equity	**(4,584.79)**	**(3,638.52)**

The description of the nature and purpose of each reserve within equity is as follows

a. **General Reserve**

General Reserve is a free reserve created by the Company by transfer from Retained Earnings for appropriation purposes.

b. **Securities premium**

Securities premium reserve is created due to premium on issue of shares. These reserve is utilised in accordance with the provisions of the Companies Act, 2013.

c. **Equity instruments through OCI**

The Company has elected to recognise changes in the fair value of certain investment in equity instrument in other comprehensive income. This amount will be reclassified to retained earnings on derecognition of equity instrument.

Notes to the Standalone Financial Statements for the year ended March 31, 2021

Note 13: Financial liabilites

13 (a) Borrowings

₹ in Lakh

Particulars	As at March 31, 2021	As at March 31, 2020
Long-term borrowings (refer note 1 below)		
Non-current portion		
Secured		
Term Loan from Bank	17.91	-
	17.91	**-**
Short-term Borrowings (refer note 2 below)		
Secured:		
Term Loan from Bank	5.09	-
From Others (refer note 3 below)	10.94	20.04
	16.03	**20.04**
Unsecured:		
From Others (refer note 4 below)	1,080.10	1,080.10
	1,096.13	**1,100.14**
Total borrowings	**1,114.04**	**1,100.14**

Notes:

1. Long term borrowings

Particulars	Rs. in Lakhs	Rate of Interest	Security	Term of Repayment
Vehicle Loan	17.91	7.65%	Secured against hypothecation of Vehicle	Monthly EMI of Rs. 46,251/-upto April-26

2. Short term borrowings

Particulars	Rs. in Lakhs	Rate of Interest	Security	Term of Repayment
Vehicle Loan	5.09	7.65%	Secured against hypothecation of Vehicle	Monthly EMI of Rs. 46,251/-upto April-26

3. Nature of security:

Particulars	Rs. in Lakhs	Rate of Interest	Security	Term of Repayment
Loan against Property	10.94	18%	Secured against immovable properties	On Demand

4. Loans from others are unsecured and carry no interest

Notes to the Standalone Financial Statements for the year ended March 31, 2021

13 (b) Trade payable

₹ in Lakh

Particulars	As at March 31, 2021	As at March 31, 2020
Current		
Total outstanding dues of micro enterprises and small enterprises	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	1,798.38	1,854.91
Total	**1,798.38**	**1,854.91**

a. The Company has not received any intimation from suppliers regarding their status under the Micro, Small and Medium Enterprise Development (MSMED) Act, 2006 and hence disclosures as required under Section 22 of The Micro, Small and Medium Enterprise Development (MSMED) Act, 2006 regarding:

(a) Principal amount and the interest due thereon remaining unpaid to any suppliers as at the end of accounting year;

(b) Interest paid during the year;

(c) Amount of payment made to the supplier beyond the appointed day during accounting year;

(d) Interest due and payable for the period of delay in making payment;

(e) Interest accrued and unpaid at the end of the accounting year; and

(f) Further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise.

have not been given. The Company is making efforts to get the confirmations from the suppliers as regard to their status under the said Act.

13 (c) Other Financial Liabilites

₹ in Lakh

Particulars	As at March 31, 2021	As at March 31, 2020
Current		
Interest accrued and due	629.34	626.54
Payables		
To related Parties (Refer Note 30)	43.77	96.33
To employees	401.51	512.51
	445.28	608.84
Security Deposits	37.85	37.85
Others	61.53	9.51
Total	**1,174.00**	**1,282.74**

Notes to the Standalone Financial Statements for the year ended March 31, 2021

Note 14: Provisions

₹ in Lakh

Particulars	As at March 31, 2021	As at March 31, 2020
Long-term		
Provision for employee benefits (Refer Note 29)		
Provision for Gratuity	107.56	182.13
Provision for Leave Encashment	23.45	30.24
	131.01	**212.37**
Short-term		
Provision for employee benefits (Refer Note 29)		
Provision for Gratuity	107.20	65.07
Provision for leave encashment	18.13	11.71
	125.33	**76.78**
Total	**256.34**	**289.15**

Note 15: Other current Liabilities

₹ in Lakh

Particulars	As at March 31, 2021	As at March 31, 2020
Current		
Advance against Sale of Property	845.51	1,703.69
Statutory dues including provident fund and tax deducted at source	1,738.09	2,204.53
Total	**2,583.60**	**3,908.22**

Note 16: Other Income

₹ in Lakh

Particulars	2020-2021	2019-2020
Interest Income	122.13	236.95
Service Income	177.33	90.00
Provision no longer required (net)	502.08	181.90
Financial Guarantee Commission	7.32	10.04
Rental Income	187.08	108.85
Miscellaneous Income	3.92	0.15
Royalty Income	4.21	3.09
Sundry Credit Balance appropriated (net)	-	291.59
Profit on sale of Property, Plant and Equipment (net)	1,953.05	28.57
Share in Saving *	-	1,500.00
Scrap Sales	4.17	9.85
Total	**2,961.29**	**2,460.99**

* **Note :** Other Income for the year ended March 31, 2020 includes saving related to earlier capital asset transaction amounting to Rs 1500.00 Lakhs.

Notes to the Standalone Financial Statements for the year ended March 31, 2021

Note 17: Cost of raw materials and components consumed

₹ in Lakh

Particulars	2020-2021	2019-2020
Stock at the beginning of the year	-	8.53
Purchases	-	-
	-	**8.53**
Less: Stock written off	-	8.53
Less: Stock at the end of the year	-	-
Total	**-**	**-**

Note 18: Changes in Inventory of Work-in-progress

₹ in Lakh

Particulars	2020-2021	2019-2020
(Increase)/Decrease in stocks		
Stock at the end of the year		
Stock-in-trade	0.43	0.43
	0.43	**0.43**
Stock at the beginning of the year		
Stock-in-trade	0.43	0.43
	0.43	**0.43**
(Increase)/Decrease in stocks	-	-
Total	**-**	**-**

Note 19: Employee Benefits Expense

₹ in Lakh

Particulars	2020-2021	2019-2020
Salaries and Wages (Refer note 29)	290.80	286.73
Contribution to Provident Fund and Other Funds (Refer note 29)	22.68	30.69
Staff Welfare Expenses	12.54	17.13
Total	**326.02**	**334.55**

Note 20: Finance Costs

₹ in Lakh

Particulars	2020-2021	2019-2020
Interest expense - Others	55.75	46.47
Total	**55.75**	**46.47**

Note 21: Depreciation and amortization expense

₹ in Lakh

Particulars	2020-2021	2019-2020
Depreciation on Property, Plant and Equipment (Refer Note 5)	37.67	38.67
Amortisation on Intangible Assets (Refer Note 6)	0.13	0.18
Total	**37.80**	**38.85**

Notes to the Standalone Financial Statements for the year ended March 31, 2021

Note 22: Other Expenses

₹ in Lakh

Particulars	2020-2021	2019-2020
Power and fuel	10.78	8.07
Insurance	0.86	1.26
Rent (Refer Note 28)	110.11	6.28
Rates and taxes	18.55	21.42
Repairs:		
To Buildings	65.84	15.19
To others	3.96	2.87
Directors' Fees	2.20	1.25
Legal Charges	146.76	242.13
Travelling Expenses	9.33	25.41
Printing, Stationery & Communication	6.21	31.09
Service Charges	25.20	17.14
Penalties	0.49	15.63
Auditor's remuneration (Refer note(i) below)	2.00	2.00
Stock written off	-	8.53
Miscellaneous Expenses	41.96	52.43
Loss on sales of Investment (Refer Note 37)	2,644.55	
Bad debt written off	322.14	-
Sundry debits written off	77.59	-
Total	**3,488.53**	**450.70**

(i) Payment to Auditors

₹ in Lakh

Particulars	2020-2021	2019-2020
Auditors	2.00	2.00
Total	**2.00**	**2.00**

Note 23: Income Tax

The major component of income tax expense for the year ended March 31,2021 and March 31, 2020 are;

₹ in Lakh

Particulars	2020-2021	2019-2020
Statement of Profit and Loss		
Current tax	21.00	4.00
Deferred tax charge/(credit)	(29.10)	31.39
Income tax expense reported in the statement of profit and loss	**(8.10)**	**35.39**
Statement of Other comprehensive income (OCI)		
Deferred tax credit	(2.45)	(3.15)
Income tax expense reported in the statement of OCI	**(2.45)**	**(3.15)**

Note:

The Company has adopted option available under section 115 BAA of the Income Tax Act, 1961 as per the Taxation Laws (Amendment) Ordinance 2019, dated December 11, 2019. Accordingly, tax expenses, deferred tax assets / liabilities have been recomputed.

Notes to the Standalone Financial Statements for the year ended March 31, 2021

A) Current tax

₹ in Lakh

Particulars	2020-2021	2019-2020
Accounting profit/(Loss) before tax from continuing operations	(946.81)	1,590.42
Tax @ 25.17% (March 31, 2020: 25.17%)	(238.31)	400.31
Adjustment		
Non-Deductible expenses	(135.62)	-
Unused tax losses	317.81	
Other Adjustments	48.02	(364.92)
At the effective income tax rate of (-)0.86% (March 31,2020: 2.23%)	(8.10)	35.39

Reconciliation of tax expense and the accounting profit multiplied by domestic tax rate :

B) Deferred tax

₹ in Lakh

Particulars	Balance Sheet as at		Statement of Profit and Loss and OCI for the year ended on	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
Accelerated depreciation for tax purposes	17.27	23.56	(6.29)	(7.39)
Expenditure allowable on payment basis	(240.78)	(215.52)	(25.26)	35.63
Deferred tax expense/(income)	**-**	**-**	**(31.55)**	**28.24**
Net deferred tax (Assets)/Liabilities	**(223.51)**	**(191.96)**		
Reflected in the balance sheet as follows				
Deferred tax Assets	240.78	215.52		
Deferred tax liabilities	(17.27)	(23.56)		
Deferred tax Assets/(Liabilities) (net)	**223.51**	**191.96**		

Reconciliation of deferred tax assets / (liabilities), net

₹ in Lakh

Particulars	March 31, 2021	March 31, 2020
Opening balance as of April 1	191.96	220.20
Tax income/(expense) during the period recognised in profit & loss	29.10	(31.39)
Tax income/(expense) during the period recognised in OCI	2.45	3.15
Closing balance as at March 31	**223.51**	**191.96**

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.

Notes to the Standalone Financial Statements for the year ended March 31, 2021

Note 24: Earning Per Share (EPS)

Particulars		2020-2021	2019-2020
Earing per share (Basic and Diluted)			
Profit/(Loss) attributable to ordinary equity holders	Rs. in Lakhs	(938.71)	1,555.03
Total no. of equity shares at the end of the year	Nos.	7,66,33,296	7,66,33,296
Weighted average number of equity shares			
For basic EPS	Nos.	7,66,33,296	7,66,33,296
For diluted EPS	Nos.	7,66,33,296	7,66,33,296
Nominal value of equity shares	Rs.	10	10
Basic earning per share	Rs.	(1.22)	2.03
Diluted earning per share	Rs.	(1.22)	2.03
Weighted average number of equity shares			
Weighted average number of equity shares for basic/diluted EPS		7,66,33,296	7,66,33,296

Note 25 : Contingent liabilities and Contingent Assets
I Contingent liabilities

₹ in Lakh

Particulars	Year Ended March 31, 2021	Year Ended March 31, 2020
Contingent liabilities not provided for		
a. Claims against Company not acknowledged as debts	1,038.38	1,025.30
b. Claims against Company not acknowledged as debts other than (a) above. Refer Note iv below	781.70	781.70
c. Claims by Government for payment in to DPEA	-	39.25
d. Guarantee given by banks on behalf of the Company	262.29	262.29
e. Guarantee given by company on behalf of other Companies	1,263.17	1004.22
f. Disputed demands in respect of		
Excise/Customs duty	8.62	62.98
Sales tax	-	40.00
Income tax (Refer Note v below)	1,233.26	2,068.98
Employees' State Insurance Corporation	36.63	43.90
Provident Fund	69.61	401.45

Notes :

i. Future cash outflows in respect of (f) above are determinable only on receipt of judgments/ decisions pending with various forums/ authorities.

ii. The company does not expect any reimbursements in respect of the above Contingent liabilities

iii. The Company believes that the ultimate outcome of these proceedings will not have a material adverse effect on the Company's financial position and results of the operations.

iv. Hon'ble Supreme Court has allowed Company's Civil Appeals against the judgment and order of the Division Bench of Gujarat High Court vide which Division Bench by its order had set aside the order of the single judge sanctioning Scheme of Arrangement relating to Company's erstwhile Swastik Division and Electronics Division while allowing the appeals, Hon'ble Supreme Court has directed that Company shall execute a guarantee favouring the Central Bank of India and Bank of Baroda in respect of their dues in the suit filed by then which is pending before Debts Recovery Tribunal. The Company has accordingly given the guarantee.

With regard to the Guarantee given by the Company favouring Central Bank of India and Bank of Baroda, the Company has received on 31.12.2010, a notice invoking the guarantee dated 16.12.2003 on behalf of Bank of Baroda from International Asset Reconstruction Company Pvt. Ltd. The Company has not accepted demand made of Rs.781.70 Lakh plus interest thereon at the rate of 18.50% per annum at quarterly rests from June 27, 1989 till date (previous year Rs.781.70 Lakh plus interest thereon) and based on legal advice, the Company has taken required action in the matter at various legal forum.

Notes to the Standalone Financial Statements for the year ended March 31, 2021

v. Against disputed demands for Income tax, RS. 90.33 Lakhs (Previous year Rs. 88.03 Lakhs) were paid/Adjusted.

vi. The Honourable Supreme Court, has passed a decision on 28th February, 2019 in relation to inclusion of certain allowances within the scope of "Basic wages" for the purpose of determining contribution to provident fund under the Employees' Provident Funds & Miscellaneous Provisions Act, 1952. The Company, based on legal advice, is awaiting further clarifications in this matter in order to reasonably assess the impact on its financial statements, if any. Accordingly, the applicability of the judgment to the Company, with respect to the period and the nature of allowances to be covered, and resultant impact on the past provident fund liability, cannot be reasonably ascertained, at present.

II. Contingent Asset

By virtue of the agreement for sale between the Company, Swastik Surfactants Limited ("SSL") and transferees of shares in SSL, SSL was to repay liability of Rs. 30 Crores to the Company. On failure to pay, the Company filed a suit which was decreed in favour of the Company and the Hon'ble Court directed the Company to recover the said amount.

The Company has filed an execution application for implementation of the order passed which was admitted and transferred to Kalol Court for further proceedings.

Note 26: Capital commitment and other commitments

Particulars	Year Ended March 31, 2021	Year Ended March 31, 2020
Capital commitments		
Estimated amount of Contracts remaining to be executed on capital account and not provided for	-	-
Other commitments	**-**	**-**

Note 27 : Segment Reporting

The chief operational decision maker monitors the operating results of its Business segment separately for the purpose of making decision about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the financial statements, Operating segment have been identified on the basis of nature of products and other quantitative criteria specified in the Ind AS 108. The Company has only one identifiable Segment. i.e. Pharmaceuticals

Operating Segments:

The Company's business activity falls within a single operating business segment of Pharmaceuticals products.

Geographical Segment

Geographical segment is considered based on sales within India and rest of the world.

Notes to the Standalone Financial Statements for the year ended March 31, 2021

₹ in Lakh

Particulars	Year Ended March 31, 2021	Year Ended March 31, 2020
Segment Revenue*		
a) In India	-	-
b) Rest of the world	-	-
Total Sales	**-**	**-**
Carrying Cost of Segment Assets**		
a) In India	10,004.90	12,459.97
b) Rest of the world	-	-
Total	**10,004.90**	**12,459.97**
Carrying Cost of Segment Non Current Assets@**		
a) In India	1,397.33	1,448.26
b) Rest of the world	-	-
Total	**1,397.33**	**1,448.26**

* Based on location of Customers

** Based on location of Assets

@ Excluding Financial Assets and Deferred Tax Assets

Note 28: Lease Rent

The Company has elected not to apply the requirements of Ind AS 116 to leases which are expiring within 12 months from the date of transition by class of asset and leases for which the underlying asset is of low value on a lease-by-lease by-lease basis. The Company has also used the practical expedient provided by the standard when applying Ind AS 116 to leases previously classified as operating leases under Ind AS 17 and therefore, has not reassessed whether a contract, is or contains a lease, at the date of initial application, relied on its assessment of whether leases are onerous, applying Ind AS 37 immediately before the date of initial application as an alternative to performing an impairment review, excluded initial direct costs from measuring the right of use asset at the date of initial application and used hindsight when determining the lease term if the contract contains options to extend or terminate the lease. The Company has only short term leases.

The Company incurred Rs. 110.11 Lakh (Previous year Rs. 6.28 Lakhs) for the year ended March 31, 2021 towards expenses relating to short term leases.

Notes to the Standalone Financial Statements for the year ended March 31, 2021

Note 29 : Disclosure pursuant to Employee benefits

A. Defined contribution plans:

Amount of Rs.22.68 Lakhs (March 31, 2020: Rs. 30.69 Lakhs) is recognised as expenses and included in Note No.19 "Employee benefit expense"

₹ in Lakh

Particulars	Year Ended March 31, 2021	Year Ended March 31, 2020
Provident Fund	18.66	18.99
Pension Fund	4.02	6.56
Superannuation Fund	-	5.14
Total	**22.68**	**30.69**

(a) Employees of the Company receive benefits from a provident fund, which is a defined contribution plan. The eligible employees and the Company make monthly contributions to the provident fund plan equal to a specified percentage of the employees' salary. Amounts collected under the provident fund plan are deposited in a government administered provident fund. The remaining portion is contributed to the government-administered pension fund. Employees of the Company receive benefits from a government administered provident fund, which is a defined contribution plan. The Company has no further obligation to the plan beyond its monthly contributions. Such contributions are accounted for as defined contribution plans and are recognised as employee benefits expenses when they are due in the Statement of profit and loss.

B. Defined benefit plans:

The Company has following post employment benefits which are in the nature of defined benefit plans:

(a) Gratuity (Unfunded)

The Company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service. The gratuity plan is an unfunded. Liabilities with regard to the Gratuity Plan are determined by actuarial valuation, performed by an independent actuary, at each Balance Sheet date using the projected unit credit method.

Notes to the Standalone Financial Statements for the year ended March 31, 2021

₹ in Lakh

	Gratuity cost charged to statement of profit and loss						Remeasurement gains/(losses) in other comprehensive income					
	April 1, 2020	Service cost	Net interest expense	**Sub-total included in statement of profit and loss (Note 19)**	**Benefit paid**	Return on plan assets	Actuarial changes arising from changes in demographic assumptions	Actuarial changes arising from changes in financial assumptions	Experience adjustments	Sub-total included in OCI	Contributions by employer	**March 31, 2021**
March 31, 2021 : Changes in defined benefit obligation and plan assets												
Defined benefit obligation	247.20	6.47	13.75	20.22	(62.40)	-	-	2.64	7.10	9.74	-	214.76
Fair value of plan assets	-	-	-	-	-	-	-	-	-	-	-	-
Benefit liability	**247.20**	**6.47**	**13.75**	**20.22**	**(62.40)**	**-**	**-**	**2.64**	**7.10**	**9.74**	**-**	**214.76**
March 31, 2020 : Changes in defined benefit obligation and plan assets												
Defined benefit obligation	300.12	5.97	20.90	26.87	(91.91)	-	-	8.46	3.66	12.12	-	247.20
Fair value of plan assets	-	-	-	-	-	-	-	-	-	-	-	-
Benefit liability	**300.12**	**5.97**	**20.90**	**26.87**	**(91.91)**	**-**	**-**	**8.46**	**3.66**	**12.12**	**-**	**247.20**

Notes to the Standalone Financial Statements for the year ended March 31, 2021

The major categories of plan assets of the fair value of the total plan assets of Gratuity are as follows:

Particulars	Year ended March 31, 2021 (%) of total plan assets	Year ended March 31, 2020 (%) of total plan assets
Insurance Fund	0.00%	0.00%
Others (including bank balances)	0.00%	0.00%
(%) of total plan assets	**0.00%**	**0.00%**

The principal assumptions used in determining above defined benefit obligations for the Company's plans are shown below:

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Discount rate	5.58%	6.76%
Future salary increase	5.00%	4.00%
Expected rate of return on plan assets	5.58%	6.76%
Attrition rate	2.00%	2.00%
Morality rate during employment	Indian assured lives Mortality (2006-08)	Indian assured lives Mortality (2006-08)
Morality rate after employment	N.A.	N.A.

A quantitative sensitivity analysis for significant assumption is as shown below:

₹ in Lakh

		increase / (decrease) in defined benefit obligation (Impact)	
Particulars	Sensitivity level	Year ended March 31, 2021	Year ended March 31, 2020
Discount rate	1% increase	(3.08)	(4.28)
	1% decrease	3.35	4.53
Salary increase	1% increase	3.33	4.54
	1% decrease	(3.12)	(4.36)
Attrition rate	1% increase	0.01	0.20
	1% decrease	(0.02)	(0.23)

The followings are the expected future benefit payments for the defined benefit plan :

₹ in Lakh

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Within the next 12 months (next annual reporting period)	109.26	65.07
2 to 5 years	115.29	191.23
Beyond 5 years	13.93	23.04
Total expected payments	**238.48**	**279.34**

Notes to the Standalone Financial Statements for the year ended March 31, 2021

Weighted average duration of defined plan obligation (based on discounted cash flows)

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
	Years	Years
Gratuity	2	2

C. Other Long term employee benefit plans

Leave encashment

Amount of Rs. 10.43 Lakhs (March 31, 2020: Rs. 17.67 Lakhs) is recognised as expenses and included in Note No. 19 "Employee benefit expense".

Note 30 : Disclosure pursuant to Related Party

As per the Indian Accounting Standard on "Related Party Disclosures" (Ind AS 24), the related parties of the Company are as follows :

a Name of Related Parties and Nature of Relationship :

	Subsidiary Compaies	
1	Synbiotics Limited	
2	Asence Inc., USA	
3	Asence Pharma Private Limited	
4	Sarabhai M Chemicals Limited	
5	Systronics India Limited	
6	Suvik Hitek Private Limited	
7	Sarabhai Chemicals (India) Private Limited	
8	Swetsri Investments Private Limited	
	Joint Ventures	
1	Vovantis Laboratories Private Limited	
2	CoSara Diagnostics Private Limited	
	Associate	
	Haryana Containers Limited	
	Key Management Personnel	
1	Mr. Kartikeya V. Sarabhai	Chairman & Whole-time Director
2	Mr. Anil H. Parekh	Non-Executive, Non-Independent Director (Whole-time Director up to November 30,2019)
3	Ms. Chaula M. Shastri	Whole-time Director
4	Mr. Govinddas G. Zalani	Independent Director (up to January 31,2020)
5	Mr. Ashwin P. Hathi	Independent Director
6	Mr. Chandrashekhar B. Bohra	Independent Director
7	Mr. Mohandas K. Nair	Director (up to 20th August, 2020)
8	Mr. Mayur K. Swadia	Independent Director (w.e.f.20th August,2020)
9	Mr. Navinchandra R. Patel	Chief Financial Officer
10	Mr. Ketan Adhvaryu	Company Secretary & Compliance Officer (till 13th March,2020)
11	Mr. Damodar H. Sejpal	Company Secretary & Compliance Officer

Note: Related party relationship is as identified by the Company and relied upon by the Auditors.

Notes to the Standalone Financial Statements for the year ended March 31, 2021

b. Transactions and Balances :

₹ in Lakh

Particulars	Subsidiary Companies		Joint Venture		Associates		Key Management Personnel (KMP)	
	Year ended March 31, 2021	Year ended March 31, 2020	Year ended March 31, 2021	Year ended March 31, 2020	Year ended March 31, 2021	Year ended March 31, 2020	Year ended March 31, 2021	Year ended March 31, 2020
Transactions								
Purchase of Goods/Services	-	-	-	-	-	-	-	-
Rent income	41.04	24.40	146.03	84.44	-	-	-	-
Interest Expense	6.46	6.49	-	-	-	-	-	-
Other Income	7.31	10.04	-	-	-	-	-	-
Royalty Income	4.21	3.09	-	-	-	-	-	-
Rendering of Services	156.63	146.38	274.98	116.29	-	-	-	-
Remuneration to Key Management Personnel	-	-	-	-	-	-	111.70	114.17
Professional Fees	-	-	-	-	-		5.04	-
Sitting Fees	-	-	-	-	-	-	2.20	1.25
Receiving of Services	1.61	6.67	-	-	-	-	-	-
Interest Income	90.61	151.68	-	-	4.92	4.10	-	-
Loan received/Returned	-	-	-	-	66.00	37.00	-	-
Repayment of Loan	80.95	-	-	-	-	-	-	
Balances as at year end	-	-	-	-	-	-	-	-
Receivable in respect of Current Assets	1,572.27	1,451.65	124.28	12.18	-	64.39	-	-
Payable in respect of Current Liabilities	38.67	86.79	1.10	-	-	-	4.00	9.54
Corporate Guarantee given	874.17	1,004.22	389.00	-	-	-	-	

c Terms and conditions of transactions with related parties

1) Transaction entered into with related party are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances other than loan given & taken and fair value of financial guarantee contract, at the year-end are unsecured and interest free and settlement occurs in cash.

d Transactions with key management personnel

Compensation of key management personnel of the Company

₹ in Lakh

Particulars	2020-2021	2019-2020
Short-term employee benefits	104.08	104.04
Post employment benefits	3.19	6.09
Other long-term employment benefits	4.43	4.04
Total compensation paid to key management personnel	**111.70**	**114.17**

Notes to the Standalone Financial Statements for the year ended March 31, 2021

e Disclosures pursuant to the Regulation 34(3) read with para A of Schedule V to the SEBI (Listing obligations and disclosure requirements) Regulations, 2015 read with section 186(4) of the Companies Act, 2013.

Loans and Advances in the nature of loans to subsidiaries

₹ in Lakh

List of Related Party	Purpose	Closing Balance		Maximum Outstanding	
		March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
Loans and Advances					
Systronics India Limited	General Business Purpose	-	29.81	29.81	601.14
Asence Inc., USA	General Business Purpose	13.31	13.31	13.31	13.31
Sarabhai M Chemicals Ltd	General Business Purpose	60.72	56.32	224.80	56.32
Sarabhai Chemicals (India) Private Limited	General Business Purpose	936.96	744.90	936.96	744.90
Asence Pharma Private Limited	General Business Purpose	545.88	600.50	600.50	1,001.64
Synbiotics Limited	General Business Purpose	8.94	6.81	13.33	47.11
Vovantis Laboratories Private Limited	General Business Purpose	124.28	12.18	124.28	33.46
Suvik Hitek Private Limited	General Business Purpose	6.46	-	6.59	
Haryana Containers Limited	General Business Purpose	-	64.39	64.39	88.17
Total(A)		**1,696.55**	**1,528.22**	**2,013.97**	**2,586.05**
Corporate Guarantee					
Asence Pharma Private Limited	Facilitate Trade Finance	45.23	177.96	177.96	525.00
Synbiotics Limited	Facilitate Trade Finance	592.47	738.90	738.90	738.90
Systronics India Limited	Facilitate Trade Finance	142.13	-	142.13	128.73
Suvik Hitek Private Limited	Facilitate Trade Finance	94.34	87.36	94.34	88.30
Vovantis Laboratories Private Limited	Facilitate Trade Finance	389.00	-	389.00	-
Total(B)		**1,263.17**	**1,004.22**	**1,542.33**	**1,480.93**
Total(A+B)		**2,959.72**	**2,532.44**	**3,556.30**	**4,066.98**

Note : No repayment schedule has been fixed in case of above mentioned Loans & Advances in the nature of loans given to Subsidiary/Joint Venture Companies and are repayable on demand.

Notes to the Standalone Financial Statements for the year ended March 31, 2021

Note 31 : Fair value disclosures for financial assets and financial liabilities

(i) Financial assets by category

₹ in Lakh

Particulars	As at March 31, 2021					As at March 31, 2020				
	Cost	Fair value through Profit and Loss (FVTPL)	Fair value through Other Compre-hensive Income (FVTOCI)	Amortised cost	Total	Cost	Fair value through Profit and Loss (FVTPL)	Fair value through Other Compre-hensive Income (FVTOCI)	Amortised cost	Total
Investments	2,638.30	-	19.52	-	2,657.82	5,622.76	-	19.79	-	5,642.55
Loans	-	-	-	2.21	2.21	-	-	-	6.52	6.52
Cash and cash equivalents	-	-	-	527.01	527.01	-	-	-	24.84	24.84
Other bank balances	-	-	-	327.60	327.60	-	-	-	424.61	424.61
Other financial assets	-	-	-	3,389.10	3,389.10	-	-	-	3,306.97	3,306.97
Total Financial assets	**2,638.30**	**-**	**19.52**	**4,245.92**	**6,903.74**	**5,622.76**	**-**	**19.79**	**3,762.94**	**9,405.49**

(ii) Financial liabilities by category

Particulars	As at March 31, 2021			As at March 31, 2020		
	Fair value through Profit and Loss (FVTPL)	Amortised cost	Total	Fair value through Profit and Loss (FVTPL)	Amortised cost	Total
Borrowings	-	1,114.04	1,114.04	-	1,100.14	1,100.14
Trade payable	-	1,798.38	1,798.38	-	1,854.91	1,854.91
Other Financial Liabilities	-	1,174.00	1,174.00	-	1,282.74	1,282.74
Total Financial liabilities	**-**	**4,086.42**	**4,086.42**	**-**	**4,237.79**	**4,237.79**

For Financial instruments risk management objectives and policies, refer Note 34.

Notes to the Standalone Financial Statements for the year ended March 31, 2021

Note 32 : Fair value disclosures for financial assets and financial liabilities

Set out below is a comparison, by class, of the carrying amounts and fair value of the Company's financial instruments, other than those with carrying amounts that are reasonable approximations of fair values:

₹ in Lakh

Particulars	Carrying amount		Fair value	
	As at March 31, 2021	As at March 31, 2020	As at March 31, 2021	As at March 31, 2020
Financial assets				
Investments measured at fair value through OCI	19.52	19.79	19.52	19.79
Total	**19.52**	**19.79**	**19.52**	**19.79**
Financial liabilities				
Borrowings	1,114.04	1,100.14	1,114.04	1,100.14
Total	**1,114.04**	**1,100.14**	**1,114.04**	**1,100.14**

The management assessed that the fair values of cash and cash equivalents, other bank balances, loans, trade receivables, other current financial assets, trade payables and other current financial liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values.

For financial assets and financial liabilities that are measured at fair value, the carrying amounts are equal to the fair values.

Note 33 : Fair value hierarchy

The following table provides the fair value measurement hierarchy of the Company's assets and liabilities

Quantitative disclosures fair value measurement hierarchy for financial assets as at March 31, 2021 and March 31, 2020

₹ in Lakh

Particulars	Date of valuation	Fair value measurement using			
		Total	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant observable inputs (Level 3)
As at March 31, 2021 **Assets measured at fair value** **Fair value through Other Comprehensive Income** Investment in Equity shares, (unquoted)	**March 31, 2021**	**19.52**	**-**	**-**	**19.52**
As at March 31, 2020 **Assets measured at fair value** **Fair value through Other Comprehensive Income** Investment in Equity shares, (unquoted)	**March 31, 2020**	**19.79**	**-**	**-**	**19.79**

Notes to the Standalone Financial Statements for the year ended March 31, 2021

Quantitative disclosures fair value measurement hierarchy for financial liabilities as at March 31, 2021 and March 31, 2020

₹ in Lakh

Particulars	Date of valuation	Fair value measurement using Total	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant observable inputs (Level 3)
As at March 31, 2021					
Liabilities disclosed at fair value					
Borrowings	**March 31, 2021**	1,114.04	-	33.94	1,080.10
As at March 31, 2020					
Liabilities disclosed at fair value					
Borrowings	**March 31, 2020**	1,100.14	-	20.04	1,080.10

Fair value hierarchy

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

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

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities, contingent consideration and indemnification asset included in level 3.

There are no transfer between level 1, 2 and 3 during the year.

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

Note 34 : Financial instruments risk management objectives and policies

The Company's activities expose it to a variety of financial risks, including market risk, credit risk and liquidity risk. The Company's risk management assessment and policies and processes are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls, and to monitor such risks and compliance with the same. Risk assessment and management policies and processes are reviewed regularly to reflect changes in market conditions and the Company's activities.

The Company's risk management is carried out by a Treasury department under policies approved by the Board of directors. The Company's treasury identifies, evaluates and hedges financial risks in close co-operation with the Company's operating units. The board provides written principles for overall risk.

(a) Market risk

Market risk refers to the possibility that changes in the market rates may have impact on the Company's profits or the value of its holding of financial instruments. The Company is exposed to market risks on account of foreign exchange rates, interest rates, underlying equity prices, liquidity and other market changes.

Future specific market movements cannot be normally predicted with reasonable accuracy.

Notes to the Standalone Financial Statements for the year ended March 31, 2021

Interest rate risk

Interest rate risk refers to the possibility that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rate.

The Company is exposed to interest rate risk of short-term and long-term floating rate instruments and on the refinancing of fixed rate debt. The Company's policy is to maintain a balance of fixed and floating interest rate borrowings and the proportion of fixed and floating rate debt is determined by current market interest rates. The borrowings of the Company are principally denominated in Indian Rupees with mix of fixed and floating rates of interest. These exposures are reviewed by appropriate levels of management at regular interval.

Particulars	Effect on profit before tax	
	March 31, 2021	March 31, 2020
Increase in 50 basis points	22.28	22.00
Decrease in 50 basis points	(22.28)	(22.00)

(b) Credit risk

Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in financial loss to the Company. Credit risk encompasses of both, the direct risk of default and the risk of deterioration of creditworthiness as well as concentration of risks. Financial instruments that are subject to concentrations of credit risk materially consists of trade receivables, investments and derivative financial instruments.

The Company is exposed to credit risk from its operating activities (primarily trade receivables and also from its investing activities including deposits with banks, forex transactions and other financial instruments) for receivables, cash and cash equivalents, financial guarantees and derivative financial instruments.

All trade receivables are subject to credit risk exposure. The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the customer, including the default risk of the industry and country, in which the customer operates, also has an influence on credit risk assessment. Credit risk is managed through established policies, controls relating to credit approvals and procedures for continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business. Outstanding customer receivables are regularly monitored and any shipments to major customers are generally covered by letters of credit. The history of trade receivables shows a negligible provision for bad and doubtful debts. Therefore, the Company does not expect any material risk on account of non-performance by any of the Company's counterparties. The Company does not have significant concentration of credit risk related to trade receivables. No single third party customer contributes to more than 10% of outstanding accounts receivable (excluding outstanding from subsidiaries) as of March 31, 2021 and March 31, 2020.

Trade receivables are non-interest bearing and are generally on 30 days to 180 days credit term.

(c) Liquidity risk

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time, or at a reasonable price. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements. The Company generates cash flows from operations to meet its financial obligations, maintains adequate liquid assets in the form of cash & cash equivalents and has undrawn short term line of credits from banks to ensure necessary liquidity. The Company closely monitors its liquidity position and deploys a robust cash management system.

The Company requires funds both for short-term operational needs as well as for long-term investment programmes mainly in growth projects

Notes to the Standalone Financial Statements for the year ended March 31, 2021

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments:

₹ in Lakh

Particulars	On demand	less than 3 months
Year ended March 31, 2021		
Interest bearing borrowings	1,114.04	-
Trade payables	1,798.38	-
Other financial liabilities	1,174.00	-
	4,086.42	**-**
Year ended March 31, 2020		
Interest bearing borrowings	1,100.14	-
Trade payables	1,854.91	-
Other financial liabilities	1,282.74	-
	4,237.79	**-**

Note 35 : Capital management

For the purpose of the Company's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to ensure that it maintains an efficient capital structure and healthy capital ratios in order to support its business and maximise shareholder value.

The Company manages its capital structure and makes adjustments to it in light of changes in economic conditions or its business requirements to optimise return to our shareholders through continuing growth. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The funding requirements are met through a mixture of equity, internal fund generation and other non-current borrowings. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company includes within net debt, interest bearing loans and borrowings less cash and short-term deposits (including other bank balance). The Company is not subject to any externally imposed capital requirements.

₹ in Lakh

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Loans and borrowings (Note 13a)	1,114.04	1,100.14
Less: cash and bank balance(Note 7 d & e)	854.60	449.45
Net debt	**259.44**	**650.69**
Equity share capital (Note 11)	7,663.33	7,663.33
Other equity (Note 12)	(4,584.79)	(3,638.52)
Total capital	**3,078.54**	**4,024.81**
Capital and net debt	3,337.98	4,675.50
Gearing ratio	7.77%	13.92%

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current period.

No changes were made in the objectives, policies or processes for managing capital during the current period.

Notes to the Standalone Financial Statements for the year ended March 31, 2021

Note 36: Impact of COVID-19 Pandemic

In March 2020, the World Health Organisation declared COVID 19 to be a pandemic. The Company has adopted measures to curb the spread of infection in order to protect the health of its employees and ensure business continuity with minimal disruption. The Company has considered internal and external information while finalizing various estimates and recoverability of assets in relation to its financial statement captions up to the date of approval of the financial statements by the Board of Directors. Considering the Company is in the business of manufacturing and supplying pharmaceutical products which is categorized under essential goods, management believes that the impact of the pandemic may not be significant. The actual impact of the global health pandemic may be different from that which has been estimated, as the COVID 19 situation evolves in India and globally. The Company will continue to closely monitor any material changes to future economic conditions.

Note 37 : Business Combination

During the year, the Company has sold its investment in equity shares of its subsidiary Synbiotics Limited, to its another step down subsidiary Asence Pharma Private Limited, for a consideration of Rs. 1,239.91 Lakhs. Resulting loss of Rs. 2,644.55 Lakhs on such sale has been grouped under "Other Expenses".

Note 38:

The Parliament of India has approved the Code on Social Security, 2020 (the Code) which may impact the contributions by the Company towards provident fund, gratuity and ESIC. The Code has been published in the Gazette of India. However, the effective date has not yet been notified. The Company will assess the impact of the Code when it comes into effect and will record related impact, if any, in the period the Code becomes effective.

Note 39 : New Accounting Pronouncements to be adopted after March 31, 2021

There are no standards or interpretations which are notified but not yet effective and that would be expected to have a material impact on the company in the current or future reporting periods.

Note 40: Regrouped, Recast, Reclassified

Figures of the earlier year have been regrouped to conform with those of current year.

Note 41: Events occuring after Balance sheet

The Company evaluates events and transactions that occur subsequent to the balance sheet date but prior to the approval of financial statements to determine the necessity for recognition and/or reporting of "subsequent events and transactions in the financial statements. As of June 04, 2021, there" were no subsequent events and transactions to be recognized or reported that are not already disclosed.

The accompanying notes are an integral part of the finacial statements
As per our report of even date attached

For Khandhar & Associates
Firm Registration No. 118940W
Chartered Accountants
CA. Vipul B. Khandhar
Partner
Membership no. 105986
Date : 04.06.2021
Place : Ahmedabad

Mr. Kartikeya V. Sarabhai
Chairman
(DIN: 00313585)
Mr. Damodar H. Sejpal
Company Secretary

Date : 04.06.2021
Place : Ahmedabad

Mr. Chandrashekhar B. Bohra
Director
(DIN: 00055288)
Mr. Navinchandra R. Patel
CFO

FORM AOC-1

Statement containing salient features of the financial statement of Subsidiaries / Joint ventures pursuant to first proviso to sub-section (3) of Section 129 of the Companies Act, 2013, read with rule 5 of Companies (Accounts) Rules, 2014:"

Part "A": Subsidiaries **Rs. in Lakh**

Sr. No:	Name of Subsidary	Reporting Period	Reporting/ currency Rate	Share Capital	Reserve & Surplus	Total Assets	Total Liabilites	Details of Investment	Turn Over	Profit/ (Loss) before Taxation	Provision for Taxation	Profit/ (Loss) after Taxation	Proposed Dividend	% of Share Holding
		(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)	(m)
1	Synbiotics Ltd	March 31, 21	INR	889.46	666.41	3,087.01	1,531.14	466.79	1,603.28	234.53	154.24	80.29	Nil	100%
2	Sarabhai M Chemicals Ltd	March 31, 21	INR	5.00	(39.79)	31.91	66.70	-	306.23	(7.17)	0.02	(7.19)	Nil	100%
3	Asence Inc.	Dec. 31, 20	"1 USD= Rs.73.50"	3.68	15.51	114.23	95.04	16.43	311.37	(34.35)	-	(34.35)	Nil	100%
4	Asence Pharma Pvt. Ltd	March 31, 21	INR	909.96	1,374.96	5,234.82	2,949.90	2,114.95	6,896.49	473.14	104.38	368.76	Nil	100%
5	Systronics India Ltd	March 31, 21	INR	1,198.50	1,839.88	4,303.96	1,265.58	5.41	5,611.26	203.04	69.72	133.32	Nil	100%
6	Suvik Hitek Private Ltd	March 31, 21	INR	250.00	(1,220.93)	1,006.44	1,977.37	-	2,430.16	10.82	1.12	9.70	Nil	100%
7	Sarabhai Chemicals (India) Pvt Ltd	March 31, 21	INR	99.40	(1,625.46)	286.22	1,812.28	-	401.40	(238.07)	0.09	(238.16)	Nil	98.90%
8	Swetsri Investments Pvt. Limited	March 31, 21	INR	1.00	83.91	92.37	7.46	-	-	0.63	0.20	0.43	Nil	100%

Part "B": Associate Companies and Joint Venture **Rs. in Lakh**

Sr. No:	Particulars	Joint Venture: Vovantis Laboratories Pvt. Ltd.	Joint Venture: Co-Sara Diagnostics Pvt. Ltd	Associate: Haryana Containers Limited
1	Latest Audited Balance Sheet Date	March 31, 2021	March 31, 2021	March 31, 2021
2	Shares of Joint Ventures/ Associate held by Company on the year end			
	I) Number	95,01,357	35,86,863	50,000
	II) Amount of Investment in Joint Ventures/Associate (Rs. in Lakh)	1,297.98	358.69	8.53
	III) Extend of Holding %	33.34%	49.93%	45.45%
3	Description of how there is significant influence	Note A	Note A	Note A
4	Reason why the Joint Venture/Associate is not consolidated	Not applicable	Not applicable	Not applicable
5	Net worth attributable to shareholding as per latest Audited Balance Sheet	1,728.31	729.37	91.20
6	Profit/(Loss) for the year			
	I) Considered in Consolidation	321.00	480.53	109.67
	II) Not Considered in Consolidation	641.81	480.53	131.63

Note: A

There is significant influence due to percentage (%) of Share Capital

Chairman

Director

CFO

Date : 04.06.2021
Place : Ahmedabad

Company Secretary

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF AMBALAL SARABHAI ENTERPRISES LIMITED

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of **Ambalal Sarabhai Enterprises Limited** ("the Holding Company"), its subsidiaries, Joint Ventures and Associate Company (the Holding Company, its subsidiaries, Joint ventures and Associate Company together referred to as "the Group"), which comprise the Consolidated Balance Sheet as at March 31, 2021, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year ended on that date, and the notes to the consolidated financial statements including a summary of the 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, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2021, the consolidated profit, consolidated total comprehensive income, consolidated changes in equity and its consolidated cash flows for the year ended on that date.

Basis for Opinion

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

Emphasis of Matter

We draw your attention to note 44 of the Consolidated statement which explains the uncertainties and management's assessment of the financial impact on the standalone financial statement of the Group due to the lockdown and other restrictions imposed by the Government of India and other conditions related to the COVID-19 pandemic situation, for which a definitive assessment in the subsequent period is highly dependent upon circumstances as they evolve.

Our opinion is not modified in respect of this matter.

Key Audit Matters

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

Sr. No.	Key Audit Matter	Auditor's Response
	Accuracy of recognition, measurement, presentation and disclosures of revenues and other related balances in view of adoption of Ind AS 115 **"Revenue from Contracts with** **Customers" (new revenue accounting standard)** The application of the revenue accounting standard involves certain key judgements relating to identification of distinct performance obligations, determination of transaction price of the identified performance obligations, the appropriateness of	**Principal Audit Procedures** We assessed the Company's process to identify the impact of adoption of the new revenue accounting standard. Our audit approach consisted testing of the design and operating effectiveness of the internal controls and substantive testing as follows: • Evaluated the design of internal controls relating to implementation of the new revenue accounting standard. • Selected a sample of continuing and new contracts, and tested the operating effectiveness of the internal control, relating to identification of

	the basis used to measure revenue recognised over a period, estimate of variable consideration, Additionally, new revenue accounting standard contains disclosures which involves collation of information in respect of disaggregated revenue and periods over which the remaining performance obligations will be satisfied subsequent to the balance sheet date. Refer Note 17 to the Consolidated Financial Statements	the distinct performance obligations and determination of transaction price. We carried out a combination of procedures involving enquiry and observation, reperformance and inspection of evidence in respect of operation of these controls. • Selected a sample of continuing and new contracts and performed the following procedures: • Read, analysed and identified the distinct performance obligations in these contracts. • Compared these performance obligations with that identified and recorded by the Company. • Considered the terms of the contracts to determine the transaction price including any variable consideration to verify the transaction price used to compute revenue and to test the basis of estimation of the variable consideration. • Considered the terms of contracts for determination of Principal versus agent consideration, recognition of contract assets and refund liability including historical trend of returns. • Sample of revenues disaggregated by type and service offerings was tested with the performance obligations specified in the underlying contracts. • Performed analytical procedures for reasonableness of revenues disclosed by type and service offerings. • We reviewed the collation of information to prepare the disclosure relating to the periods over which the remaining performance obligations will be satisfied subsequent to the balance sheet date.

Information Other than the Consolidated Financial Statements and Auditor's Report Thereon

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

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

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

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

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance, consolidated total comprehensive income, consolidated changes in equity and consolidated cash flows of the Group in accordance with the Ind AS and other accounting principles generally accepted in India. The respective Board of Directors of the companies included in the Group are responsible for maintenance of the adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the 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 Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of the Group.

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.

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 financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company and its subsidiary companies which are companies incorporated in India, has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements.

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

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

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

Other Matters

We did not audit the financial statements of six subsidiaries, whose financial statements reflect total assets of 8,429.98 Lakhs as at March 31, 2021, total revenues of Rs. 10,442.20 Lakhs for the year ended March 31, 2021 and cash outflow(net) of Rs. 593.18 Lakhs for the year ended March 31, 2021, as considered in the consolidated financial statements. The Consolidated financial statements also include the Group's share of profit of Rs. 911.20 Lakhs for the year ended March 31, 2021, as considered in the Statement in respect of two joint ventures and one associate.

These financial have been audited by other auditors whose reports 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 subsidiaries, and our report in terms of subsection (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries is based solely on the reports of the other auditors.

The Consolidated financial statements include financial statements of one foreign subsidiary whose financial statements reflect total assets of Rs. 24.30 lakhs as at March 31, 2021, total revenues of Rs. 311.37 Lakhs for the year ended March 31, 2021, and cash flows (net) of Rs. 102.17 Lakhs for the year ended March 31, 2021, as considered in the consolidated financial statements. These financial statements are unaudited and 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 this subsidiary, is based solely on such unaudited financial statements. In our opinion and according to the information and explanations given to us by the Management, these financial statements are not material to the Group.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit 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 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.

   c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including (including Other Comprehensive Income), 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, read with Rule 7 of the Companies (Accounts) Rules, 2014.

   e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2021 taken on record by the Board of Directors of the Holding Company and its subsidiaries and the reports of the statutory auditors of its subsidiary companies incorporated in India, none of the directors of the Group companies incorporated in India is disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164 (2) of the Act.

   f) With respect to the adequacy of the internal financial controls over financial reporting and the operating effectiveness of such controls, refer to our separate Report in “Annexure A” which is based on the auditor's reports of the Holding Company and its subsidiary companies incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the internal financial control over financial reporting of those companies, for reasons stated therein.

g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Parent Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

i. The Consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group.

ii. The Group did not have any long-term contract including derivative contracts for which there were any material foreseeable losses

iii. There has been no amounts required to be transferred, to the Investor Education and Protection Fund by the Holding Company and its subsidiary companies incorporated in India.

For Khandhar & Associates
Chartered Accountants
Firm Registration No. 118940W

CA. Vipul B. Khandhar
Partner
Membership No. 105986
UDIN: 21105986AAAAHR1826

Ahmedabad
June 04, 2021

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1 (f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Ambalal Sarabhai Enterprises Limited of even date)

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

We have audited the internal financial controls over financial reporting of Ambalal Sarabhai Enterprises Limited("the Holding Company"), its subsidiary companies, Joint ventures and Associate Company incorporated in India, for the year ended March 31, 2021 in conjunction with our audit of the Consolidated Ind AS financial statements of the Holding Company.

Management's Responsibility for Internal Financial Controls

The Respective Board of Directors of the Holding Company, its subsidiary companies, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (" the ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the Holding Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. 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 over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the Ind AS 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 Holding Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion the Holding Company and its subsidiary companies, which are companies incorporated in India, have in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2021, based on "the internal control over financial reporting criteria established by the company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India".

For Khandhar & Associates
Chartered Accountants
Firm Registration No. 118940W

CA. Vipul B. Khandhar
Partner
Membership No. 105986

Ahmedabad
June 04, 2021

Consolidated Balance Sheet as at March 31, 2021

₹ in Lakh

	Notes	As at March 31,2021	As at March 31,2020
Assets			
(I) Non-current assets			
(a) Property, Plant and Equipment	5	3,201.66	3,216.66
(b) Capital work-in-progress	-	76.90	41.06
(c) Right-of-Use Assets	30	27.55	71.21
(d) Goodwill on Consolidation	6	2,452.59	2,452.59
(e) Intangible assets	6	3.93	5.12
(f) Intangible assets under development	-	0.17	0.22
(g) Financial Assets			
(i) Investments	7(a)	2,729.75	1,812.16
(ii) Other Financial Assets	7(f)	202.25	281.78
(h) Deferred tax assets(net)	25	227.41	341.34
(i) Other non-current assets	8	23.85	25.12
Total Non current assets (A)		**8,946.06**	**8,247.26**
(II) Current assets			
(a) Inventories	9	1,597.34	1,644.65
(b) Financial Assets			
(i) Trade receivables	7(b)	3,881.45	2,879.80
(ii) Loans	7(c)	16.41	20.23
(iii) Cash and cash equivalents	7(d)	1,473.85	1,278.77
(iv) Bank balance other than(iii) above	7(e)	1,664.12	874.72
(v) Other Financial Assets	7(f)	996.93	1,043.27
(c) Others current assets	8	934.34	1,151.26
(d) Current Tax Assets (Net)	10	1,494.61	1,505.03
Total current assets (B)		**12,059.05**	**10,397.73**
Total Assets (A+B)		**21,005.11**	**18,644.99**
EQUITY AND LIABILITES			
(I) Equity			
(a) Equity Share Capital	11	7,663.33	7,663.33
(b) Other Equity	12	(273.52)	(3,186.59)
Total Equity (A)		**7,389.81**	**4,476.74**
(II) Minority Interest	**-**	**(1.07)**	**(0.90)**
LIABILITES			
(I) Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	13(a)	517.44	454.15
(ii) Lease Liabilites	30	20.04	31.64
(b) Long Term Provisions	14	224.78	336.82
Total Non current liabilities (B)		**762.26**	**822.61**
(II) Current liabilities			
(a) Financial liabilities			
(i) Borrowings	13(a)	2,075.41	2,366.38
(ii) Lease Liabilites	30	9.20	46.96
(iii) Trade Payable	13(b)		
Total outstanding dues of mirco enterprises and small enterprises		-	-
Total outstanding dues of creditors other than mirco enterprises and small enterprises		5,040.30	4,002.16
(iv) Other financial liabilities	13(c)	2,150.45	1,957.55
(b) Short Term Provisions	14	374.93	379.72
(c) Other Current liabilities	15	3,192.54	4,581.77
(d) Current Tax Liabilities (net)	16	11.28	12.00
Total current liabilities (C)		**12,854.11**	**13,346.54**
Total Equity and Liabilities (A+B+C)		**21,005.11**	**18,644.99**

See accompanying notes forming part of the consolidated financial statements

As per our report of even date attached

For Khandhar & Associates
Firm Registration No. 118940W
Chartered Accountants
CA. Vipul B. Khandhar
Partner
Membership no. 105986
Date : 04.06.2021
Place : Ahmedabad

Mr. Kartikeya V. Sarabhai
Chairman
(DIN: 00313585)
Mr. Damodar H. Sejpal
Company Secretary

Date : 04.06.2021
Place : Ahmedabad

Mr. Chandrashekhar B. Bohra
Director
(DIN: 00055288)
Mr. Navinchandra R. Patel
CFO

Consolidated Statement of Profit and Loss for the year ended March 31, 2021

₹ in Lakh

		Notes	**Year Ended March 31, 2021**	Year Ended March 31, 2020
1	**Income**			
	(a) Revenue from operations	17	16,364.31	13,349.83
	(b) Other Income	18	3,057.94	2,439.22
	Total Income		**19,422.25**	**15,789.05**
2	**Expenses**			
	(a) Cost of materials consumed	19	1,210.84	1,008.07
	(b) Purchases of stock-in-trade	-	8,627.77	7,142.69
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	20	157.57	(217.02)
	(d) Employee benefits expense	21	2,819.58	2,708.32
	(e) Finance costs	22	294.87	332.18
	(f) Depreciation and amortisation expense	23	241.15	256.55
	(g) Other expenses	24	3,727.60	2,926.93
	Total Expenses		**17,079.38**	**14,157.72**
3	**Profit before share of profit of Joint Ventures and Associate and exceptional items and tax (1-2)**		**2,342.87**	**1,631.33**
4	Add: Share of Profit/(Loss) of Joint Ventures and Associate accounted for using Equity Method		911.20	(137.74)
5	**Profit before Exceptional Items and Tax (3+4)**		**3,254.07**	**1,493.59**
6	Exceptional items		-	-
7	**Profit Before Tax (5+6)**		**3,254.07**	**1,493.59**
8	**Tax Expense**	25		
	Current Tax		205.45	95.25
	Short/(Excess) provision related to earlier years		-	(42.75)
	Deferred Tax Charge		113.27	35.25
	Total Tax Expense		**318.72**	**87.75**
9	**Net Profit for the Year (7-8)**		**2,935.35**	**1,405.84**
	Attributable to:			
	Equity Holders of the Parent		2,935.52	1,406.16
	Non-controlling interest		(0.17)	(0.32)
			2,935.35	**1,405.84**
10	**Other Comprehensive Income/ (Loss) (Net of Tax)**			
	Items that will not be classified to profit and loss			
	(i) Re-measurement of defined benefit plans		(0.96)	(46.53)
	Income Tax impact related to on above		0.27	11.86
			(0.69)	**(34.67)**
	(i) Equity Instruments through Other Comprehensive Income (FVOCI)		4.39	7.63
	Income Tax impact on above		(0.93)	(1.42)
			3.46	**6.21**
	Other Comprehensive Income/(Loss) (net of tax)		**2.77**	**(28.46)**
	Attributable to:			
	Equity holders of the parent		2.77	(28.46)
	Non-controlling interest		-	-
			2.77	**(28.46)**
11	**Total Comprehensive Income for the Year (9+10)**		**2,938.12**	**1,377.38**
	Attributable to:			
	Equity holders of the Parent		2,938.29	1,377.70
	Non-controlling interest		(0.17)	(0.32)
			2,938.12	**1,377.38**
	[Nominal Value per share Rs. 10/- (Previous year Rs. 10/-)]	26		
	- Basic and Diluted		3.83	1.83
	(See accompaning notes to the Consolidated Financial Results)	3		

As per our report of even date attached

For Khandhar & Associates
Firm Registration No. 118940W
Chartered Accountants
CA. Vipul B. Khandhar
Partner
Membership no. 105986
Date : 04.06.2021
Place : Ahmedabad

Mr. Kartikeya V. Sarabhai
Chairman
(DIN: 00313585)
Mr. Damodar H. Sejpal
Company Secretary

Date : 04.06.2021
Place : Ahmedabad

Mr. Chandrashekhar B. Bohra
Director
(DIN: 00055288)
Mr. Navinchandra R. Patel
CFO

Consolidated Statement of cash flows for the year ended March 31, 2021

₹ in Lakh

Particulars	Year ended March 31, 2021		Year ended March 31, 2020	
A Operating activities				
Profit Before taxation		**3,254.07**		**1,493.59**
Adjustments to reconcile profit before tax to net cash flows:				
Depreciation /Amortization	241.15		256.55	
Interest Income	(110.59)		(183.93)	
Interest and Other Borrowing Cost	294.87		332.18	
Dividend Income	-		(1.22)	
Bad Debts Written Off	411.28		2.68	
Sundry Debits written off	56.37		-	
Share of (Profit)/Loss in Associates and Joint Ventures	(911.20)		137.74	
Sundry Credit Balances Appropriated	-		(307.70)	
Foreign Exchange Difference	(34.92)		(12.75)	
Gain on Change in fair value of Gold Coin	(0.32)		(1.08)	
Income related to Sale of Property, Plant & Equipment	(1,956.07)		(1,528.53)	
Allowance for Doubtful debts	57.67		119.97	
Allowance for Doubtful Advances	1.17		0.48	
Adjustment on Consolidation	(25.22)		41.42	
Excess Provision Written Back	(516.11)		(181.99)	
		(2,491.92)		**(1,326.18)**
Operating Profit before Working Capital Changes		**762.15**		**167.41**
Working Capital Changes:				
Changes in Inventories	47.31		(146.16)	
Changes in trade payables	1,589.17		(267.32)	
Changes in other current liabilities	(531.05)		(53.18)	
Changes in other financial liabilities	193.50		(185.23)	
Changes in provisions	(115.87)		(84.13)	
Changes in Trade Receivables	(1,470.60)		479.06	
Changes in other current assets /non current assets	161.99		67.49	
Changes in other financial assets /non financial assets	118.72		(169.83)	
Changes in Other Bank Balances	(789.40)		(247.99)	
Net Changes in Working Capital		**(796.23)**		**(607.29)**
Cash Generated from Operations		**(34.08)**		**(439.88)**
Direct Taxes paid (Net of refund)		(195.81)		(248.06)
B. Net Cash from Operating Activities		**(229.89)**		**(687.94)**
Cash Flow from Investing Activities				
Purchase of property, plant & equipment/ intangible assets	(245.93)		(367.87)	
Income from Sale of property, plant & equipment	1,143.98		47.00	
Sale of Undertaking	-		2,763.50	
Changes in Capital Advances	0.15		(13.58)	
Changes in Share Application Money	(10.78)		(2.00)	
Changes in Long Term Investments	2.00		(1,006.61)	
Changes in Loans given	3.82		63.01	
Dividend Income			1.22	
Interest Income	115.74		204.09	
Net cash flow from Investing Activities		**1,008.98**		**1,688.76**

Consolidated Statement of cash flows for the year ended March 31, 2021

₹ in Lakh

Particulars		Year ended March 31, 2021		Year ended March 31, 2020
C Cash Flow from Financing Activities				
Changes in Short term borrowings	(290.97)		(509.29)	
Changes in Long term borrowings	55.35		(516.47)	
Principal Payment of lease liabilities	(54.12)		(60.48)	
Interest and Other Borrowing Cost Paid	(294.27)		(335.31)	
Net Cash flow from Financing Activities		**(584.01)**		**(1,421.55)**
Net Increase/(Decrease) in cash & cash equivalents		**195.08**		**(420.73)**
Cash & Cash equivalent at the beginning of the year		1,278.77		1,699.50
Cash & Cash equivalent at the end of the year		1,473.85		1,278.77

Reconciliation of Cash & Cash equivalents:

Particulars	**Year ended March 31, 2021**	**Year ended March 31, 2020**
Cash and cash equivalents comprise of: (Note 7d)		
Cash on Hand	7.03	9.85
Balances with Banks	1,466.82	1,268.92
Cash and cash equivalents	**1,473.85**	**1,278.77**

Disclosure under Para 44A as set out in Ind As 7 on cash flow statements under Companies(Indian Accounting Standards) Rules,2015 (as amended)

Particulars of liabilities arising from financing activity	**Note No.**	**As at April 1, 2020**	**Net cash flows**	**Non Cash Changes**			**As at March 31, 2021**
				Impact Due to Ind AS 116	**Effect of change in Foreign Currency Rates**	**Other Changes**	
As at March 31, 2021							
Borrowings:							
Long term borrowings	13(a)	633.50	55.35	-	-	-	688.85
Short term borrowings	13(a)	2,366.38	(290.97)	-	-	-	2,075.41
Total		**2,999.88**	**(235.62)**	**-**	**-**	**-**	**2,764.26**

Particulars of liabilities arising from financing activity	**Note No.**	**As at April 1, 2019**	**Net cash flows**	**Non Cash Changes**			**As at March 31, 2020**
				Impact Due to Ind AS 116	**Effect of change in Foreign Currency Rates**	**Other Changes**	
As at March 31, 2020							
Borrowings:							
Long term borrowings	13(a)	1,149.97	(516.47)				633.50
Short term borrowings	13(a)	2,875.67	(509.29)		-	-	2,366.38
Total		**2,875.67**	**(509.29)**	**-**	**-**	**-**	**2,366.38**

Notes: 1 The cash flow statement has been prepared under the indirect method as set out in Indian Accounting Standard (Ind AS 7) statement of cash flows.

As per our report of even date attached

For Khandhar & Associates
Firm Registration No. 118940W
Chartered Accountants
CA. Vipul B. Khandhar
Partner
Membership no. 105986
Date : 04.06.2021
Place : Ahmedabad

Mr. Kartikeya V. Sarabhai
Chairman
(DIN: 00313585)
Mr. Damodar H. Sejpal
Company Secretary

Date : 04.06.2021
Place : Ahmedabad

Mr. Chandrashekhar B. Bohra
Director
(DIN: 00055288)
Mr. Navinchandra R. Patel
CFO

Consolidated Statement of Changes in Equity for the year ended March 31, 2021

A. Equity Share Capital

₹ in Lakh

Particulars	Balance at the beginning of the reporting year	Changes in Equity Share Capital during the year	Balance at the end of the reporting year
For the year ended March 31, 2020	7,663.33	-	7,663.33
For the year ended March 31, 2021	7,663.33	-	7,663.33

B. Other Equity

₹ in Lakh

Particulars	Reserves & Surplus				Item of Other Comprehensive Income	Total Other Equity
	General Reserve	Security Premium	Capital Reserve	Retained Earnings	Equity instruments through Other Comprehensive Income (FVOCI)	
Balance as at April 1, 2019	**5,633.53**	**1,060.92**	**0.12**	**(11,309.80)**	**14.20**	**(4,601.03)**
Profit for the year	-	-		1,406.16	6.21	1,412.37
Other comprehensive income for the year	-	-		(34.67)	-	(34.67)
Total Comprehensive income for the year	**5,633.53**	**1,060.92**	**0.12**	**(9,938.31)**	**20.41**	**(3,223.33)**
Adjustment on consolidation	-	-	-	41.42	-	41.42
Impact on adoption of Ind AS 116	-	-	-	(6.29)	-	(6.29)
Tax Impact on adoption of Ind 116	-	-	-	1.61	-	1.61
Balance as at March 31, 2020	**5,633.53**	**1,060.92**	**0.12**	**(9,901.57)**	**20.41**	**(3,186.59)**
Balance as at April 1, 2020	**5,633.53**	**1,060.92**	**0.12**	**(9,901.57)**	**20.41**	**(3,186.59)**
Profit for the year	-	-		2,935.52	3.46	2,938.98
Other comprehensive income for the year	-	-		(0.69)	-	(0.69)
Total Comprehensive income for the year	**5,633.53**	**1,060.92**	**0.12**	**(6,966.74)**	**23.87**	**(248.30)**
Addition during the year	-	-	-	-	-	-
Adjustment on consolidation	-	-	-	(25.22)	-	(25.22)
Balance as at March 31,2021	**5,633.53**	**1,060.92**	**0.12**	**(6,991.96)**	**23.87**	**(273.52)**

As per our report of even date attached
For Khandhar & Associates
Firm Registration No. 118940W
Chartered Accountants
CA. Vipul B. Khandhar
Partner
Membership no. 105986
Date : 04.06.2021
Place : Ahmedabad

Mr. Kartikeya V. Sarabhai
Chairman
(DIN: 00313585)
Mr. Damodar H. Sejpal
Company Secretary

Date : 04.06.2021
Place : Ahmedabad

Mr. Chandrashekhar B. Bohra
Director
(DIN: 00055288)
Mr. Navinchandra R. Patel
CFO

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

1. Corporate Information

Ambalal Sarabhai Enterprises Limited ("the Group") is a Public Limited Group domiciled in India and incorporated under the provisions of the Companies Act, 2013 ("the Act" erstwhile Companies Act, 1956) applicable in India. Its equity shares are listed on the BSE Limited. The registered office of the Group is located at Shanti Sadan, Ahmedabad.

The Group and its subsidiaries are engaged in manufacturing Pharmaceuticals and Electronics.

The financial statements have been considered and approved by the Board of Directors at their meeting held on June 04, 2021.

2. Statement of Compliance and Basis of Preparation:

2.1 Basis of Preparation and Presentation and Statement of Compliance

The financial statements have been prepared on a historical cost convention on the accrual basis except for the certain financial assets and liabilities measured at fair value, the provisions of the Companies Act, 2013 to the extent notified ("the Act") and guidelines issued by the Securities and Exchange Board of India (SEBI).

Accounting policies were consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standards requires a change in the accounting policy hitherto in use.

These financial statements comprising of Balance Sheet, Statement of Profit and Loss including other comprehensive income, Statement of Changes in Equity and Statement of Cash Flows as at March 31, 2021 have been prepared in accordance with Ind AS as prescribed under Section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

2.2 Historical Cost Convention

The Consolidated financial statements have been prepared on a historical cost basis, except for the followings:

- Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments);
- Defined benefit plans – plan assets measured at fair value;

2.3 Rounding of amounts

The financial statements are presented in Rupees in Lakhs and all values are rounded to the nearest Lakhs as per the requirement of Schedule III, except when otherwise indicated.

2.4 Principles of Consolidation of Subsidiaries

The Group consolidates entities which it owns or controls. The consolidated financial statements comprise the financial statements of the Group, its subsidiaries, its joint ventures and its associate Group as at March 31, 2021. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee, and
- The ability to use its power over the investee to affect its returns

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee
- Rights arising from other contractual arrangements
- The Group's voting rights and potential voting rights

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses including unrealized gain /loss and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it:

- Derecognises the assets (including goodwill) and liabilities of the subsidiary
- Derecognises the carrying amount of any non-controlling interests
- Derecognises the cumulative translation differences recorded in equity
- Recognises the fair value of the consideration received
- Recognises the fair value of any investment retained
- Recognises any surplus or deficit in profit or loss
- Reclassifies the parent's share of components previously recognised in OCI to profit or loss or retained earnings, as appropriate, as would be required if the Group had directly disposed of the related assets or liabilities

3. Summary of Significant Accounting Policies

3.1. Current versus non-current classification

The Group presents assets and liabilities in the Balance Sheet based on current/non-current classification.

An asset is current when it is:

- Expected to be realised or intended to be sold or consumed in the normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realised within twelve months after the reporting period; or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in the normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period; or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Group classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

Operating cycle

Operating cycle of the Group is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents. As the Group's normal operating cycle is not clearly identifiable, it is assumed to be twelve months.

Non-Current Assets classified as held for sale

The Group classifies non-current assets as held for sale if their carrying amounts will be recovered principally through a sale rather than through continuing use of the assets and actions required to complete such sale indicate that it is unlikely that significant changes to the plan to sell will be made or that the decision to sell will be withdrawn. Also, such assets are classified as held for sale only if the management expects to complete the sale within one year from the date of classification.

Non-current assets classified as held for sale are measured at the lower of their carrying amount and the fair value less cost to sell. Non-current assets are not depreciated or amortized.

Discontinued operation

A discontinued operation is a business of the entity that has been disposed of or is classified as held for sale and that represents a separate major line of business or geographical area of operations, is part of a single co-ordinated plan to dispose of such a line of business or area of operations. The results of discontinued operations are presented separately in the Statement of Profit and Loss.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH,2021 CONTD...

3.2. Use of estimates and judgements

The estimates and judgements used in the preparation of the financial statements are continuously evaluated by the Group and are based on historical experience and various other assumptions and factors (including expectations of future events) that the Group believes to be reasonable under the existing circumstances. Difference between actual results and estimates are recognised in the period in which the results are known/ materialised.

The said estimates are based on the facts and events, that existed as at the reporting date, or that occurred after that date but provide additional evidence about conditions existing as at the reporting date.

3.3. Business Combinations and Goodwill

In accordance with Ind AS 101 provisions related to first time adoption, the Group has elected to apply Ind AS accounting for business combinations prospectively from 1 April 2015. As such, Indian GAAP balances relating to business combinations entered into before that date, including goodwill, have been carried forward with minimal adjustment.

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred measured at acquisition date fair value and the amount of any non-controlling interests in the acquiree. For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets.

Business Combination under Common Control

A business combination involving entities or businesses under common control is a business combination in which all of the combining entities or businesses are ultimately controlled by the same party or parties both before and after the business combination and the control is not transitory. The transactions between entities under common control are specifically covered by Ind AS 103. Such transactions are accounted for using the pooling-of-interest method. The assets and liabilities of the acquired entity are recognised at their carrying amounts of the parent entity's Consolidated Financial Statements with the exception of certain income tax and deferred tax assets. No adjustments are made to reflect fair values, or recognise any new assets or liabilities. The only adjustments that are made are to harmonise accounting policies. The components of equity of the acquired companies are added to the same components within the Group's equity. The difference, if any, between the amounts recorded as share capital issued plus any additional consideration in the form of cash or other assets and the amount of share capital of the transferor is transferred to other equity and is presented separately from other capital reserves. The Group's shares issued in consideration for the acquired companies are recognized from the moment the acquired companies are included in these financial statements and the financial statements of the commonly controlled entities would be combined, retrospectively, as if the transaction had occurred at the beginning of the earliest reporting period presented.

Acquisition-related costs are expensed as incurred.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their acquisition date fair values. For this purpose, the liabilities assumed include contingent liabilities representing present obligation and they are measured at their acquisition fair values irrespective of the fact that outflow of resources embodying economic benefits is not probable. However, the following assets and liabilities acquired in a business combination are measured at the basis indicated below:

- Deferred tax assets or liabilities, the assets or liabilities related to employee benefit arrangements and related to leases are recognised and measured in accordance with Ind AS 12 "Income Taxes", Ind AS 19 "Employee Benefits" and Ind AS 116 "Leases" respectively.
- Liabilities or equity instruments related to share based payment arrangements of the acquiree or share – based payments arrangements of the Group entered into to replace share-based payment arrangements of the acquire are measured in accordance with Ind AS 102 "Share-based Payments" at the acquisition date.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH,2021 CONTD...

- Assets (or disposal groups) that are classified as held for sale in accordance with Ind AS 105 "Non-current Assets Held for Sale and Discontinued Operations" are measured in accordance with that standard.
- Reacquired rights are measured at a value determined on the basis of the remaining contractual term of the related contract. Such valuation does not consider potential renewal of the reacquired right.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

If the business combination is achieved in stages, any previously held equity interest is re-measured at its acquisition date fair value and any resulting gain or loss is recognised in profit or loss or OCI, as appropriate.

Any contingent consideration to be transferred by the acquirer is recognised at fair value at the acquisition date. Contingent consideration classified as an asset or liability that is a financial instrument and within the scope of Ind AS 109 "Financial Instruments", is measured at fair value with changes in fair value recognised in profit or loss. If the contingent consideration is not within the scope of Ind AS 109, it is measured in accordance with the appropriate Ind AS. Contingent consideration that is classified as equity is not re-measured at subsequent reporting dates and subsequent its settlement is accounted for within equity.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in OCI and accumulated in equity as capital reserve. However, if there is no clear evidence of bargain purchase, the entity recognises the gain directly in equity as capital reserve, without routing the same through OCI.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

A cash generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised in profit or loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

Where goodwill has been allocated to a cash-generating unit and part of the operation within that unit is disposed of, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill disposed in these circumstances is measured based on the relative values of the disposed operation and the portion of the cash-generating unit retained.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted through goodwill during the measurement period, or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognized at that date. These adjustments are called as measurement

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH,2021 CONTD...

period adjustments. The measurement period does not exceed one year from the acquisition date.

3.4. Foreign currencies

The Group's functional and presentation currency is Indian Rupee. Transactions in foreign currencies are initially recorded by the Group's functional currency spot rates at the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date. Differences arising on settlement of such transaction and on translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rate are recognised in profit or loss. They are deferred in equity if they relate to qualifying cash flow hedges.

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 the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

3.5. Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

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

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

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The Group's management determines the policies and procedures for both recurring fair value measurement, such as derivative instruments and for non-recurring measurement, such as asset held for sale.

External valuers are involved for valuation of significant assets, such as properties. Involvement of external valuers is decided upon annually by the management after discussion with and approval by the Group's Audit Committee. Selection criteria include market knowledge, reputation, independence and whether professional standards are maintained. Management decides,

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH,2021 CONTD...

after discussions with the Group's external valuers, which valuation techniques and inputs to use for each case.

At each reporting date, management analyses the movements in the values of assets and liabilities which are required to be re-measured or re-assessed as per the Group's accounting policies. For this analysis, management verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

Management, in conjunction with the Group's external valuers, also compares the change in the fair value of each asset and liability with relevant external sources to determine whether the change is reasonable on yearly basis.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy, as explained above.

This note summarises accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

- Significant accounting judgements, estimates and assumptions
  - Quantitative disclosures of fair value measurement hierarchy
  - Financial instruments (including those carried at amortised cost)

3.6. Property, plant and equipment

Property, plant and equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of Property, plant and equipment are required to be replaced at intervals, the Group recognises such parts as individual assets with specific useful lives and depreciates them accordingly. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred. The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

The Group adjusts exchange differences arising on translation difference / settlement of long-term foreign currency monetary items outstanding as at March 31, 2016, pertaining to the acquisition of a depreciable asset, to the cost of asset and depreciates the same over the remaining life of the asset.

Borrowing cost relating to acquisition / construction of fixed assets which take substantial period of time to get ready for its intended use are also included to the extent they relate to the period till such assets are ready to be put to use.

Capital work-in-progress comprises cost of Property, plant & equipment that are not yet installed and ready for their intended use at the balance sheet date.

De-recognition

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Statement of Profit and Loss when the asset is de-recognised.

Depreciation

Depreciation on property, plant and equipment is provided so as to write off the cost of assets less residual values over their useful lives of the assets, using the straight line method as prescribed under Part C of Schedule II to the Companies Act 2013.

When parts of an item of property, plant and equipment have different useful life, they are accounted for as separate items (Major Components) and are depreciated over their useful life or over the remaining useful life of the principal assets whichever is less.

Depreciation for assets purchased/sold during a period is proportionately charged for the period of use.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

3.7. Leases

The Group assesses whether a contract contains a

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH,2021 CONTD...

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 the leases. Lease liabilities are re-measured 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.

The 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.

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.

The following is the summary of practical expedients elected on initial application:

1. Applied a single discount rate to a portfolio of leases of similar assets in similar economic environment with a similar end date;
2. Applied the exemption not to recognize right-of-use assets and liabilities for leases with less than 12 months of lease term on the date of initial application;
3. Excluded the initial direct costs from the measurement of the right-of-use asset at the date of initial application;
4. Applied the practical expedient to grandfather the assessment of which transactions are leases. Accordingly, Ind AS 116 is applied only to contracts that were previously identified as leases under Ind AS 17.

The determination of whether an arrangement is, or contains, a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is assessed for whether fulfilment of

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH,2021 CONTD...

the arrangement is dependent on the use of a specific asset or assets or the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

3.8. Borrowing cost

Borrowing cost includes interest expense as per Effective Interest Rate (EIR) and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the respective asset. Where funds are borrowed specifically to finance a project, the amount capitalised represents the actual borrowing costs incurred. Where surplus funds are available out of money borrowed specifically to finance a project, the income generated from such current investments is deducted from the total capitalized borrowing cost. Where the funds used to finance a project form part of general borrowings, the amount capitalised is calculated using a weighted average of rates applicable to relevant general borrowings of the Group during the year. Capitalisation of borrowing costs is suspended and charged to profit and loss during the extended periods when the active development on the qualifying assets is interrupted.

All other borrowing costs are expensed in the period in which they occur.

3.9. Intangible Assets

Intangible Assets that the Group controls and from which it expects future economic benefits are capitalised upon acquisition and measured initially:

- for assets acquired in a business combination at fair value on the date of acquisition
- for separately acquired assets, at cost comprising the purchase price and directly attributable costs to prepare the asset for its intended use.

Revenue expenditure pertaining to research is charged to the Statement of Profit and Loss. Development costs of products are charged to the Statement of Profit and Loss unless a product's technological and commercial feasibility has been established, in which case such expenditure is capitalised.

Following initial recognition, Intangible assets are carried at cost less accumulated amortisation and accumulated impairment losses, if any. Internally generated intangible assets, excluding capitalised development costs, are not capitalised and expenditure is recognised in the Statement of Profit and Loss in the period in which expenditure is incurred.

The useful lives of intangible assets are assessed as finite.

Intangible assets with finite lives are amortised over their useful economic lives and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the Statement of Profit and Loss.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss when the asset is derecognised.

Amortisation

Software is amortized over management estimate of its useful life of 3 years or License Period whichever is lower and Patent/Knowhow is amortized over its useful life of 5 years.

3.10. Inventories

Inventories of Raw material, Work-in-progress, Finished goods and Stock-in-trade are valued at the lower of cost and net realisable value. However, Raw material and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost.

Costs incurred in bringing each product to its

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH,2021 CONTD...

present location and condition are accounted for as follows:

- **Raw materials:** cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average basis.
- **Finished goods and work in progress:** cost includes cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity, but excluding borrowing costs. Cost is determined on weighted average basis.
- **Traded goods:** cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average basis.

All other inventories of stores, consumables, are valued at cost.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

3.11. Impairment of non-financial assets

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs to sell and its value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets of the Group. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs to sell, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded subsidiaries or other available fair value indicators.

The Group bases its impairment calculation on detailed budgets and forecasts which are prepared separately for each of the Group's CGU to which the individual assets are allocated. These budgets and forecast calculations are generally covering a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year.

Impairment losses, including impairment on inventories, are recognised in the Statement of Profit and Loss in those expense categories consistent with the function of the impaired asset, except for a property previously revalued where the revaluation was taken to other comprehensive income. In this case, the impairment is also recognised in other comprehensive income up to the amount of any previous revaluation.

For assets excluding goodwill, an assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the Group estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the Statement of Profit and Loss unless the asset is carried at a revalued amount, in which case the reversal is treated as a revaluation increase.

3.12. Revenue Recognition

The Group derives revenues primarily from sale of manufactured goods, traded goods and related services. Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services.

The Group satisfies a performance obligation and recognises revenue over time, if one of the following criteria is met:

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH,2021 CONTD...

1. The customer simultaneously receives and consumes the benefits provided by the Group's performance as the Group performs; or
2. The Group's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or
3. The Group's performance does not create an asset with an alternative use to the Group and an entity has an enforceable right to payment for performance completed to date.

For performance obligations where one of the above conditions are not met, revenue is recognised at the point in time at which the performance obligation is satisfied.

The Group does not expect to have any contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year. As a consequence, it does not adjust any of the transaction prices for the time value of money.

Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, service level credits, performance bonuses, price concessions and incentives, if any, as specified in the contract with the customer. Revenue also excludes taxes collected from customers.

a) Sale of goods

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

b) Rendering of services

Revenue from other services are recognised based on the services rendered in accordance with the terms of contacts on the basis of work performed.

c) Interest income

For all financial instruments measured at amortised cost and interest-bearing financial assets classified as fair value through other comprehensive income, interest income is recorded using the effective interest rate (EIR). The EIR is the rate that exactly discounts the estimated future cash receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset. When calculating the effective interest rate, the Group estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses. Interest income is included in other income in the statement of profit or loss.

d) Insurance claims

Claims receivable on account of Insurance are accounted for to the extent the Group is reasonably certain of their ultimate collection.

3.13. Financial instruments – initial recognition and subsequent measurement

Financial assets and financial liabilities are recognised when a Group becomes a party to the contractual provisions of the instruments. For recognition and measurement of financial assets and financial liabilities, refer policy as mentioned below:

Initial recognition of financial assets and financial liabilities:

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

Subsequent measurement of financial assets:

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

(a) Financial assets at amortised cost

(b) Financial assets at fair value through other comprehensive income (FVTOCI)

(c) Financial assets at fair value through profit or loss (FVTPL)

(d) Equity instruments measured at fair value through other comprehensive income (FVTOCI)

(a) Financial assets at amortised cost:

A financial asset is measured at amortised cost if

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH,2021 CONTD...

the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows, and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

This category is the most relevant to the Group. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. 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 in finance income in the profit or loss.

(b) Financial assets at fair value through other comprehensive income

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

Financial assets included within the FVTOCI category are measured at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Group recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the Statement of Profit and Loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to P&L. Interest earned whilst holding FVTOCI financial asset is reported as interest income using the EIR method.

(c) Financial assets at fair value through profit or loss

Financial assets are measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable of financial assets at fair value through profit or loss are immediately recognised profit or loss.

The Group may elect to designate a financial asset, which otherwise meets amortized cost or fair value through other comprehensive income criteria, as at fair value through profit or loss. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as ‘accounting mismatch’). The Group has not designated any debt instrument as at FVTPL.

(d) Equity instruments:

All equity investments in scope of Ind-AS 109 other than Investment in subsidiaries, Joint Ventures and Associates are measured at fair value. Equity instruments which are held for trading, are classified as at FVTPL. For all other equity instruments, the Group may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Group makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

Equity Investment in subsidiaries, Joint Ventures and Associates are measured at cost as per Ind AS 27 - Separate Financial Statements.

If the Group decides to classify an equity instrument as at FVTOCI, 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 Statement of Profit and Loss, even on sale of investment. However, the Group may transfer the cumulative gain or loss within equity.

Impairment of financial assets

The Group assesses at each reporting date whether a financial asset (or a group of financial assets) such as investments, trade receivables, advances and security deposits held at amortised cost and financial assets that are measured at fair value through other comprehensive income are tested for impairment based on evidence or information that is available without undue cost or effort. Expected credit losses (ECL) are assessed and loss allowances recognised if the credit quality of the financial asset has deteriorated significantly since initial recognition.

Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all other financial assets, ECL are measured at an amount equal to the 12 months ECL, unless there has been significant increase in credit risk from initial recognition in which case these are measured at lifetime ECL. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised as an impairment gain or loss in Statement of Profit and Loss.

Derecognition of financial assets

Financial assets are derecognised when the right to receive cash flows from the assets has expired, or has been transferred, and the Group has transferred substantially all of the risks and rewards of ownership.

Concomitantly, if the asset is one that is measured at:

(a) amortised cost, the gain or loss is recognised in the Statement of Profit and Loss;

(b) fair value through other comprehensive income, the cumulative fair value adjustments previously taken to reserves are reclassified to the Statement of Profit and Loss unless the asset represents an equity investment in which case the cumulative fair value adjustments previously taken to reserves is reclassified within equity.

Reclassification

When and only when the business model is changed, the Group shall reclassify all affected financial assets prospectively from the reclassification date as subsequently measured at amortised cost, fair value through other comprehensive income, fair value through profit or loss without restating the previously recognised gains, losses or interest and in terms of the reclassification principles laid down in the Ind AS relating to Financial Instruments.

Financial liabilities and equity instruments

Classification as debt or equity

Debt and equity instruments issued by a Group are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Financial liabilities

All financial liabilities are subsequently measured at amortised cost using the effective interest method.

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Group that are not designated as hedging instruments in hedge relationships as defined by Ind-AS 109. Gains or losses on liabilities held for trading are recognised in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in Ind-AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risks are recognized in OCI. These gains/ loss are not subsequently transferred to Statement of Profit or Loss. However, the Group may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss. The Group has not designated any financial liability as at fair value through profit and loss.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by a Group are recognised at the proceeds received, net of direct issue costs.

Financial guarantee contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due in accordance with the terms of a debt instrument.

Financial guarantee contracts issued by a Group are initially measured at their fair values and, if not designated as at FVTPL, are subsequently measured at the higher of:

- the amount of loss allowance determined in accordance with impairment requirements of Ind AS 109; and
- the amount initially recognised less, when appropriate, the cumulative amount of income recognised in accordance with the principles of Ind AS 18.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH,2021 CONTD...

Derecognition of financial liabilities

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired. An exchange with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

Offsetting Financial Instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Group or the counterparty.

3.14. Cash and cash equivalent

Cash and cash equivalent in the balance sheet includes cash on hand, at banks and short-term deposits with a maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the cash flows statement, cash and cash equivalents includes cash, short-term deposits, as defined above, other short-term and highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value adjusted for outstanding bank overdrafts as they are considered an integral part of the Group's cash management. Bank Overdrafts are shown within Borrowings in current liabilities in the balance sheet.

3.15. Taxes

Tax expense comprises of current income tax and deferred tax.

Current income tax:

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Current tax is recognised in the Statement of Profit and Loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss;
- In respect of taxable temporary differences associated with investments in subsidiaries and interests in joint arrangements, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, the carry

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH,2021 CONTD...

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

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss;
- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint arrangements, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax is recognised in the Statement of Profit and Loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

The Group recognizes tax credits in the nature of MAT credit as an asset only to the extent that there is convincing evidence that the Group will pay normal income tax during the specified period, i.e., the period for which tax credit is allowed to be carried forward. In the year in which the Group recognizes tax credits as an asset, the said asset is created by way of tax credit to the Statement of profit and loss. The Group reviews such tax credit asset at each reporting date and writes down the asset to the extent the Group does not have convincing evidence that it will pay normal tax during the specified period. Deferred tax includes MAT tax credit.

3.16. Employee Benefits

(a) Short Term Employee Benefits

All employee benefits payable within twelve months of rendering the service are classified as short term benefits. Such benefits include salaries, wages, bonus, short term compensated absences, awards, ex-gratia, performance pay etc. and the same are recognised in the period in which the employee renders the related service.

(b) Post-Employment Benefits

(i) Defined contribution plan

The Group's approved provident fund scheme, superannuation fund scheme, employees' state insurance fund scheme and Employees' pension scheme are defined contribution plans. The Group has no obligation, other than the contribution paid/payable under such schemes. The contribution paid/payable under the schemes is recognised during the period in which the employee renders the related service.

(ii) Defined benefit plan:

The employee's gratuity fund scheme is Group's defined benefit plans. The present value of the obligation under such defined benefit plans is determined based on the actuarial valuation using the Projected Unit Credit Method as at the date of the Balance sheet. In case of funded plans, the fair value of plan asset is reduced from the gross obligation under the defined benefit plans, to recognise the obligation on the net basis.

Re-measurements, comprising of actuarial gains and losses, the effect of the asset

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH,2021 CONTD...

ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the Balance Sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Re-measurements are not reclassified to Statement of Profit and Loss in subsequent periods.

(c) Other long term employment benefits:

The employee's long term compensated absences are Group's defined benefit plans. The present value of the obligation is determined based on the actuarial valuation using the Projected Unit Credit Method as at the date of the Balance sheet. In case of funded plans, the fair value of plan asset is reduced from the gross obligation, to recognise the obligation on the net basis.

(d) Termination Benefits :

Termination benefits such as compensation under voluntary retirement scheme are recognised in the year in which termination benefits become payable.

3.17. Earnings per share (EPS)

Basic EPS is computed by dividing the net profit / loss for the year attributable to ordinary equity holders of the Group by the weighted average number of ordinary shares outstanding during the year.

Diluted EPS is computed by dividing the net profit / loss attributable to ordinary equity holders of the Group by the weighted average number of ordinary shares outstanding during the year adjusted for the weighted average number of ordinary shares that would be issued on conversion of all the dilutive potential ordinary shares into ordinary shares.

The dilutive potential equity shares are adjusted for the proceeds receivable had the equity shares been actually issued at fair value (i.e. the average market value of the outstanding equity shares). Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted retrospectively for all periods presented for any share splits and bonus shares issues including for changes effected prior to the approval of the consolidated financial statements by the Board of Directors.

3.18. Provisions and Contingencies

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, and 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 amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.

When the Group expects some or all of a provision to be reimbursed from third parties, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably. The expense relating to a provision is presented in the statement of profit or loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Group or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliably. The Group does not recognize a contingent liability but discloses its existence in the financial statements.

Contingent assets are not recognised but disclosed in the financial statements when an

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH,2021 CONTD...

inflow of economic benefits is probable.

3.19. Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

3.20. Events after the reporting period

Adjusting events are events that provide further evidence of conditions that existed at the end of the reporting period. The financial statements are adjusted for such events before authorisation for issue. Non-adjusting events are events that are indicative of conditions that arose after the end of the reporting period. Non-adjusting events after the reporting date are not accounted but disclosed.

4. Critical accounting estimates and assumptions

The preparation of the Group's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

4.1. Estimates and assumption

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Group based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

(a) Useful life of Property, plant and equipment and Intangible Assets

The Company reviews the estimated useful lives of property, plant and equipment and intangible assets at the end of each reporting period. During financial years ended March 31, 2021, there were no changes in useful lives of property plant and equipment and intangible assets.

(b) Inventories

An inventory provision is recognised for cases where the realisable value is estimated to be lower than the inventory carrying value. The inventory provision is estimated taking into account various factors, including prevailing sales prices of inventory item, the seasonality of the item's sales profile and losses associated with expired / slow-moving inventory items.

(c) Impairment of non-financial assets

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a DCF model. The cash flows are derived from the budget for the next five years and do not include restructuring activities that the Group is not yet committed to or significant future investments that will enhance the asset's performance of the CGU being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes.

(d) Provisions and contingencies

The assessments undertaken in recognising provisions and contingencies have been made in accordance with the applicable Ind AS. A provision is recognized if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Where the effect of time value of money is material, provisions are determined by discounting the expected future cash flows.

In the normal course of business, contingent

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH,2021 CONTD...

liabilities may arise from litigation and other claims against the Group. Guarantees are also provided in the normal course of business. There are certain obligations which management has concluded, based on all available facts and circumstances, are not probable of payment or are very difficult to quantify reliably, and such obligations are treated as contingent liabilities and disclosed in the notes but are not reflected as liabilities in the financial statements. Although there can be no assurance regarding the final outcome of the legal proceedings in which the Group involved, it is not expected that such contingencies will have a material effect on its financial position or profitability.

(e) Defined benefit plans

The determination of Group's liability towards defined benefit obligation to employees is made through independent actuarial valuation including determination of amounts to be recognised in the Statement of Profit and Loss and in other comprehensive income. Such valuation depend upon assumptions determined after taking into account inflation, seniority, promotion and other relevant factors such as supply and demand factors in the employment market. Information about such valuation is provided in notes to the financial statements.

Further details about defined benefit obligations are provided in Note 31.

(f) Allowance for uncollectible trade receivables

Trade receivables do not carry any interest and are stated at their nominal value as reduced by appropriate allowances for estimated irrecoverable amounts. Estimated irrecoverable amounts are based on the ageing of the receivable balance and historical experience. Additionally, a large number of minor receivables is grouped into homogeneous groups and assessed for impairment collectively. Individual trade receivables are written off when management deems them not to be collectible.

(g) Taxes

Deferred tax assets are recognised for unused tax credits to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

Further details on taxes are disclosed in Note 25.

(h) Lease Term

The Group determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

Notes to the consolidated Statements for the year ended 31st March, 2021

Note 5: Property, Plant and Equipment

₹ in Lakh

Fixed Assets	Freehold Land	Leasehold Land	Buildings	Plant & Machinery	Furniture & Fixture	Office Equipment	Vehicle	Computer Server & Network	Total
Gross Carrying Amount									
As at April 1, 2019	**1,328.85**	**16.41**	**998.03**	**1,214.32**	**220.85**	**50.54**	**182.26**	**45.82**	**4,057.08**
Additions	-	-	84.66	10.72	11.80	6.08	-	11.99	125.25
Adjustment due to Business Combination (Refer Note 42)	-	-	-	-	-	-	9.57	-	9.57
Deductions	11.43	-	-	-	-	1.21	0.02	2.26	14.92
As at March 31, 2020	**1,317.42**	**16.41**	**1,082.69**	**1,225.04**	**232.65**	**55.41**	**172.67**	**55.55**	**4,157.84**
Additions	-	-	-	86.94	6.45	1.41	106.44	8.46	209.70
Deductions	41.95	-	-	-	-	-	32.93	-	74.88
As at March 31, 2021	**1,275.47**	**16.41**	**1,082.69**	**1,311.98**	**239.10**	**56.82**	**246.18**	**64.01**	**4,292.66**
Depreciation and Impairment									
As at April 1, 2019	**-**	**0.99**	**169.29**	**397.57**	**80.04**	**24.96**	**54.09**	**25.87**	**752.81**
Additions	-	0.33	57.87	62.35	25.94	9.98	24.72	10.23	191.42
Deductions	-	-	-	-	-	0.75	0.55	1.75	3.05
As at March 31, 2020	**-**	**1.32**	**227.16**	**459.92**	**105.98**	**34.19**	**78.26**	**34.35**	**941.18**
Depreciation for the year	-	0.33	58.53	54.11	23.27	8.43	24.90	9.08	178.65
Deductions	-	-	-	-	-	-	28.83	-	28.83
As at March 31, 2021	**-**	**1.65**	**285.69**	**514.03**	**129.25**	**42.62**	**74.33**	**43.43**	**1,091.00**
Net Carrying Value									
As at March 31, 2021	**1,275.47**	**14.76**	**797.00**	**797.95**	**109.85**	**14.20**	**171.85**	**20.58**	**3,201.66**
As at March 31, 2020	**1,317.42**	**15.09**	**855.53**	**765.12**	**126.67**	**21.22**	**94.41**	**21.20**	**3,216.66**

Note :

1. In accordance with the Ind AS 36 on 'Impairment of Assets' , the Company has reassessed its Property, plant and equipment and is of the view that no impairment is considered to be necessary in view of its expected realisable value.

Notes to the consolidated Statements for the year ended 31st March, 2021

Note 6: Intangible assets

₹ in Lakh

Fixed Assets	Know how	Trademarks	Corel Draw Graphic License	Software	Total	Goodwill on Consolidation
Gross Carrying Amount						
As at April 1, 2019	26.75	18.04	1.03	34.85	80.67	2,452.59
Additions		0.17		-	0.17	-
Deductions	-	-	-	-	-	-
As at April 1, 2020	**26.75**	**18.21**	**1.03**	**34.85**	**80.84**	**2,452.59**
Additions	-	-	-	0.40	0.40	-
Deductions	-	-	-	-	-	-
As at March 31, 2021	**26.75**	**18.21**	**1.03**	**35.25**	**81.24**	**2,452.59**
Amortisation and Impairment						
As at April 1, 2019	**26.75**	**17.53**	**0.43**	**27.46**	**72.17**	**-**
Amortisation for the year	-	0.12	0.19	3.24	3.55	-
Deductions		-	-	-	-	
As at April 1, 2020	**26.75**	**17.65**	**0.62**	**30.70**	**75.72**	**-**
Amortisation for the year	-	0.12	0.20	1.27	1.59	-
Deductions	-	-	-		-	-
As at March 31, 2021	**26.75**	**17.77**	**0.82**	**31.97**	**77.31**	**-**
Net Carrying Value						
As at March 31, 2021	**-**	**0.44**	**0.21**	**3.28**	**3.93**	**2,452.59**
As at March 31, 2020	**-**	**0.56**	**0.41**	**4.15**	**5.12**	**2,452.59**

Notes to the consolidated Statements for the year ended 31st March, 2021

Note 7: Financial Assets

7(a) Investments

₹ in Lakh

	Particulars	Face Value Per Sharein Rs. Unless otherwise stated	No of Shares Current year	No of Shares Previous year	As at March 31, 2021	As at March 31, 2020
Non Current Investments						
I	**Trade Investments (Unquoted) - measured at amortised cost**					
	Ordinary shares of each fully paid of ORG Informatics Limited	10	15,59,340	15,59,340	156.30	156.30
	Less: Provision for Impairment				(156.30)	(156.30)
	Total (I)				**-**	**-**
II	**Others**					
	(a) Fair value through Other Comprehensive Income: unquoted					
	"B" class shares of each fully paid of Teknoserv (Jersey) Ltd.	1	73,498	73,498	19.52	19.79
	Ordinary Shares of Kalupur Commercial Co-operative Bank	25	34,000	26,000	110.11	103.45
	(b) Measured at amortised cost (unquoted)					
	Ordinary shares each fully paid of Co-operative Bank of Baroda Limited*	25	1,100	1,100	0.28	0.28
	Ordinary share fully paid of Baroda Industrial Dev. Corp.Ltd*	1000	1	1	0.01	0.01
	Ordinary shares each fully paid of Manekchowk Co-op Bank Ltd*	25	1,204	1,204	0.30	0.30
	Ordinary shares of Asence Limited (Rs. 445, Previous Year Rs. 445)*	US$1	9	9		
	Ordinary shares of Belgium Satellite Services s.a.*	Euro 1	5,25,067	5,25,067	721.64	721.64
	Less: Provision for Impairment*				(721.64)	(721.64)
					-	-
	Ordinary shares of each fully paid of Sardar Vallabhbhai Sahkari Bank Ltd*	25	9,540	9,540	2.39	2.39
	Total (II)				**132.61**	**126.22**
III	**In Joint Venture (Unquoted) - measured using equity method**					
	Ordinary shares each fully paid of Vovantis Laboratories Private Limited	10	95,01,357	95,01,357	1,753.76	1,432.76
	Ordinary Shares of Cosara Diagnostics Private Limited	10	35,86,863	35,86,863	733.71	253.18
	Total (III)				**2,487.47**	**1,685.94**
IV	**In Associates (Unquoted) - measured using equity method**					
	Ordinary Shares of Haryana Containers Limited	10	50,000	50,000	109.67	-
	Total (IV)				**109.67**	**-**
	Total Investments (I+II+III+IV)				**2,729.75**	**1,812.16**
a.	Aggregate amount of quoted Investments and market value thereof				-	-
b.	Aggregate amount of unquoted Investments				2,729.75	1,812.16
c.	Aggregate impairment in value of investment				(877.94)	(877.94)

* The management has assessed that carrying value of the investments approximate to their fair value.

Notes to the consolidated Statements for the year ended 31st March, 2021

7 (b) Trade Receivables

₹ in Lakh

Particulars	As at March 31, 2021	As at March 31, 2020
Current		
Unsecured, considered good	3,881.45	2,879.80
Unsecured, considered doubtful	304.86	569.33
Less: Allowance for doubtful debts	304.86	569.33
Total Trade Receivables	**3,881.45**	**2,879.80**

Trade receivables are non-interest bearing and are generally on terms of 30 to 180 days.

Allowance for doubtful debts

The Group has provided allowance for doubtful debts based on the lifetime expected credit loss model using provision matrix.

Movement in allowance for doubtful debt :

₹ in Lakh

Particulars	As at March 31, 2021	As at March 31, 2020
Balance at the beginning of the year	**569.33**	**449.36**
Add: Allowance for the year (Note 24)	57.67	119.97
Less: Written off bad debts (net of recovery)	322.14	-
Balance at the end of the year	**304.86**	**569.33**

7 (c) Loans

₹ in Lakh

Particulars	As at March 31, 2021	As at March 31, 2020
Unsecured, considered good unless otherwise stated		
Current		
Loans to Employees	16.41	20.23
Total Loans	**16.41**	**20.23**

7 (d) Cash and cash equivalents

₹ in Lakh

Particulars	As at March 31, 2021	As at March 31, 2020
Cash on Hand	7.03	9.85
Balance with banks		
In Current Accounts	1,152.14	438.02
In Exchange Earners Foreign Currency account	1.58	15.83
In Deposit Accounts with originally maturity less than 3 months	313.10	815.07
Total	**1,473.85**	**1,278.77**

Notes to the consolidated Statements for the year ended 31st March, 2021

7 (e) Bank balance other than above

₹ in Lakh

Particulars	As at March 31, 2021	As at March 31, 2020
In Deposit Accounts With originally maturity more than 3 months		
but less than 12 months *	1,312.36	420.75
Lodged with Industrial Court		
Held as Margin Money **	345.38	447.97
Lodged with Sales Tax/Excise Department	6.38	6.00
Total other bank balances	**1,664.12**	**874.72**
Total cash and bank balance	**3,137.97**	**2,153.49**

* Under lien with Bank as Security Guarantee Facility, Margin Money and Income Tax Department

** Under lien with bank as Security for Guarantee Facility

7 (f) Other Financial Assets

₹ in Lakh

Particulars	As at March 31, 2021	As at March 31, 2020
(Unsecured, considered good unless otherwise stated)		
Non-current		
Share Application Money	-	2.00
Security deposits		
Considered good	128.84	191.15
Considered doubtful	9.21	9.21
Less: Allowance for doubtful deposits	9.21	9.21
	128.84	191.15
Held as Margin Money	73.41	88.63
	202.25	**281.78**
Unsecured, considered good		
Current		
Security deposits		
Considered good	159.57	161.53
Considered doubtful	1.27	24.75
Less: Allowance for doubtful deposits	1.27	24.75
	159.57	161.53
Interest Accrued	23.54	28.69
Income Receivable	1.44	2.96
Receivable other than Trade - Considered Good		
To Related Party (Refer note 32)	124.28	64.47
To Others	688.10	785.62
	996.93	**1,043.27**
Total financial assets	**1,199.18**	**1,325.05**

Allowance for doubtful deposits

Movement in allowance for doubtful deposits :

₹ in Lakh

Particulars	As at March 31, 2021	As at March 31, 2020
Balance at the beginning of the year	33.96	33.96
Add: Allowance for the year	-	-
Less: Written off bad debts (net of recovery)	23.48	-
Balance at the end of the year	**10.48**	**33.96**

Notes to the consolidated Statements for the year ended 31st March, 2021

Note 8: Other current/ non current assets

₹ in Lakh

Particulars	As at March 31, 2021	As at March 31, 2020
(Unsecured, considered good unless otherwise stated)		
Non-current		
Capital Advances	13.43	13.58
Gold Coins	4.57	4.25
Balance with Government Authorities	0.85	0.85
Pre-paid expense	-	1.44
Advance Recoverable in cash or in kind or value to be received	5.00	5.00
	23.85	**25.12**
Current		
Advances to Suppliers		
Considered Goods	95.53	88.27
Considered doubtful	0.59	157.44
Less: Provision for doubtful advances	0.59	157.44
	95.53	88.27
Advance to employees	8.53	9.17
Advance to related parties (Refer note 32)	71.15	183.43
Service Income Receivable	2.59	7.94
Prepaid Expenses	30.41	46.97
Prepaid Gratuity (Refer Note 30)	10.29	7.68
Balances with Government Authorities (Refer Note (i) below)	419.18	626.85
Other Current Assets		
Considered good	296.66	180.95
Considered doubtful	2.91	2.43
Less: Provision	2.91	2.43
	934.34	**1,151.26**
Total	**958.19**	**1,176.38**

(i) Balance with Government Authorities mainly consists of input credit availed.

Allowance for doubtful advances

Movement in allowance for doubtful advances :

₹ in Lakh

Particulars	As at March 31, 2021	As at March 31, 2020
Balance at the beginning of the year	**159.87**	**359.79**
Add: Allowance for the year (Note 24)	1.17	0.48
Less: Written off doubtful advances (net of recovery)	157.54	200.40
Balance at the end of the year	**3.50**	**159.87**

Notes to the consolidated Statements for the year ended 31st March, 2021

Note 9: Inventories (At lower of cost and net realisable value)

₹ in Lakh

Particulars	As at March 31, 2021	As at March 31, 2020
Raw Materials and Packing Materials	314.76	190.37
Stores and Spares	16.71	13.59
Work-in-Progress	595.09	521.57
Finished Goods	114.39	140.03
Stock in Trade	556.39	772.42
Stock in Trade in Transit	-	6.67
Total	**1,597.34**	**1,644.65**

Note 10: Current Tax Assets (Net)

₹ in Lakh

Particulars	As at March 31, 2021	As at March 31, 2020
Tax paid in Advance (Net of Provision)	1,494.61	1,505.03
Total	**1,494.61**	**1,505.03**

Note 11: Equity Share Capital

₹ in Lakh

Particulars	As at March 31, 2021		As at March 31, 2020	
	No. of Shares	Rs. in Lakh	No. of Shares	Rs. in Lakh
Authorised Share Capital				
Equity Share of Rs. 10/- each	9,50,00,000	9,500.00	9,50,00,000	9,500.00
Issued and subscribed and paid up share capital				
Equity Share of Rs. 10/- each	7,66,33,296	7,663.33	7,66,33,296	7,663.33
Total	**7,66,33,296**	**7,663.33**	**7,66,33,296**	**7,663.33**

11.1 Reconciliation of shares outstanding at the beginning and at the end of the Reporting year

₹ in Lakh

Particulars	As at March 31, 2021		As at March 31, 2020	
	No. of Shares	Rs. in Lakh	No. of Shares	Rs. in Lakh
Balance at the beginning of the year	7,66,33,296	7,663.33	7,66,33,296	7,663.33
Add: Issued during the year	-	-	-	-
Balance at the end of the year	**7,66,33,296**	**7,663.33**	**7,66,33,296**	**7,663.33**

11.2. Terms/Rights attached to the equity shares

The Company has one class of shares referred to as equity shares having a par value of Rs.10 each. Each shareholder is entitled to one vote per share held. The dividend proposed by the Board of Directors is 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.

Notes to the consolidated Statements for the year ended 31st March, 2021

11.3. Number of Shares held by each shareholder holding more than 5% Shares in the company

₹ in Lakh

Particulars	As at March 31, 2021		As at March 31, 2020	
	No. of Shares	% of Share holding	No. of Shares	% of Share holding
Sarabhai Holdings Private Limited	1,93,03,972	25.19%	1,93,03,972	25.19%
Caplin Vuniyog Private Limited	42,22,789	5.51%	42,22,789	5.51%

11.4 Ordinary Shares allotted as fully paid pursuant to contract(s) without payment being received in cash during the period of five years immediately preceding March 31, 2021:

Nil

Note 12: Other Equity

₹ in Lakh

Particulars	As at March 31, 2021	As at March 31, 2020
12.1 Reserves & Surplus		
Capital Reserve on Consolidation		
Balance as per last financial statements	0.12	0.12
Balance as the end of the year	**0.12**	**0.12**
General Reserve		
Balance as per last financial statements	5,633.53	5,633.53
Balance as the end of the year	**5,633.53**	**5,633.53**
Securities Premium Account		
Balance as per last financial statements	1,060.92	1,060.92
Balance at the end of the year	**1,060.92**	**1,060.92**
Surplus in statement of profit and loss		
Balance as per last financial statements	(9,901.57)	(11,309.80)
Add: Adjustment on Consolidation	(25.22)	41.42
Add: Profit for the year	2,935.52	1,406.16
Less: Impact on account of adoption of Ind AS 116 (Refer Note 30)	-	(6.29)
Add: Deferred tax on above	-	1.61
Add: OCI for the year	(0.69)	(34.67)
Balance at the end of the year	**(6,991.96)**	**(9,901.57)**
Total reserves & surplus	**(297.39)**	**(3,207.00)**
12.2 Other comprehensive income		
Equity Instruments through OCI(Net of tax)		
Balance as per last financial statements	20.41	14.20
Add: Gain during the year	3.46	6.21
Balance at the end of the year	**23.87**	**20.41**
Total Other comprehensive income	**23.87**	**20.41**
Total Other equity	**(273.52)**	**(3,186.59)**

The description of the nature and purpose of each reserve within equity is as follows :

(a) General reserve

General Reserve is a free reserve created by the Group by transfer from Retained earnings for appropriation purposes.

Notes to the consolidated Statements for the year ended 31st March, 2021

(b) Securities premium

Securities premium reserve is created due to premium on issue of shares. These reserve is utilised in accordance with the provisions of the Companies, Act.

(c) Capital Reserve on Consolidation

Gain on purchase, i.e. excess of fair value of net assets acquired over the fair value of consideration in a business combination or on acquisition of interest in subsidiary is recognised as capital reserve on Consolidation.

(d) Equity Instruments through OCI

The Group has elected to recognise changes in the fair value of certain investment in equity instrument in other comprehensive income.

Note 13: Financial liabilites

13 (a) Borrowings

₹ in Lakh

Particulars	As at March 31, 2021	As at March 31, 2020
Long-term Borrowings (refer note 1 below)		
Non-current portion		
Secured		
Term loan from Banks	517.44	454.15
	517.44	**454.15**
Current maturities (Refer note 13c)		
Secured		
Term loan from Banks	171.41	179.35
	171.41	**179.35**
Total long-term borrowings	**688.85**	**633.50**
Short-term Borrowings (refer note 2 below)		
Secured		
Working Capital Loans repayable on demand from Banks	514.39	653.42
From Others	10.94	20.04
Cash Credit Facilities from Banks	149.57	146.88
	674.90	**820.34**
Unsecured (refer note 3 below)		
From Others	1,400.51	1,546.04
	2,075.41	**2,366.38**
Total borrowings	**2,764.26**	**2,999.88**

Notes:

1. Long term borrowings

Particulars	Rs. in Lakhs	Rate of Interest	Security	Terms of Repayment
Term Loan	88.07	9.00%	Secured against Property, Plant & Equipment of the Company, i.e. Land & building and Plant and Machineries	To be repaid in monthly installments of Rs. 2.67 lakh plus interest.
Term Loan	154.15	9.00%	Secured against Property, Plant & Equipment of the Company, i.e. Land & building and Plant and Machineries	To be repaid in monthly installments of Rs. 6.18 lakh plus interest.

Notes to the consolidated Statements for the year ended 31st March, 2021

1. Long term borrowings (Contd.)

Particulars	Rs. in Lakhs	Rate of Interest	Security	Terms of Repayment
Vehicle Loan	61.67	7.76%	Secured against hypothecation of Vehicles	To be repaid in monthly installments of Rs. 1.98 lakh plus interest.
Vehicle Loan	6.17	9.00%	Secured against hypothecation of Vehicles	To be repaid in monthly installments of Rs. 0.47 lakh plus interest.
Vehicle Loan	17.91	7.65%	Secured against hypothecation of Vehicles	To be repaid in monthly installments of Rs. 0.46 lakh plus interest.
Loan against Property	255.88	10.95%	Secured against Mortgage of Industrial Land RS No. 604 to 607 at Ranoli.	To be repaid in monthly installments of Rs. 5.51 lakh plus interest.
Business Loan	105.00	7.60%	Secured against Mortgage of Industrial Land RS No. 604 to 607 at Ranoli.	Monthly EMI of Rs. 2.27 Lakh

2. Short term borrowings

Particulars	Rs. in Lakhs	Rate of Interest	Security
Working Capital Loans	372.26	10.00%	Hypothecation of all tangible movable assets including all stocks of Raw Materials, Stores, Packing Materials, Finished Goods and Book Debts.
Working Capital Loans	142.13	8.25%	1. Mortgage of Office No. 116-129, First FIoo4, Supath-ll, Near Vadaj Bus Terminus, Ashram Road, Ahmedabad owned by Systronics (lndia) Limited. 2. Mortgage of Factory Land and Building situated at Block No. 570, 571,576/A, Village-Luna, Padra, Vadodara admeasuring 26696 Sq Mtrs of Land with present and future construction owned by Synbiotics Limited. 3. Mortgage of open NA Land situated at Revenue Survey No. 620, 620/1,,622,623 and 603, Mouje- Ranoli, Dist- Vadodara admeasuring 37 536 Sq Mtrs of Land owned by Ambalal Sarabhai Enterprises Limited. 4. Hypothecation of entire Raw Materials, Stock-in-Process, Stores & Spares, Packing Materials, Finished Goods and Book-debts of the Company, both present & future. 5, Corporate Guarantee of Synbiotics Limited & Ambalal Sarabhai Enterprises Limited.
Cash Credit Facilities from Banks	149.57	10%-13.5%	Hypothecation of all tangible movable assets including all stocks of Raw Materials, Stores, Packing Materials, Finished Goods and Book Debts.
Others	10.94	18.00%	Hypothecation of all tangible movable assets including all stocks of Raw Materials, Stores, Packing Materials, Finished Goods and Book Debts.

3. Short term borrowings are unsecured and carry no interest.

Notes to the consolidated Statements for the year ended 31st March, 2021

13 (b) Trade payable

₹ in Lakh

Particulars	As at March 31, 2021	As at March 31, 2020
Current		
Total outstanding dues of mirco enterprises and small enterprises	-	-
Total outstanding dues of creditors other than mirco enterprises and small enterprises	5,040.30	4,002.16
Total	**5,040.30**	**4,002.16**

a. The Group has not received any intimation from suppliers regarding their status under the Micro, Small and Medium Enterprise Development (MSMED) Act, 2006 and hence disclosures as required under Section 22 of The Micro, Small and Medium Enterprise Development (MSMED) Act, 2006 regarding:

(a) Principal amount and the interest due thereon remaining unpaid to any suppliers as at the end of accounting year;

(b) Interest paid during the year;

(c) Amount of payment made to the supplier beyond the appointed day during accounting year;

(d) Interest due and payable for the period of delay in making payment;

(e) Interest accrued and unpaid at the end of the accounting year; and

(f) Further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise. have not been given. The Group is making efforts to get the confirmations from the suppliers as regard to their status under the said Act.

13 (c) Other Financial Liabilites

₹ in Lakh

Particulars	As at March 31, 2021	As at March 31, 2020
Current		
Current maturity of long term borrowings (Refer note 13a)	171.41	179.35
Interest accrued and due	631.51	632.11
Payable to Employees	969.24	702.06
Payable to Related Parties (Refer Note 32)	109.29	113.74
Security Deposits	269.00	330.29
Total	**2,150.45**	**1,957.55**

Note 14: Provisions

₹ in Lakh

Particulars	As at March 31, 2021	As at March 31, 2020
Long-term		
Provision for employee benefits (Refer Note 31)		
Provision for Gratuity	184.84	285.39
Provision for Leave Encashment	39.94	51.43
	224.78	**336.82**
Short-term		
Provision for employee benefits (Refer Note 31)		
Provision for Gratuity	157.95	148.57
Provision for leave encashment	216.98	231.15
	374.93	**379.72**
Total	**599.71**	**716.54**

Notes to the consolidated Statements for the year ended 31st March, 2021

Note 15: Other current Liabilities

₹ in Lakh

Particulars	As at March 31, 2021	As at March 31, 2020
Current		
Advance from customers	432.74	433.05
Advance against Sale of Property	845.51	1,703.69
Statutory dues including provident fund and tax deducted at source	1,905.39	2,417.08
Other Liabilities	8.90	27.95
Total	**3,192.54**	**4,581.77**

Note 16: Current Tax Liabilites

₹ in Lakh

Particulars	As at March 31, 2021	As at March 31, 2020
Income tax (net of Advance)	11.28	12.00
Total	**11.28**	**12.00**

Note 17: Revenue from Operations (Refer note (i) below)

₹ in Lakh

Particulars	2020-21	2019-20
Sale of Products	15,874.41	12,823.72
Sale of Services	367.26	247.12
Other Operating Income		
Export Incentives	87.72	217.88
Service Income	34.92	61.11
	122.64	**278.99**
Total	**16,364.31**	**13,349.83**

Disaggregation of Revenue from contracts with customers

Revenue based on Geography

₹ in Lakh

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Domestic	10,006.63	9,320.71
Export	6,357.68	4,029.12
Revenue from Operations	**16,364.31**	**13,349.83**

Notes to the consolidated Statements for the year ended 31st March, 2021

Revenue based on business segment

₹ in Lakh

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Pharmaceuticals	10,753.05	7,371.58
Electronics	5,611.26	5,978.25
Revenue from Operations	**16,364.31**	**13,349.83**

Reconciliation of revenue from operation with contract price

₹ in Lakh

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Revenue from contract with customers as per the contract price	16,711.11	13,822.96
Adjustment made to contract price on account of:		
a) Sales returns	50.81	91.73
b) Discount	295.99	381.40
Revenue from Operations	**16,364.31**	**13,349.83**

Note 18: Other Income

₹ in Lakh

Particulars	2020-2021	2019-2020
Interest Income	110.59	183.93
Service Income	152.70	
Dividend Income	-	1.22
Provision no longer required (net)	516.11	181.99
Rental Income	275.64	139.70
Miscellaneous Income	36.09	72.43
Exchange Difference (Net)	5.04	12.75
Bad debt recovered	-	0.04
Other Income	1.01	1.08
Prior period income	0.52	-
Sundry credit balances appropriated	-	307.70
Profit on sales of Property, Plant & Equipment(net)	1,956.07	28.53
Share of Saving(Refer note (a) below)	-	1,500.00
Scrap Sales	4.17	9.85
Total	**3,057.94**	**2,439.22**

Note a:
Represents saving related to earlier capital asset transaction.

Note 19: Cost of raw materials and components consumed

₹ in Lakh

Particulars	2020-2021	2019-2020
Stock at the beginning of the year	190.37	258.86
Purchases	1,335.23	948.11
	1,525.60	**1,206.97**
Less: Stock written off	-	8.53
Less: Stock at the end of the year	314.76	190.37
Total	**1,210.84**	**1,008.07**

Notes to the consolidated Statements for the year ended 31st March, 2021

Note 20: Changes in Inventory of Work-in-progress

₹ in Lakh

Particulars	2020-2021	2019-2020
(Increase) in stocks		
Stock at the end of the year		
Finished Goods	114.39	140.03
Stock-in-trade	556.39	772.42
Work-in-Progress	595.09	521.57
	1,265.87	**1,434.02**
Adjustment during the year:		
Consumed for Research & Development	(10.58)	-
Stock at the beginning of the year		
Finished Goods	140.03	130.47
Stock-in-trade	772.42	663.80
Work-in-Progress	521.57	422.73
	1,434.02	**1,217.00**
Total	**157.57**	**(217.02)**

Note 21: Employee Benefits Expense

₹ in Lakh

Particulars	2020-2021	2019-2020
Salaries and Wages (Refer Note 31)	2,626.52	2,472.85
Contribution to Provident Fund and Other Funds (Refer Note 31)	123.72	119.95
Staff Welfare Expenses	67.15	113.66
Directors' Commission (Refer Note 32)	2.19	1.86
Total	**2,819.58**	**2,708.32**

Note 22: Finance Costs

₹ in Lakh

Particulars	2020-2021	2019-2020
Interest expense - Loans	87.85	14.73
Interest expense - Others	123.60	204.68
Interest expense - Working Capital	54.66	87.03
Finance Charges on Lease Liabilites (Refer Note 30)	5.10	11.19
Other finance cost	23.66	14.55
Total	**294.87**	**332.18**

Note 23: Depreciation and amortization expense

₹ in Lakh

Particulars	2020-2021	2019-2020
Depreciation on Property, Plant and Equipment (Refer Note 5)	178.65	191.42
Depreciation on Right-of-use Assets (Refer Note 30)	60.91	61.58
Amortisation on Intangible Assets (Refer Note 6)	1.59	3.55
Total	**241.15**	**256.55**

Notes to the consolidated Statements for the year ended 31st March, 2021

Note 24: Other Expenses

₹ in Lakh

Particulars	2020-2021	2019-2020
Power and fuel	286.30	271.46
Stores consumed	63.84	55.00
Insurance	23.83	19.30
Factory Overhead	288.03	248.52
Rent (Refer Note 30)	159.40	55.40
Rates and taxes	62.19	45.35
Repairs:		
To Buildings	142.77	24.16
To Machineries	40.18	56.39
To others	17.99	18.93
Directors Sitting Fees (Refer Note 32)	2.56	1.25
Legal & Professional charges	381.68	433.84
Conveyance & Travelling expense	129.57	342.72
Postage & Courier	9.21	14.97
Service Charges	206.52	175.74
Penalties	0.51	17.35
Auditor's remuneration (Refer note below)	3.50	3.50
Stock written off	-	8.53
Miscellaneous expenses	188.74	169.66
ETP Expenses	14.93	11.55
Printing and stationery expense	19.22	46.46
Commission on Sales	301.70	127.56
Commission, Brokerage & discount	28.49	59.63
Corporate Social Responsibility expense (Refer Note 39)	20.00	12.80
Freight, insurance & clearing charge	298.49	195.31
Donation	3.10	-
Selling & Distribution expense	398.44	297.45
Installation & Integration expense	5.12	1.58
Allowance for doubtful debts (Refer Note 7b)	57.67	119.97
Bad debt written off	411.28	2.68
Allowance for doubtful Advances(Refer Note 8)	1.17	0.48
Bank charges	24.95	28.69
Communication Expense	19.29	20.97
Research & Development Expense	15.01	0.32
Designing & Art Work	1.53	1.96
Security Expense	20.21	14.88
Hire Charges-Transport Services	23.81	22.57
Sundry Debit balance written off	56.37	-
Total	**3,727.60**	**2,926.93**

Payment to Auditors

₹ in Lakh

Particulars	2020-2021	2019-20
Audit Fee	3.50	3.50
For Other certification work	-	-
For reimbursement of expenses	-	-
Total	**3.50**	**3.50**

Notes to the consolidated Statements for the year ended 31st March, 2021

Note 25: Income Tax

The major component of income tax expense for the year ended March 31,2021

₹ in Lakh

Particulars	2020-2021	2019-2020
Statement of Profit and Loss		
Current Tax		
Current income tax	205.45	95.25
Short provision related to earlier years	-	(42.75)
Deferred Tax		
Deferred Tax expesne/ (Credit)	113.27	35.25
Income tax expense reported in the statement of profit and loss	**318.72**	**87.75**
Statement to Other comprehensive income (OCI)		
Net (gain) on actuarial gains and losses	(0.27)	(11.86)
Deferred tax credit		
Net loss on FVOCI Equity Instrument	0.93	1.42
Deferred tax charged to OCI	**0.66**	**(10.44)**

Note: The Holding Company has adopted option available under section 115 BAA of the Income Tax Act, 1961 as per the Taxation Laws (Amendment) Ordinance 2019, dated December 11, 2019. Accordingly, tax expenses, deferred tax assets / liabilities have been recomputed.

A) Current tax

₹ in Lakh

Particulars	2020-2021	2019-2020
Accounting profit before tax from continuing operations	**3,254.07**	**1,493.59**
Tax @ 25.17% (March 31, 2020: 25.17%)	819.05	375.94
Adjustment		
Non-Deductible expenses	147.08	-
Unused tax losses	(436.90)	-
Short Provision of Income tax	-	(42.75)
Other Adjustments	(210.51)	(245.44)
At the effective income tax rate of 9.79% (March 31, 2020 : 5.87%)	**318.72**	**87.75**

Reconciliation of tax expense and the accounting profit multiplied by domestic tax rate :

Notes to the consolidated Statements for the year ended 31st March, 2021

B) Deferred tax

₹ in Lakh

Particulars	Balance Sheet as at		Statement of Profit and Loss	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
Accelerated depreciation for tax purposes	(238.95)	(272.45)	33.50	(9.67)
Expenditure allowable on payment basis	453.50	423.64	29.86	45.99
Unused losses of earlier years	28.82	206.18	(177.36)	(62.37)
Impact of Fair Valuation of equity instruments	(16.53)	(17.46)	0.93	3.03
Impact of Ind AS 116 - Leases	0.57	1.43	(0.86)	(1.79)
Deferred tax (expense)/income			**(113.93)**	**(24.81)**
Net deferred tax Assets/(Liabilities)	**227.41**	**341.34**		
Reflected in the balance sheet as follows				
Deferred tax Assets	482.32	631.25		
Deferred tax liabilities	(254.91)	(289.91)		
Deferred tax Assets/(Liabilities) (net)	**227.41**	**341.34**		

Reconciliation of deferred tax assets / (liabilities), net	**March 31, 2021**	**March 31, 2020**
Opening balance as of April 1	**341.34**	**364.54**
Tax income/(expense) during the period recognised in profit or loss	(113.27)	(35.25)
Impact on adoption of Ind AS 116 recognised in Retained Earnings	-	1.61
Tax income/(expense) during the period recognised in OCI	(0.66)	10.44
Closing balance as at March 31	**227.41**	**341.34**

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.

Note 26: Earning Per Share (EPS)

Particulars	2020-2021	2019-2020
Profit attributable to ordinary equity holders	**2,935.35**	**1,405.84**
Total no. of equity shares at the end of the year	7,66,33,296	7,66,33,296
Weighted average number of equity shares		
For basic EPS	7,66,33,296	7,66,33,296
For diluted EPS	7,66,33,296	7,66,33,296
Nominal value of equity shares (Rs.)	10	10
Basic and Diluted earning per share (Rs.)	**3.83**	**1.83**
Weighted average number of equity shares		
Weighted average number of equity shares for basic/diluted EPS	7,66,33,296	7,66,33,296

Notes to the consolidated Statements for the year ended 31st March, 2021

Note 27 : Contingent liabilities and Contingent assets

i. Contingent liabilities

₹ in Lakh

Particulars	As at March 31, 2021	As at March 31, 2020
Contingent liabilities not provided for		
a. Claims against Group not acknowledged as debts	1,063.56	1,050.48
b. Claims against Group not acknowledged as debts other than (a) above (Refer note (iv) below)	781.70	781.70
c. Claims by Government for payment in to DPEA	-	39.25
d. Guarantee given by banks on behalf of the Group	373.85	403.55
e. Guarantee given by company on behalf of JV Companies	389.00	-
f. Disputed demands in respect of:		
Excise/Customs duty	9.96	64.32
Sales tax	41.05	86.03
Income tax (Refer note (v) below)	1,499.43	2,335.16
Employees' State Insurance Corporation	119.01	127.55
Provident Fund	98.22	172.92
g. Performance Guarantee	6.60	6.60

Notes :

i. Future cash outflows in respect of (f) above are determinable only on receipt of judgments/ decisions pending with various forums/ authorities.

ii. The Group does not expect any reimbursements in respect of the above Contingent liabilities

iii. The Group believes that the ultimate outcome of these proceedings will not have a material adverse effect on the Group's financial position and results of the operations.

iv. Hon'ble Supreme Court has allowed Company's Civil Appeals against the judgment and order of the Division Bench of Gujarat High Court vide which Division Bench by its order had set aside the order of the single judge sanctioning Scheme of Arrangement relating to Company's erstwhile Swastik Division and Electronics Division. While allowing the appeals, Hon'ble Supreme Court has directed that Company shall execute a guarantee favouring the Central Bank of India and Bank of Baroda in respect of their dues in the suit filed by then which is pending before Debts Recovery Tribunal. The Company has accordingly given the guarantee.

With regard to the Guarantee given by the Company favouring Central Bank of India and Bank of Baroda, the Company has received on 31.12.2010, a notice invoking the guarantee dated 16.12.2003 on behalf of Bank of Baroda from International Asset Reconstruction Company Pvt. Ltd. The Company has not accepted the demand made of Rs.781.70 Lakh plus interest thereon at the rate of 18.50% per annum at quarterly rests from June 27, 1989 till date (previous year Rs.781.70 Lakh plus interest thereon) and based on legal advice, the Company has taken required action in the matter at various legal forum.

v. Against disputed demands for income tax, Rs. 90.33 Lakhs were paid/adjusted (Previous year Rs. 88.83 Lakhs).

vi. The Honourable Supreme Court, has passed a decision on 28th February, 2019 in relation to inclusion of certain allowances within the scope of "Basic wages" for the purpose of determining contribution to provident fund under the Employees' Provident Funds & Miscellaneous Provisions Act, 1952. The Group, based on legal advice, is awaiting further clarifications in this matter in order to reasonably assess the impact on its financial statements, if any. Accordingly, the applicability of the judgment to the Group, with respect to the period and the nature of allowances to be covered, and resultant impact on the past provident fund liability, cannot be reasonably ascertained, at present.

Notes to the consolidated Statements for the year ended 31st March, 2021

ii. Contingent assets

By virtue of the agreement for sale between the Holidng Company, Swastik Surfactants Limited (“SSL”) and transferees of shares in SSL, SSL was to repay liability of Rs. 30 Crore to the Holding Company. On failure to pay, the Holding Company filed a suit which was decreed in favour of the Holding company and the Hon’ble Court directed the Company to recover the said amount.

The Holding Company has filed an execution application for implementation of the order passed which was admitted and transferred to Kalol Court for further proceedings.

Note 28: Capital commitment and other commitments

Particulars	As at March 31, 2021	As at March 31, 2020
Capital commitments		
Estimated amount of Contracts remaining to be executed on capital account and not provided for	0.78	-
Other commitments	-	-

Note 29 : Foreign Exchange Derivatives and Exposures not hedged

₹ in Lakh

Nature of exposure	Currency	As at March 31, 2021		As at March 31, 2020	
		In FC	Rs. In Lakhs	In FC	Rs. In Lakhs
Receivables	USD	18,24,870	1,323.94	12,15,149	910.87
	EUR	70,518	60.09	35,325	29.09
Payable towards borrowings	USD	5,29,108	383.87	2,10,507	157.80
	EUR	27,071	23.07		
Payable to creditors	USD	1,608	1.18	40,650	30.64

Note 30: Lease Rent

A. The Group has elected not to apply the requirements of Ind AS 116 to leases which are expiring within 12 months from the date of transition by class of asset and leases for which the underlying asset is of low value on a lease-by-lease basis. The Group has also used the practical expedient provided by the standard when applying Ind AS 116 to leases previously classified as operating leases under Ind AS 17 and therefore, has not reassessed whether a contract, is or contains a lease, at the date of initial application, relied on its assessment of whether leases are onerous, applying Ind AS 37 immediately before the date of initial application as an alternative to performing an impairment review, excluded initial direct costs from measuring the right of use asset at the date of initial application and used hindsight when determining the lease term if the contract contains options to extend or terminate the lease. The Group has used a single discount rate to a portfolio of leases with similar characteristics. "On transition, the Group recognised a lease liability measured at the present value of the remaining lease payments. The right-of-use asset is recognised at its carrying amount as if the standard had been applied since the commencement of the lease, but discounted using the lessee’s incremental borrowing rate as at April 1, 2019. The weighted average incremental borrowing rate of 10 % has been applied to lease liabilities recognised in the balance sheet at the date of initial application.

On application of Ind AS 116, the nature of expenses has changed from lease rent in previous periods to depreciation cost for the right-to-use asset, and finance cost for interest accrued on lease liability. "

The Group has adopted modified retrospective approach as per para C8 (C) (i) of Ind-AS 116 "Leases" to its leases effective from accounting period beginning from April 01, 2019 and recognised Right of Use assets and Lease Liability as on April 01, 2019 and difference between Right of Use Assets and Lease Liability, net of deferred tax Rs. 6.29 Lakhs (Deferred Tax Rs. 1.61 Lakhs) has been adjusted in retained earnings.

Notes to the consolidated Statements for the year ended 31st March, 2021

B. The Group has taken Office Spaces and other facilities on lease period of 1 to 5 years with option of renewal.

Disclosures as per Ind AS 116 - Leases are as follows:

C. **Changes in the carrying value of right of use (ROU) assets**

₹ in Lakh

Particulars	As at March 31, 2021	As at March 31, 2020
Recognition of ROU Asset on account of adoption of Ind AS 116	71.21	108.58
Additions	17.25	24.21
Deletions	-	-
Depreciation	(60.91)	(61.58)
Balance at the end of the year	**27.55**	**71.21**

D. **Movement in lease liabilities**

₹ in Lakh

Particulars	As at March 31, 2021	As at March 31, 2020
Recognition of Lease Liability on account of adoption of Ind AS 116	78.60	114.87
Additions	17.25	24.21
Deletions	-	-
Finance cost accrued during the year	5.10	11.19
Payment of lease labilities	(71.71)	(71.67)
Balance at the end of the year	**29.24**	**78.60**

₹ in Lakh

Particulars	As at March 31, 2021	As at March 31, 2020
Current	9.20	46.96
Non-current	20.04	31.64

E. **Contractual maturities of lease liabilities on discounted basis**

₹ in Lakh

Particulars	As at March 31, 2021	As at March 31, 2020
Less than one year	9.20	46.96
One to five years	20.04	31.64
More than five years	-	-
Total	**29.24**	**78.60**

F. The Group does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

G. The Group incurred Rs. 159.40 Lakhs (Previous year Rs. 55.40 Lakhs) for the year ended March 31, 2021 towards expenses relating to short term leases.

Notes to the consolidated Statements for the year ended 31st March, 2021

Note 31 : Disclosure pursuant to Employee benefits

A. Defined contribution plans:

Amount of Rs. 123.72 Lakhs (March 31, 2020: Rs. 119.95 Lakhs) is recognised as expenses and included in Note No.21 "Employee benefit expense"

₹ in Lakh

Particulars	Year Ended March 31, 2021	Year Ended March 31, 2020
Provident Fund	83.11	64.80
Pension Fund	35.04	39.81
Superannuation Fund	5.57	15.34
Total	**123.72**	**119.95**

Notes to the consolidated Statements for the year ended 31st March, 2021

B. Defined benefit plans:

The Company has following post employment benefits which are in the nature of defined benefit plans:

(a) Gratuity

The Company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service. The gratuity plan is a funded plan for two subsidiaries only which are administered by LIC and the Company makes contributions to recognised LIC.

₹ in Lakh

		Gratuity cost charged to statement of profit and loss					Premeasurement gains/(losses) in other comprehensive income					
	April 1, 2020	Service cost	Net interest expense	**Sub-total included in statement of profit and loss (Note 21)**	**Benefit paid**	Return on plan assets	Actuarial changes arising from changes in demographic assumptions	Actuarial changes arising from changes in financial assumptions	Experience adjustments	Sub-total included in OCI	Contributions by employer	**March 31, 2021**
March 31, 2021 : Changes in defined benefit obligation and plan assets												
Defined benefit obligation	672.69	29.14	43.93	73.07	(120.82)	0.10	-	4.18	(3.83)	0.45	-	625.39
Fair value of plan assets	(246.41)	(12.09)	(19.22)	(31.31)	44.69	0.51	-	-	-	0.51	(60.37)	(292.89)
Benefit liability	**426.28**	**17.05**	**24.71**	**41.76**	**(76.13)**	**0.61**	**-**	**4.18**	**(3.83)**	**0.96**	**(60.37)**	**332.50**
March 31, 2020 : Changes in defined benefit obligation and plan assets												
Defined benefit obligation	741.37	26.69	54.57	81.26	(192.44)	2.18	6.06	17.92	16.34	42.50	-	672.69
Fair value of plan assets	(259.21)	(6.24)	(20.09)	(26.33)	66.84	0.99	-	-	3.04	4.03	(31.74)	(246.41)
Benefit liability	**482.16**	**20.45**	**34.48**	**54.93**	**(125.60)**	**3.17**	**6.06**	**17.92**	**19.38**	**46.53**	**(31.74)**	**426.28**

Notes to the consolidated Statements for the year ended 31st March, 2021

The major categories of plan assets of the fair value of the total plan assets of Gratuity are as follows:

Particulars	Year ended March 31, 2021 (%) of total plan assets	Year ended March 31, 2020 (%) of total plan assets
Insurance Fund	99.06%	99.06%
Others (including bank balances)	0.94%	0.94%
(%) of total plan assets	**100.00%**	**100.00%**

The principal assumptions used in determining above defined benefit obligations for the Company's plans are shown below:

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Discount rate	0.07	0.07
Future salary increase	0.05	0.05
Expected rate of return on plan assets	0.03	0.03
Attrition rate	0.02	0.02
Morality rate during employment	Indian assured lives Mortality (2006-08)	Indian assured lives Mortality (2006-08)
Morality rate after employment	N.A.	N.A.

A quantitative sensitivity analysis for significant assumption is as shown below: ₹ in Lakh

increase / (decrease) in defined benefit obligation (Impact)

Particulars	Sensitivity level	Year ended March 31, 2021	Year ended March 31, 2020
Discount rate	1% increase	(28.93)	(4.73)
	1% decrease	30.90	5.31
Salary increase	1% increase	30.75	5.36
	1% decrease	(29.51)	(4.86)
Attrition rate	1% increase	(3.58)	0.65
	1% decrease	2.20	(0.73)

The followings are the expected future benefit payments for the defined benefit plan : ₹ in Lakh

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Within the next 12 months (next annual reporting period)	205.06	194.13
2 to 5 years	307.67	384.41
Beyond 5 years	378.26	400.08
Total expected payments	**890.99**	**978.62**

Weighted average duration of defined plan obligation (based on discounted cash flows)

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
	Years	Years
Gratuity	3	3

Notes to the consolidated Statements for the year ended 31st March, 2021

C. Other Long term employee benefit plans

Leave encashment

Amount of Rs.29.69 Lakhs (March 31, 2020: Rs. 79.38 Lakhs) is recognised as expenses and included in Note No. 21 "Employee benefit expense".

Note 32 : Disclosure pursuant to Related Party

As per the Indian Accounting Standard on "Related Party Disclosures" (Ind AS 24), the related parties of the Company are as follows :

a Name of Related Parties and Nature of Relationship :

	Joint Ventures	
1	Vovantis Laboratories Private Limited	
2	Cosara Diagnostics Private Limited	
	Associate	
	Haryana Containers Limited	
	Key Management Personnel	
1	Mr. Kartikeya V. Sarabhai	Chairman & Whole-time Director
2	Mr. Anil H. Parekh	Non-Executive, Non-Independent Director (Whole-time Director up to November 30,2019)
3	Ms. Chaula M. Shastri	Whole-time Director
4	Mr. Govinddas G. Zalani	Independent Director (up to January 31,2020)
5	Mr. Ashwin P. Hathi	Independent Director
6	Mr. Chandrashekhar B. Bohra	Independent Director
7	Mr. Mayur K. Swadia	Independent Director (w.e.f.20th August,2020)
8	Mr. Mohandas K. Nair	Director (up to 20th August,2020)
9	Mr. Navinchandra R. Patel	Chief Financial Officer
10	Mr. Ketan Adhvaryu	Company Secretary & Compliance Officer (till 13th March,2020)
11	Mr. Damodar H. Sejpal	Company Secretary & Compliance Officer
	Relative to Key Management Personnel	
	Mr. Mohal K. Sarabhai	Retative of Director

Note: Related party relationship is as identified by the Company and relied upon by the Auditors.

Notes to the consolidated Statements for the year ended 31st March, 2021

b.

₹ in Lakh

Particulars	Joint Venture Companies		Associates		Key Management Personnel (KMP)	
	Year ended March 31, 2021	Year ended March 31, 2020	Year ended March 31, 2021	Year ended March 31, 2020	Year ended March 31, 2021	Year ended March 31, 2020
Purchase of Goods	1,615.93	1,009.35	-	-	-	-
Sale of Product	-	0.17	-	-	-	-
Sale of Business Undertaking	-	2,763.50	-	-	-	-
Intercorporate Deposit/Loan Received	-	-	66.00	37.00	-	-
Interest Income			4.92	4.10		
Rent Income	275.63	138.44	-	-	-	-
Rendering of services	344.82	177.52	-	-	-	-
Receiving of services	0.64	1.29	-	-	5.04	-
Investment	358.69	358.69	-	-	-	-
Advances given	56.91	170.75	14.24	-	-	-
Setting Fees	-	-	-	-	2.56	1.25
Remuneration	-	-	-	-	181.76	212.42
Commission	-	-	-	-	2.19	1.86

c. Balance at year end:

₹ in Lakh

Particulars	Joint Venture Companies		Associates		Key Management Personnel (KMP)	
	Year ended March 31, 2021	Year ended March 31, 2020	Year ended March 31, 2021	Year ended March 31, 2020	Year ended March 31, 2021	Year ended March 31, 2020
Other Current Financial Assets	124.28	-	-	64.47	-	-
Other Current Assets	56.91	183.43	14.24	-	-	-
Other Financial Liabilities	1.10	-	-		108.19	113.74

d Terms and conditions of transactions with related parties

Transaction entered into with related party are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances other than loan given & taken, at the year-end are unsecured and interest free and settlement occurs in cash.

e Transactions with key management personnel

Compensation of key management personnel of the Company

₹ in Lakh

Particulars	2020-2021	2019-2020
Short-term employee benefits	174.14	202.29
Post employment benefits	3.19	6.09
Other long-term employment benefits	4.43	4.04
Total compensation paid to key management personnel	**181.76**	**212.42**

Notes to the consolidated Statements for the year ended 31st March, 2021

f Disclosures pursuant to the Regulation 34(3) read with para A of Schedule V to the SEBI (Listing obligations and disclosure requirements) Regulations, 2015 read with section 186(4) of the Companies Act, 2013.

Loans and Advances in the nature of loans to Joint venture/Associates

₹ in Lakh

List of Related Party	Purpose	Closing Balance		Maximum Outstanding	
		March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
Loans and Advances					
Vovantis Laboratories Private Limited	General Business Purpose	124.28	12.18	124.28	33.46
Cosara Diagnostics Private Limited	General Business Purpose	56.91	171.25	193.69	171.25
Haryana Containers Limited	General Business Purpose	14.24	64.47	64.39	88.17
Total(A)		**195.43**	**247.90**	**382.36**	**292.88**
Corporate Guarantee					
Vovantis Laboratories Private Limited	Facilitate Trade Finance	389.00	-	389.00	-
Total(B)		**389.00**	**-**	**389.00**	**-**
Total(A+B)		**584.43**	**247.90**	**771.36**	**292.88**

Note : No repayment schedule has been fixed in case of above mentioned Loans & Advances in the nature of loans given to Joint Venture/Associates Companies and are repayable on demand.

Notes to the consolidated Statements for the year ended 31st March, 2021

Note 33: Segment Reporting

Operating segment have been identified on the basis of nature of products and other quantitative criteria specified in the Ind AS 108. Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker ("CODM") of the Group. The Group's business activity falls within Pharmaceuticals and Electronics Segment.

(A) Summary of segment information as at and for the year ended March 31, 2021 and March 31, 2020 is as follows:

₹ in Lakh

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Segment Revenue		
a) Pharmaceuticals	10,753.05	7,371.58
b) Electronics	5,611.26	5,978.25
Total Sales	**16,364.31**	**13,349.83**
Less :Inter Segment Revenue	-	-
Net Sales	**16,364.31**	**13,349.83**
Segment Results		
Segment Results before Interest & Finance Cost		
a) Pharmaceuticals	3,226.42	1,444.28
b) Electronics	322.52	381.49
Total Segment Results	**3,548.94**	**1,825.77**
Less : Interest & Finance Cost	294.87	332.18
Profit from Ordinary Activities	**3,254.07**	**1,493.59**
Extra Ordinary Items (Net)	-	-
Profit before Tax	**3,254.07**	**1,493.59**
Other Information		
Segment Assets		
a) Pharmaceuticals	16,855.60	14,532.01
b) Electronics	4,149.51	4,112.98
Total Assets	**21,005.11**	**18,644.99**
Segment Liabilities		
a) Pharmaceuticals	9,727.90	9,922.41
b) Electronics	1,094.97	1,168.26
Total Liabilities	**10,822.87**	**11,090.67**
Segment Depreciation/Impairment		
a) Pharmaceuticals	192.11	206.51
b) Electronics	49.04	50.04
Total Depreciation/Impairment	**241.15**	**256.55**
Capital Expenditure (Refer note (a))		
a) Pharmaceuticals	116.66	168.91
b) Electronics	14.66	11.86
Total Capital Expenditure	**131.32**	**180.77**
Non cash expenses other than Depreciation		
a) Pharmaceuticals	403.18	121.38
b) Electronics	66.94	1.75
Total Non cash expenses other than Depreciation	**470.12**	**123.13**

Note (a): Capital expenditure consists of additions of property, plant and equipment, intangible assets and capital work-in-progress

Notes to the consolidated Statements for the year ended 31st March, 2021

(B) Summary of Segment Revenue and Segment Assets

₹ in Lakh

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Segment Revenue*		
(a) In India	10,006.63	9,320.71
(b) Rest of the world	6,357.68	4,029.12
Total	**16,364.31**	**13,349.83**
Carrying Cost of Assets by Location of assets@		
(a) In India	19,621.08	17,705.03
(b) Rest of the world	1,384.03	939.96
Total	**21,005.11**	**18,644.99**
Carrying Cost of Segment Non Current Assets#		
(a) In India	5,786.65	5,811.98
(b) Rest of the world	-	-
Total	**5,786.65**	**5,811.98**

* Based on location of Customers

@ Based on location of Assets

Excluding Financial Assets and deferred tax asset.

(C) **Information about major customers**

Considering the nature of business of Group in which it operates, the Group deals with various customers including multiple geographics. No customers have accounted for more than 10% of the Group's revenue for the year ended March 31, 2021.

Note 34 : Fair value disclosures for financial assets and financial liabilities

Set out below is a comparison, by class, of the carrying amounts and fair value of the Company's financial instruments, other than those with carrying amounts that are reasonable approximations of fair values:

₹ in Lakh

Particulars	Carrying amount		Fair value	
	As at March 31, 2021	As at March 31, 2020	As at March 31, 2021	As at March 31, 2020
Financial assets				
Investments measured at fair value through OCI	129.63	123.24	129.63	123.24
Total	**129.63**	**123.24**	**129.63**	**123.24**
Financial liabilities				
Borrowings	2,764.26	2,999.88	2,764.26	2,999.88
Lease liabilities	29.24	29.24	78.60	78.60
Total	**2,793.50**	**3,029.12**	**2,842.86**	**3,078.48**

The management assessed that the fair values of cash and cash equivalents, other bank balances, loans, trade receivables, other current financial assets, trade payables and other current financial liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values.

For financial assets and financial liabilities that are measured at fair value, the carrying amounts are equal to the fair values.

Notes to the consolidated Statements for the year ended 31st March, 2021

Note 35 : Fair value hierarchy

The following table provides the fair value measurement hierarchy of the Company's assets and liabilities

Quantitative disclosures fair value measurement hierarchy for financial assets as at March 31, 2021 and March 31, 2020

₹ in Lakh

Particulars	Date of valuation	Fair value measurement using			
		Total	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant observable inputs (Level 3)
As at March 31, 2021					
Assets measured at fair value					
Fair value through Other Comprehensive Income Investment in Equity shares, unquoted	March 31, 2021	129.63	-	-	129.63
As at March 31, 2020					
Assets measured at fair value					
Fair value through Other Comprehensive Income Investment in Equity shares, unquoted	March 31, 2020	123.24	-	-	123.24

Quantitative disclosures fair value measurement hierarchy for financial liabilities as at March 31, 2021 and March 31, 2020

₹ in Lakh

Particulars	Date of valuation	Fair value measurement using			
		Total	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant observable inputs (Level 3)
As at March 31, 2021					
Liabilities disclosed at fair value					
Borrowings	**March 31, 2021**	2,764.26	-	2,764.26	-
As at March 31, 2020					
Liabilities disclosed at fair value					
Borrowings	**March 31, 2020**	2,999.88	-	2,999.88	-

Fair value hierarchy

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

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

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities, contingent consideration and indemnification asset included in level 3.

There are no transfer between level 1, 2 and 3 during the year.

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

Notes to the consolidated Statements for the year ended 31st March, 2021

Note 36 : Financial instruments risk management objectives and policies

The Group's activities expose it to a variety of financial risks, including market risk, credit risk and liquidity risk. The Group's risk management assessment and policies and processes are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls, and to monitor such risks and compliance with the same. Risk assessment and management policies and processes are reviewed regularly to reflect changes in market conditions and the Group's activities.

The Group's risk management is carried out by a Treasury department under policies approved by the Board of directors. Group's treasury identifies and evaluates financial risks in close co-operation with the Group's operating units. The board provides written principles for overall risk management.

(a) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises two types of risk: interest rate risk and currency risk. Financial instruments affected by market risk include borrowings, deposits, Investments, trade and other receivables, trade and other payables.

Within the various methodologies to analyse and manage risk, Group has implemented a system based on "sensitivity analysis" on symmetric basis. This tool enables the risk managers to identify the risk position of the entities. Sensitivity analysis provides an approximate quantification of the exposure in the event that certain specified parameters were to be met under a specific set of assumptions. The risk estimates provided here assume:

- a parallel shift of 50-basis points of the interest rate yield curves in all currencies.

- a simultaneous, parallel foreign exchange rates shift in which the INR appreciates / depreciates against all currencies by 2%

The following assumption has been made in calculating the sensitivity analyses:

- The sensitivity of the relevant statement of profit or loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at respective period/year end.

Interest rate risk

"Interest rate risk refers to the possibility that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rate.

The Group is exposed to interest rate risk of short-term and long-term floating rate instruments and on the refinancing of fixed rate debt. The Group's policy is to maintain a balance of fixed and floating interest rate borrowings and the proportion of fixed and floating rate debt is determined by current market interest rates. The borrowings of the Group are principally denominated in Indian Rupees with mix of fixed and floating rates of interest. These exposures are reviewed by appropriate levels of management at regular interval.

Particulars	Effect on profit before tax	
	March 31, 2021	March 31, 2020
Increase in 50 basis points	13.82	15.00
Decrease in 50 basis points	(13.82)	(15.00)

Foreign currency sensitivity

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Group transacts business in local currency and in foreign currency, in USD and EURO. The Group has obtained foreign currency loans and has foreign currency trade payables and receivables etc. and is, therefore, exposed to foreign exchange risk.

Details of the unhedged position of the Group given in Note 29.

Notes to the consolidated Statements for the year ended 31st March, 2021

Foreign currency sensitivity

The following tables demonstrate the sensitivity to a reasonably possible change in USD and EUR rates to the functional currency of respective entity, with all other variables held constant. The impact on the Group's profit before tax is due to changes in the fair value of monetary assets and liabilities.

₹ in Lakh

Particulars	Change in USD rate	Effect on profit before tax
March 31, 2021	+2%	18.78
	-2%	(18.78)
March 31, 2020	+2%	14.45
	-2%	(14.45)

Particulars	Change in USD rate	Effect on profit before tax
March 31, 2021	+2%	1.20
	-2%	(1.20)
March 31, 2020	+2%	0.58
	-2%	(0.58)

(b) Credit risk

Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in financial loss to the Group. Credit risk encompasses of both, the direct risk of default and the risk of deterioration of creditworthiness as well as concentration of risks. Financial instruments that are subject to concentrations of credit risk materially consists of trade receivables, investments and derivative financial instruments.

The Group is exposed to credit risk from its operating activities (primarily trade receivables and also from its investing activities including deposits with banks, forex transactions and other financial instruments) for receivables, cash and cash equivalents, financial guarantees and derivative financial instruments.

All trade receivables are subject to credit risk exposure. The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the customer, including the default risk of the industry and country, in which the customer operates, also has an influence on credit risk assessment. Credit risk is managed through established policies, controls relating to credit approvals and procedures for continuously monitoring the creditworthiness of customers to which the Group grants credit terms in the normal course of business. Outstanding customer receivables are regularly monitored and any shipments to major customers are generally covered by letters of credit. The history of trade receivables shows a negligible provision for bad and doubtful debts. Therefore, the Group does not expect any material risk on account of non-performance by any of the Group's counterparties. The Group does not have significant concentration of credit risk related to trade receivables. No single third party customer contributes to more than 10% of outstanding accounts receivable (excluding outstanding from subsidiaries) as of March 31, 2021 and March 31, 2020.

Trade receivables are non-interest bearing and are generally on 30 days to 180 days credit term.

(c) Liquidity risk

Liquidity risk is defined as the risk that the Group will not be able to settle or meet its obligations on time, or at a reasonable price. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements. The Group generates cash flows from operations to meet its financial obligations, maintains adequate liquid assets in the form of cash & cash equivalents and has undrawn short term line of credits from banks to ensure necessary liquidity. The Group closely monitors its liquidity position and deploys a robust cash management system.

The Company requires funds both for short-term operational needs as well as for long-term investment programmes mainly in growth projects

Notes to the consolidated Statements for the year ended 31st March, 2021

The table below summarises the maturity profile of the Group's financial liabilities based on contractual undiscounted payments:

₹ in Lakh

Particulars	On demand	less than 3 months	3 months to 1 year	1 year to 5 years	more than 5 years
Year ended March 31, 2021					
Interest bearing borrowings	1,477.09	276.43	414.64	449.98	146.12
Trade payables	4,039.76	1,000.54	-	-	-
Lease Liabilities	-	-	9.20	20.04	-
Other financial liabilities *	1,484.28	494.76	-	-	-
	7,001.13	**1,771.73**	**423.84**	**470.02**	**146.12**
As at March 31, 2020					
Interest bearing borrowings	1,744.52	299.99	449.98	603.85	146.12
Trade payables	3,901.62	100.54	-	-	-
Lease Liabilities	-	-	46.96	31.64	-
Other financial liabilities *	1,333.65	444.55	-	-	-
	6,979.79	**845.08**	**496.94**	**635.49**	**146.12**

* Other financial liabilities excludes current maturities of borrowings of Rs. 171.41 Lakhs (March 31, 2020: Rs. 179.35 Lakhs)

Note 37 : Capital management

For the purpose of the Group's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders of the Group. The primary objective of the Group's capital management is to ensure that it maintains an efficient capital structure and healthy capital ratios in order to support its business and maximise shareholder value.

The Group manages its capital structure and makes adjustments to it in light of changes in economic conditions or its business requirements. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Group monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Group includes within net debt, interest bearing loans and borrowings less cash and short-term deposits (including other bank balance).

₹ in Lakh

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Interest-bearing loans and borrowings (Note 13 a)	2,764.26	2,999.88
Less: cash and cash equivalent (including other bank balance) (Note 7 d & 7 e)	(3,137.97)	(2,153.49)
Net debt	**(373.71)**	**846.39**
Equity share capital (Note 11)	7,663.33	7,663.33
Other equity (Note 12)	(273.52)	(3,186.59)
Total capital	**7,389.81**	**4,476.74**
Capital and net debt	**7,016.10**	**5,323.13**
Gearing ratio	-5.33%	15.90%

In order to achieve this overall objective, the Group's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current period.

No changes were made in the objectives, policies or processes for managing capital during the current period.

Notes to the consolidated Statements for the year ended 31st March, 2021

Note 38: Financial Instruments by category

(i) Financial assets by category

Particulars	As at March 31, 2021						As at March 31, 2020					
	Equity Method	Cost	Fair value through Profit and Loss (FVTPL)	Fair value through Other Comprehensive Income (FVTOCI)	Amortised cost	Total	Equity Method	Cost	Fair value through Profit and Loss (FVTPL)	Fair value through Other Comprehensive Income (FVTOCI)	Amortised cost	Total
Investments	2,487.47	112.65	-	129.63	-	2,729.75	1,685.94	2.98	-	123.24	-	1,812.16
Trade Receivables	-	-	-	-	3,881.45	3,881.45	-	-	-	-	2,879.80	2,879.80
Loans	-	-	-	-	16.41	16.41	-	-	-	-	20.23	20.23
Cash and cash equivalents	-	-	-	-	1,473.85	1,473.85	-	-	-	-	1,278.77	1,278.77
Other bank balances	-	-	-	-	1,664.12	1,664.12	-	-	-	-	874.72	874.72
Other financial assets	-	-	-	-	1,199.18	1,199.18	-	-	-	-	1,325.05	1,325.05
Total Financial assets	**2,487.47**	**112.65**	**-**	**129.63**	**8,235.01**	**10,964.76**	**1,685.94**	**2.98**	**-**	**123.24**	**6,378.57**	**8,190.73**

(ii) Financial liabilities by category

Particulars	As at March 31, 2021			As at March 31, 2020		
	Fair value through Profit and Loss (FVTPL)	Amortised cost	Total	Fair value through Other Comprehensive Income (FVTOCI)	Amortised cost	Total
Borrowings*	-	2,764.26	2,764.26	-	2,999.88	2,999.88
Trade payable	-	5,040.30	5,040.30	-	4,002.16	4,002.16
Lease Liailities	-	29.24	29.24	-	78.60	78.60
Other Financial Liabilities	-	1,979.04	1,979.04	-	1,778.20	1,778.20
Total Financial liabilities	**-**	**9,812.84**	**9,812.84**	**-**	**8,858.84**	**8,858.84**

* Including Current Maturities of Rs. 171.41 Lakhs (Previous Year Rs. 179.35 Lakhs)

For Financial instruments risk management objectives and policies, refer Note 36.

Notes to the consolidated Statements for the year ended 31st March, 2021

Note 39 : Corporate Social Responsibility (CSR) Activities

(a) The Group is required to spend Rs. 11.14 Lacs (March, 2020: 12.80 Lacs) on CSR activities under section 135 of the Companies Act, 2013.

(b) Amount spent during the year towards CSR activities are as follows:

₹ in Lakh

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Unspent balance at the beginning of the year	8.45	8.45
Add: Current year Commitment	11.14	12.80
Less: Spent during the year:		
Contribution to various Trusts/ NGOs / Societies / Agencies and utilization thereon	20.00	12.80
Unspent balance at the end of the year	-	8.45

Note 40 : Interest in Other Entities

I. The Consolidated Financial Statements present the Consolidated Accounts of Ambalal Sarabhai Enterprises Limited with its Subsidiaries, Joint Ventures (and its subsidiaries and joint ventures).

₹ in Lakh

Sr. No.	Name of Entities	Country of Incorporation	Activities	Proportion of ownership of interest As at March 31, 2021	Proportion of ownership of interest As at March 31, 2020
	Subsidiaries				
1	Synbiotics Limited	India	Pharmaceuticals	100%	100%
2	Asence Inc. USA	USA	Pharmaceuticals	100%	100%
3	Sarabhai M. Chemicals Limited	India	Pharmaceuticals	100%	100%
4	Systronics (India) Limited	India	Electronics	100%	100%
5	Suvik Hitek Pvt. Ltd.	India	Pharmaceuticals	100%	100%
6	Swetsri Investment Pvt. Ltd	India	Pharmaceuticals	100%	100%
7	Sarabhai Chemicals (India) Pvt. Ltd.	India	Pharmaceuticals	99.90%	99.90%
8	Asence Pharma Private Limited	India	Pharmaceuticals	100%	99.98%
	Associates				
1	Haryana Containers Limited	India	Pharmaceuticals	45.45%	45.45%
	Joint Ventures				
1	Vovantis Laboratories Pvt. Ltd.	India	Pharmaceuticals	33.34%	33.34%
2	Cosara Diagnostics Pvt. Ltd.	India	Pharmaceuticals	49.93%	49.93%

(2) Material - party owned subsidiaries

IND AS 112.12 requires the disclosure of financial information in respect of subsidiaries that have non-controlling interests that are material to the reporting entity (i.e. the Group). A subsidiary may have significant non-controlling interest per se but disclosure is not required if that interest is not material at the Group level. Similarly, these disclosures do not apply to the non-controlling interests that are material in aggregate but not individually.

The Group does not have any subsidiaries that have non-controlling intersts that are material to the Group.

3. Group's share in Contingent Liability of Joint Ventures

₹ in Lakh

	Particulars	As at 31 March, 2021	As at 31 March, 2020
1	Disputed demand in respect of :		
	Income Tax	2.09	2.09
2	Capital commitments		
	Estimated amount of contracts remaining to be executed on capital account	2.53	11.96

Notes to the consolidated Statements for the year ended 31st March, 2021

Note 41 : Disclosures Mandated by Schedule III of Companies Act 2013

Name of the Entities	2020-21							
	Net Assets i.e. Total Assets Minus Total Liabilities		Share in Profit		Share in Other comprehensive Income		Share in Total comprehensive Income	
	As a % of Consolidation net assets	Rs. In Lakhs	As a % of Consolidation net profit	Rs. In Lakhs	As a % of Consolidation Other Comprehensive Income	Rs. In Lakhs	As a % of Consolidated Total Comprehensive Income	Rs. In Lakhs
Parent :								
Ambalal Sarabhai Enterprises Limited	44%	3,078.54	84%	1,705.85	(273%)	(7.56)	84%	1,698.29
Subsidiaries :								
Systronics (I) Limited	44%	3,038.39	7%	133.32	435%	12.06	7%	145.38
Synbiotics Limited	22%	1,555.87	4%	81.13	119%	3.31	4%	84.44
Asence Pharma Private Limited	24%	1,695.83	18%	368.76	(129%)	(3.58)	18%	365.18
Sarabhai Chemicals (I) Pvt Ltd	(22%)	(1,526.05)	(12%)	(238.16)	(45%)	(1.26)	(12%)	(239.42)
Suvik Hitek Private Limited	(14%)	(970.93)	0%	9.70	(7%)	(0.20)	0%	9.50
Sarabhai M Chemicals Limited	(1%)	(34.79)	(0%)	(7.19)	0%	-	(0%)	(7.19)
Swetsri Investment Private Limited	1%	84.90	0%	0.43	0%	-	0%	0.43
Asence Inc	0%	19.18	(2%)	(34.36)	0%	-	(2%)	(34.36)
Sub Total	**100%**	**6,940.94**	**100%**	**2,019.48**	**100%**	**2.77**	**100%**	**2,022.25**
Inter Company Eliminations and Consolidations Adjustment		449.94		916.04		-		916.04
Total		**7,390.88**		**2,935.52**		**2.77**		**2,938.29**
Non Controlling Interest in Subsidiaries		(1.07)		(0.17)		-		(0.17)
Grand Total		**7,389.81**		**2,935.35**		**2.77**		**2,938.12**

Notes to the consolidated Statements for the year ended 31st March, 2021

Note 42 : Disclosures Mandated by Schedule III of Companies Act 2013

Name of the Entities	2019-20							
	Net Assets i.e. Total Assets Minus Total Liabilities		Share in Profit		Share in Other comprehensive Income		Share in Total comprehensive Income	
	As a % of Consolidation net assets	Rs. In Lakhs	As a % of Consolidation net profit	Rs. In Lakhs	As a % of Consolidation Other Comprehensive Income	Rs. In Lakhs	As a % of Consolidated Total Comprehensive Income	Rs. In Lakhs
Parent :								
Ambalal Sarabhai Enterprises Limited	47%	4,026.61	101%	1,555.34	30%	(8.43)	102%	1,546.91
Subsidiaries :								
Systronics (I) Limited	34%	2,893.00	10%	149.76	64%	(18.21)	9%	131.55
Synbiotics Limited	17%	1,471.44	4%	62.30	(6%)	1.69	4%	63.99
Asence Pharma Private Limited	12%	1,019.64	7%	102.78	10%	(2.87)	7%	99.91
Sarabhai Chemicals (I) Pvt Ltd	(15%)	(1,286.63)	(22%)	(339.38)	1%	(0.35)	(22%)	(339.73)
Suvik Hitek Private Limited	3%	223.91	(2%)	(30.24)	1%	(0.29)	(2%)	(30.53)
Sarabhai M Chemicals Limited	(0%)	(27.60)	(1%)	(22.11)	0%	-	(1%)	(22.11)
Swetsri Investment Private Limited	1%	84.48	0%	0.28	0%	-	0%	0.28
Asence Inc	1%	93.99	4%	66.73	0%	-	4%	66.73
Sub Total	**100%**	**8,498.84**	**100%**	**1,545.46**	**100%**	**(28.46)**	**100%**	**1,517.00**
Inter Company Eliminations and Consolidations Adjustment		(4,021.20)		(139.30)		-		(139.30)
Total		**4,477.64**		**1,406.16**		**(28.46)**		**1,377.70**
Non Controlling Interest in Subsidiaries		(0.90)		(0.32)		-		(0.32)
Grand Total		**4,476.74**		**1,405.84**		**(28.46)**		**1,377.38**

Notes to the consolidated Statements for the year ended 31st March, 2021

Note 42 : Business Combination

During the year ended March 31, 2020 the Group has entered into a Business Transfer Agreement("BTA") with Vovantis Laboratories Private Limited for sale of Business Undertaking on a going concern basis by means of a "slump sale" for a lump sum consideration of Rs. 2,763.50 Lakhs.

Vovantis Laboratories Private Limited is engaged in pharmceuticals business.

Note 43 : New Accounting Pronouncements to be adopted after March 31, 2020

There are no standards or interpretations which are notified but not yet effective and that would be expected to have a material impact on the Group in the current or future reporting periods.

Note 44: Impact of COVID-19 Pandemic

In March 2020, the World Health Organisation declared COVID 19 to be a pandemic. The Group has adopted measures to curb the spread of infection in order to protect the health of its employees and ensure business continuity with minimal disruption. The Group has considered internal and external information while finalizing various estimates and recoverability of assets in relation to its financial statement captions up to the date of approval of the financial statements by the Board of Directors. Considering the Group is mainly in the business of manufacturing and supplying pharmaceutical products which is categorized under essential goods, management believes that the impact of the pandemic may not be significant. However, the business of Electronics is impacted. The actual impact of the global health pandemic may be different from that which has been estimated, as the COVID 19 situation evolves in India and globally. The Company will continue to closely monitor any material changes to future economic conditions.

Note 45: Regrouped, Recast, Reclassified

Figures of the earlier year have been regrouped to conform with those of current year.

Note 46: Events occuring after Balance sheet

The Group evaluates events and transactions that occur subsequent to the balance sheet date but prior to the approval of financial statements to determine the necessity "for recognition and/or reporting of subsequent events and transactions in the financial statements. As of June 04, 2021, there were no subsequent events" and transactions to be recognized or reported that are not already disclosed.

As per our report of even date attached

For Khandhar & Associates
Firm Registration No. 118940W
Chartered Accountants
CA. Vipul B. Khandhar
Partner
Membership no. 105986
Date : 04.06.2021
Place : Ahmedabad

Mr. Kartikeya V. Sarabhai
Chairman
(DIN: 00313585)
Mr. Damodar H. Sejpal
Company Secretary

Date : 04.06.2021
Place : Ahmedabad

Mr. Chandrashekhar B. Bohra
Director
(DIN: 00055288)
Mr. Navinchandra R. Patel
CFO

Book-Post

If undelivered please return to :
Ambalal Sarabhai Enterprises Limited
Share Department,
Shanti Sadan, Mirzapur Road,
Ahmedabad - 380 001