



**SUPRIYA LIFESCIENCE LTD.**

*Creating true values that bind global health*

Date: August 23, 2022

To,  
**BSE Limited**  
Phiroze Jeejeebhoy Towers  
Dalal Street,  
Mumbai – 400 001  
Scrip Code: 543434

To,  
**National Stock Exchange of India Limited**  
Exchange Plaza, C-1, Block G  
Bandra Kurla Complex  
Bandra (E), Mumbai – 400 051  
Scrip Symbol: SUPRIYA

Dear Sir (s),

**Sub: Annual Report for the financial year 2021-22 and Notice convening the 14<sup>th</sup> Annual General Meeting**

As required under Regulation 30 and Regulation 34(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we submit herewith the Annual Report of the Company for the Financial Year 2021-22 along with the Notice convening the 14<sup>th</sup> Annual General Meeting ("AGM") scheduled to be held on Friday, September 16, 2022 at 03:00 p.m. (IST) through Video Conferencing/ Other Audio Visual Means in accordance with relevant circulars issued by the Ministry of Corporate Affairs and SEBI.

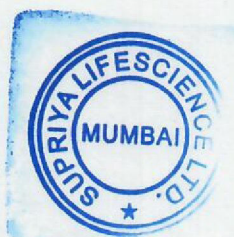
In compliance with the aforesaid circulars, the Annual Report along with the Notice of the AGM has been sent only by electronic mode to those shareholders whose e-mail address is registered with the Company/ Depository. The Annual Report along with the Notice of the AGM for the Financial Year 2021-22 is also available on the website of the Company at [www.supriyalifescience.com](http://www.supriyalifescience.com)

Kindly take the above said information on your records.

Thanking you,

Yours faithfully,  
For Supriya Lifescience Limited

**Shweta Singh**  
Company Secretary & Compliance Officer  
Membership No.: A44973



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**Factory**

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**GOVT. RECOGNISED EXPORT HOUSE**



**SUPRIYA  
LIFESCIENCE LTD.**

Annual Report 2021-22



Sustainability.  
Growth.  
Profitability.

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## Corporate overview

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### Disclaimer

In this annual report, we have disclosed forward-looking information to enable investors to comprehend our prospects and take informed investment decisions. This report and other statements - written and oral - that we periodically make, contain forward-looking statements that set out anticipated results based on the management's plans and assumptions. We have tried wherever possible to identify such statements by using words such as 'anticipates', 'estimates', 'expects', 'projects', 'intends', 'plans', 'believes', and words of similar substance in connection with any discussion of future performance.

We cannot guarantee that these forward-looking statements will be realized, although we believe we have been prudent in our assumptions.

The achievement of results is subject to risks, uncertainties and even inaccurate assumptions. Should known or unknown risks or uncertainties materialize, or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated or projected. Readers should kindly bear this in mind.

We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.



Online report  
[www.supriyalifescience.com](http://www.supriyalifescience.com)

The background is a dark blue gradient. It features a pattern of light blue hexagons, similar to a honeycomb or molecular lattice. Overlaid on this are several molecular structures, including rings and chains of atoms connected by lines, some with dashed lines representing bonds or interactions.

PART ONE

# What we are and what we do



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Sustainability.



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Growth.



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Profitability.

This the theme of our  
maiden annual report after  
going public in 2021

## What we are

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Supriya  
Lifescience Limited.

35-year legacy.

Consistent quality.

Global presence.

Market leadership in  
niche APIs.

Impeccable regulated  
market track record.

Backward integration.



## Vision

Innovation-driven  
manufacturing  
organisation  
establishing  
market leadership  
in therapeutic  
segments to supply  
pharmaceutical  
products supporting  
patients globally.



## Mission

- Become a leader in the therapeutic categories in the business
- Deliverables are driven by customers' need
- Develop commercially sustainable process
- Portfolio expansion with current regulatory requirement



## Values

### Sustainability and consistency

Fulfilling all stakeholders expectations by adhering to sustainable, consistent and ethical business practices

### Integrity and Sincerity

Retain the trust of customers by consistently meeting their quality and delivery timeline expectation

### Innovate

- Minimise complexity
- Attract new ideas
- Thrive to change
- Be adaptable



## Background

Supriya Lifescience Limited (incorporated in 2008) has selected to specialize in the manufacture of active pharmaceutical ingredients (APIs). Set up in 1985 as a partnership firm, it was converted into a closely-held public limited company in 2008. The Company's headquarters are in Mumbai, Maharashtra.



## Promoters

The Company is promoted by Chairman Dr. Satish Wagh who possesses decades of pharmaceutical sector experience. He is backed by a competent management team comprising experienced executives.



## Products

The Company is respected for its API manufacturing competence. The Company possesses more than three dozen niche API products that address remedies in therapeutic segments like anti-histamine, analgesic, vitamin, anesthetics and anti-asthmatics, among others.



## Manufacturing units

The Company's state-of-the-art manufacturing facility is located in Parshuram Lote, comprising a reactor (capacity 547 kl) and approved by USFDA, EDQM and EUGMP from AIFA – Italy, TGA-Australia, BfArM-Germany, KFDA-Korea, PMDA-Japan, SFDA- China and COFEPRIS – Mexico.



## Talent capital

The Company comprises a pool of scientists, engineers, shopfloor professionals and subject matter experts who drive a culture of excellence. The Company comprised 374 employees at the close of the year under review with a retention of 83%.



## Competitive

The Company retained its position as the largest exporter by the volume of some products in the anti-histamine, anesthetics and anti-asthma therapy segments.



## Footprint

The Company generated 24% of revenues from within India and 76% from exports in 2021-22. The Company exported to 86 countries; Asia and Europe accounted for a large slice of the Company's revenues followed by Latin America and North America.



## Customers

The Company serviced the growing and demanding needs of prominent global pharmaceutical companies like Syntec Do Brasil LTDA, American International Chemical Inc. and AT Planejamento E Desenvolvimento De Negocios Ltd. and Suan Farma Inc, Acme Generics LLP, Akum Drugs Ltd and Mankind Pharma Ltd, among others. About 63% of the Company's revenues were derived from customers with whom the Company shared relationships of 5 years or more.



## Research & development

The Company has a DSIR-approved R&D facility in Parshuram Lote, Maharashtra. Supriya's R&D efforts focus across the value chain of API process development, demonstrated by a strong pipeline of products across therapeutic segments like decongestant, anti-gout, anti-anxiety, anti-diabetic and vitamins. The Company is in the process of upgrading its R&D facility at Lote Parshuram to cater to the lifecycle management of existing products and also in the process of setting up a new R&D center with a pilot plant at its upcoming facility at Ambernath for rolling our new APIs and CMO/CDMO business.



## Awards and accreditations

- Certificate of Excellence for outstanding export performance in the product group chemicals, drugs, pharma and allied products (MSME) by Federation of Indian Export Organizations in 2008-09
- Special recognition National Award for Research and Development by Micro Small and Medium Enterprises, Government of India in 2009-10
- Achieved Export House for 2015-16 by Directorate of Industries, Government of Maharashtra
- Export achievement for 2015-16 in the product group basic chemical, pharmaceutical & cosmetics products (MSME) by Directorate of Industries, Government of Maharashtra
- Awarded Export House for the year 2016-17 by Directorate of Industries, Government of Maharashtra
- Export achievement for 2016-17 in the product group basic chemical & pharmaceutical cosmetics (SSI) by Directorate of Industries, Government of Maharashtra
- Outstanding Export Performance Award for 2018-19 for the product group of API / bulk drugs by Pharmaceuticals Export Promotion Council of India



# Our global presence





# How we have grown over the years

**2008**

Incorporation and conversion of Supriya Lifescience from a partnership firm into a public limited company

**2009**

The Company started production of Ketamine hydrochloride

**2010**

The Company was granted Certificate of Suitability (CEP) for Chlorphenamine Maleate

**2011**

The Company was granted Import Drug License for Chlorphenamine Maleate

**2018**

The Company was granted Certificate of Suitability (CEP) for Brompheniramine Maleate, Mepyramine Maleate and Ketamine Hydrochloride

**2020**

The Company was granted USFDA approval for the third time

**2021**

The Company was granted Certificate of Suitability (CEP) for Pentoxifylline, Esketamine Hydrochloride and Salbutamol Sulphate

The Company was listed on the BSE and NSE

The Company was provided Health Canada and NMPA approvals.

**2022**

The Company renewed its CEP (Certificate of Suitability) for Pheniramine Maleate, Chlorpheniramine Maleate and Ketamine Hydrochloride

## 2013

The Company was granted COFEPRIS (Mexico) and KFDA (Korea) approvals

## 2014

The Company was granted USFDA approval and Import Drug License for Brompheniramine Maleate

## 2015

The Company was granted EUGMP (AIFA, Italy) and EDQM (European Union) approval

## 2017

The Company was granted CEP for pheniramine maleate and USFDA approval for the second time

USFDA

EUGMP

EDQM

SFDA  
NMPA

ANVISA

KFDA

Credible global agencies who have approved our facilities

PMDA

TGA

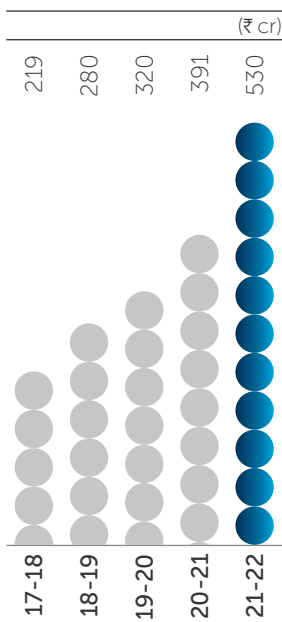
Taiwan  
FDA

COFEPRIS

Health  
Canada

CDSCO

# How we have performed across the years



## Revenues

### Definition

Growth in sales, net of taxes.

### Why this is measured

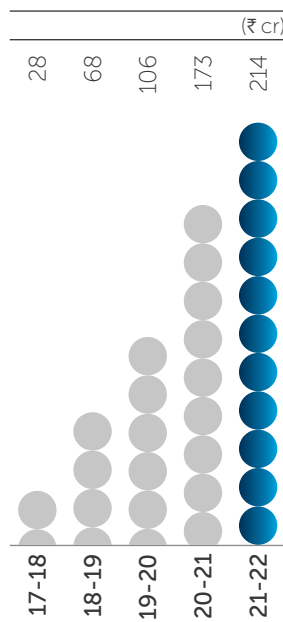
It is an index that showcases the Company's ability to maximize revenues, which provides a basis against which the Company's performance can be compared with sectoral peers.

### What this means

Aggregate sales increased 35.50% during the year under review on account of a wider marketing footprint.

### Value impact

The volume offtake remained creditable in an otherwise challenging year for the economy, protecting the Company's industry visibility.



## EBITDA

### Definition

Earnings before the deduction of fixed expenses (interest, depreciation, extraordinary items and tax).

### Why this is measured

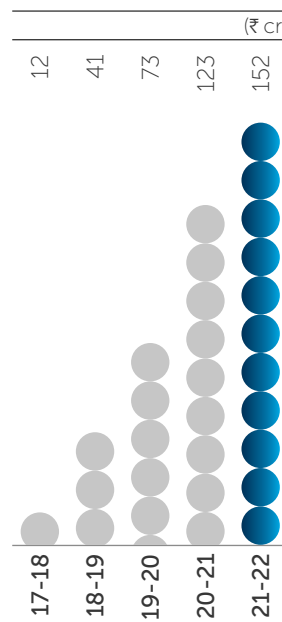
It is an index that showcases the Company's ability to generate a surplus after operating costs, creating a base for comparison with sectoral peers.

### What this means

Helps create a robust surplus-generating engine that facilitates reinvestment.

### Value impact

The Company reported a 23.61% growth in EBITDA in 2021-22 due to better price realisations.



## Net profit

### Definition

Profit earned during the year after deducting all expenses, taxes and provisions.

### Why this is measured

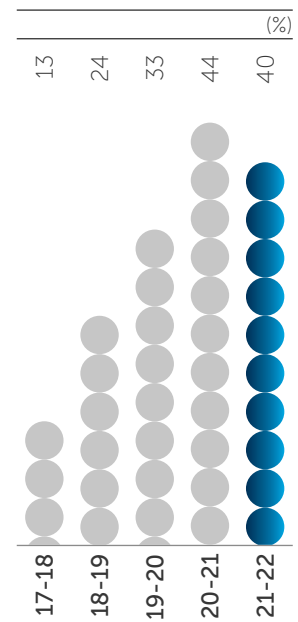
It highlights the strength of the business model to enhance shareholder value.

### What this means

This ensures the quantum of cash available for reinvestment.

### Value impact

Wider footprint and higher sales helped strengthen PAT to the highest ever in the Company's existence, nearly 22.95% over the previous year – an instance of profitable growth.



## EBITDA margin

### Definition

EBITDA margin is a profitability measure to ascertain a company's operating efficiency.

### Why this is measured

The EBITDA margin provides an index of how much a company earns (before interest and taxes) on each rupee of sales.

### What this means

This measure demonstrates the buffer in the business, which, when multiplied by scale, can enhance the business surplus.

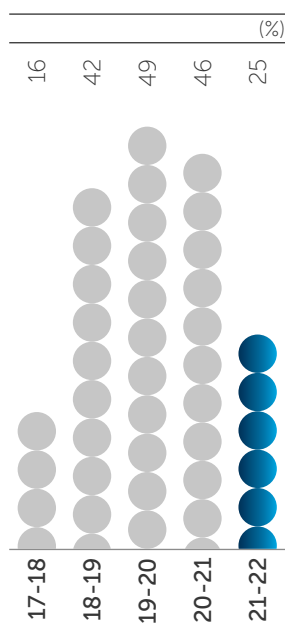
### Value impact

The Company reported a 400 bps decrease in EBITDA margin in 2021-22 due to increased costs.

**Our track record can be demarcated into two parts:**

**1987-2013:** We focused on increasing the number of molecules in our key therapies by marketing them in semi-regulated markets

**2014 onwards:** We focused on registering our products in regulated markets and successfully penetrated them from 2018, resulting in higher margins



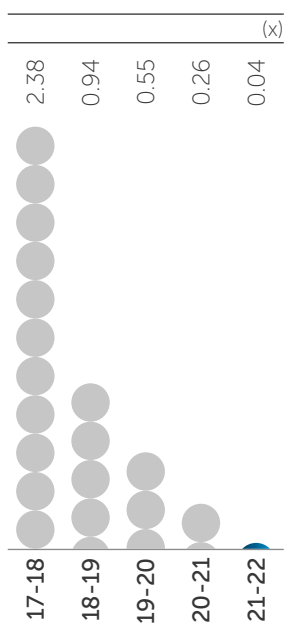
**RoCE**

**Definition**  
This financial measure of efficiency with which capital is employed in the business.

**Why this is measured**  
RoCE is an insightful metric to compare profitability across companies based on their capital efficiency.

**What this means**  
Enhanced RoCE can potentially drive valuations and market perception.

**Value impact**  
The Company generated a RoCE of 25% in 2021-22 as against 46% in 2020-21. The decline was on account of commissioning of a new manufacturing block in 2020-21. Typically it takes 1 to 1.5 years for a new manufacturing block to reach its peak, resulting in a lower RoCE in 2021-22



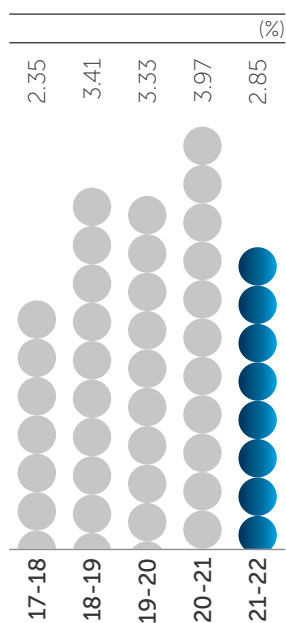
**Gearing**

**Definition**  
This is the ratio of debt to net worth (less Revaluation Reserves).

**Why this is measured**  
This is one of the defining measures of a company's solvency and liquidity.

**What this means**  
This indicates whether the Company enhances shareholder value by keeping the equity side constant and progressively moderating debt.

**Value impact**  
The Company's gearing stood improved at 0.04 in 2021-22 compared to 0.26 in 2020-21 following debt repayment and increased net worth. This ratio should ideally be read in conjunction with net debt/ EBITDA (lower the better).



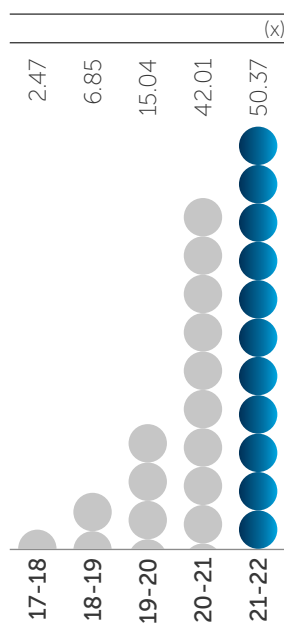
**Asset turnover**

**Definition**  
This is the ratio between the value of a company's sales or revenues and the value of its assets.

**Why this is measured**  
This indicates the efficiency with which a company deploys its assets to produce revenues.

**What this means?**  
The higher the asset turnover ratio, the more efficient a company is at generating revenue from its assets.

**Value impact**  
The Company's Asset turnover was 2.85 in 2021-22 as against 3.97 in 2020-21. The decline was on account of commissioning of a new manufacturing block in 2020-21. Typically it takes 1 to 1.5 years for a new manufacturing block to reach its peak, resulting in a lower Asset turnover in 2021-22



**Interest cover**

**Definition**  
This is derived through the division of EBITDA by interest outflow.

**Why this is measured**  
Interest cover indicates the solvency available to service interest – the higher the better.

**What it means**  
A company's ability to meet its interest obligations is one of the most important measures leading to shareholder returns.

**Value impact**  
The Company's interest cover strengthened from 42.01x in 2020-21 to 50.35x in 2021-22, which was largely on account of superior cost management, higher realisation, projects payback and increased business growth through accruals.



PART TWO

# Our strategic direction and performance review



At Supriya Lifescience Limited, we believe that the value we bring to our business is defined by three priorities.

 Sustainability.

 Growth.

 Profitability.

The interplay of these priorities – sustainability, growth and profitability - is expected to enhance value for all our stakeholders in an enduring way.

We have built a robust operating model to make our profitable growth sustainable.

We have upgraded and expanded our production facilities, product portfolio and geographical reach to ensure consistent growth

This competence is measured in our margins, value-addition and profitable growth of the last few years.

# This is our first annual report after having gone public in 2021.



# This is how we are positioned to address exciting prospects.



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# These are some of the commitments of how we intend to grow our business

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Focus on meeting unmet customer needs

Gravitate towards niche areas with differentiated offerings

Increasingly address customers directly in the regulated global markets

Progressively reinvest accruals in growing business quality and quantity

Continue to enhance our capacity and manufacturing capabilities

Seek to generate a superior return on employed capital – more from less

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# These are the intended outcomes of our business model

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Higher focus on addressing the needs of all stakeholders

Recognition for adhering and adopting the highest governance practices

Enhanced respect for best environment, health and safety practices

Deepening our recall around 'If it is Supriya, it must be credible'

## Chairman and Managing Director's overview



We are at the cusp of an attractive growth phase... marked by profitable growth that enhances value in the hands of all those associated with our Company.

## Overview

The 2022 represents a landmark for Supriya Lifescience Limited for good reasons.

The Company went public in the 35th year of its existence after its initial public offer of equity shares in December 2021 and subsequent listing on the stock exchanges, finishing the year under review with a 79.93% appreciation over the offer price of ₹274 per share.

The Company reported yet another growth year, the pandemic notwithstanding, maintaining an impressive track record of consistent growth and margins since inception. Revenues grew at CAGR of 23.70% from 2018-19 to 2021-22 and the EBITDA grew at a CAGR of 47.3% from 2018-19 to 2021-22.

The Company was valued on the stock exchanges at ₹3,967 cr by the close of the year under review, indicative of the public investing confidence in the Company's products, positioning and prospects.

The Company announced a dividend at 30% of face value, subject to shareholder approval.

## There to here

Supriya Lifescience was established in 2008 by converting a partnership firm into a public limited Company with the objective to make a difference to our customers and their consumers.

The Company invested in its business for the long-term, focused on specific opportunities with attractive headroom and graduated from price-based vendorship to dependability-driven partnership.

This dependability was derived through research-driven competence, portfolio growth, strengthening best practices, backward integration, operational efficiency, registration in regulated

markets, supply chain stability, cost management, enhancing capacities, global product and process quality, timely service and a comprehensive ESG compliance.

This focus on sustainability, growth and profitability did not just grow our revenues or help outperform the sectorial growth average; our Company graduated to a leadership position across products, emerging as a turn-to partner and supplier of first choice across the domestic and international markets.

customers related to revised delivery schedules. On the other hand, the procurement team engaged with vendors and logistic partners for timely supplies and import clearances with minimal outcomes on production schedules. There was also a delay in the implementation of capital expenditure programmes, more ascribed to the non-availability of contracted workmen.

Your Company responded with focused business-building initiatives: the addition of a manufacturing

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**The Company reported yet another growth year, pandemic notwithstanding maintaining an impressive track record of consistent growth and margins since inception. The revenue has grown at CAGR of 23.70% from 2018-19 to 2021-22 and the EBITDA has grown at CAGR of 47.3% from 2018-19 to 2021-22 successive year of margins increase**

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## Our performance, 2021-22

I am pleased to report that the competitive advantage outlined in the preceding paragraphs translated into visible and superior financials during the year under review.

What I wish to communicate is that your Company's growth was achieved in the face of a range of challenges.

The pandemic resurgence affected India during the first and fourth quarter of the year under review, marked by lockdowns and regulations imposed by the Government of India, State Governments and statutory institutions in addition to the dynamic situation of the pandemic across the world, which affected the operational continuity of ports and airports. The limited availability of shipping containers increased freight costs, making it necessary to engage more frequently with

block with 247 kl helped the Company scale production capacity; the second block expansion helped widen the manufacturing portfolio by four new products. Your Company enhanced its R&D, environment management and manufacturing infrastructure, the full value of which will translate into visible numbers only across the foreseeable future. Your Company received Health Canada approval for its site. As a result of the backward integration, your Company's resource supply chain encountered minimal disruption through the year, keeping production lines moving and customers serviced.

The outcome is that your Company reported 35.50% revenue growth, 22.95% PAT accretion and a healthy EBITDA margin of 40%.

Your Company reported ₹530 cr in revenues and ₹214 cr in EBITDA. Your Company validated its credentials by reporting an RoCE of 33.29%.



From a qualitative perspective, Supriya Lifescience strengthened its leadership across the anti-histamine, anesthetics and anti-asthma therapies with a favorable growth momentum and outlook.

## Optimism

At Supriya Lifescience, we are optimistic due to changes in the operating environment that have only deepened the relevance of our business model. We find that populations are ageing, there is an increase in chronic diseases, there is a wider emerging market access to new therapies and there is a corresponding development of generic products and markets.

The Indian API space is attractively placed to capitalize in view of the various opportunities now available to players with a proven track record in safety, quality and regulatory compliances. The emergence of a China + 1 strategy among most multinational corporations is opening opportunities in the CMO and CDMO spaces following the pandemic.

Over the next few years, your Company aims to achieve a CAGR growth at par with the last four year trend and a healthy EBITDA margin.

Supriya Lifescience has strengthened its capacity to capitalize through the following initiatives.

**One**, your Company strengthened its capacity following the commissioning of a new production block of 247 kl capacity during the year under review. In view of the expansion plan, the Company has already taken steps to strengthen infrastructure at its existing facility at Lote Parshuram, which is expected to get operational in 2022-23. The Company has also started work on two manufacturing blocks, first one at existing facility at the Lote Parshuram and the second at Ambernath. With these two projects the existing facilities will be fully utilized and in view of this,

the Company already acquired on lease, a 80,000 sq.mt. plot at Isambe Industrial park near Patalganga, which will be used for expansion.

**Two**, your Company strengthened its R&D capability that will add new products and deepen its niche positioning. Your Company engaged in timely capital expenditure to remodel its R&D facility through the addition of a synthetic laboratory, analytical development laboratory and chemical store. Your Company invested in setting up two R and D centres: one in Lote Parshuram to cater to lifecycle management of products and the other is a R&D

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**Over the next few years, your Company aims to achieve a CAGR growth at par with the last four year trend and a healthy EBITDA margin.**

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centre with pilot plant at Ambernath for processing new APIs and CMO/CDMO opportunities. Your Company focused on deepening its knowledge base across complex chemistries, technologies and patented processes. As an extension of this competence, your Company accelerated regulatory filings and approvals, marked by the development and filing of DMFs and process patents for niche products.

**Three**, your Company deepened discussions with multi-national customers for the multi-year supply of APIs and intermediates corresponded by initiatives that strengthened the overall quality of the business infrastructure, increasing capabilities in concurrent custom synthesis and generic projects.

**Four**, your Company focused on reinforcing its presence in existing markets while entering new ones like USA and Japan, broad basing its overall footprint to generate

sustainable growth. Your Company invested in appropriate processes, systems, procedures and operations to address authority requirements across markets. Your Company reviewed policies and procedures to conform with various global and domestic regulations for its manufacturing facilities or statutory compliances.

**Five**, your Company continued to optimize processes and upgrade plant capacities across multi-purpose manufacturing facilities to enhance competitiveness. Besides, your Company created additional capacities and widened

the product basket to address market opportunities.

**Six**, your Company designed policies, effluent treatment plants and processes to comply with established norms and reduce the environmental load of its business.

## Conclusion

At Supriya Lifescience, we are optimistic that the interplay of sustainability, growth and profitability will remain central to our business.

**Dr. Satish Waman Wagh,**  
*Chairman & Managing Director*

# The strategic clarity that catalyzed our business sustainability



## CFO review of our 2021-22 performance



“The principal driver of our financial sustainability is the manner in which we funded our next growth round in 2021-22”

### Q How would you describe the performance of the Company during the last financial year?

A: The big message is that the Company sustained its growth momentum during the year under review despite challenges arising out of a pandemic-affected environment. It would be relevant to compare the performance of the last financial year with the five-year average to provide shareholders with an insightful

perspective. For instance, the Company's revenues grew at a CAGR of 19.5% in the five years ending 2021-22; during the last financial year the Company's revenue grew at 35.50%. The Company's EBITDA grew at a CAGR of 50.19% in the five years ending 2021-22; during the last financial year the EBITDA grew

at 23.61%. Besides, the Company's growth continued to consistent with the long-term growth average despite the various operational challenges that were encountered.

### Q What were the principal drivers of this sustained growth?

A: The sustained revenue growth reported by the Company during the last financial year was not the disproportionate result of any one factor; it was the result of a number of business realities that kicked in during the year under review. For instance, growth in Q2 and Q4 revenues and profitability was driven by higher sales in the anti-histamine,

anesthesia and anti-asthma therapies. The performance was catalyzed by the commissioning of a new manufacturing block in the first quarter of the last financial year.

A crucial driver of the Company's improved performance was also derived from a sustained improvement in the destination of

our products. The share of revenues derived from regulated markets, where the Company generated superior realisations, increased from 34% to 53% during the last financial year. The quantum of revenues from these markets increased 279% from 2017-18 to 2021-22.

### Q How did this reality translate into the Company's financial hygiene?

A: It would be important to emphasize that the Company did not strain its Profit & Loss account in delivering better numbers. The improvement was the outcome of a fundamental improvement in the Company's competitiveness. For instance, the Company not only marketed niche products with high

margins but did so in the regulated markets around higher average realizations. The markets were willing to remunerate the Company better on account of its consistent timely delivery of quality products and leadership position in the products.

The proportion of controlled products within the product mix increased from 21% in 2017-18 to 41% in 2021-22. The increase in working capital is primarily on account of higher inventory. The geo-political tensions - the shutdown of factories in China, Ukraine war and the Suez Canal blockage - caused us take

a conscious call of increasing our inventory, which helped us achieve 35% growth over the previous year. The receivables went up as fourth quarter sales within India and Latin American countries, are higher compared to the rest of the market. The working capital cycle was around 196 days due to the prevailing geo-political tensions.

Return on Capital Employed was 33.29% during the year under review. This had an inevitable pass-through to the Company's liquidity, which increased from ₹8.61 cr in cash and cash equivalents in 2017-18 to ₹165.78 cr in 2021-22. There was an immediate correlation to the Company's interest cover (EBITDA divided by interest outflow), which

increased from 2.47 to 50.35 in the four years ending 2021-22.

**Q How did this reality strengthen the Company's competitive advantage in a sustainable way?**

**A:** The increased liquidity available with the Company had a pass-through effect. For instance, the Company was able to negotiate for its resources better by being able to pay upfront. The Company enhanced the proportion of internal accruals in its total employed capital;

the proportion of internal accruals in working capital increased from 5% to 80% in the last four years. The proportion of sanctioned undrawn working capital loans increased from 5% (against a sanctioned limit of ₹123 cr) to 25% (against a sanctioned limit of ₹57 cr). The proportion of capital

expenditure funded through accruals increased from 25% to 100%, reducing Balance Sheet load.

**Q Shareholders would be keen to know how the Company will strengthen this financial sustainability.**

**A:** The principal driver of our financial sustainability was the manner in which we funded our next growth round during the year under review. The Company invested ₹59.90 cr in 2021-22, of which 100% was derived from internal accruals. This response is a reflection of our commitment to enhance long-term stakeholder value. The returns from this upgradation will result in a higher cash retention within the business (as opposed to paying lenders), making it possible to initiate the next expansion round through internal

accruals – a virtuous cycle. Besides, in addition to strengthening the quality of the business (effluent treatment plant, warehouse upgrade, R&D investment, new therapies and laboratory spending), we enhanced the quantity side of our business as well through a capacity expansion that is expected to be commissioned from the 2023-24. The new manufacturing block at Parshuram Lote will enhance the unit's production capacity by 35%; the new manufacturing block at Ambarnath will enhance the

unit's production capacity by 12%. These initiatives will strengthen our backward integration where we can increase the proportion of resources derived from within our business. A larger business will strengthen the addressal of CMO/CDMO opportunities and generate additional economies, enhancing our profitability.

**How we intend to enhance shareholder value**

<p><b>Best practices</b> Enhance best practices across operations, regulatory, quality, EHS and HR practices</p>	<p><b>Integration</b> Enhance the proportion of resources derived from backward integration</p>	<p><b>Regulated</b> Enhance revenues from regulated markets</p>	<p><b>Research</b> Increase R&amp;D spending that deepens our competitiveness</p>
<p><b>EHS</b> Increased EHS focus that enhances our respect and recognition</p>	<p><b>Utilisation</b> Increased focus on capacity utilisation, increasing our RoCE</p>	<p><b>Opportunities</b> Addressal of CMO/CDMO opportunities</p>	<p><b>Reward</b> Healthy dividend policy that balances reinvestment and reward</p>

# Emerging opportunities



Lote Parshuram site

## Capacity enhancement

Supriya is currently upgrading its infrastructure at the Lote Parshuram site (approved by USFDA on three occasions) to create an R&D center, warehousing, administrative and effluent treatment.

The Company commenced the replacement of its legacy manufacturing block of 145 kl capacity with a 350 kl replacement (with a provision for an additional

manufacturing block). A new manufacturing block, R&D facility and pilot plant are being commissioned in Ambernath. These projects could drive total capacity from 547 KL to about 810 KL.

The Company leased 80,000 sq metres at Isambe Industrial Park from Maharashtra Industrial Development Corporation (MIDC) to manufacture pharmaceutical ingredients and

drug intermediates. The existing manufacturing facilities are expected to be fully utilized by 2024-25, following which the new MIDC allotment could address prospective requirements.

## New products and markets

The Company seeks to expand its controlled drugs portfolio. A couple of potential APIs in the anti-

diabetic and central nervous system segments are under development.

The Company is engaged with more than 1,200 customers across

86 countries and embarked on an expansion in North America, Japan, Australia and New Zealand.

## CMO and CDMO

The Company seeks to leverage its rich experience in handling hazardous complex process chemistries. It initiated discussions

with prospective supply chain partners.

It is working on nine projects, having started process development. It will pursue additional CMO/CDMO opportunities.

## How are we de-risking our future growth potential

- By adding new APIs in existing and newer therapies, diversifying its product mix
- By adding new customers

- By adding new geographies
- By adding manufacturing blocks outside the main facility at Lote Parshuram such as Ambernath and Isambe (near Patalganga)

- By converting CMO/CDMO opportunities
- By diversifying the supplier base and reducing its dependence on imports

## Our business model #1

# We are present in growing therapy areas

## Allergic rhinitis and asthma

### The reality

- More than 600 million people suffered globally from allergic rhinitis, 2016
- Poses a substantial socio-economic burden regardless of geography, development status and economic position
- High prevalence in Indian subcontinent (24% in children, 13–14 years)
- 15 million disability-adjusted life-years lost; 250,000 asthma deaths reported globally (WHO).

### Our presence

- We manufacture oral antihistamines; best compliance among recommended drugs
- Addresses allergies, stomach problem, cold, anxiety and others

### Our scale

- Largest global manufacturer of some APIs in the anti-histamine range
- Major global anti-histamine medication supplier

- Largest chlorphenamine maleate exporter
- Producer of phemiramine maleate, brompheniramine maleate, dex-chlorpheniramine maleate, mepyramine / pyrilamine maleate and dexbrompheniramine maleate
- Producer of Cetirizine DiHCL and Diphenhydramine HCL anti-allergic products
- Among the largest exporters of salbutamol sulphate in India

## Chronic cough

### The reality

- Prevalence of chronic cough syndrome is around 10% globally
- Previously known as a symptom of other diseases; on account of its high prevalence, chronic cough is now considered as a standalone entity

- Spain reported the highest total prevalence with 4.6% in all ages (associated with smoking) and the lowest was in the US at 1.5%
- Increasing occurrence linked to factors like smoking and air pollution (World Bank)

### Our presence

Producer of API products that address cough and generate brain signals that activate cough reflex

### Our scale

Producer of Dextromethorphan Hbr for cough relief

## Malaria

### The reality

- 241 million malaria cases and 627,000 malaria deaths reported worldwide (2020)
- India accounted for 83% malaria cases in the South-East Asia
- Children and pregnant women most vulnerable due to weak

immunity (World Malaria Report 2021)

### Our presence

- Treat acute uncomplicated malaria
- Address uncomplicated plasmodium falciparum malaria.

### Our scale

- Developed artemether, lumefantrine and anti-malarial drugs
- Produced quinine sulphate capsules

## Vitamin B12 deficiency

### The reality

- Vitamin B12 vital for brain, nerves and red blood cell production
- Caused by low intake of animal foods or food malabsorption
- Vegetarians generally prone to vitamin B12 deficiency
- Unfavourable consequences on pregnancy, vascular, cognitive, bone and eye health.

### Our presence

Manufacture drugs promoting natural occurrence of vitamin B complexes in the body

Products address pernicious anemia, diabetes, cyanide poisoning and other conditions

Manufacture of Mecobalamin to treat the deficiency

Produce Riboflavin 5-Phosphate Sodium, a water-soluble and essential micronutrient

### Our scale

We manufacture APIs for the treatment of vitamin deficiency.

## Hypertension

### The reality

- More than 26% of the world's population suffered from hypertension; expected to rise to 29% (2025)
- High prevalence of hypertension contributes to heart disease and stroke, the first and third leading causes of death worldwide
- India ranked 193rd for women

and 170th for men in the rate of hypertension diagnosis (among 200 countries) coupled with one of the lowest diagnosis rates and low awareness (Medscape.com)

### Our presence

- Manufacture efficacious oral vasodilatory and antianginal drugs
- Obstructs epinephrine in blood

vessels; reduces strain, heart rate and blood pressure

### Our scale

- Develop bisoprolol fumarate, a beta blocker
- Manufacture Nicorandil, marketed in UK, Australia, Europe, India, Philippines, Japan, South Korea and Taiwan

## Other product offerings

### Analgesic drug

#### Our presence

- Analgesic/anesthetic drug eliminates pain and discomfort during medical tests or procedures
- Calms nervous system and helps reduce extreme pain in adults.

#### Our scale

- Developed Ketamine Hydrochloride, enabling a patient to sleep during surgery
- Largest Ketamine Hydrochloride exporter
- Produced Hydrochloride, a pain medicine-alike opioid.

### Xanthine derivatives

#### Our presence

- Ensures smooth blood flow, reaching oxygen to tissues and organs
- Moderates symptoms of intermittent claudication (abnormal muscles pain)

#### Our scale

- Develops Pentoxifylline; facilitates better blood flow in the body

### Anti-gout drugs

#### Our presence

- Addresses gout and kidney stones
- Helps to reduce high uric acid levels in patients receiving cancer chemotherapy (high uric acid result in gout and kidney-related complications)

#### Our scale

- Major supplier of Allopurinol in India



## Business model

# The strength of our business model

### Overview

At Supriya Lifescience, we have deepened competencies in the way we do business.

These competencies have been aggregated and inter-linked, creating a robust competitive framework.

This framework has been designed to generate sustainable

multi-year business robustness

This robustness promises best returns in good markets and the best resilience in weak markets

This robustness is not an end in itself; it has been designed to enhance value for all the Company's stakeholders

The strengths have been woven around a simple aspiration – the largest scale, the lowest cost, the highest margin, the greatest focus on regulated markets and the widest head room for sustainable growth

### Core capability

#### Research-driven

The Company has invested in research talent, equipment and infrastructure with the objective to strengthen processes, improve existing products, strengthen drug delivery systems and widen product applications, enhancing our overall competitiveness

#### Size

The Company has selected to be present in large therapeutic areas (common cold, cough and flu) that are likely to ride a growth in population and lifestyles.

#### Molecule identification

Our core capability lies in the ability to identify niche generic and value-added molecules (off-patent) in under-crowded therapeutic spaces, leveraging our chemistry and production capabilities, coupled with an attractive growth headroom

#### Diversification

The Company has progressively broad-based its product portfolio to minimize risks arising from an over-dependence on any specific therapeutic area. The result is that the Company possesses a diversified product pipeline, responding to diverse market developments

#### Integration

The Company has integrated backwards to the manufacture of intermediaries, enhancing resource security on the one hand and lower costs on the other, strengthening sustainability across market cycles

## Operating capabilities

### Manufacturing

The Company has invested in large manufacturing units (₹128 cr in the four years ending 2021-22) comprising one manufacturing block, equipment upgrade and debottlenecking facilities comprising cutting-edge technologies, deepening its specialization

### Quality

The Company has created an overarching quality culture that begins from capex design to raw material procurement to manufacturing processes to final product outcomes, aligned with global benchmarks, customer needs and proprietary operating standards.

### Beyond India

The Company is a global citizen of Indian origin, deriving 76% of its revenues from exports and 53% of revenues from regulated markets. The Company's products were exported to 86 countries in 2021-22; exports increased 31.60% during the year under review

### Overheads

The Company is competitive across markets, business cycles and products largely on account of optimum resource allocation, reflected in a relatively low capital cost per ton and low manufacturing cost per unit

### Regulatory accreditations

The Company has more than 20 regulatory accreditations. The manufacturing facility is approved by regulatory authorities and withstood stringent regulatory and customer audits. This has enabled the Company to improve its margins and harness CMO/CDMO opportunities from reputed MNCs.

## Financial robustness

### Track record

The Company has demonstrated attractive financial growth across the last decade, reflected in an under-borrowed Balance Sheet, high EBITDA margins, growing net worth, virtually no debt and steady cash flows

### Outperformance

The Company grew revenues 19.50% compounded in the four years ending 2021-22 compared with a sectorial growth average of around 8.3%

### Gearing

The Company has become debt-free (long-term debt), indicating the business has been consistently grown through net worth. The Company's working capital sanction was ₹57 cr from banks as on March 31, 2022, 1.43% of net working capital.

### Liquid

The Company possessed cash and cash equivalents of ₹165.78 cr as on March 31, 2022, which addressed its working capital needs and generated positive operating cash flows (achieved every year since incorporation). Interest cover was a high 50.37 during the year under review.

### Funds cost

The Company leveraged the power of its Balance Sheet to moderate the cost of working capital debt down to 3% in 2021-22 (11% in 2020-21).

**Holistic picture**

# Our Stakeholder Value-Creation Report, 2021-22

**Overview**

One of the most important developments of the last decade is an openness to measuring the value created by companies in a holistic manner that extends beyond the financial to social and other measures.

This approach mitigates the limitations of a traditional communication approach with a holistic framework that integrates

'hard' and 'soft' initiatives realities of a company into a unified format.

This approach makes it possible to overlook a handful of one-off profitability drivers and extend to more enduring realities of business sustainability; besides, there is a premium on the need to extend business focus from only addressing shareholder needs to enhancing long-term stakeholder value.

This report explains to financial capital providers how the Company enhances value for all stakeholders, including employees, customers, suppliers, business partners, local communities, legislators, regulators, investors and policy makers. What makes this approach fulfilling is that each Capital is interconnected, putting a premium on the need to service all capitals for the Company to stay truly sustainable.

**Financial capital**

The financial outcome that we seek to generate are based on the funds we assemble from investors, promoters, banks and financial institutions through net worth, debt and accruals – ₹615.69 cr of net worth and ₹21.30 cr of debt as on March 31, 2022.

**Manufactured capital**

Our manufacturing capital comprises assets, facilities, technologies and equipment for production and general business conduct – a gross block of ₹213 cr.

**Social and relationship capital**

The Company deepened relationships with communities and partners (vendors, suppliers and customers) that enhanced business visibility and predictability

**Human capital**

Our human capital / workforce comprise management employees, doctors, chemists and researchers – 374 as on March 31, 2022 – who influence strategy, implementation and sustainability

**Intellectual capital**

The Company invested in a strong Business development, R&D and technical operations team. Despite the turbulence and volatility in 2021-22, the Company reported growth of 35.50% in operating revenue and maintained a healthy EBITDA margin of 40%.

**Natural capital**

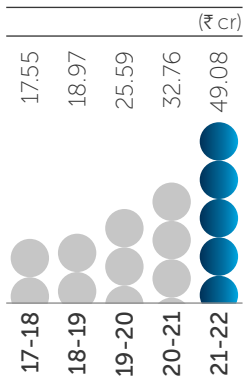
The Company regularly engages in environment initiatives, comprising an investment in pollution control assets and green cover, strengthening the Company's commitment to reduce, recycle, restore and increasingly migrate towards renewable energy



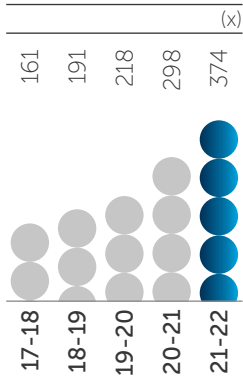
**Enhancing stakeholder value**

**Our employees**

represent the aggregate knowledge resident within our enterprise across functions (funds procurement, process management, marketing, research and dispatch etc.).



**Salaries and wages**

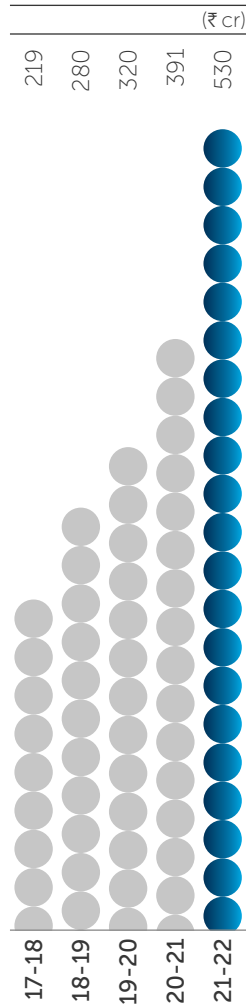


**Number of employees**

The Company has increasingly invested in employee numbers and remuneration, a scalable foundation for sustainable growth

**Our customers**

keep us in business through a growing demand for our products, enhancing revenue visibility.

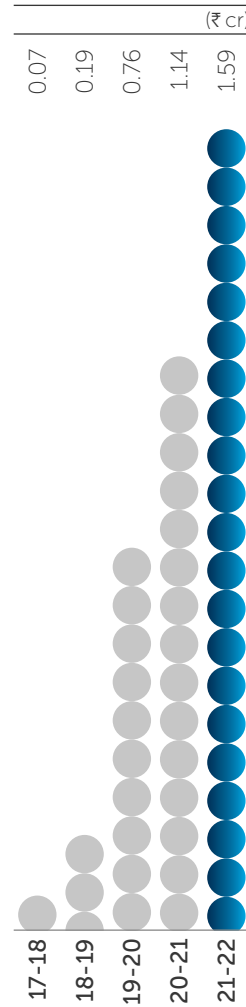


**Revenues**

The Company increased its revenues 19.50% CAGR in the three years ending 2021-22, indicating a growing customer traction

**Our communities**

provide the social capital (education, culture education, health, environment etc.) that makes it possible for us to draw on social value.

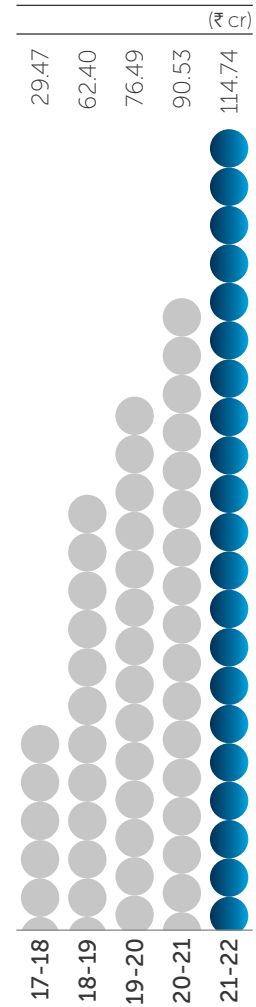


**CSR investment**

The Company enhanced community value through distribution of food rations, provision of education and environmental initiatives.

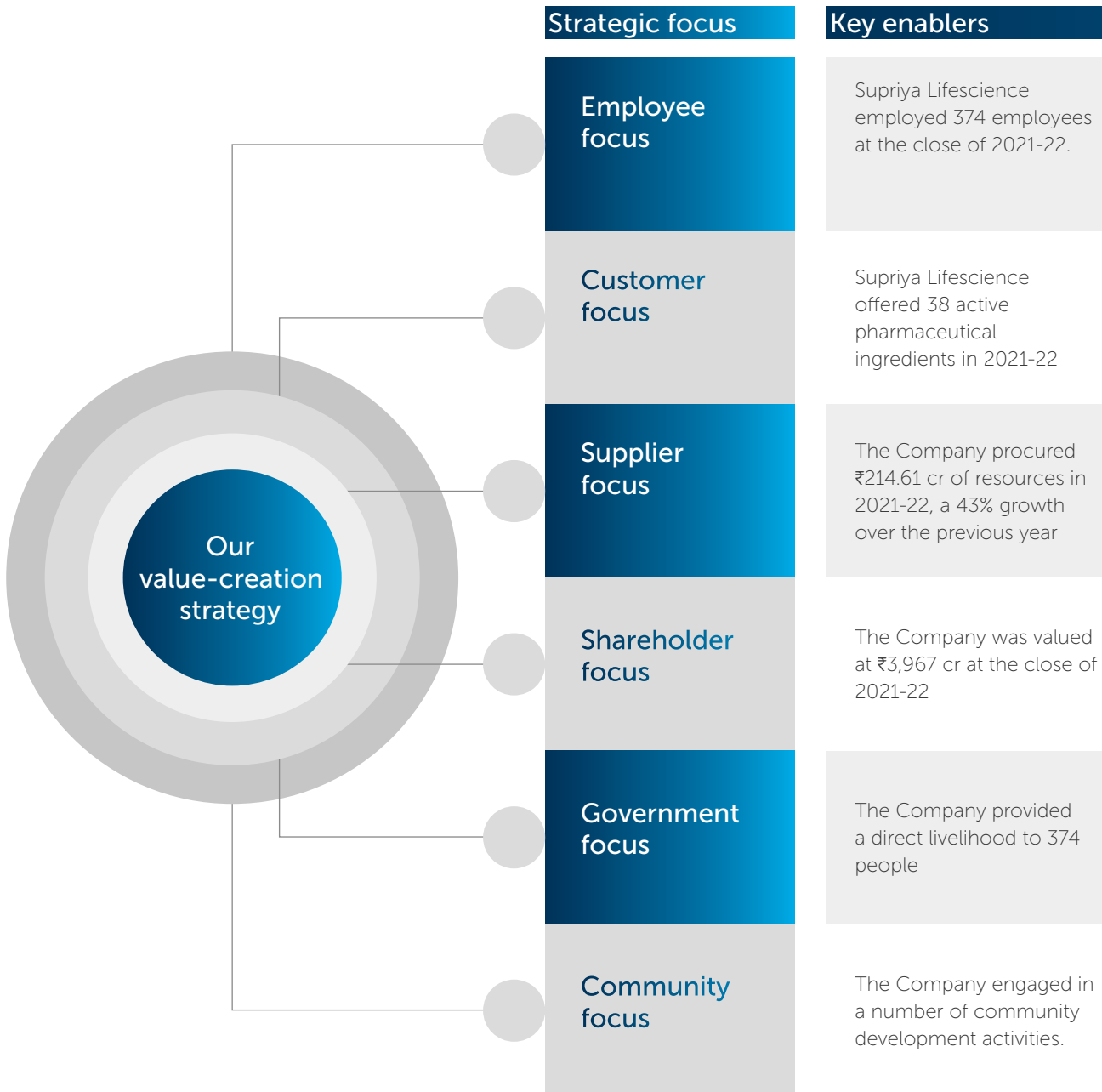
**The government**

(Central and State) provide a stable structural framework that ensures law, order and supporting policies.



**Taxes paid**

The taxes paid by the Company have helped the country build common infrastructure, strengthening its presence as a responsible corporate citizen.



**Value created for our stakeholders**

<p><b>Financial capital</b></p> <p>Turnover: ₹530.05 lac</p> <p>Earnings per share: ₹18.86</p> <p>RoCE: 33.29%</p>	<p><b>Manufacturing capital</b></p> <p>Number of customers serviced: 1200+</p>	<p><b>Human capital</b></p> <p>Employees: 374</p> <p>Average age: 32</p>	<p><b>Social and relationship capital</b></p> <p>Number of CSR beneficiaries: 7</p>
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Employees were collectively remunerated ₹49.08 cr in 2021-22, a 49.81% increase over 2020-21.

17% employees had been working for five years or more in 2021-22.

Average employee age was 32 as on March 31, 2022.

The Company enjoyed a people retention of 83%

The Company focused on diverse therapeutic segments (anti-histamine, analgesic, anesthetic, vitamins, anti-asthmatic and anti-allergic)

The Company generated 53% revenues of 2021-22 from regulated markets

The Company generated 63% of revenues from customers of 5 years or more in 2021-22

The Company focused on diversifying its supplier base for key raw materials, which included import substitution.

The Company had a base of 38 principal resource suppliers in 2021-22.

45% vendors were associated with the Company for 5+ years.

The Company reported a 22.95% increase in profit after tax in 2021-22.

The Company's net worth increased 129% to ₹615.69 cr in 2021-22

The Company's receivables and working capital load moderated

The Company's exports grew 31.60% in 2021-22

The Company paid ₹114 cr in tax in 2021-22

The Company focused on education, food relief, sports and health.

The Company spent ₹1.59 cr in its CSR activities in 2021-22.

## Value shared with

### Investors

The Company's investors benefitted through dividends and capital appreciation

### Employees

Remuneration worth ₹49.08 cr was provided by the Company to employees

### Customers

The Company generated ₹530 cr in revenues from customers

### Vendors

The Company enhanced vendor value through enhanced offtake

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How we intend  
to enhance  
shareholder value

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We possess a  
clarity of why we  
are in business

We will deepen  
our governance,  
enhancing investing  
confidence

We will  
communicate  
our medium-term  
strategy to achieve  
that clarity

Our  
value-creation  
roadmap

We expect to  
reward shareholders  
directly (dividends)  
and indirectly (market  
valuation)

We will decode our  
sustainability-driven  
business model

We will prepare  
shareholders of what  
they may expect



## Research investment

At Supriya Lifescience, we believe that the driver of all our growth comes from the power of differentiated research. Until the close of 2021-22, the Company had invested ₹4.15 cr in cutting-edge research (equipment and infrastructure), accounting for 2% of its gross block. During the year under review, R&D expenses accounted for 0.31% of the Company's revenues. The Company intends to increase its research spending, making it the principal catalyst of its profitable growth, capturing high-value first-to-market opportunities in key international markets, developing advanced treatment options, expanding into niche therapeutic areas, achieving technical competitiveness and enhancing cost efficiency. We are setting up two R&D centres to comprise a synthetic laboratory, pilot plant analytical development laboratory and chemical store. We are investing in new API development, CMO/CDMO opportunities and also lifecycle management of existing APIs.

## Therapy areas

At Supriya Lifescience, the most visible outcome of our research will be in our deepening or widening therapeutic presence - anti-histamine, analgesic, anesthetic, vitamin, anti-asthmatic and anti-allergic therapy areas. We will not only deepen our presence in each through the introduction of new products; we will also widen our presence to areas (anti-gout, anti-depressant, anti-anxiety, anti-convulsant and hypnotic) that make it possible for us to leverage our chemistry capabilities on the one hand and address a large growth headroom on the other

## Accelerated filings

As of March 31, 2022, we had filed 14 active DMFs with the USFDA and eight active CEPs with EDQM for our API products in the antihistamine, analgesic, anesthetic, vitamin, anti-asthmatic and anti-allergic therapeutic areas. We will develop and file more DMFs in niche and differentiated areas. Our R&D team

had filed three process patents in India as of March 31, 2022 and will develop and file more process patents.

The Company will seek to validate accelerated filings with prominent regulatory agencies the world over.

## Business investments

The logical extension of our research competence lies in the quantum of our growing capital expenditure - ₹127.38 cr of capital expenditure in the four years ending 2021-22 and an estimated ₹230 cr across the years ending 2024-25. We generally invest in business spaces that generate an attractive payback – an estimated asset:turnover ratio of 3.0 coupled with a healthy EBITDA margin. This capital expenditure will comprise investments for setting up new manufacturing blocks at Lote Parshuram and Ambernath and also enhancing capacity and capabilities in our existing manufacturing blocks at Lote Parshuram.

## Big numbers

### Research investment

4.15

₹ cr, spent on R&D capex till 2021-22

0.31

Research as a % of the Company's revenues, 2021-22

### Therapy areas

40.50

% of revenues from the largest therapy area, 2021-22

91.28

% of revenues from the five largest therapy areas, 2021-22

### Accelerated filings

14

DMF filings until the close of 2021-22

8

CEP filings with EDQM

### Integrated approach

Even as the Company is engaged in increasing API manufacturing capacity (existing and new products), it will continue to invest in the manufacture of intermediates (raw material for APIs). The Company is integrated backwards for 12 existing products and is in the process of integrating backwards for existing and new products. This dual approach will progressively secure our resource supply, enhance our value chain, strengthen our working capital efficiency, moderate imports and enhance products availability, enhancing our resilience in volatile markets.

### Regulated markets

The Company’s significant outperformance in the last four years has been derived from its growing presence in regulated markets, marked by better realisations and relatively low competition. The proportion of the Company’s revenues derived from the regulated markets was

34% in 2017-18 and 53% in 2021-22; however, exports increased from ₹147 cr to ₹392.52 cr between the terminal years. In the last four years ending 2021-22, exports increased at a CAGR of 21.73% even as the Company’s revenues increased 19.50%. We believe that the key to the Company’s capacity to sustain high margins on the one hand and high percentage revenue growth are based on how it deepened its presence in these regulated markets. What provides optimism is that the North America, EU and Japan region of our developed market revenues would contribute in a larger way in the foreseeable future.

### New business engagements

The Company recognizes a growing need of customers the world over to engage in contract development and manufacturing or contract manufacturing engagements with back-end product providers. We perceive this to be an area with growing prospects in a world where

customers need to secure their supply chains, strengthening our revenue visibility.

### Strengthen operational excellence

We intend to leverage fully integrated, multi-purpose and scale-up facilities. We embraced cGMP manufacturing standards to standardize quality control and assurance. We will enhance customer confidence through cGMP and manufacturing capabilities that extend from investigational to commercial scale development programs, addressing regulatory standards. We believe that going ahead, this approach will make it possible for us to control costs while enhancing output, strengthening profitable growth.

#### Business investments

127.38

₹ cr of capital expenditure in the four years ending 2021-22

230

₹ cr of projected capital expenditure in two years ending 2024-25

#### Exports

69

%, of revenue generated from exports in 2017-18

75

%, of revenue generated from exports in 2021-22

#### Regulated markets

34

%, proportion of the Company’s revenues derived from regulated markets, 2017-18

53

%, proportion of the Company’s revenues derived from regulated markets, 2021-22

# The drivers of our business excellence



## Manufacturing

### Overview

Manufacturing excellence is key to success in a globally competitive API business.

Manufacturing competence comprises the ability to sweat installed capacity, moderate conversions costs, produce a

wide products range and deliver a consistently high quality (first time right).

### Strengths

**Showpiece:** The Company comprises a modern manufacturing facility in Parshuram Lote, Maharashtra

**Scale:** The Company's capacity expansion is expected to double manufacturing capacity in three years, facilitating capacity accretion at a low cost

**Allocation:** The Company's four manufacturing blocks are segregated across therapeutic segments, enhancing focus

**Responsibility:** The Company invested in an effluent treatment plant; it operates five cleanrooms that address GMP requirements

**Technology:** The Company possesses robust manufacturing technologies that deliver a consistently high quality

**Equipped:** The Company's manufacturing facility comprises areas for R&D, quality control (chemical microbiology), quality assurance, engineering maintenance, warehouse, materials and stores

**Ability:** The Company's manufacturing capabilities comprise the development of simple to complex chiral centre molecules, marked by a track record in working with complex chemistries at a large scale.

**Integration:** The Company is integrated from the manufacture of APIs to the manufacture of intermediates, strengthening value-addition and supply chain security

**Expertise:** The Company possesses expertise in different classes of reactions (Friedel-Crafts acylation, Grignard reaction, decyanation, high pressure catalytic reductions, high vacuum distillations, nitration, bromination, cyclisation, etherification, formylation and oxirane)

## Achievements, 2021-22

The Company increased batch sizes following higher capacity utilization and implementation of superior technologies (isolation and drying products).

The Company approved significant capital expenditure to sustain growth; raw materials and finished goods warehouses were under expansion.

The Company commissioned a new manufacturing block with 215 kl capacity.

The Company augmented waste water treatment and solvent recovery facilities.

The Company moderated costs following increased batch size.

The Company set up two new clean rooms.

The Company acquired a plot of land (12,400 square meters) near its existing manufacturing facility and a plot on lease measuring 80,000 square meters at Isambe.

The Company initiated the construction of a new warehouse and administration block, including a new quality control and assurance laboratory.

The Company's facilities were audited and approved by more than 100 customers and regulatory authorities; it was accredited with certifications from Health Canada, WHO-GMP, FamiQS, ISO9001:2015 and Halal, among others.

## Outlook, 2022-23

The Company expects to witness a robust growth in 2022-23 with growth in key products and addition of new products. The Company will continue to focus on improving its infrastructure to facilitate

debottlenecking of its capacities and developing new manufacturing blocks. The Company approved capital expenditure plans and initiated expansion of manufacturing with allied infrastructure and R&D

to meets its long-term growth objective. The new capacities are expected to be operational in phases during 2023-24.

## Big numbers

53

% revenue generated from products that were backward integrated, 2017-18

68

% revenue generated from products that were backward integrated, 2021-22

71.27

% capacity utilization, 2020-21

46.46\*

% capacity utilization, 2021-22

\*During the year, a new manufacturing block was commissioned. Typically it takes a new mfg block 1 - 1.5 years to reach peak capacity. Manufacturing blocks set up earlier were operating at optimal capacity utilization.

The drivers of our business excellence



## Overview

- Procurement of key starting materials, solvents, excipients, common raw materials and catalysts
- Sustains business continuity.
- Focused on timely cost-effective procurement of the right resource quantity and quality
- sourced from India, China, South Korea and Belgium

## Strengths

**Location:** Manufacturing locations proximate to air and sea ports

**Responsive:** Ensures that empty containers return to the port within 30-36 hours from the date of custom clearance; no rent or detention charges

**Suppliers:** Engaged with approved and broad-based suppliers; diverse access to raw materials

**Partners:** Engaged with dependable transportation partners; timely deliveries

**Plan:** Structured plan makes procurement planning smooth.

**Diversification:** Diversified sourcing across the globe with little or no dependence on any specific geography.

**Home advantage:** Developed indigenous suppliers for key raw materials

## Challenges and counter-initiatives

The two waves of the pandemic, the shutdown of manufacturing plants in China and the Ukraine-Russia war, resulted in delays in import and export shipments, leading to

an increase in the price of solvents. The Company built its inventory by ordering bulk raw materials and solvents in advance to avoid price shocks. The team was closely

co-ordinating with agents and customers to minimize shipment delays.

## Achievements, 2021-22

Responded with speed to logistical upheaval (container shortage, increased freight costs)

Engaged actively with customers during the pandemic to minimize delivery disruptions

Leveraged a broad-based vendor base to enhance procurement stability

Growing proportion sourced from within (backward integration)

Engaged selectively in annual import contracts, protecting costs and availability

Reduced domestic procurement time by 20-30%

## Outlook

Proposed expansion to enhance procurement volumes

Increased procurement to enhance related economies

Ensuring minimum supply disruption by diversifying vendor geographies

The drivers of our business excellence



## Research & development

### Overview

- Principal business driver
- Focus on new products and processes
- Competitive edge that enhances productivity and profitability

### Strengths

**Aim:** Development of new molecules with a novel cost-effective approach without patent infringement

**Co-creation:** Collaborates with customers for innovative, cost-effective and safe process development

**Track record:** Delivered APIs and intermediates worldwide for 35+ years

**Life cycle:** Engaged in product life cycle management

**Validation:** Division approved by the DSIR, Ministry of Science and Technology, Govt. Of India

**Partnership:** With internationally acclaimed educational institutes like Institute of Chemical Technology, Mumbai.

**Capability:** Addresses complex chemistries (High vacuum distillations, grignard reaction, fridel craft acylation, decyanation, etherification, formylation, high pressure catalytic reductions, bromination, nitration, oxirane)

### Achievements, 2021-22

**Efficiency:** Improved efficiencies of existing products and ensuring manufacturing process complies with stringent dynamic regulatory requirements

**Upgradation:** Scaled two products; benefits from 2022-23

**Addition:** Initiated working on new molecules

**Design:** Finalized design for a R&D centre with a larger capacity

**Process safety:** Replace the use of hazardous chemicals with environmentally safe alternatives

**CDMO:** Embarked on nine projects with international companies; made rapid progress

### Outlook

Setting up of two R&D centres and a pilot plant, which are expected to be commissioned in 2022-23 and 2023-24

Deepen a culture of products safety and quality

Deliver new CDMO projects

Deliver four new complementary products from the expanded R&D facility

The drivers of our business excellence



### Overview

- Quality control and assurance is increasingly becoming a core business differentiator
- Growing premium on product safety following the pandemic
- Greater focus on safety, consistency and predictability

### Strengths

**Approvals:** Manufacturing facilities approved by USFDA, Health Canada, WHO-GMP, ISO9001:2015, FamiQS, Halal, EDQM etc. for site and products

**Structure:** Every manufacturing plant has a defined process around cGMP and TRS guidelines

**Infrastructure:** Quality control laboratory complex driver of best industry practices

**SOP:** Business driven by standard operating protocol aligned with pharmacopeias and regulatory

guidelines

**Discipline:** Engaged in sampling, testing and product release following evaluation of critical quality attributes

**Monitoring:** Monitors deviations, incidences, out-of-specification and out-of-trend parameters in quality management system

**Review:** Annual product quality review to verify process consistency and appropriateness

**Standards:** Dedicated to enhance product quality through quality

systems, standards and practices

**Environment:** Manufacturing facility comprising waste management and environment protection systems

**Event:** Celebrated Quality Week to enhance its quality awareness, teamwork and excellence

**Robust system:** The Company enhanced product quality and customer satisfaction through the development and implementation of quality systems, standards and practices.

### Achievements, 2021-22

- Adopted latest cGMP manufacturing standards to deepen product quality standardisation
- Audits (benchmarked as per global regulatory agencies) validated quality consistency
- Employees were periodically trained around the latest quality norms and standards
- Deepened multi-stage quality checks to monitor product development.
- Stringent finished products testing before market release
- In-market product quality to ascertain product quality
- Reduced testing errors significantly through team working, root cause identification, corrective and preventive actions, SOP revision and training
- Eliminated process redundancy; reduced operational errors; used recycled solvents; increased batch size and quantities
- Received 2.1% customer complaints; 1% complaint valid (product quality compliance 99%)

The drivers of our business excellence



# Information technology

## Overview

- Technologies transforming with speed
- Use of advanced technologies increasingly relevant
- Companies driven more by digital technology than ever before

## Strengths

Invested in best-in-class technologies  
Strengthened workflow, cost economy, productivity efficiency, quick decision-making, secure remote working and services in real-time

Investment in cutting-edge software and services (ERP, G Suite, MPLS link, among others)  
Adapted ERP around a single system; enhanced business transparency,

productivity, consumer service and business forecasting

## Achievements, 2021-22

**Reliable:** Outsourced MPLS (multi-protocol label switching) link, providing superior, secure and reliable network performance

**WFH:** Facilitated working-from-home through adequate hardware

**Collaborative:** Adopted a collaborative approach; deployed a G suite video-conferencing solution to enhance team productivity and engagement

**Investments:** Invested in enterprise grade firewalls to safeguard the internal systems and give SLL-VPN secure access to WFH users; invested in failover link line

**Uptime:** Delivered 100% system uptime

**Security:** No high-flagged threat events in terms of data breach or any other malicious attack despite working remotely were reported

**Reinforcing manpower:** Appointed a full-time IT expert at the head office and plant to enhance systemic effectiveness

**Plant automation:** The new manufacturing block commissioned in 2021-22 comprises automated equipment, increasing efficiency, quality and productivity.

## Technology investments till 2021-22

**28.50**  
₹ lac, total spend on technology

## Outlook

The Company has switched from G suite to Microsoft 365 (with SharePoint), acting like an intranet portal for learning management system, training management system and document management. The Company intends to leverage emerging technologies, strengthening business robustness and focus on automation for existing as well as upcoming manufacturing blocks.



The drivers of our business excellence



## Overview

- Larger and wider global markets than ever
- Cross-flow of products across countries
- Deeper emphasis on compliances, marketing, recall and reach
- Premium on reaching prospective customers directly or through experienced distributors

## Strengths

Prominent positioning as a key supplier within the therapeutic areas of presence

Diversified products portfolio across therapeutic areas  
Securing delivery and resource procurement

Presence in 86 countries, marked by enhanced batch sizes to address demand growth

## Achievements, 2021-22

- 76% revenues derived from exports
- 63% revenues derived from customers of 5 years or more; reached out to new customers as well
- 53% revenues from regulated markets
- Export basket grew 36.19%, predominantly in Europe, Latin America and ASEAN
- Exports to more than 86 countries
- to 1,200 customers (including 303 distributors)
- Participated in national and international trade fairs
- Conducted detailed discussions with customers to understand their demands; adapted with speed
- Engaged in virtual meetings with customers to counter pandemic restrictions
- Retained position as a major global supplier
- Launched products in anti-gout and decongestant therapies
- Filed 14 DMFs with USFDA and 8 CEPs with EDQM
- Dominated exports for products in the anti-histamine, anesthetics and anti-asthma therapies

## Outlook, 2022-23

- To market quality products around a superior price-value proposition
- Focus on growing the business in regulated markets like Europe, Japan and North America
- Leverage data analytics to evaluate API market potential across global markets

The drivers of our business excellence



# Human resources

## Overview

Increasingly competitive business being influenced by specialized talent (and knowledge)  
A deep knowledge pool that is competitive and sustainable

Knowledge being aggregated across technical, finance, technology, manufacturing, research and other capabilities  
Marked emphasis on prudent recruitment, performance-based compensation, team working,

periodic upskilling and operational safety  
Strengthened human resource by hiring senior level personnel in operations, research and business development

## Strengths

**Competence:** 85% of employees possesses technical or professional degrees  
**Open:** Workplace culture built around trust, commitment and knowledge sharing

**Fair:** Merit-based work environment, enhancing fairness and trust  
**Job satisfaction:** Introduced flexi time; switched to a five-day work week  
**Code of Conduct:** Detailed

document that enhanced employee clarity and confidence  
**Safety:** Launched a Safety Policy comprising the use of personal protective equipment, workplace hygiene, safety drills (fire, electrical and equipment)

## Achievements, 2021-22

Prioritized care and empathy; vaccinated 100% staff; provided relief to employees affected by the Chiplun flood; incentivized employee engagement during the pandemic

Introduced training programmes around health and safety, regulatory and quality upgrades, process safety and process improvements, warehouse management, plant & equipment maintenance and data integrity

Enhanced quality standards and productivity; reduced down time; increased product registrations in regulated markets.

## Outlook, 2022-23

- Continue hiring across business functions with a focus on sustained training and development
- Propose incentive plans to catalyze new ideas, superior performance, stronger compliances and better operational practices.

## Big numbers

### Employees

218	298	374
2019-20	2020-21	2021-22

### Average age

34	34	32
2019-20	2020-21	2021-22

### Employees by gender (Male)

180	253	331
2019-20	2020-21	2021-22
83%	85%	88%

### Employees by gender (Female)

38	45	43
2019-20	2020-21	2021-22
17%	15%	12%

### Employees by age group (22-35)

145	188	263
2019-20	2020-21	2021-22
67%	63%	71%

### Employees by age group (36-45)

40	58	63
2019-20	2020-21	2021-22
18%	19%	17%

### Employees by age group (40-60)

33	52	48
2019-20	2020-21	2021-22
15%	17%	12%

### Profile of employees as per education

#### Graduates

75	111	164
2019-20	2020-21	2021-22
34%	37%	44%

#### Masters

67	99	126
2019-20	2020-21	2021-22
31%	33%	34%

#### Engineers

14	16	19
2019-20	2020-21	2021-22
7%	6%	5%

#### MBA's

5	6	6
2019-20	2020-21	2021-22
2%	2%	2%

## Profile of employees as per education

### Chartered accountants

2019-20	2020-21	2021-22
1	1	1
0%	0%	0%

### Diploma holders

2019-20	2020-21	2021-22
3	5	5
1%	2%	1%

### Non-graduates

2019-20	2020-21	2021-22
53	60	53
24%	20%	14%

## Person-hours invested in training

2019-20	2020-21	2021-22
4,200	5,952	7,704

## Employee cost as a % of total revenue

2019-20	2020-21	2021-22
7.93%	8.27%	9.13%

## Revenue per employee (₹ in cr)

2019-20	2020-21	2021-22
1.48	1.33	1.62

## People retention rate (%)

2019-20	2020-21	2021-22
83%	91%	83%

## Employees of more than 5 years (as % of total)

2019-20	2020-21	2021-22
31%	21%	17%

## Health and safety – incidents

2019-20	2020-21	2021-22
0	1	0

## Average remuneration per employee (₹)

2019-20 (Per Annum)	2020-21 (Per Annum)	2021-22 (Per Annum)
7,15,138	6,95,272	7,49,832

## Training coverage of the organization (in % terms)

2019-20	2020-21	2021-22
100	100	100

## Person-years of organisational experience

2019-20	2020-21	2021-22
1,316	1,329	1,247

# What our employees have to say about working in our Company



“‘Creating value’ is how I would describe my 11-year journey at Supriya. The work environment is growth-oriented, hence positive. We get opportunities to enhance our domain knowledge. My most cherished memory is being felicitated for my contribution towards the Company’s successful IPO.”

**Prashant Arun Rahate**  
Assistant Manager, Accounts



“Before launching a product, the Company consults external experts to ensure that its proposed product is fit for use. A large part of the Company’s success is traced to high quality standards, resulting in customer trust. This explains why the Company dominates the market for products like chlorpheniramine maleate, ketamine hydrochloride and salbutamol sulphate.”

**Samir Umesh Takale**  
Deputy Senior Manager, Quality Control



“At Supriya, we don’t have a boss-employee culture where the *maalik* will dictate and the employee will be subservient. The result is a respect for people’s capability and knowledge. I joined following graduation and if I am still here it is because Supriya encouraged me to grow. If the employee grows, the Company grows – and vice versa.”

**Arvind Barku Salvi**  
Operator, Technical Operations

“At Surpiya, one will come across a number of employees who will proudly say, ‘Hum Supriya mein tab se hai jab se company ka turnover bas pachas crore tha...aaj ₹550 cr hai!’”

Gajanan Babaji Lambe, Operator, Technical Operations



“Satishji invited employees with their spouses – from the office boy to the senior management at the wedding of his daughters – at Radisson’s in Alibaug and Leela in Jaipur. All employees stayed at the same hotel as the Waghs!”

**Pavan Shankar Chaini**  
Purchase Executive



“‘Safe’ is how I would describe Supriya. We have a rule: If a female stays at the office post 6 pm, the Company will arrange for her conveyance home. During the pandemic, when most companies cut salaries, Supriya provided Covid incentives!”

**Shweta Shivdhari Singh**  
Company Secretary



“At Supriya, suggestions are heard by the senior management and the free-flowing interaction across departments is possibly the Company’s best feature. What motivates us the most is the annual party to appreciate employees for their contribution. In my view, ‘Delivery of quality products’ means Supriya!”

**Kalpesh Subodh Desai**  
Joined 2016, Marketing Executive



**"When the** Managing Director heard I had employed a baby-sitter, he added the baby-sitter's cost to my salary, ensuring that my daughter would be looked after while I was at work. This company treats employees as family!"

**Madhura Nandkishore Devne**  
Manager Export - Logistics



**"During the pandemic,** one of our employees committed suicide due to personal issues. Our management provided emotional and financial support to his family, apart from employing his daughter."

**Praveen Gajanan Kochika**  
Senior executive, R&D



**"The curious** word that comes to mind when I think of Supriya is 'heard.' That's right. Because at this company one is heard. At this company, the management values the employee's sentiment. At this company, decisions are not forced on employees. At this company, employees are encouraged to explore their respective domains to innovate."

**Baliram Balkrishna Kadam**  
Operator, Technical Operations



**"My cherished** Supriya memory was when we received our first regulatory inspection notice from USFDA in 2013. We were nervous; none of us possessed any prior experience. Our management encouraged us to believe in ourselves and the result is that we received our EIR report and USFDA approval."

**Shilpa Shashikant Pawar**  
Assistant Manager - Regulatory Affairs



**"We comprised** only a couple of small-scale manufacturing units in 2003; we now comprise five manufacturing units with cutting-edge technology. If there is one thing that tells me that the Company is interested in my growth it is the training programme and award functions. This is one company where talent meets opportunities."

**Suresh Gorakhanath Mohite**  
Joined 2003, Senior Manager, Production

**"About eight years ago,** my father was unwell. I was in need of funds. I wrote a letter to the MD. Within 48 hours, the money had been transferred to my account. Supriya ke liye jaan haazir hai!"

**Narendra Barku Badbe,** Operator, Technical Operations



**"The most** remarkable thing about Supriya is a courteous senior management across departments and hierarchies. The Company is fair, provides equal opportunities to the meritorious and is high on appreciation. This is an excellent place to build knowledge, experience and a career."

**Satish Krishna Agre**  
Joined 2008, Assistant Manager, Quality Check



**"The most** remarkable thing about working here is job satisfaction. The Company has an outstanding work environment with an approachable leadership team. The talent retention policy has been satisfactory and there are employees working in Supriya for more than 25-30 years. The one word that describes the Company is 'Unstoppable'."

**Ravasaheb Ramrao Yadav**  
Joined 2005, Deputy Site Head, Technical Operations



**"I joined** Supriya in 2011 and this is my second home. What I like best: issues are resolved speedily; good work is recognized; there is a seriousness of intent; it is a humane organisation. During the pandemic, many employees could not physically attend work at the plant. Their salaries were not deducted. If I had to sum the Company up, I'd call it Supriya Super Supriyan!"

**Mangesh Pratap Jadhav**  
Executive, Technical Operations

# Corporate social responsibility



CSR Activity under Satish Wagh Foundation

## Overview

- Greater awareness that corporate progress must reflect in community welfare
- Increasing recognition of CSR as a driver of organisational completeness
- Mandatory CSR-related extensive corporate disclosures
- Focus on healthcare, disabled people, education and rural development.

## Strengths

CSR initiatives driven by the CSR policy of the Company

CSR initiatives address capacity building and sustainable livelihoods

for the marginalized around our site.

## Interventions, 2021-22

The Company invested ₹1.59 lac in CSR initiatives

**Covid-19 support:** Supported the underprivileged community and police departments in Khed and Ratnagiri (Maharashtra) during the global pandemic, distributing more than 40,000 sanitizers, ~1,00,000 masks, multivitamin capsules and food grain, among others.

**Healthcare:** Helped build two Covid care centres in Lote, Ratnagiri; provided ICU beds, ventilators, centralized oxygen facility, oxymeters and essential equipment; contributed towards maintenance

**Education:** Contributed towards building schools and exhibitions; organized sports activities to increase professional and personal opportunities

**Rural development:** Provided computers, laptops, printers and other peripherals to educational institutes in rural Maharashtra

**Relief:** Distributed relief (drinking water, bedsheets, shawl, clothes, foods and others) to affected villages and districts following Cyclone Tauktae, Chiplun floods (Ratnagiri district) and other natural calamities.

# Environment, health and safety



Quality week at Supriya



## Overview

A commitment to environment, health and safety represents an essential part of a company's assurance that its operations, processes and products are responsible for employees, society and other stakeholders. In the modern world, any EHS under-delivery could invite censure, legal action, compensation claims, higher insurance premia, low

productivity or profitability as well as reputational damage. The result is that responsible EHS compliance is not optional or peripheral; it is integral to organisational success and sustainability.

A responsible EHS approach reinforces our performance in various ways.

**Environment:** Enhances brand

image of the Company resulting in better reputation among investors, customer and communities

**Health:** improves employee retention and lower absenteeism rates

**Safety:** improves employee safety thereby promoting confidence, productivity and less workplace injury and related claims

## Management's approach

At Supriya Lifescience, we are committed to provide clean, safe and a healthy work environment across our plants and offices. We follow all statutory requirements of environment, health and safety as stipulated by central and state governments.

The Company bears the overall responsibility of their worker's and

employee's safety and in line with this, has promoted EHS as central to its existence and personality.

The Company's EHS department ensures compliance and improvements. The department undertakes investigations into incidents with the objective to make improvements and prevent recurrence. It shares observations

to spread awareness. It conducts periodic audits to determine systemic efficacy.

At Supriya Lifescience, we are dedicated to ensure safe and accident-free operations across all our establishments. The Company's units are approved by prominent international regulatory bodies such as USFDA, EUGMP, EDQM, NMPA,



ANVISA, KFDA, Taiwan FDA, PMDA and TGA. The Company enhanced site infrastructure to improve health, safety and environment outcomes. The Company's on-site installations comprise a nitrogen blanketing system, centrifuge interlocks system, online continuous effluent quality monitoring system, oxygen / hydrogen detection, heat detection,

flammable vapour detection systems, smoke detection systems, auto sprinklers, FBD interlock system, tanker earthing monitoring system, lightning arresters, fire hydrant system, portable fire extinguishers and anti-static devices. Besides, the Company's effluent treatment plant is equipped to address responsible effluents treatment.

The Company provides personal protective equipment to safeguard employees. It periodically trains employees in safe working and without health risks. It organizes health checks of employees and provides ambulance facility, OHC centre, medical officer, first aid supports.

## EHS initiatives

- The Company is investing ₹19 cr in expanding its effluent treatment facility to 450 M<sup>3</sup> /day from 100 M<sup>3</sup> /day.
- The Company invested ₹1.25 cr in

antistatic flooring and devices in the powder processing area

- The Company initiated the expansion of its Occupational Health Centre.

- The Company invested around 4% of its turnover to enhance its EHS management system

## Achievements, 2021-22

The Company reported extensive improvements: following a stronger EHS framework, it reported an increase in production capacity from

750 MT/annum to 1,200 MT/annum, an more than four-fold increase in effluent treatment capacity and a declining incidence of injuries,

illness and accidents, underlining the Company's respect as a responsible corporate citizen.

# Health commitment

## Overview

The Company introduced initiatives to safeguard employees from accidents. The Company implemented a safe operating procedure to address hazardous processes and operations. All

manufacturing processes were permitted to be scaled only after being validated for safety. The Company employed skilled and trained workers to operate critical manufacturing processes. Its

equipped Occupational Health Centre addressed occupational mishaps. Well-stocked first-aid kits were available at the ETP and main gate.

## Health measures

- Pre-medical and annual medical check for all workers
- Periodic health monitoring
- Quarterly personal monitoring

## Health initiatives

- Installation of dust extractors in the powder processing area
- Provisions to scrub escaping gases
- Implementation of inertisation, an explosion protection process

## Achievements, 2021-22

- Enhanced safety awareness among employees

# Safety commitment

## Overview

Safety plays an essential role in operations since chemicals are a part of product manufacture. Some operations warrant the use of pressure reactions and corrosive chemicals, which can lead to serious damage to life or property in the event of process irresponsibility. The Company invested in a dedicated block so that processes warranting the use of corrosive chemicals or pressurized reactions could be conducted safely.

The Company engaged skilled talent to run operations within validated operational limits. Each manufacturing process step was carried out to safeguard the environment, talent and stakeholders.

The Board formulated safety procedures in line with statutory requirements. It instituted various committees comprising diverse experts across executive tiers participating in daily safety conduct.

The Company organized safety induction training for joiners, educating them on safety rules, procedures and protocols. In the event of safety violations, the Company's four-stage approach comprised awareness, counseling, warnings, and monitoring cum training.

The event of repeat safety violation is followed by warning and ongoing monitoring, addressed with the four 'T' approach (tolerate, treat, transfer and terminate).

## Safety measures

- Mock safety drills
- Quarterly monitoring of the legal register
- On-site emergency plan comprising mitigation steps to address probable incidents
- Awareness programs and behavioural safety rounds to reduce accidents and encourage responsible behaviour.
- Training sessions for employees and workers on safety topics.
- Maintenance of a ledger of unsafe acts and conditions, work permits and safety training
- Bi-annual safety audits to evaluate and improve safety standards as per IS14489.

## Safety initiatives

- Investments in an organisational safety structure
- Observation of an annual Safety Week (4th-11th March) to promote an awareness on safety activities through competitions and programmes.

## Achievements, 2021-22

The Company reported declining incidents and accidents; the participation of over 200 employees in safety competitions indicated an employee commitment towards safety.

# Our environment commitment

## Overview

Supriya's overarching environment policy is to effectively rein land, water and air pollution and prevent degradation of the environment.

The Company's manufacture of APIs and intermediates involves the use of hazardous and flammable materials. The organisation has invested extensively to ensure that

operations minimize environment impact. It is cognizant of the fact that violations could result in work stoppage, customer loss, product scarcity, operational suspension and health risks.

The Company's environment management system (EMS) addresses environment-related

regulations and legislations. The organisation's environmental concerns are addressed through this EMS, which implements policies centred around environment objectives, ensuring that the Company addresses its regulatory obligations.

## Objectives of responsible environmental management

- Researching various environment components
- Outline environmental planning
- Keep the environment pollution-free
- Protecting living beings from pollution

- Implementing rules to protect environment quality; protecting environment quality through pollution control
- Collecting materials for environmental management
- Organizing environmental

education; enhancing societal awareness

- Implementing rules and regulations for environmental protection.

## Environmental measures

- Installation of additional scrubbers to scrub acidic and basic gases escaping from processes
- Distinction of incoming wastewater into high pollution and low pollution strengths

- Evaluation of energy equipment; replacing existing lights with LED alternatives
- Using light and equipment only when needed

- Recycling rainwater; using rainwater harvesting system to reduce water consumption
- Intensifying plantations around the premises to strengthen the green cover

## Environmental initiatives

- Utilisation of a closed system like Agitated nutche filter drier prevents the escape of toxic vapour
- R&D project to find a suitable method to replace liquid bromine from process and minimize load in wastewater

- Improved capacity of oil skimmer to separate floating oily content from collected water
- Installation of an online treated water monitoring system, centrally monitored by a government authority

- Separation of high and low COD streams at source with separate storage tanks
- Use of environmental friendly sulphur-free biodiesel burning fuel for boiler and briquettes derived from sugar cane bagasse waste leftovers

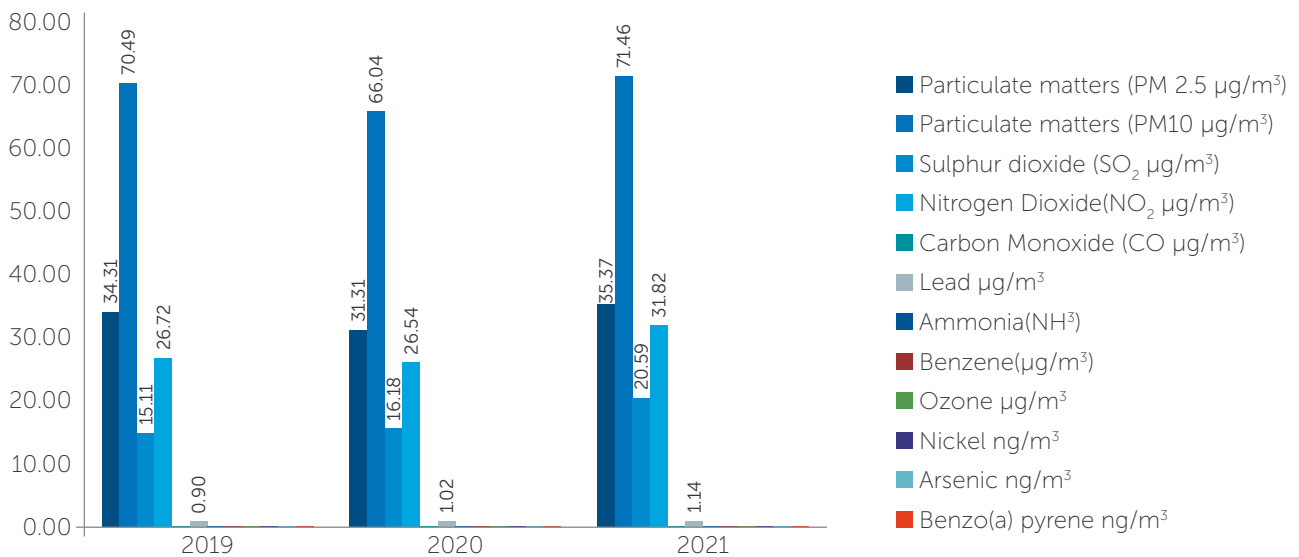
## Our environmental record of the last five years

Year	2018-19	2019-20	2020-21	2021-22
Water consumption m <sup>3</sup> /day	91.8	89.33	69.80	293.47

Year	2018-19	2019-20	2020-21	2021-22
Non-hazardous waste generated (number/year)	Wooden pallets 500 (number/year)	Wooden pallets 850 (number/year)	Wooden pallets 1,242 (number/year)	-
	Cleaned Containers 810 (number/year)	Cleaned Containers 1,240 (number/year)	Cleaned Containers 1,811 (number/year)	
Non-hazardous waste (number/year)	Wooden pallets 500 (number/year)	Wooden pallets 850 (number/year)	Wooden pallets 1,242 (number/year)	-
	Cleaned Containers 810 (number/year)	Cleaned Containers 1,240 (number/year)	Cleaned Containers 1,811 (number/year)	

Year	2018-19	2019-20	2020-21	2021-22
COD (kg/day)	0.387	0.22	0.142	0.31
SO <sub>2</sub> emission (kg/day)	13.5	5.1	0.34	0.21
NOx emission (kg/day)	6.57	4.54	3.80	5.73
Trees total	78	97	129	150
Power consumption (kwh/annum)	63,19,766	65,05,737	64,98,890	98,35,240
Chemicals consumption (tons/annum)	672	710	801	890
Gas consumption (kwh) per unit of end product produced	-	-	-	-
Materials consumption (kwh) per unit of end product produced	-	-	-	-
People (per day)	250	250	350	500

**Trend of major pollutants across the last three years**



The 12 parameters mentioned below are atmospheric and our commitment is to comply within the indicated limits

Parameter	Industry Limit	Supriya's limit
Particulate matter (PM 2.5 $\mu\text{g}/\text{m}^3$ )	60	48.7
Particulate matter (PM10 $\mu\text{g}/\text{m}^3$ )	100	89
Sulphur dioxide ( $\text{SO}_2$ $\mu\text{g}/\text{m}^3$ )	80	23
Nitrogen dioxide ( $\text{NO}_2$ $\mu\text{g}/\text{m}^3$ )	80	37.2
Carbon monoxide (CO $\mu\text{g}/\text{m}^3$ )	04	1.4
Lead $\mu\text{g}/\text{m}^3$	1.0	0.052
Ammonia( $\text{NH}_3$ )	400	<10
Benzene( $\mu\text{g}/\text{m}^3$ )	05	<0.05
Ozone $\mu\text{g}/\text{m}^3$	100	<33.0
Nickel $\text{ng}/\text{m}^3$	20	<12
Arsenic $\text{ng}/\text{m}^3$	06	<1.2
Benzo(a) pyrene $\text{ng}/\text{m}^3$	01	<0.2

$\mu\text{g}/\text{m}^3$  - micrograms per cubic meter;  $\text{ng}/\text{m}^3$ : nanograms per cubic metre

## Initiatives

**Air pollution:** The Company has installed dust collector to bring down particulate matters, stack with cyclone systems and scrubbing system for the gases emitted from the process. Vents are regularly monitored.

**Liquid:** We have a fully-equipped effluent treatment facility. We also have entered into an agreement with Common effluent treatment plant and CHWTSDF for hazardous waste disposal. We have installed conical tanks to segregate aqueous and organic layers to reduce pollution

load in effluent treatment plant. Online SCADA monitoring system is used to monitor the discharged effluent treated water.

**Noise:** Installation of acoustic enclosure systems for reducing noise pollution.

# Our leadership team



## Satish Waman Wagh

*Chairman and Managing Director*

Satish Waman Wagh is the Chairman and Managing Director of our Company. He has been a Director on our Board since incorporation. He holds a Bachelor's degree in Science from R.D National College and W.A. Science College, University of Bombay, Mumbai and an honorary Ph.D. in entrepreneurship from

Faculty of Management Studies, National American University. Apart from his association with our Company, he is a Director on the Boards of Supriya Medi-Chem Private Limited, Lote Industries Testing Laboratory Association and Sachin Industries Limited.

**Date of birth:** December 29, 1955

**Occupation:** Business

**Current term:** For a term of three years with effect from June 1, 2022

**Period of Directorship:** Director since incorporation of our Company

**Other Directorships:** Supriya Medi-Chem Private Limited, Lote Industries Testing Laboratory Association and Sachin Industries Limited



## Smita Satish Wagh

*Whole-time Director*

Smita Satish Wagh is a Whole-time Director of our Company. She has been a Director on our Board since incorporation. She holds a Bachelor's degree in Arts from Smt. B.M.R. Mahila Mahavidyalaya, Shreemati Nathibai Damodar Thackersey Woman's University, Mumbai and a Bachelor's degree in

Education from Smt. Kapila Khandwala College of Education, University of Bombay, Mumbai. Apart from her association with our Company, she is a Director on the Board of Supriya Medi-Chem Private Limited.

**Date of birth:** May 23, 1958

**Occupation:** Business

**Current term:** For a term of three years with effect from June 1, 2022 and liable to retire by rotation

**Period of Directorship:** Director since incorporation of our Company

**Other Directorships:** Supriya Medi-Chem Private Limited



## Saloni Satish Wagh

*Whole-time Director*

Saloni Satish Wagh is a Whole-time Director of our Company. She holds a Bachelor's degree in Science from Parle Tilak Vidhyalaya Association's Sathaye College, University of Mumbai, Mumbai, Master 's degree in

Science from Institute of Science, University of Mumbai, Mumbai and a PhD in Chemistry from the Faculty of Science, Pacific University, Udaipur.

**Date of birth:** June 22, 1990

**Occupation:** Business

**Current term:** For a term of three years with effect from July 1, 2022 and liable to retire by rotation.

**Period of Directorship:** Director since July 1, 2019


**Shivani Satish Wagh**
*Whole-time Director*

Shivani Satish Wagh is a Whole-time Director of our Company. She holds a Bachelor's degree in Management Studies from M.L. Dahanukar College of Commerce, University of Mumbai, Mumbai and Master's

degree in International Business Management from Manchester Business School, University of Manchester, Manchester.

**Date of birth:** September 27, 1991

**Occupation:** Business

**Current term:** For a term of three years with effect from July 1, 2022 and liable to retire by rotation.

**Period of Directorship:** Director since July 1, 2019


**Balasaheb Gulabrao Sawant**
*Whole-time Director*

Balasaheb Gulabrao Sawant is a Whole-time Director of our Company. He holds a Bachelor's degree in Science and a Master's degree in Science from Mudoji College, Shivaji University, Kolhapur. He was previously associated with companies such as USV

Limited as a plant manager, Encure Pharmaceuticals Limited as senior general manager production, Arch Pharmed Labs Limited, Mylan Laboratories Limited and Enaltec Labs Private Limited as head operations.

**Date of birth:** June 1, 1964

**Occupation:** Service

**Current term:** For a term of three years with effect from August 1, 2020 and liable to retire by rotation.

**Period of Directorship:** Director since February 24, 2017


**Kedar Shankar Karmarkar**
*Independent Director*

Kedar Shankar Karmarkar is an Independent Director of our Company. He holds a Bachelor's degree in Science from the Parle College, University of Mumbai and has qualified for a Master's degree in Science from the University of Mumbai. He also holds a Doctorate of science degree from the University

of Neuchatel. He was previously associated with Ciba-Geigy AG as a trainee and with the laboratory of Institut Fur Organische Chemie Der Universitat Basel as a research fellow. He was previously employed with Nicholas Piramal India Limited as an executive in the R&D department.

**Date of birth:** April 7, 1964

**Occupation:** Business

**Current term:** For a term of five years with effect from February 2, 2020

**Period of Directorship:** Director since February 2, 2015


**Bhairav Manojbhai Chokshi**
*Independent Director*

Bhairav Manojbhai Chokshi is an Independent Director of our Company. He holds a Bachelor's degree in Commerce from Shri Sahajanand Arts & Commerce College, Gujrat University, Ahmedabad, and a Master's degree in Business Administration from Department of Business Administration,

Bhavnagar University, Bhavnagar. Prior to joining our Board, he was associated with IDFC Asset Management Company Ltd. Apart from his association with our Company, he is a Director on the Boards of Bookbyair (India) Private Limited and IR Financial Services Private Limited

**Date of birth:** August 11, 1973

**Occupation:** Business

**Current term:** For a term of five years with effect from February 2, 2020

**Period of Directorship:** Director since February 2, 2015



### Dileep Kumar Jain

*Independent Director*

Dileep Kumar Jain is an Independent Director of our Company. He holds a Bachelor's degree in Commerce (Honours), a Bachelor's degree in Law and a Master's degree in Arts (Economics) from the University of Rajasthan, Jaipur. He is an associate of the Indian Institute of

Banking and Finance. Prior to joining our Company, he was associated with IFCI Ltd. as the executive director. Apart from his association with our Company, he is a Director on the Board of Rajasthan Consultancy Organization Limited.

**Date of birth:** June 1, 1957

**Occupation:** Retired

**Current term:** For a term of five years with effect from March 25, 2021

**Period of Directorship:** Director since March 25, 2021



### Dinesh Navnitlal Modi

*Independent Director*

Dinesh Navnitlal Modi is an Independent Director of our Company. He holds a Bachelor's degree in Commerce from the H.R. College of Commerce and Economics, University of Bombay, Mumbai and a Bachelor's degree in Law from the Kishanchand Chellaram Law College, University of Bombay, Mumbai. He is also a fellow

member of the Institute of Companies Secretaries of India. Apart from his association with our Company, he is a Director on the Boards of Kisan Mouldings Limited, Arrow Greentech Limited and Shree Yogeshwari Realtors Limited.

**Date of birth:** November 21, 1950

**Occupation:** Consultant

**Current term:** For a term of five years with effect from March 25, 2021

**Period of Directorship:** Director since March 25, 2021



### Neelam Yashpal Arora

*Independent Director*

Neelam Yashpal Arora is an Independent Director of our Company. She holds a Bachelor's degree in Commerce from the University of Mumbai, a Master's Degree in Commerce from SNTD College of Arts & Smt C.B. College of Commerce and Economics for Women, Shreemati Nathibai Damodar Thackersey

Woman's University, Mumbai, a Bachelor's and a Master's degree in Law from the University of Mumbai and a PhD in Commerce from University of Mumbai. Apart from her association with our Company, she is a Director on the Boards of Kesar Petroproducts Limited and Shreyas Intermediaries Limited.

**Date of birth:** March 22, 1959

**Occupation:** Teaching

**Current term:** For a term of five years with effect from March 25, 2021

**Period of Directorship:** Director since March 25, 2021



# Management Discussion & Analysis

## Global economic overview

The global economy grew an estimated 5.9% in 2021 compared to a de-growth of 3.3% in 2020. This improvement was largely due to increased vaccination rollout the world over and a revival in economic activity based on catch-up consumption.

The global economic recovery is attributed to accelerated vaccine rollout across 4.4 billion people, around 56% of the global population (single dose). The spot price of Brent crude oil increased 53.34% from USD 50.37 per barrel at the beginning of 2021 to USD 77.24 per barrel at the end of the calendar year, strengthening the performance of oil exporting countries and moderating

growth in importing nations. Global FDI reported an increase from USD 929 billion in 2020 to an estimated USD 1.65 trillion in 2021.

The global economy was affected by prohibitive shipping freight rates, a shortage of shipping containers and semiconductor chips in 2021, affecting global economic recovery. Inflation was at its highest since 2011, especially in the advanced economies, catalyzed by a run up in commodity prices. Some emerging and developing economies were positioned to withdraw policy support to contain inflation even as the economic recovery was still incomplete.

The prominent feature of the global economic activity during the year under review was a sharp revival in commodity prices to record levels following the drop at the time of pandemic outbreak. The commodities that reported a sharp increase in prices comprised steel, coal, oil, copper, foodgrains, fertilizers and gold.

The global economy is projected to grow at a modest 2.6% in 2022 following the Russia-Ukraine crisis. A higher interest rate environment could affect emerging markets and developing economies with large foreign currency borrowings and external financing needs in 2022.

Regional growth (%)	2021	2020
World output	5.9	(3.3)
Advanced economies	5.0	(4.9)
Emerging and developing economies	6.3	(2.4)

(Source: IMF, World Bank, UNCTAD)

## Performance of major economies

**United States:** The country reported GDP growth of 5.7% in 2021 compared to a de-growth of 3.4% in 2020, following the government's investment of trillions of dollars in COVID relief.

**China:** The country's GDP grew 8.1% in 2021 compared to 2.3% in 2020

despite it being the novel coronavirus epicentre.

**United Kingdom:** The country's GDP grew 7.5% in 2021 compared to a 9.9% de-growth in 2020.

**Japan:** The country reported growth of 1.7% in 2021 following a contraction in the previous year.

**Germany:** The country reported a GDP growth of 2.9% in 2021 compared to a decline of 4.9% in 2020.

(Source: World Bank, IMF, Business Standard, Times of India)

## Indian economic overview

The Indian economy reported an attractive recovery in 2021-22, its GDP rebounding from a de-growth of 7.3% in 2020-21 to a growth of 8.7% in 2021-22. By the close

of 2021-22, India was among the six largest global economies, its economic growth rate was the fastest among major economies (save China), its market size at

around 1.40 billion the second most populous in the world and its rural under-consumed population arguably the largest in the world.

## Y-o-Y growth of the Indian economy

	2018-19	2019-20	2020-21	2021-22
Real GDP growth (%)	6.1	4.2	(7.3)	8.7

## Growth of the Indian economy, 2021-22

	Q1, 2021-22	Q2, 2021-22	Q3, 2021-22	Q4, 2021-22
Real GDP growth (%)	20.1	8.4	5.4	4.1

The Indian economy was affected by the second wave of the pandemic that affected economic growth towards the fag end of the previous financial year and across the first quarter of the financial year under review. The result is that after a growth of 1.6% in the last quarter of 2020-21, the Indian economy grew 20.1% in the first quarter of 2021-22 due to the relatively small economic base during the corresponding period of the previous year.

India's monsoon was abundant in 2021 as the country received 99.32% of a normal monsoon, lower though than in the previous year. The estimated production of rice and pulses recorded volumes of 127.93 million tonnes and 26.96 million tonnes respectively. The total oilseeds production of the country recorded a volume of 371.47 million tonnes. Moreover, based on the spatial and temporal distribution of the 2021 monsoon rainfall, the agricultural gross value added (GVA) growth in 2021-22 is anticipated to be 3-3.5%. The country's manufacturing sector grew an estimated 12.5%, the agriculture sector 3.9%, mining and quarrying by 14.3%, construction by 10.7% and electricity, gas and water supply by 8.5% in 2021-22.

There were positive features of the Indian economy during the year under review:

Foreign direct investments (FDI) in India got its highest annual FDI inflow at USD 83.57 billion in 2021-22, a validation of global investing confidence in India's growth story. The government approved 100% FDI for insurance intermediaries and increased FDI limit in the insurance sector from 49% to 74% in Union Budget 2021-22.

India surpassed the ₹88,000 cr target set for asset monetisation in 2021-22, raising over ₹97,000 cr with roads, power, coal, mining and minerals accounting for a large chunk of the transactions.

The Indian government launched a four-year ₹6 lac cr asset monetisation plan (roads and highways, pipelines, power transmission lines, telecom towers, railways station re-development, private trains, tracks, goods sheds, dedicated freight corridor, railways stadiums, airports, projects in major ports, coal mining projects, mineral mining blocks, national stadia, redevelopment of colonies and hospitality assets).

In 2021, India was the largest recipient of global remittances. The country received USD 87 billion during 2021, with the US being the

largest source (20%). India's foreign exchange reserves stood at an all-time high of USD 642.45 billion as on September 3, 2021, crossing USD 600 billion in FOREX reserves for the first time.

India's currency weakened 3.59% from ₹73.28 to ₹75.91 to a US dollar through 2021-22. The consumer price index (CPI) of India stood at an estimated 5.3% in 2021-22. India reported improving Goods and Services Tax (GST) collections month-on-month in the second half of 2021-22 following the relaxation of the lockdown, validating the consumption-driven improvement in the economy. The country recorded its all-time highest GST collections in March 2022 standing at ₹1.42 lac cr, which is 15% higher than the corresponding period in 2021.

India ranked 62 in the 2020 World Bank's Ease of Doing Business ranking. The country received positive FPIs worth ₹51,000 cr in 2021 as the country ranked fifth among the world's top leading stock markets with a market capitalisation of USD 3.21 trillion in March 2022.

The fiscal deficit was estimated at ~₹15.91 trillion for the year ending March 31, 2022 on account of a higher government expenditure during the year under review.

India's per capita income was estimated to have increased 16.28% from ₹1.29 lac in 2020-21 to ₹1.50 lac in 2021-22 following a relaxation in lockdowns and increased vaccine rollout.

India's tax collections increased to a record ₹27.07 lac cr in 2021-22 compared with a budget estimate of ₹22.17 lac cr. While direct taxes increased 49%, indirect tax collections increased 30%. The tax-to-GDP ratio jumped from 10.3% in 2020-21 to 11.7% in 2021-22, the highest since 1999.

Retail inflation in March at 6.95% was above the RBI's tolerance level of 6% but fuel prices played no part in this surge. Retail inflation spiked to a 17-month high in March 2022, above the upper limit of the RBI's tolerance band for the third straight month.

(Source: Economic Times, IMF, World Bank, EIU, Business Standard, McKinsey, SANDRP, Times of India, Livemint, InvestIndia.org, Indian Express, NDTV, Asian Development Bank)

## Indian economic reforms and Budget 2022-23 provisions

The Budget 2022-23 seeks to lay the foundation of the Indian economy over the 'Amrit Kaal' period of the next 25 years leading to 100 years of independence in 2047. The government is emphasizing the role of PM GatiShakti, Inclusive Development, Productivity Enhancement & Investment, Sunrise

Opportunities, Energy Transition and Climate Action, as well as Financing of Investments.

The capital expenditure target of the Indian government expanded by 35.4% from ₹5.54 lac cr to ₹7.50 lac cr. The effective capital expenditure for 2022-23 is seen at ₹10.7 lac cr. An outlay of ₹5.25 lac cr was made to the Ministry of Defence, which is 13.31% of the total budget outlay. A boost was provided to India's electric vehicle policy 'Scheme for Faster Adoption and Manufacturing of (Hybrid and) Electric Vehicle in India'. An announcement of nearly ₹20,000 cr was made for the PM Gati Shakti National Master Plan to catalyze the infrastructure sector. An expansion of 25,000 km was initiated for 2022-23 for the national highways network. To boost the agricultural sector, an allocation of ₹2.37 lac cr was made towards the procurement of wheat and paddy under MSP operations. An outlay of ₹1.97 lac cr was announced for the Production Linked Incentive (PLI) schemes across 13 sectors.

## Outlook

The Indian economy is projected to grow by around 7% in 2022-23, buoyed by tailwinds of consistent agricultural performance, flattening of the COVID-19 infection curve, increase in government spending, favourable reforms and an efficient roll-out of the vaccine leading to a revival in economic activity.

Across the next three years, capital expenditure in core sectors - cement, metal, oil refining and power - should be about ₹5 trillion. Besides, the government's production linked incentives (PLI)-led capex should generate an incremental ₹1.4 trillion in sectors like consumer durables, pharmaceuticals and automobiles.

## Global pharmaceuticals industry overview

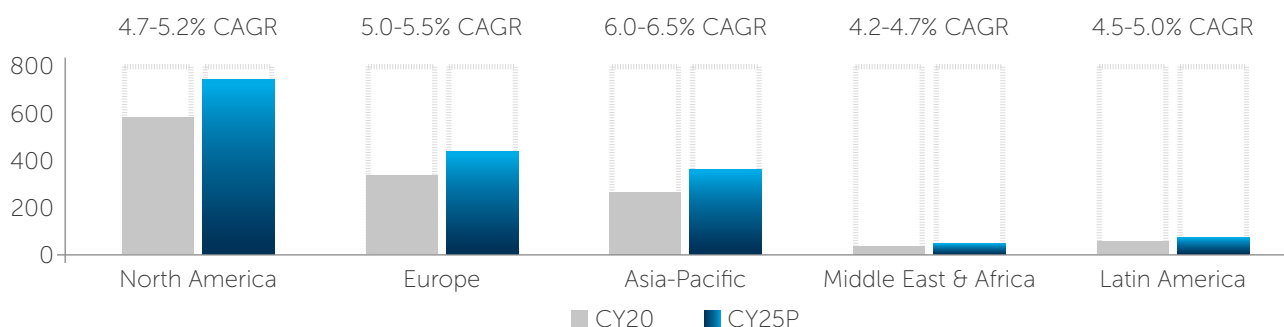
The global pharmaceutical industry was estimated to grow from USD 1228.45 billion in 2020 to USD 1250.24 billion in 2021, growing at a 1.8% CAGR annually. This growth is attributed to companies who have revamped their operations following the suspension of commercial activities due to the pandemic. The pharmaceuticals industry is pegged to grow at a CAGR of 8% to reach USD 1700.97 billion in 2025.

Geographically, North America had the largest market share at 46% in 2020. This is primarily due to the United States of America acting as headquarters to some of the foremost pharmaceutical companies of the world. Asia-Pacific accounted for 26% of the global pharmaceuticals market and retained its position as the second largest contributor. By 2025, the USA's pharmaceutical investment is

projected to reach around USD 635 billion making it the highest pharma investment in the world, followed by China with an investment of USD 200 billion.

(Source: Research and Markets, Statista, The Business Research Company)

### Region-wise global pharmaceuticals market outlook (USD billion)



(Source: Mordor Intelligence, CRISIL Research)

## Global API industry overview

The global active pharmaceuticals ingredients market is growing at a CAGR of 6.9 % from USD 208.9 million in 2021 to reach USD 334 million by 2028. The sectorial growth is expected to be driven by numerous factors like growing drug research & development, increasing incidence of chronic diseases, the growing importance of generics and the elevating absorption of biopharmaceuticals.

North America accounted for the largest share in the active pharmaceutical ingredients market followed by Europe and the Asia Pacific. Rising cases of preventive chronic diseases, increasing government focus on generic drugs, growing demand for biologics, specialty drugs and technological developments in the manufacturing processes of APIs are the vital

reasons that contributed to the growth of active pharmaceutical ingredients market in North America. The active pharmaceutical ingredients (API) market in the U.S was pegged at USD 71.5 billion in 2021. At present, the country accounts for 36.3% share worldwide. China's active pharmaceutical ingredients (API) market is expected to grow at a CAGR of 7.6% to reach a market size of USD 35.4 billion in 2026.

Other significant geographical markets like Japan and Canada are expected to grow by 6.1% and 6.5% respectively during the forecasted period of 2021-2026. Within Europe, Germany's market share is expected to increase by 6.1% CAGR while the rest of the European market will reach USD 37.5 billion by 2026.

As a major producer and exporter of APIs, China contributes to about 20% of the world's API production. The country's robust presence in API production could be driven by factors like low cost of utilities and robust government support. COVID-19 has brought to the forefront numerous challenges such as fractured supply chain and limited scope for immediate response to changes associated with sourcing of APIs from other countries. As a result, US and a number of European nations are looking to shift the pharmaceutical and API production \ to the domestic market.

(Sources: research and markets.com, markets and markets.com)

## Indian pharmaceuticals market overview

India is the third-largest global manufacturer of drugs and ranks 14th in terms of value. India's pharmaceutical industry was expected to reach USD 42 billion in 2021 and is estimated to reach USD 130 billion by 2030, growing at a CAGR of 12%. The market growth is expected to be driven by the adequate availability of raw materials and skilled work force. Besides, India enjoys the largest USFDA-compliant pharma units located outside USA. India spends very

low on its healthcare expenditure and nearly 65% comprises out-of-pocket expenditure by public. Global average pharmaceutical expenditure spend is around USD 800 per capita compared to India spending USD 10-15 per capita, leaving headroom for capex growth. According to Economic Survey 2022, India spent 2.1% of its GDP on health in 2021-22, an increase from 1.8% in 2020-21. Government of India aims to increase its healthcare spending to 2.5-3.0% by 2025. India's

pharmaceutical exports are expected to reach USD 20.7 billion by 2026-27.

In the Union Budget 2022, the health sector was allocated ₹86,200.65 cr; an increase of 16% compared to ₹73,931 cr in 2021-22, with the launch of an open platform for the National Digital Health Ecosystem. The government has allocated ₹83,000 cr to the Department of Health and Family Welfare and ₹3,200 cr have been allocated to the Department of Health Research. The budget allocation for National Health

Mission enhanced from ₹36,576 cr in 2021-22 to ₹37,000 cr in 2022-23.

With the outbreak of COVID-19, India has been touted as the world's pharmacy. The government has approved a production linked incentive (PLI) scheme for the

pharmaceutical sector with a total financial outlay of ₹15,000 cr. To reduce import dependence on bulk drugs (varying from 80-100 % in various cases), the government introduced the PLI scheme for bulk drugs with a budget of ₹6,940 cr for 8 years. India plans to set up a

nearly ₹1 lac cr fund to incentivize companies to manufacture pharmaceutical ingredients indigenously by 2023.

(Source: Economic Times, firstpost.com, Financial Express)

## Indian API industry overview

API is an important segment of the Indian pharma industry, contributing to ~35% of the market. The Indian active pharmaceuticals ingredients market stood at USD 11.8 billion in 2020-21 and is anticipated to grow at a CAGR of 12.24% till 2026-27. This growth is anticipated due to the growing biopharmaceutical sector in the country. Besides, the spurt in geriatric population in India is expected to steer demand over the forecasted period of 2021-27. Growing incidence of chronic diseases such as cardiovascular diseases, diabetes, cancer, respiratory disorders among others is anticipated to drive the market.

Compared to 2020 the investment in the API industry has grown by 3X in 2021. The country's API industry is on a growth trajectory. It caters to around 20% of the global generics market's demand in volume terms making India the largest provider of generic medicines globally.

The Indian active pharmaceutical ingredients market is divided into synthetic and biological method. The synthetic method of synthesis was a major contributor with a share of 56.29% in 2020-21 owing to the easy availability of raw materials and simple process of development. However, the biological method of synthesis segment is expected to

report 13.21% growth by 2026 due to the growing demand for vaccines, monoclonal antibodies, recombinant proteins, biosimilars, among others.

The Indian government's initiatives to encourage the domestic manufacture of active pharmaceutical ingredients and key raw materials are expected to increase backward integration and reduce the dependence of domestic drug makers on foreign markets. These incentives could address major pricing competitiveness concerns and funding, aiding investment decisions of the local pharma companies.

## India's competence

The Covid-19 pandemic has revealed the fact that the global supply chain for pharmaceuticals is predominantly dependent on India. India has contributed around 62% of the global demand for Covid-19 vaccines till now. In addition, India exports vaccines to >150 countries. It contributes 40%-70% of the World Health Organization's (WHO's) demand for Diphtheria, Pertussis and Tetanus (DPT) and Bacillus Calmette-Guérin (BCG) vaccines and 90% of the WHO's demand for the measles vaccine.

The total number of Drug Master Filings (DMFs) by India at the Food and Drug Administration (FDA) displays the potential of a country in the field of pharmaceuticals. As of 2021, DMFs filed from India and China were significantly higher

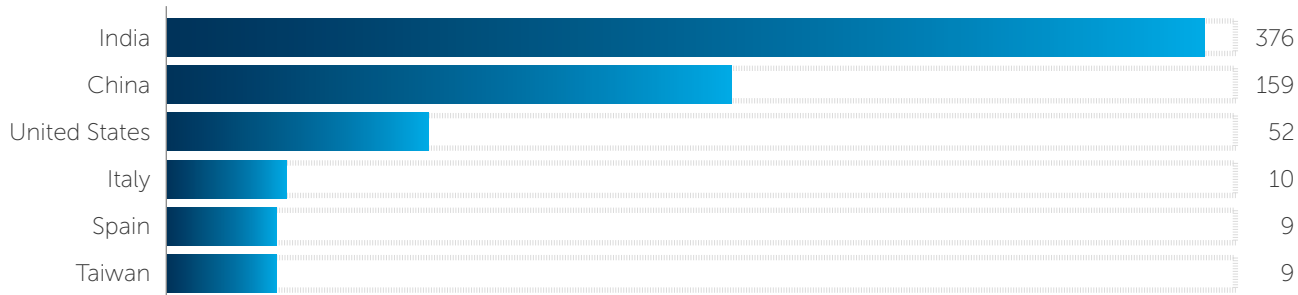
than those from other countries. India continued to lead with 376 DMF filings, followed by China at 159 DMFs (submissions from India were over 2x than that of China). In addition, these two countries have the maximum number of API manufacturing facilities registered with the FDA. At the Company level, with each DMF filing, a firm commits itself to manufacturing drugs in a facility that is aligned to the FDA's rules and regulations. The maximum number of DMF filings in India were for semaglutide, followed by favipiravir, apalutamide, sitagliptin phosphate and tofacitinib citrate, acalabrutinib, elagolix sodium, lenalidomide, liraglutide pantoprazole sodium, among others.

India has 665 USFDA-approved manufacturing plants as of 2021,

the highest outside the USA, in the world. With the highest number of USFDA-approved plants outside of the USA, 44% of global Abbreviated New Drug Applications (ANDA) and India's bulk drug industry's positioned as third globally, the pharmaceutical sector of India has achieved significant growth over the last 2-3 years. Thereafter, the country has also established leading position in the global generic pharmaceuticals landscape (20%) and is now known as the "Pharmacy of the world". India is the source of 60,000 generic brands across 60 therapeutic categories, contributing 40% of the generics demand in the US and ~25% of all medicines in the UK in terms of volume.

(Source: pharmacompass.com, The Hindu business Line, E&Y)

### FDA DMF filings in 2021



(Source: pharmacompass.com)

## Growth drivers for Indian pharmaceutical market

**Population:** India's is expected to overtake China as the most populous nation by 2023.

**Diminished production cost:** India's labour and production cost is comparatively lower than many other countries, driving the production of drugs and vaccines at an economical rate compared with developed countries.

**Over-the-counter growth:** Over the counter sales of medicines have witnessed significant growth and this growth is expected to reinforce with time.

**Aging population:** India's population is expected to attain a median age of 38.1 years by 2050 which might lead to increasing incidence of cardiovascular and other diseases.

**Budget allocation:** During the Union Budget for 2022-23, the Government allocated ₹86,200 cr to the healthcare sector growing 16% compared to last year's budget announcements.

**Increasing cardiovascular diseases:** One-fifth of the deaths due to cardiovascular diseases worldwide are accounted by India. Every year,

12 lakh youngsters die of cardiac arrest.

**Research and development:** An Indian pharmaceutical company is estimated to spend nearly 2-10% in its R&D, driving the growth of Indian pharmaceutical industry.

(Source: Statista, Economic Times, News18)

## Company overview

Incorporated in 2008, Supriya Lifescience Limited has emerged as a prominent player in Active Pharmaceutical Ingredients (API) manufacturing with a focused product mix of various therapeutic segments such as Anti-Histamine, Anti-Allergics, Vitamins, Anesthetics,

Anti- Asthmatics etc. The Company has been the largest exporters of products in anti-histamine, anesthetics and anti-asthma therapies. The Company is proud of developing products, processes and systems according to industry benchmarks and achieving sustained

improvements to deliver quality products.

## Financial overview

### Analysis of the profit and loss statement

**Revenues:** Revenues from operations reported a 35.50% growth from ₹391 cr in 2020-21 to reach ₹530 cr in 2021-22. Other income of the Company reported a 51.39% growth and accounted for a 1.41% share of the Company's revenues, reflecting the Company's

dependence on its core business operations.

**Expenses:** Total expenses increased by 44.94% from ₹218.07 cr in 2020-21 to ₹316.07 cr due to increased scale of operations and investments made in the future. Raw material costs, accounting for a 37.51% share of the Company's revenues increased by 41.44% from ₹140.57 cr

in 2020-21 to ₹198.83 cr in 2021-22 owing to change in product mix. Employees expenses accounting for a 9.13% share of the Company's revenues increased by 49.80% from ₹32.76 cr in 2020-21 to ₹49.08 cr in 2021-22.

## Analysis of the Balance Sheet

### Sources of funds

The capital employed by the Company increased 112% from ₹299.45 cr as on March 31, 2021 to ₹635.06 cr as on March 31, 2022 owing to increased accruals to fund a growing business. Return on capital employed, a measurement of returns derived from every rupee invested in the business decreased by 2,400 basis points from 57% in 2020-21 to 33% in 2021-22 due to increase in capital employed due to the IPO.

The net worth of the Company increased by 129% from ₹268.58 cr as on March 31, 2021 to ₹615.69 cr as on March 31, 2022 owing to an increase in reserves and surpluses. The Company's equity share capital, comprising 7,31,83,530 equity shares of ₹2 as on March 31, 2021 which has been increase by 10% to 8,04,82,800 equity share of ₹2 each.

As on March 31, 2022, the Company has no long-term debt, except lease liability.

Finance costs of the Company increased by 3% from ₹4.08 cr in 2020-21 to ₹4.20 cr in 2021-22 following the increment of liabilities. The Company's net debt / equity ratio stood at a comfortable 0.04x at the close of 2021-22 (0.26x at the close of 2020-21).

### Applications of funds

Fixed assets (gross) of the Company increased by 80% from ₹118 cr as on March 31, 2021 to ₹213 cr as on March 31, 2022 owing to commissioning of a new manufacturing block in 2021-22. Depreciation on tangible assets increased by 53% from ₹6.08 cr in 2020-21 to ₹9.28 cr in 2021-22 owing to an increase in fixed assets during the year under review.

### Investments

Non-current investments of the Company remained unchanged at ₹0.05 cr.

### Working capital management

Current assets of the Company increased by 87% from ₹265.46 cr as on March 31, 2021 to ₹497.54 cr as on March 31, 2022 owing to the growing scale of business. The current and quick ratios of the Company stood at 4.99 and 4.06, respectively at the close of 2021-22 compared to 1.82 and 1.32, respectively at the close of 2020-21.

Inventories including raw materials, work-in-progress and finished goods among others increased by 27% from ₹72.48 cr as on March 31, 2021 to ₹92.31 cr as on March 31, 2022. The inventory cycle improved from 206 days of turnover equivalent in 2020-21 to 172 days of turnover equivalent in 2021-22.

Growing business volumes resulted in an increase of 57% in trade

receivables from ₹73.50 cr as on March 31, 2021 to ₹115.18 cr as on March 31, 2022. More than 99% of the receivables were secured and considered good. The Company contained its debtor turnover cycle within 73 days of turnover equivalent in 2021-22 compared to 63 days in 2020-21.

Loans and advances made by the Company increased by 7% from ₹0.54 cr as on March 31, 2021 to ₹0.57 cr as on March 31, 2022

Cash and bank balances of the Company increased by 155% from ₹89.27 cr as on March 31, 2021 to ₹227.91 cr as on March 31, 2022.

Loans and advances made by the Company increased by 7% from ₹0.54 cr as on March 31, 2021 to ₹0.57 cr as on March 31, 2022 on account of increased prepaid expenses and advances payable to suppliers.

### Margins

The EBITDA margin of the Company for 2020-21 was 46% as against 42% in 2021-22 while the net profit for 2020-21 was 31% as against 28% in 2021-22. The decline in both EBITDA and net profit was primarily on account of new manufacturing block being commissioned in 2021-22. Typically it takes 1 - 1.5 years for any new manufacturing block to reach peak capacity.

## Key ratios

Particulars	2020-21	2021-22
EBITDA/Turnover (%)	44	40
EBITDA/Net interest ratio	43.67	52.78
Debt-equity ratio (x)	0.26	0.04
Return on equity (%)	57.24	33.29
Book value per share (₹)	36.70	76.50
Earnings per share (₹)	16.89	18.86
Debtors Turnover (days)	63.11	72.76
Inventory Turnover (days)	206.00	172.00
Interest Coverage Ratio (x)	42.01	50.37
Current Ratio (x)	1.82	4.99
RMC Margin %	67	63
Operating Profit Margin (%)	44	40
Net Profit Margin (%)	31	28

## Internal control systems and their adequacy

The internal control and risk management system is organized and employed accordingly with the principles and criteria set up in the corporate governance code of the organisation. It is an inherent part of the general organisational structure

of the Company and Group and involves a various persons to work and coordinate amongst each other to complete their respective duties. The Board of Directors provides various guidelines and supervises the strategy to the executive directors

and management, monitoring and support committees. The control and risk committee and the head of the audit department are supervised by the board appointed statutory auditors.

## Human resources

The Company believes that its dedicated and motivated employees are its greatest asset. The Company till now has offered competitive compensations, healthy work environment and the employee performances are recognized

through a planned reward and recognition programme. The Company intends to develop a workplace where every employee can recognize and attain his or her true power. The Company motivates individuals to undertake voluntary

projects apart from their scope of work that help them to learn and nurture creative thinking. The Company's employee strength stood at 374 as on March 31, 2022.

## Cautionary statement

This statement made in this section describes the Company's objectives, projections, expectation and estimations which may be 'forward looking statements' within the meaning of applicable securities laws and regulations. Forward-looking statements are based on certain

assumptions and expectations of future events. The Company cannot guarantee that these assumptions and expectations are accurate or will be realized by the Company. Actual result could differ materially from those expressed in the statement or implied due to the influence of

external factors which are beyond the control of the Company. The Company assumes no responsibility to publicly amend, modify or revise any forward looking statements on the basis of any subsequent development, information or events.



# How we manage risks at Supriya Lifescience

## Overview

The subject of risk management has witnessed growing importance in all kinds of businesses due to the uncertainties impacting economies and businesses. At Supriya Lifescience, business sustainability is attained through recognizing possible business risks and their aggressive de-risking. This facet has received growing importance in a world where businesses and realities are attributed by increased uncertainties (black swans). Our competence to manage these risks validates our potential to sustain across market cycles and unexpected events. The process influences the effectiveness of risk

mitigation at our Company. This is extremely vital in our business requiring research intensity and process consistency. At Supriya Lifescience, we believe that this consistency is influenced from a corporate clarity: the articulation of a medium-term strategy, concentration on long-term business sustainability over short-term profitability and a vivid apprehension across all stakeholders of the doables and non-doables within the Company's operations.

At Supriya Lifescience, our risk management practices are based on our guiding principle which

is continuously applied across all our risk categories. The objective of Company's Risk Management Committee is to make sure that the executive management team has a risk management system that comprises policy, procedures and appraisal methods that enable the Company to effectively track and manage organizational risks. This predictability has improved processes, results and reinforced corporate sustainability. Risk management forms an integral part of the Company's existence; it is not just a short-term priority but a long-term necessity.

## Risk management organization roles and responsibilities

At Supriya Lifescience, the corporate policy (and in effect our ability to manage organizational risk) is formulated by our Board of Directors, including esteemed professionals with rich industry expertise. Our governance principles, comprising comprehensive risk tolerance, are governed by the Board of Directors. Our Board is backed by various

committees with specific functions like Risk Management Committee, Audit Committee, Stakeholders' Relationship Committee, Nomination and Remuneration Committee and Corporate Social Responsibility Committee which also comprises Board member(s) who report their findings to the Board of Directors. We ascertain that members within

our risk management framework are well aware with our risk strategy and processes, leading to complete transparency coupled with improved potential to manage day to day risks. Our risk governance amplifies the development and maintenance of an efficient risk and control system.

## Strategic implementation and risk management cycle

The Company has a Risk Management Committee for the prompt execution of risk management at the operational level - risk identification, measurement, analysis and assessment; our risk reporting, limitation (reduction to a level we have deemed appropriate) and monitoring ensures that all the key risks are closely followed up.

### Risk identification

At Supriya, risks are identified with the help of relevant systems and indicators put in place. Besides, our inherent reporting protocol ensures that executives report risks as and when they are recognized.

### Risk measurement

We strengthen our risk measurement devices for each business function. The risks are measured at organizational and functional levels on the basis of risk approach of the functional teams.

### Analysis and assessment

At Supriya, it is important that our risk management systems can effectively avert any threat that hinders financial performance. In this way our robust financial performance is a testimony of the efficiency of our risk management and operating model.

### Risk reporting

At Supriya, we regularly assess and report the efficacy of our risk management to the Risk Management and other Committees encompassing category-wise risk and the overall risks. This is expected to create an early warning that ensures that proactive decisions and initiatives are put in place to mitigate the risks.

### Market risks disclosure

Market risk is assigned to all market-sensitive financial instruments, comprising foreign currency receivables and payables. The objective of market risk management is to evade exposure of our earnings and equity to any loss.

## Key risks and their mitigation

### Business risk

The Company's success is significantly dependent on its potential to develop and commercialize new products in a regular manner. The development and commercialisation processes are both time consuming and

costly and involve the ability of the Company to produce and commercialize new products in a timely manner or else underperformance of the commercialized product might adversely impact the Company's business. Moreover, it may take an extended period of time for the

Company's new products to gain market acceptance. In order to develop a robust product pipeline, the Company has committed substantial time, efforts, funds and other resources that have gained consumer traction mitigating the business risk

### Regulatory risk

The pharmaceutical business is subject to extensive regulation. The business, financial results and operations might be adversely affected if the Company is not able to comply with regulations prescribed by governments and regulatory agencies. Moreover,

regulatory authorities in certain markets where we sell our products like USA and Europe, must approve the Company's manufacturing units and products before the distribution agents can market them. A majority of these approvals are required to be renewed periodically. Supriya Lifescience has earned its respect

as a responsible corporate citizen by complying with all norms and regulations. The Company has obtained, maintained and periodically renewed all statutory and regulatory licenses, permits and approvals required to operate the business, thereby mitigating the regulatory risk.

### Revenue concentration risk

The Company derives a substantial portion of our revenue from the sale of certain products and drop in demand might adversely

impact the Company's financial performance. The Company is in the process of increasing penetration in existing regulated markets such as North America and Japan for existing and new products, thereby mitigating

geographical concentration risk. In addition, the Company is rolling out the newer manufacturing block in Ambarnath and Isambe, thereby mitigating the location concentration risk.

### Customer concentration risk

The Company derives a significant portion of its revenue from a limited number of customers and the loss of one or more such customers, the deterioration of

their financial prospects, or a reduction in their demand for our products might hamper our business results. The Company has protected its multi-year relationships with its customers and there has been no instance of

prominent customer attrition. The Company sees good traction on the CMO/CDMO business. This will further help to diversify the customer base, thereby further reducing risk of concentrated customer base

### Product risk

Any kind of defects or unconformities found in the Company's product might hamper the Company's business prospects and goodwill. The Company

has maintained a track record of producing cutting edge products with zero defects and till now does not have a single instance of any product recalls. Further, the Company is investing in latest

state of the art two research and development centers and manpower with the goal to roll out new products to mitigate product concentration risk.

### Competition risk

The pharmaceutical industry offers intense competition with the presence of various key pharmaceutical companies making it challenging for the Company to enhance its market share

and profitability. Our business operations could be adversely impacted if our competitors gain significant market share at our expense, especially in our focus areas like Europe and Asia. Key strengths of the Company is large

scale of operations, backward integration and regulatory reach. This has empowered the Company to report a growing order book from across the regulated markets, validating its competitiveness.

### Technology risk

The pharmaceutical industry is subject to faster changes on account of technological advancements and scientific discoveries, resulting in new product launches periodically and

significant price competition. If the Company's pharmaceutical technologies and delivery systems become obsolete, it becomes incompetent to effectively introduce new products thereby affecting business operations.

The Company is in the process of setting up two more manufacturing blocks and also upgrade its existing facilities with a focus on automation using the latest technology.

### Credit risk

Credit risk occurs when a counterparty does not meet obligations under a financial instrument or customer contract, leading to a financial loss. Credit risk is managed by our Company

through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which our Company grants credit terms in the normal course of business. Each sale transaction is covered in case of exports under

ECGC and in case of domestic sales under trade credit cover. Furthermore we transact with banks and financial institutions with high credit ratings assigned by international and domestic credit rating agencies.

# Corporate Information

## Board Committees

### Audit Committee

1. Mr. Dinesh Navnitlal Modi (Chairman)
2. Dr. Satish Waman Wagh
3. Mr. Bhairav Manojbhai Chokshi

### Nomination & Remuneration Committee

1. Mr. Dinesh Navnitlal Modi (Chairman)
2. Mr. Kedar Shankar Karmarkar
3. Mr. Bhairav Manojbhai Chokshi

### Corporate Social Responsibility Committee

1. Dr. Satish Waman Wagh (Chairman)
2. Dr. Saloni Satish Wagh
3. Mr. Kedar Shankar Karmarkar

### Stakeholders Relationship Committee

1. Mr. Dileep Kumar Jain (Chairman)
2. Dr. Satish Waman Wagh
3. Dr. Saloni Satish Wagh

### Risk Management Committee

1. Dr. Satish Waman Wagh (Chairman)
2. Dr. Saloni Satish Wagh
3. Mr. Kedar Shankar Karmarkar

### Chief Executive Officer

Dr. Shireesh Bhalchandra Ambhaikar

### Chief Financial Officer

Mr. Ashish Ramadas Nayak

### Company Secretary & Compliance Officer

Ms. Shweta Shivdhari Singh

### Statutory Auditor

M/s. Kakaria & Associate LLP, Chartered Accountants

### Internal Auditor

M/s. GMVP & Associate LLP, Cost Accountants

### Cost Auditors

M/s. Rampurawala Mohammed A & Co., Cost Accountants

### Secretarial Auditor

Mahesh Darji, Practicing Company Secretary

### Corporate Identification Number -

L51900MH2008PLC180452

### Registered Office

207/208, Udyog Bhavan, Sonawala Road, Goregaon (East), Mumbai – 400063.

Phone: +91 22 4033 2727

Email: [supriya@supriyalifescience.com](mailto:supriya@supriyalifescience.com)

Website: <https://supriyalifescience.com>

### Manufacturing Facility

1. A-5/2, Lote Parshuram Industrial Area, MIDC, Village – Lote, Taluka - Khed, District – Ratnagiri.
2. A-2, MIDC Genekhadpoli, Taluka – Chiplun, District – Ratnagiri.

### Bankers

Saraswat Co-Op. Bank Ltd.

Axis Bank Ltd.

ICICI Bank Ltd.

IDBI Bank Ltd.

UCO Bank

### Registrar & Share Transfer Agents

Link Intime India Private Limited

C-101, 247 Park, L.B.S. Marg,

Vikhroli (West), Mumbai – 400 083.

Phone: 022 4918 6000

Email: [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in)

## Date, Time & Mode of 14th Annual General Meeting

Friday, September 16, 2022 at 03.00 P.M. IST

Through Video Conferencing (VC)/ Other Audio Visual Means (OAVM)

# Notice

Notice is hereby given that the **14th Annual General Meeting** ("AGM") of Members of **Supriya Lifescience Limited** (the Company) will be held on Friday, September 16, 2022 at 3:00 p.m. (IST) through Video Conferencing ("VC")/Other Audio Visual Means ("OAVM") to transact the following business:

## ORDINARY BUSINESS:

1. To receive, consider, approve and adopt the Audited Financial Statements of the Company for the financial year ended March 31, 2022 and the reports of the Board of Directors and Auditors thereon.
2. To declare a Final Dividend on Equity Shares for the Financial Year ended March 31, 2022.
3. To appoint a Director in place of Dr. Saloni Satish Wagh (DIN: 08491410) who retires by rotation and, being eligible, offers herself for re-appointment.
4. To reappoint M/s. Kakaria & Associates LLP, Chartered Accountants, as Statutory Auditors of the Company for a second term of five consecutive years and to fix their remuneration and if thought fit, to pass, the following resolution as an **Ordinary Resolution**:

**"RESOLVED THAT** pursuant to the provisions of Sections 139, 141, 142 and other applicable provisions, if any, of the Companies Act, 2013, read with the Companies (Audit and Auditors) Rules, 2014, as amended from time to time, and pursuant to the recommendations of the Audit Committee and the Board of Directors of the Company, M/s. Kakaria & Associates LLP, Chartered Accountants (Firm Registration No. 104558W/W100601) be and is hereby re-appointed as Statutory Auditors of the Company for the second term of five consecutive years, who shall hold office from the conclusion of this 14th Annual General Meeting ("AGM") till the conclusion of the 19th AGM to be held in the year 2027, at such remuneration, as may be mutually agreed between the Board of Directors of the Company and the Statutory Auditors."

**"RESOLVED FURTHER THAT** the Board of Directors of the Company (including its Committees thereof), be and is hereby authorized to do all such acts, deeds, matters and things as may be necessary, including filing the requisite forms or submission of documents with any authorities and accepting any modifications to the terms of appointment."

## SPECIAL BUSINESS

5. To ratify the remuneration of Cost Auditors for the FY

2022-23 and, in this regard, to consider and if thought fit, to pass the following resolution as an **Ordinary Resolution**:

**"RESOLVED THAT** pursuant to Section 148 and other applicable provisions, if any, of the Companies Act, 2013 & the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the remuneration payable to M/s. Rampurawala Mohammed A & Co, Cost Accountants, having Firm Registration No. 003011, appointed by Board of Directors of the Company as Cost Auditors to conduct the audit of the cost records of the Company for the FY 2022-23 amounting to ₹ 2,00,000/- (Rupees Two Lakhs only) plus applicable tax and out-of-pocket expenses incurred by them in connection with the aforesaid audit as recommended by the Audit Committee and approved by the Board of Directors of the Company, be and is hereby ratified, confirmed and approved."

6. To ratify the remuneration of Cost Auditors for the FY 2016-17 and, in this regard, to consider and if thought fit, to pass the following resolution as an **Ordinary Resolution**:

**"RESOLVED THAT** pursuant to Section 148 and other applicable provisions, if any, of the Companies Act, 2013 & the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the remuneration payable to M/s. Rampurawala Mohammed A & Co, Cost Accountants, having Firm Registration No. 003011, appointed by Board of Directors of the Company as Cost Auditors to conduct the audit of the cost records of the Company for the FY 2016-17 amounting to ₹ 1,25,000/- (Rupees One Lakh Twenty Five Thousand only) plus applicable tax and out-of-pocket expenses incurred by them in connection with the aforesaid audit as recommended by the Audit Committee and approved by the Board of Directors of the Company, be and is hereby ratified, confirmed and approved."

7. To ratify the remuneration of Cost Auditors for the FY 2017-18 and, in this regard, to consider and if thought fit, to pass the following resolution as an **Ordinary Resolution**:

**"RESOLVED THAT** pursuant to Section 148 and other applicable provisions, if any, of the Companies Act, 2013 & the Companies (Audit and Auditors) Rules,

2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the remuneration payable to M/s. Rampurawala Mohammed A & Co, Cost Accountants, having Firm Registration No. 003011, appointed by Board of Directors of the Company as Cost Auditors to conduct the audit of the cost records of the Company for the FY 2017-18 amounting to ₹ 1,25,000/- (Rupees One Lakh Twenty Five Thousand only) plus applicable tax and out-of-pocket expenses incurred by them in connection with the aforesaid audit as recommended by the Audit Committee and approved by the Board of Directors of the Company, be and is hereby ratified, confirmed and approved.”

8. To approve delivery of documents through a particular mode as may be sought by the member and, in this regard, to consider and if thought fit, to pass the following resolution as an **Special Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Section 20 of the Companies Act, 2013 and relevant rules framed thereunder and other applicable provisions,

if any, whereby, a document may be served on any member by the Company by sending it to him/her by post, by registered post, by speed post, by electronic mode, or any other modes as may be prescribed, consent of the members be and is hereby accorded to charge from the member such fees in advance equivalent to estimated actual expenses of delivery of the documents delivered through registered post or speed post or by courier service or such other mode of delivery of documents pursuant to any request by the shareholder for delivery of documents, through a particular mode of service mentioned above provided such request along with requisite fees has been duly received by the Company at least 10 days in advance of dispatch of documents by the Company to the shareholder.

**RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution the Board of Directors or Key Managerial Personnel of the Company be and are hereby severally authorized to do all such acts, deeds, matters and things as may be necessary, proper or desirable to give effect to the resolution.”

**Registered Office:**

207 /208, Udyog Bhavan, Sonawala Road,  
Goregaon (East), Mumbai – 400063

Place: Mumbai

Date: August 12, 2022

**By Order of the Board of Directors  
For Supriya Lifescience Limited**

**Shweta Shivdhari Singh**  
*Company Secretary & Compliance Officer*

## NOTES:

- In view of the continuing COVID-19 pandemic, the Ministry of Corporate Affairs (“MCA”) has vide its circular nos. 14/2020 and 17/2020 dated April 8, 2020 and April 13, 2020 respectively, in relation to “Clarification on passing of ordinary and special resolutions by companies under the Companies Act, 2013 and the rules made thereunder on account of the threat posed by Covid-19”, circular no. 20/2020 dated May 5, 2020 in relation to “Clarification on holding of annual general meeting (AGM) through video conferencing (VC) or other audio visual means (OAVM)” and Circular no. 02/2021 dated January 13, 2021 and Circular no. 03/2022 dated May 05, 2022 in relation to “Clarification on holding of annual general meeting (AGM) through video conferencing (VC) or other audio visual means (OAVM)” (collectively referred to as “MCA Circulars”) and Securities and Exchange Board of India (“SEBI”) vide its circular no. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020 in relation to “Additional relaxation in relation to compliance with certain provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015–Covid-19 pandemic” and circular no. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021 and SEBI/HO/CFD/CM2/CIR/P/2022/62 dated May 13, 2022 in relation to “Relaxation from compliance with certain provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 due to the COVID -19 pandemic” (collectively referred to as “SEBI Circulars”) permitted the holding of the Annual General Meeting (“AGM”) through VC / OAVM, without the physical presence of the Members at a common venue. In compliance with the MCA Circulars and SEBI Circulars, the AGM of the members of the Company is being held through VC / OAVM. The registered office of the Company shall be deemed to be the venue for the AGM.
- The Explanatory Statement pursuant to Section 102 (1) of the Companies Act, 2013 relating to the Special Business to be transacted at the Annual General Meeting is annexed. Further, the relevant details with respect to Item No. 3 pursuant to Regulation 36(3) of the SEBI (Listing Obligations and

Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India, in respect of Director seeking re-appointment at this AGM are also annexed as Annexure A to the notice.

3. Pursuant to the provisions of the Act, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this AGM is being held through VC/OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form, Attendance Slip and route map of AGM are not annexed to this Notice.
4. Corporate/Institutional Members (i.e. other than Individuals, HUF, NRI, etc.) shall send scan of certified true copy of the Board Resolution/ Authority letter etc., together with attested specimen signature(s) of the duly authorized representative(s), to the Scrutiniser at [mahesh@ngshah.com](mailto:mahesh@ngshah.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) and to the Company at [cs@supriyalifescience.com](mailto:cs@supriyalifescience.com) to attend the AGM.
5. The Members can join the AGM in the VC/OAVM mode 15 minutes before 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 for 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.
6. Members attending the meeting through VC/OAVM shall be counted for the purpose of determining the quorum under Section 103 of the Act.
7. 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 the Circulars issued by the Ministry of Corporate Affairs 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 National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-Voting system as well as venue e-voting on the date of the AGM will be provided by NSDL.
8. In compliance with the aforesaid MCA Circulars and SEBI Circular dated May 13, 2022, Notice of the AGM along with the Annual Report 2021-22 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depositories unless any Member has requested for a physical copy of the same mentioning their names, DP ID and Client ID to the Company's email address at [cs@supriyalifescience.com](mailto:cs@supriyalifescience.com). The Notice of AGM and the Annual Report 2021-22 will also be available on the Company's website [www.supriyalifescience.com](http://www.supriyalifescience.com) websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) respectively and on the website of NSDL <https://www.evoting.nsdl.com>. All the members are requested to register their e-mail id with the Registrar and Share Transfer Agent of the Company for the purpose of service of documents under Section 20 of the Act, by e-mode instead of physical service of documents.
9. The Register of Members and Share Transfer Books of the Company will remain closed from Saturday September 3, 2022 to Friday, September 16, 2022 (both days inclusive) purpose of Dividend and AGM. The Company has fixed Friday, September 2, 2022 as the "Record Date" for determining entitlement of Members to final dividend for the financial year ended March 31, 2022, if approved at the AGM.
10. If the final dividend, as recommended by the Board of Directors, is approved at the AGM, payment of such dividend subject to deduction of tax at source will be made on or after Wednesday, September 21, 2022 to all Beneficial Owners in respect of shares held in dematerialized form as per the data as may be made available by the National Securities Depository Limited ("NSDL") and the Central Depository Services (India) Limited ("CDSL"), collectively "Depositories", as of the close of business hours on Friday, September 2, 2022.
11. Pursuant to the Finance Act, 2020, dividend income will be taxable in the hands of the Members w.e.f. April 1, 2020 and the Company is required to deduct TDS from the dividend paid to the Members at prescribed rates under the Income Tax Act, 1961 (the "IT Act"). In general, to enable compliance with TDS requirements, Members are requested to complete and/or update their Residential Status, PAN, Category as per the IT Act with their Depository Participants. For the detailed

process, please click here: <https://supriyalifescience.com/wp-content/uploads/2022/08/TDS-on-Dividend-Communication-to-Shareholders.pdf>

Payment of dividend shall be made through electronic mode to the Members who have updated their bank account details. Dividend warrants / demand drafts will be dispatched to the registered address of the Members who have not updated their bank account details. Members whose shareholding is in electronic mode are requested to notify any change in address or bank account details to their respective depository participant(s) (DP).

12. In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the AGM.
13. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in dematerialized form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their Demat Accounts.
14. SEBI vide its notification dated January 24, 2022 has amended Regulation 40 of the SEBI Listing Regulations and has mandated that all requests for transfer of securities including transmission and transposition requests shall be processed only in dematerialized form. In view of the above and to eliminate the risks associated with physical shares, Members are advised to maintain their shares in demat mode only.
15. Members are requested to intimate immediately any change in their name, postal address, email address, telephone/ mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc., with their Depository Participants ("DP"). While making payment of dividend, Registrar and Share Transfer Agent is obliged to use only the data provided by the Depositories, in case of such demat shares.
16. Members may please note that SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD\_ RTAMB/P/CIR/2022/8 dated January 25, 2022 has mandated the listed companies to issue securities in dematerialized form only while processing service requests, viz., Issue of duplicate securities certificate; claim from unclaimed suspense account; renewal/ exchange of securities certificate; endorsement; sub-division/splitting of securities certificate; consolidation of securities certificates/folios; transmission and transposition.
17. Members are advised to not leave their demat

account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned Depository Participant and holdings should be verified from time to time.

18. Relevant documents referred to in the accompanying Notice calling the AGM are available for inspection through electronic mode up to the date of the AGM. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Act, and the Register of Contracts or Arrangements in which the directors are interested, maintained under Section 189 of the Act, upon request will be available electronically for inspection by the members during the AGM. Members seeking to inspect such documents can send an email to [cs@supriyalifescience.com](mailto:cs@supriyalifescience.com)

#### **THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING GENERAL MEETING ARE AS UNDER:-**

The remote e-voting period begins on Tuesday, September 13, 2022 at 09:00 A.M. and ends on Thursday, September 15, 2022 at 05:00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. Friday, September 9, 2022, may cast their vote electronically.

The e-voting module shall be disabled by NSDL for voting thereafter. Members have the option to cast their vote on any of the resolutions using the remote e-voting facility, either during the period commencing September 13, 2022 to September 15, 2022 or e-voting during the AGM. Members who have voted on some of the resolutions during the said voting period are also eligible to vote on the remaining resolutions during the AGM.

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

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





##### **Step 1: Access to NSDL e-Voting system**

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

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.



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

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<ol style="list-style-type: none"> <li>Existing IDeAS user can visit the e-Services website of NSDL Viz. <a href="https://eservices.nsd.com">https://eservices.nsd.com</a> either on a Personal Computer or on a mobile. On the e-Services home page click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>If you are not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsd.com">https://eservices.nsd.com</a>. Select "Register Online for IDeAS Portal" or click at <a href="https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li>Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsd.com/">https://www.evoting.nsd.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your 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 i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>Shareholders/Members can also download NSDL Mobile App "NSDL Speede" facility by scanning the QR code mentioned below for seamless voting experience.</li> </ol> <div data-bbox="517 1272 758 1422" style="text-align: center;"> <p><b>NSDL Mobile App is available on</b></p> <p>  App Store                              Google Play                         </p> <div style="display: flex; justify-content: space-around;">   </div> </div>
Individual Shareholders holding securities in demat mode with CDSL	<ol style="list-style-type: none"> <li>Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on New System Myeasi.</li> <li>After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of e-Voting service provider i.e. NSDL. Click on NSDL to cast your vote.</li> <li>If the user is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></li> <li>Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. NSDL where the e-Voting is in progress.</li> </ol>

Type of shareholders	Login Method
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

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

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

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

**B) Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.**

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

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

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

4. Your User ID details are given below:

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

5. Password details for shareholders other than Individual shareholders are given below:
  - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
  - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
  - c) How to retrieve your 'initial password'?
    - (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
    - (ii) If your email ID is not registered, please follow steps mentioned below in process for those shareholders whose email ids are not registered.
6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
  - a) Click on "Forgot User Details/Password?"(If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - b) Physical User Reset Password?" (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - c) If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
  - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.

7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

### **Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.**

#### **How to cast your vote electronically and join General Meeting on NSDL e-Voting system?**

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

#### **General Guidelines for shareholders**

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to [mahesh@ngshah.com](mailto:mahesh@ngshah.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in). and to the Company at [cs@supriyalifescience.com](mailto:cs@supriyalifescience.com). Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "Upload Board Resolution / Authority Letter" displayed under "e-Voting" tab in their login.
2. It is strongly recommended not to share your password with any other person and take utmost

care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) to reset the password.

3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request to Ms. Pallavi Mhatre, Senior Manager at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)

**Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:**

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to [cs@supriyalifescience.com](mailto:cs@supriyalifescience.com)
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to [cs@supriyalifescience.com](mailto:cs@supriyalifescience.com). If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at step 1 (A) i.e. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.
3. Alternatively shareholder/members may send a request to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated 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 required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

**THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE AGM ARE AS UNDER:-**

1. The procedure for e-Voting on the day of the AGM is

same as the instructions mentioned above for remote e-voting.

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

**INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:**

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for Access to NSDL e-Voting system. After successful login, you can see link of "VC/OAVM link" placed under "Join meeting" menu against company name. You are requested to click on VC/OAVM link placed under Join General Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. 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.
5. Members are encouraged to submit their questions in advance with regard to the financial statements or any other matter to be placed at the 14th AGM from their registered e-mail address, mentioning their name, DP ID and Client ID number/folio number and mobile number to reach the Company's e-mail address at [cs@supriyalifescience.com](mailto:cs@supriyalifescience.com) before 03.00 p.m. on

Saturday, September 10, 2022. Such questions by the Members shall be suitably replied by the Company.

- Shareholders who would like to express their views/ask questions during the AGM may register themselves as a speaker by sending their request from their registered email address mentioning their name, DP ID and Client ID/folio number, PAN, mobile number at [cs@supriyalifescience.com](mailto:cs@supriyalifescience.com) from Thursday, September 8, 2022 09.00 a.m. to Saturday, September 10, 2022 05.00 p.m. Those members who have registered themselves as a speaker will only be allowed to express their views/ask questions during the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM. The same will be replied by the company suitably.

**Other Instructions:**

- The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being Friday, September 9, 2022.
- The members who have cast their vote by remote e-voting prior to the Meeting may also attend the AGM through VC / OAVM but shall not be entitled to cast their vote again.
- A Member can opt for only one mode of voting i.e. either through remote e-voting or voting system during the AGM ("e-voting"). If a Member casts votes by both modes, then voting done through remote e-voting shall prevail.
- Any person who have acquires shares of the Company and becomes a Member of the Company after the dispatch of the Annual Report and holding shares as on the cut-off date may approach NSDL for issuance of the User ID and Password by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) However, if he/ she is already registered with NSDL for remote e-voting then he/ she can use his/her existing User ID and password for casting the vote.
- Mr. Mahesh Darji, Practicing Company Secretary, has been appointed as the Scrutinizer to scrutinize the e-voting process to be conducted in a fair and transparent manner for the Annual General Meeting.
- The Scrutinizer shall, immediately after the conclusion of voting at the AGM, first count the votes cast during the AGM, thereafter unblock the votes cast through remote e-voting and make, not later than 48 hours of conclusion of the AGM, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing, who shall countersign the same.
- The results declared along with the Scrutinizer's Report shall be placed on the Company's website [www.supriyalifescience.com](http://www.supriyalifescience.com) and on the website of NSDL <https://www.evoting.nsdl.com> immediately. The Company shall simultaneously forward the results to National Stock Exchange of India Limited and BSE Limited, where the shares of the Company are listed.

## EXPLANATORY STATEMENT ANNEXED TO THE NOTICE PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

### Item No. 4

This explanatory statement is in terms of Regulation 36(5) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), however, the same is strictly not required as per Section 102 of the Act. The Members at the 9th AGM of the Company held on September 30, 2017, had approved the appointment of M/s. Kakaria & Associates LLP, Chartered Accountants, (Firm Registration No. 104558W/W100601), as Statutory Auditors of the Company, to hold office till the conclusion of the 14th AGM. After evaluating and considering various factors such as industry experience, competency of the audit team, efficiency in conduct of audit, independence, etc., the Board of Directors of the Company has, based on the recommendation of the Audit Committee, at its meeting held on August 12, 2022, proposed the re-appointment of M/s. Kakaria & Associates LLP, Chartered Accountants, (Firm Registration No. 104558W/W100601), as the Statutory Auditors of the Company, for a second term of five consecutive years from the conclusion of 14th AGM till the conclusion of 19th AGM of the Company to be held in the year 2027, at a remuneration as may be mutually agreed between the Board of Directors of the Company and Statutory Auditors. M/s. Kakaria & Associates LLP have consented to their appointment as Statutory Auditors and have confirmed that if appointed, their appointment will be in accordance with Section 139 read with Section 141 of the Act and relevant Rules prescribed there under.

M/s. Kakaria & Associates LLP, is a leading Chartered Accountancy firm in Mumbai, led by skilled and experienced Indian Chartered Accountants having industry experience of over a decade. The Firm provides services in the areas of Income Tax, GST, Audit & assurance, Accounts, Company secretary, Cost accountancy/audit, Finance, and Personal/corporate financial planning along with a host of other financial services with its head office at Vapi, Gujarat and branches at Mumbai, Boisar, Dahanu and Umbergaon and also audits various companies listed on stock exchanges in India.

None of the Directors, Key Managerial Personnel of the Company or their relatives or any of other officials of the Company as contemplated in the provisions of Section 102 of the Companies Act, 2013 is, in any way, financially or otherwise, concerned or interested in the resolution.

The Board recommends the resolution set out at item no. 4 of the Notice for approval of the members.

### Item No. 5

The Company is directed, under Section 148 of the Act to have the audit of its cost records conducted by a cost accountant in practice. The Board of your Company has, on the recommendation of the Audit Committee, approved the appointment of M/s. Rampurawala Mohammed A & Co, Cost Accountants as the Cost Auditors of the Company to conduct Cost Audits relating cost records of the Company for the year ending March 31, 2023, at a remuneration of ₹ 2.00 lakhs plus applicable tax and out-of-pocket expenses.

M/s. Rampurawala Mohammed A & Co. have furnished a certificate regarding their eligibility for appointment as Cost Auditors of the Company M/s. Rampurawala Mohammed A & Co. have vast experience in the field of cost audit.

The Board commends the remuneration of ₹ 2.00 lakhs plus tax and out-of-pocket expenses to M/s. Rampurawala Mohammed A & Co. as the Cost Auditors and the approval of the shareholders is sought for the same by an Ordinary Resolution.

None of the Directors, Key Managerial Personnel of the Company or their relatives or any of other officials of the Company as contemplated in the provisions of Section 102 of the Companies Act, 2013 is, in any way, financially or otherwise, concerned or interested in the resolution.

The Board recommends the resolution set out at item no. 5 of the Notice for approval of the members.

### Item No. 6 & 7

The Company is directed, under Section 148 of the Act to have the audit of its cost records conducted by a cost accountant in practice for the FY 2016-17 & FY 2017-18. Owing to this the, the Board of your Company has, on the recommendation of the Audit Committee, approved the appointment of M/s. Rampurawala Mohammed A & Co, Cost Accountants as the Cost Auditors of the Company to conduct Cost Audits relating cost records of the Company for the year ending March 31, 2017 & March 31, 2018, at a remuneration of ₹ 1.25 lakhs per year plus applicable tax and out-of-pocket expenses.

M/s. Rampurawala Mohammed A & Co. have furnished a certificate regarding their eligibility for appointment as Cost Auditors of the Company M/s. Rampurawala Mohammed A & Co. have vast experience in the field of cost audit.

The Board commends the remuneration of ₹ 1.25 lakhs per year plus tax and out-of-pocket expenses to M/s. Rampurawala Mohammed A & Co. as the Cost Auditors and the approval of the shareholders is sought for the same by an Ordinary Resolution.

None of the Directors, Key Managerial Personnel of the Company or their relatives or any of other officials of the Company as contemplated in the provisions of Section 102 of the Companies Act, 2013 is, in any way, financially or otherwise, concerned or interested in the resolution.

The Board recommends the resolution set out at item no. 6 & 7 of the Notice for approval of the members.

#### Item No. 8

As per the provisions of Section 20 of the Companies Act, 2013, a shareholder may request for any document

through a particular mode, for which the shareholder shall pay such fees as may be determined by the Company in its annual general meeting. Since the cost of providing documents may vary according to the mode of service, weight and its destination etc., therefore it is proposed that actual expense that may be borne by the Company for such dispatch will be paid in advance by the shareholder to the company.

None of the Directors, Key Managerial Personnel of the Company or their relatives or any of other officials of the Company as contemplated in the provisions of Section 102 of the Companies Act, 2013 is, in any way, financially or otherwise, concerned or interested in the resolution.

The Board recommends the resolution set out at item no. 8 of the Notice for approval of the members.

#### Registered Office:

207 /208, Udyog Bhavan, Sonawala Road,  
Goregaon (East), Mumbai – 400063

Place: Mumbai

Date: August 12, 2022

**By Order of the Board of Directors  
For Supriya Lifescience Limited**

**Shweta Shivdhari Singh**  
*Company Secretary & Compliance Officer*

## Annexure A

**Details of Directors seeking appointment/re-appointment at the 14th AGM to be held on Friday, September 16, 2022 (pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard 2 on General Meetings):**

Name of the Director	Dr. Saloni Satish Wagh
Date of Birth	22/06/1990
Age	32 years
Original date of Appointment	01.07.2019
Number of Meetings of the Board attended during the year	Mentioned in Directors Report
Relationship with the Directors and Key Managerial Personnel	Daughter of Dr. Satish Waman Wagh and Mrs. Smita Satish Wagh, Sister of Ms. Shivani Satish Wagh
Expertise in specific Functional Area	She is involved in Operations and Management of Company
Qualification	Ph.D. in Chemistry & Master's degree in Science
Chairman/Member of the Committee of the Board of Directors as on March 31, 2022	1. Stakeholder Relationship Committee – Member 2. Risk Management Committee – Member 3. Corporate Social Responsibility Committee - Member
Shareholding in the Company	29,250
Directorships held in other companies	NIL

# Directors' Report

To the Members,  
**SUPRIYA LIFESCIENCE LIMITED**  
 Mumbai

Your Directors have pleasure in submitting their 14th Annual Report of the Company together with the Audited Statements of Accounts for the year ended March 31, 2022.

## FINANCIAL RESULTS:

The summarized standalone results of your Company are given in the table below:

Particulars	Amount in Million	
	For the year ended 31/03/2022	For the Year ended * 31/03/2021
Net Sales / Income from Business Operations	5300.49	3912.16
Other Income	75.77	50.05
Total Gross Revenue	5376.26	3962.21
Provision for Depreciation / Amortization	101.18	67.61
Profit/(loss) after Depreciation and before Provision for Tax	2072.45	1673.09
Less: Provision for Income Tax (including for earlier years)	521.89	430.22
Less: Provision for Deferred Tax	32.46	6.94
Net Profit/(Loss) After Tax	1518.10	1235.93
Other Comprehensive Income	(3.15)	(1.24)
Total Comprehensive Income	1514.95	1234.69
Earnings Per Share (Basic & Diluted)	18.86	16.89

\*Previous year's Figures have been regrouped / rearranged wherever necessary.

## STATE OF COMPANY'S AFFAIRS:

### INITIAL PUBLIC OFFER

During the year under review, your Company successfully completed its Initial Public Offer ("IPO") aggregating to ₹ 7000.00 million out of which ₹ 5,000.00 million was Offer for Sale (OFS) in its initial public offering. The IPO was over-subscribed by 73.94 times in aggregate. The Issue was opened on December 16, 2021 and closed on December 20, 2021. The issue was led by book running lead managers viz., ICICI Securities Limited and Axis Capital Limited. Pursuant to the IPO, the Equity Shares of the Company were listed on recognized stock exchanges i.e. BSE Limited ("BSE") and National Stock Exchange of India Limited ("NSE") on December 28, 2021.

Your Company confirms that it has paid the Annual Listing Fees for the year 2022-23 to NSE and BSE.

### BUSINESS INFORMATION:

Your Company is engaged in Manufacturing of active pharmaceuticals ingredients ("APIs") and are one of the key Indian manufacturers and suppliers of APIs, with a focus on research and development. The products are registered with various international regulatory authorities

such as USFDA, EDQM, NMPA (previously known as SFDA), KFDA, PMDA, TGA and Taiwan FDA.

The business operations of your Company are supported by a modern manufacturing facility located in Parshuram Lote, Maharashtra. The manufacturing facility is spread across 23,806 sq.mts, having reactor capacity of 547 KL/day and seven cleanrooms. In addition, Company has acquired a plot of land, admeasuring 12,551 sq.mt, near the present manufacturing facility, wherein the Company intends to expand its manufacturing infrastructure. For future expansion plans Company has also acquired 80,000 sq mtrs on lease from MIDC at Isambe Industrial Park dedicated to manufacturing of Active Pharmaceutical Ingredients (API) & Drug intermediates.

### PERFORMANCE REVIEW:

Ever since the outbreak of the Covid-19 pandemic, the Company has put in appropriate measures and protocols for the health and safety of its employees; besides streamlining the operations and maintaining the supply chain, production which enabled the Company to continue uninterrupted supply of active pharmaceutical ingredients to customers globally.



**Some of the highlights of the operations for the year are:**

- Revenue from operations for the year increased by 35% to ₹ 5300.49 million as against of ₹3912.16 million for the last year.
- Profit before Tax (PBT) for the year has grown by 24% to ₹ 2072.45 million as against a PBT of ₹ 1673.09 million for the last year.
- Tax Provision for the current year amounted to ₹ 554.35 million as against a tax provision of ₹ 437.16 million for the last year.
- Profit after Tax (PAT) before other comprehensive income for the year grew by 23% to ₹ 1518.10 million as against a PAT of ₹ 1235.93 million last year.
- Earnings Per Share of ₹2/- each works out to ₹ 18.86 for the year as against ₹ 16.89 last year.

**DIVIDEND:**

Your Directors are pleased to recommend a dividend of ₹ 0.6/- per equity share of ₹ 2/- each, i.e., 30% for the FY ended March 31, 2022, subject to approval of members at the ensuing Annual General Meeting. The Dividend, if approved by the members at the ensuing Annual General Meeting, will result into an outflow of ₹ 48.29 million.

As members are aware, with effect from April 01, 2020, the Government has abolished the dividend distribution tax and dividend income is now taxable at the hands of shareholder.

Hence payment of dividend to members will be subject to tax deduction at source (TDS) as per statutory requirement.

The dividend recommended is in accordance with the Company's Dividend Distribution Policy. The Dividend Distribution Policy is available on the Company's website and can be accessed at <https://supriyalifescience.com/wp-content/uploads/2021/09/Dividend-Distribution-Policy.pdf>

**TRANSFER OF UNCLAIMED/ UNPAID AMOUNT TO INVESTOR EDUCATION AND PROTECTION FUND:**

Your Company does not have any funds as contemplated under Section 125 of the Act lying unpaid or unclaimed which were required to be transferred to Investor Education and Protection Fund (IEPF).

**RESERVE:**

Your Company has not transferred any amount to General Reserve for the FY ended March 31, 2022.

**DEPOSITS:**

During the year under review, your Company has neither accepted / renewed any deposits during the year nor has any outstanding Deposits in terms of Section 73 - 76 of the Companies Act, 2013 read with Companies (Acceptance of Deposits) Rules, 2014.

**SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES:**

Your Company does not have any Subsidiary, Joint venture or Associate Company.

**CHANGE IN THE NATURE OF BUSINESS:**

During the year under review, there was no change in the nature of business of the Company.

**SHARE CAPITAL:**

The equity shares of your Company continue to be listed and traded on the BSE Limited and National Stock Exchange of India Limited.

During the year under review, your Company has allotted 72,99,270 equity shares at a price of ₹274 per equity share (including premium of ₹272 per equity share) on December 23, 2021 in the IPO. With the said allotment, the paid-up equity share capital of the Company has been increased to ₹ 160.97 million as on March 31, 2022 consisting 8,04,82,800 equity shares of ₹ 2/- each.

During the year under review, the Company has not issued shares with differential voting rights or granted any stock options or issued any sweat equity or issued any Bonus Shares. Further, the Company has not bought back any of its securities during the FY under review and hence no details / information invited in this respect.

**MATERIAL CHANGES AND COMMITMENTS:**

No other material changes and commitments have occurred after the close of the year till the date of this Report, which affect the financial position of the Company. Further, there is no change in the nature of business of the Company.

**PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS MADE UNDER SECTION 186 OF THE COMPANIES ACT, 2013:**

Details of loans given, investments made or guarantees given or security provided, if any, as per the provisions of Section 186 of the Act and Regulation 34(3) read with Schedule V of the SEBI Listing Regulations are given in the notes forming part of the financial statements provided in this Annual Report.

**PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES:**

There are no materially significant related party transactions made by the Company with related parties which may have potential conflict of interest with the Company at large. As a matter of policy, your Company carries out transactions with related parties on an arms' length basis. Statement of these transactions is given at Notes to financial statements.

Accordingly, particulars of contracts or arrangements with related parties referred to in Section 188(1) along with the justification for entering into such contract or arrangement in Form AOC-2 does not form part of this report.

The Policy on Materiality of Related Party Transactions and on dealing with Related Party Transactions as approved by the Board is available on the Company's website and can be accessed at <https://supriyalifescience.com/wp-content/uploads/2022/06/Policy-on-Related-PartyTransactions.pdf>

#### REGISTRAR AND SHARE TRANSFER AGENT:

M/s. Link Intime India Private Limited acts as a Registrar and Share Transfer Agent of the Company. The ISIN allotted to the Company after subdivision is INE07RO01027. As on March 31, 2022, all Equity Shares of the total shares have been dematerialized.

#### MANAGEMENT DISCUSSION & ANALYSIS:

Management Discussion and Analysis Report as required pursuant to Regulation 34 read with Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, amended from time to time, ("Listing Regulations") is disclosed separately and forming part of Annual Report. As required under the provisions of the Listing Regulations, the Audit Committee of the Company has reviewed the Management Discussion and Analysis Report of the Company for the year ended March 31, 2022.

#### DIRECTORS AND KEY MANAGERIAL PERSONNEL:

As on March 31, 2022, the Board of Directors of your Company comprised of 10 Directors, viz., 5 Executive Directors and 5 Independent Directors including 1 woman Independent Director.

Pursuant to Section 149, 152 and other applicable provisions of the Companies Act, 2013, one-third of such of the Directors as are liable to retire by rotation, shall retire every year and, if eligible, offer themselves for re-appointment at every AGM. Consequently, Dr. Saloni Satish Wagh (DIN: 08491410) retires by rotation at the Annual General Meeting being eligible offers herself for re-appointment. The Board recommends here re-appointments.

During the year under review, Dr. Shireesh Bhalchandra Ambhaikar appointed as Chief Executive Officer of the Company w.e.f. August 1, 2021.

Pursuant to provision of Section 203 of the Companies Act, 2013, the Key Managerial Person (KMP) of the Company as on March 31, 2022 is as follows:

- Dr. Satish Waman Wagh – Chairman & Managing Director

- Mrs. Smita Satish Wagh – Whole Time Director
- Dr. Saloni Satish Wagh – Whole Time director
- Ms. Shivani Satish Wagh – Whole Time director
- Mr. Balasaheb Gulabrao Sawant – Whole Time Director
- Dr. Shireesh Bhalchandra Ambhaikar – Chief Executive Officer
- Mr. Ashish Ramdas Nayak – Chief Financial Officer
- Ms. Shweta Shivdhari Singh – Company Secretary & Compliance Officer

#### DECLARATION OF INDEPENDENT DIRECTORS:

The Board of Directors of the Company comprises optimal number of Independent Directors. The following Non-Executive Directors are independent in terms of Regulation 16(1)(b) of the SEBI (LODR) Regulations, 2015 ("Listing Regulations") and Section 149(6) of the Companies Act, 2013 ("the Act"):

1. Mr. Bhairav Manojbhai Chokshi (DIN: 03612527)
2. Mr. Kedar Shankar Karmarkar (DIN: 06499019)
3. Mr. Dinesh Navnitlal Modi (DIN: 00004556)
4. Mr. Dileep Kumar Jain (DIN: 00380311)
5. Dr. Neelam Yashpal Arora (DIN: 01603068)

As required under Section 149(7) of the Act, all the Independent Directors on the Board of the Company have given declarations that they meet the criteria of independence as laid down in section 149(6) of the Act and Regulation 16(1)(b) and Regulation 25 of Listing Regulations.

There has been no change in the circumstances affecting their status as Independent Directors of the Company. The Independent Directors have confirmed that they have complied with the Company's Code of Conduct. They have also further confirmed that they have registered their names in the Independent Directors' Databank.

In the opinion of the Board, they fulfil the conditions of independence as specified in the Act and the SEBI Listing Regulations and are independent of the management. Further, the Board is also of the opinion that all the Independent Directors of the Company are persons of integrity and possess relevant expertise and experience to act as Independent Directors of the Company.

#### DIRECTORS RESPONSIBILITY STATEMENT:

In accordance with the provisions of Section 134(5) of the Companies Act, 2013 the Board hereby submit its responsibility Statement:

- a) That in the preparation of the annual accounts, the applicable accounting standards have been followed

and no material departures have been made from the same;

- b) That they had selected such accounting policies and applied them consistently, and made judgements and estimates that are reasonable and prudent, so as to give a true and fair view of the state of affairs of the Company at the end of the FY and of the profit and loss of the Company for that period;
- c) That they had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) That they had prepared the annual accounts on a going concern basis;
- e) That they had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively; and
- f) That they had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

#### **COMPANY'S POLICY RELATING TO DIRECTORS APPOINTMENT, PAYMENT OF REMUNERATION AND DISCHARGE OF THEIR DUTIES:**

The Policy on appointment and remuneration of Directors, Key Managerial Persons and Senior Management including criteria for determining qualifications, positive attributes and director's independence as required under Section 178(3) of the Companies Act, 2013 and Regulation 19 read with Schedule II Part D of SEBI Listing Regulations has been formulated by the Company. A copy of the Policy is available on the website of the Company at <https://supriyalifescience.com/wp-content/uploads/2021/09/Nomination-and-Remuneration-Policy.pdf>

#### **REMUNERATION DETAILS OF DIRECTORS, KMP AND EMPLOYEES:**

Particulars required to be furnished under Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended are given in **Annexure I** and forms part of this Report.

The non-executive directors of the Company had no pecuniary relationship or transactions with the Company, other than sitting fees and reimbursement of expenses, if any.

A statement comprising the names of top 10 employees in terms of remuneration drawn and every person employed

throughout the year, who were in receipt of remuneration in terms of Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, forms an integral part of this Report. However, the same is not being sent along with this Annual Report to the Members of the Company in line with the provision of Section 136 of the Companies Act, 2013. Members who are interested in obtaining these particulars may write to [cs@supriyalifescience.com](mailto:cs@supriyalifescience.com)

#### **NUMBER OF BOARD MEETINGS CONDUCTED DURING THE YEAR UNDER REVIEW:**

The Board meets at regular intervals to discuss and decide on the Company's business policies and strategies apart from other Board businesses.

The notice of meeting of the Board of Directors and Committees were given well in advance to all the Directors of the Company. The agenda of the Board/Committee meetings is circulated 7 days prior to the date of the meeting and also at shorter notice as required as per Secretarial Standard on Meeting of Board of Directors (SS-1) issued by ICSI. The agenda for the Board and Committee meetings includes detailed notes on the items to be discussed at the meeting to enable the Directors to take an informed decision.

During FY 2021-22, 9 (nine) Board Meetings were held. For details thereof kindly refer to the section "Number & Dates of Board Meetings held during the year" - in the Corporate Governance Report. The necessary quorum was present for all the meetings. The maximum interval between any two meetings did not exceed 120 days, as prescribed by the Companies Act, 2013.

#### **DISCLOSURE ON BOARD COMMITTEES:**

The details pertaining to the composition of the Board Committee as at March 31, 2022 including its terms of reference and attendance of directors at the Committee Meetings has been provided in the section 'Board Committees', in the Corporate Governance Report, which forms part of this Report.

All recommendations of Audit Committee were accepted by the Board of Director.

#### **PERFORMANCE EVALUATION:**

The Board of Directors carried out an annual evaluation of its own performance, of the Committees of the Board and of the individual directors including Independent Directors, pursuant to the provisions of the Companies Act, 2013 and SEBI Listing Regulations.

Performance evaluation was carried out on the basis of criteria evolved, as provided by the Guidance Note on Board Evaluation issued by Securities and Exchange Board

of India, seeking inputs from the Directors individually and the committees through a structured questionnaire which provides valuable feedback for contribution to the Board, improving Board effectiveness, maximising strengths and highlighting areas for further improvement etc.,

In a separate meeting of the Independent Directors, performance of the Chairperson, non-independent directors and the Board as a whole was evaluated taking into account the views of the non independent directors and the same was discussed in the Board Meeting. Performance evaluation of Independent Directors is done by the entire Board of Directors (excluding the Directors being evaluated).

#### **VIGIL MECHANISM:**

The Company has established a vigil mechanism by adopting a Whistle Blower Policy to report concerns about illegal or unethical practices, if any. The details of the Policy are explained in the Report on Corporate Governance and are also available on the website of the Company at <https://supriyalifescience.com/wp-content/uploads/2021/09/Whistle-Blower-Policy.pdf>

#### **STATEMENT CONCERNING DEVELOPMENT AND IMPLEMENTATION OF RISK MANAGEMENT POLICY OF THE COMPANY:**

The Company has a robust strategy to identify, evaluate business risks and opportunities. This strategy seeks to create transparency, minimize adverse impact on the business objectives and enhance the Company's competitive advantage and helps in identifying risks trend, exposure and potential impact analysis at a Company level as also separately for different business segments.

Board has constituted a Risk Management Committee of the Board, to assist the Board with regard to the identification, evaluation and mitigation of operational, strategic and external risks. More details on risks and threats have been disclosed in the section "Management Discussion and Analysis".

#### **INTERNAL FINANCIAL CONTROLS:**

The internal financial controls with reference to the Financial Statements are commensurate with the size and nature of business of the Company.

#### **STATUTORY AUDITORS AND AUDITORS' REPORT:**

Pursuant to the provisions of Section 139 of the Act, and rules made thereunder, M/s. Kakaria & Associates LLP, Chartered Accountants, (Firm Registration No. 104558W/W100601) were appointed as Statutory Auditors of the Company for a term of five consecutive years, to hold office from the conclusion of the 9th AGM held on September 30, 2017 until the conclusion of 14th AGM of

the Company to be held in the calendar year 2022. They shall retire at the ensuing AGM.

The Board of Directors of your company have proposed reappointment of M/s. Kakaria & Associates LLP, Chartered Accountants, (Firm Registration No. 104558W/W100601) as Statutory Auditors of the Company for a second term of five consecutive years, to hold office from the conclusion of the ensuing AGM until the conclusion of 19th AGM of the Company to be held in the calendar year 2027. Pursuant to Section 139 and 141 of the Act and relevant Rules prescribed there under, M/s. Kakaria & Associates LLP. have confirmed that they are not disqualified from being appointed as Auditors of the Company.

M/s. Kakaria & Associates LLP, Chartered Accountants, have submitted their Report on the Financial Statements of the Company for the FY 2021-22, which forms part of the Annual Report 2021-22. There are no observations (including any qualification, reservation, adverse remark or disclaimer) of the Auditors in the Audit Reports issued by them which call for any explanation from the Board of Director. The Auditors have also confirmed that they have subjected themselves to the peer review process of Institute of Chartered Accountants of India (ICAI) and hold a valid certificate issued by the Peer Review Board of the ICAI.

#### **SECRETARIAL AUDITORS AND THEIR REPORT:**

Mr. Mahesh Darji, Practicing Company Secretary were appointed as Secretarial Auditors of the Company for the FY 2021-22 pursuant to section 204 of the Act. The Secretarial Audit Report submitted by them in the prescribed form MR- 3 is attached as **Annexure II** to this report. There are no qualifications or observations or adverse remarks or disclaimer of the Secretarial Auditors in the Report issued by them for the FY 2021-22 which call for any explanation from the Board of Director. Mr. Mahesh Darji, Practicing Company Secretary have been re-appointed to conduct the secretarial audit of the Company for the FY 2022-23. They have confirmed that they are eligible for the said appointment.

#### **COST AUDITORS AND THEIR REPORT:**

As per Section 148 of the Act read with Companies (Cost Records and Audit) Rules 2014, M/s. Rampurawala Mohammed A & Co, Cost Accountants, Mumbai, Firm Registration No. 003011 have been re-appointed as Cost Auditors for the FY 2022-23 to conduct cost audit of the accounts maintained by the Company in respect of the various products prescribed under the applicable Cost Audit Rules. The remuneration of Cost Auditors has been approved by the Board of Directors on the recommendation of Audit Committee. The requisite

resolution for ratification of remuneration of Cost Auditors by members of the Company has been set out in the Notice of ensuing AGM. The Cost Auditors have certified that their appointment is within the limits of Section 141(3) (g) of the Act and that they are not disqualified from appointment within the meaning of the said Act.

The Cost Audit Report for the FY 2021-22, issued by M/s. Rampurawala Mohammed A & Co, Cost Auditors, in respect of the various products prescribed under Cost Audit Rules was filed with the Ministry of Corporate Affairs on June 18, 2022. There were no observations (including any qualification, reservation, adverse remark or disclaimer) of the Cost Auditors in the Report issued by them for the FY 2021-22 which call for any explanation from the Board of Director.

#### **INTERNAL AUDITORS:**

M/s. GMVP & Co., Cost Accountants perform the duties of internal auditors of the Company and their report is reviewed by the Audit Committee quarterly.

#### **REPORTING OF FRAUDS BY AUDITORS:**

During the year under review, none of the auditors, viz. Statutory Auditors, Secretarial Auditors, Cost Auditor have reported to the Audit Committee, under Section 143(12) of the Act, any instances of fraud committed against the Company by its officers or employees, the details of which would need to be mentioned in the Board's Report.

#### **CORPORATE SOCIAL RESPONSIBILITY:**

The Board of Directors has constituted Corporate Social Responsibility Committee (CSR Committee) consisting of members viz. Dr. Satish Waman Wagh (Chairman), Dr. Saloni Satish Wagh, and Mr. Kedar Shankar Karmarkar.

Corporate Social Responsibility Policy (CSR Policy) indicating the activities to be undertaken by the Company was adopted by the Board on the recommendation of the CSR Committee.

Annual Report on Corporate Social Responsibility as per Rule 8 of Companies (Corporate Social Responsibility Policy) Rules, 2014 is prepared and the same is enclosed as **Annexure III** to this Report.

#### **BUSINESS RESPONSIBILITY REPORT:**

Regulation 34(2)(f) of the Listing Regulations, inter alia, provides that the annual report of the top 1000 listed entities based on the market capitalization calculated as on March 31 of every FY shall include a business responsibility report describing the initiatives taken by the Company from the environmental, social and governance perspective. Supriya Lifescience Limited is one of the top 1000 listed entities as on March 31, 2022, is presenting its Business Responsibility Report for the FY 2021-22 ("BRR")

and the same is enclosed as **Annexure IV** to this Report.

#### **CORPORATE GOVERNANCE REPORT:**

The report on Corporate Governance as per Regulation 34(3) read with Schedule V of the SEBI Listing Regulations is provided in this Annual Report. The requisite certificate from Mr. Mahesh Darji, Practicing Company Secretary confirming the compliance with the conditions of Corporate Governance is attached to the report on Corporate Governance.

#### **SECRETARIAL STANDARD:**

The Company has endeavored to comply with the applicable Secretarial Standards to the extent applicable.

#### **EXTRACT OF ANNUAL RETURN:**

The Annual Return as on March 31, 2022 in the prescribed Form No. MGT-7, pursuant to section 92 of the Act is available on the website of the Company at [www.supriyalifescience.com](http://www.supriyalifescience.com) at the link <https://supriyalifescience.com/investor-relation/corporate-governance/others/>

#### **CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO:**

The information pertaining to Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo as required under Section 134 (3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 is furnished in **Annexure V** and is attached to this report.

#### **DISCLOSURES AS PER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:**

The Company has adopted a policy on Prevention, Prohibition and Redressal of sexual harassment at workplace in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. During the year, no complaints or allegations of sexual harassment were filed with the Company.

#### **CODE FOR PREVENTION OF INSIDER TRADING:**

Your Company has adopted a Code of Conduct to regulate, monitor and report trading by insiders as per the requirements under the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 which can be accessed at <https://supriyalifescience.com/wp-content/uploads/2022/06/Code-of-conduct-to-Regulate-monitor-and-report-trading-in-securities-by-insiders.pdf>

This Code of Conduct also includes code for practices and procedures for fair disclosure of unpublished price sensitive

information which has been made available at <https://supriyalifescience.com/wp-content/uploads/2022/02/Code-for-Fair-Disclosures-of-UPSI.pdf>

#### **DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE:**

There are no Material orders passed by the judicial or quasi-Judicial authority which affects the Going Concern Status of the Company during the year under review.

#### **APPLICATIONS UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016:**

There were no applications made by the Company or upon the Company under the Insolvency and Bankruptcy Code, 2016 during the year under review. There are no proceedings pending under the Insolvency and Bankruptcy Code, 2016 by / against the Company as on March 31, 2022.

#### **ACKNOWLEDGEMENTS:**

Your Directors place on record their sincere thanks to bankers, business associates, consultants, and various Government Authorities for their continued support extended to your Companies activities during the year under review. Your Directors deeply appreciate the committed efforts put in by employees at all levels, whose continued commitment and dedication contributed greatly to achieving the goals set by your Company. Your Directors also acknowledges gratefully the shareholders for their support and confidence reposed on your Company.

**For and on Behalf of the Board of Directors  
For Supriya Lifescience Limited**

**Satish Waman Wagh**

Place: Brazil                      Chairman and Managing Director  
Date: August 12, 2022                      DIN: 01456982

## ANNEXURE – I PARTICULARS OF REMUNERATION

Details pertaining to remuneration as required under section 197(12) read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended

**A. Ratio of remuneration paid to each Director to the median remuneration of the employees of the Company and percentage increase in remuneration for the FY 2021-22 is as follows:**

Sr. No.	Name of Director / KMP	Designation	Ratio of remuneration of the Director to the median remuneration of the employee	% increase/ decrease in Remuneration
1.	Dr. Satish Waman Wagh	Chairman & Managing Director	436.74:1	158.18%
2.	Mrs. Smita Satish Wagh	Whole Time Director	53.01:1	12%
3.	Dr. Saloni Satish Wagh	Whole Time Director	48.39:1	12%
4.	Ms. Shivani Satish Wagh	Whole Time Director	48.39:1	12%
5.	Mr. Balasaheb Gulabrao Sawant	Whole Time Director	19.11:1	12%
6.	Mr. Bhairav Manojbhai Chokshi	Independent Director	1.02:1	-
7.	Mr. Kedar Shankar Karmarkar	Independent Director	0.96:1	-
8.	Mr. Dileep Kumar Jain	Independent Director	0.82:1	-
9.	Mr. Dinesh Navnitlal Modi	Independent Director	1.02:1	-
10.	Dr. Neelam Yashpal Arora	Independent Director	0.79:1	-
11.	Dr. Shireesh Bhalachandra Ambhaikar	Chief Executive Officer	N.A.	-
12.	Mr. Ashish Ramdas Nayak	Chief Financial Officer	N.A.	12%
13.	Ms. Shweta Shivdhari Singh	Company Secretary & Compliance Officer	N.A.	12%

**Notes:**

- Remuneration of Independent Directors includes Sitting Fees only paid to them during the FY 2021-22.
- The aforesaid details are calculated on the basis of Cost to Company (CTC) of employees during the FY 2021-22.
- The remuneration to Directors is within the overall limits approved by the shareholders.
- The median remuneration is ₹ 2,74,763/- for the FY 2021-22.
- Dr. Shireesh Bhalachandra Ambhaikar was appointed on July 6, 2021 and designated as Chief Executive officer w.e.f. August 1, 2021, hence % increase/decrease in remuneration is not comparable.

**B. Percentage increase in the median remuneration of employee in the financial year:**

There was a decrease in median remuneration by 6.67%.

**C. The number of permanent employees on the rolls of Company:**

There were 374 employees on the rolls of the Company as on March 31, 2022.

**D. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last Financial Year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:**

The average increase in the salary of the employees and the managerial personnel other than the Managing Director in FY 2021-2022 is 12% whereas the Managing Director's remuneration increased by 158.18%. The Annualise increment percentage is calculated on annual CTC of employees.

The increment given to each individual employee is based on the employees' potential, experience as also their performance and contribution to the Company's progress over a period of time and also as per market trend.

**E. Affirmation that the remuneration is as per the remuneration policy of the Company:**

It is hereby affirmed that the remuneration paid is as per the Policy for Remuneration of the Directors, Key Managerial Personnel and other Employees.

**For and on Behalf of the Board of Directors  
For Supriya Lifescience Limited**

**Satish Waman Wagh**  
Chairman and Managing Director  
DIN: 01456982

Place: Brazil  
Date: August 12, 2022

**ANNEXURE – II**  
**FORM NO. MR-3**  
**SECRETARIAL AUDIT REPORT**  
**FOR THE FINANCIAL YEAR ENDED MARCH 31, 2022**

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

To,  
The Members,  
**Supriya Lifescience Limited**  
207 /208 Udyog Bhavan, Sonawala Road,  
Goregaon (East), MUMBAI – 400063

*Dear Sir / Madam,*

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good Corporate Governance practice by Supriya Lifescience Limited (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing our opinion thereon.

Based on our limited verification of the Company's Books, Papers, Minutes Books, Forms and Returns filed with regulatory authorities 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 financial year ended March 31, 2022, generally 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 Books, filing of Forms and Returns with applicable regulatory authorities and maintaining other records 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 on test basis, the books, papers, minute books, forms and returns filed and other records maintained by the Company and produced before us for the financial year ended March 31, 2022, according to the provisions of:

(i) The Companies Act, 2013 and the rules made there under;

- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) The Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings, to the extent the same was applicable to the Company; No Events During the Year
- (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; (w.e.f. 28.12.2021)
  - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; (w.e.f. 28.12.2021)
  - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (to the extent applicable); (w.e.f. 28.12.2021)
  - d. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015; (w.e.f. 28.12.2021)
  - e. 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;
  - f. The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018.



(vi) Considering activities, the Company is also subject to compliance of the following laws specifically applicable to the Company:

- a. The Drugs & Cosmetics Act, 1940
- b. The Drugs & Cosmetics Rule, 1945
- c. Poison Act, 1919
- d. The Drug (Price Control) Order, 2013;
- e. The Drugs and Magic Remedies (Objectionable Advertisement) Act, 1954 and the rules made there under;
- f. The Narcotic Drugs and Psychotropic Substances Rules, 1985.

We have verified systems and mechanism which are in place and followed by the Company to ensure Compliance of these specifically applicable Laws as mentioned in (vi) above, in addition to the above mentioned Laws (i to v) applicable to the Company and we have also relied on the representation made by the Company and its Officers in respect of systems and mechanism formed / followed by the Company for compliances of other applicable Acts, Laws and Regulations and found the satisfactory operation of the same.

We have also examined compliance with the applicable clauses of the Secretarial Standards issued by the Institute of Company Secretaries of India under the provisions of Companies Act, 2013.

We further Report that, during the year, either there was no event attracting the below mentioned provisions or it was not mandatory on the part of the Company to comply with the following Provisions, Regulations / Guidelines:

- (i) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
- (ii) The Securities and Exchange Board of India (Buy Back of Securities) Regulations, 1998.
- (iii) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- (iv) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;

Based on the above said information provided by the Company, we report that during the financial year under report, the Company has generally complied with the provisions of the above mentioned Act/s including the applicable provisions of the Companies Act, 2013 and Rules, Regulations, Guidelines, Standards, etc. mentioned above and we have no observation of material instances of non-Compliance in respect of the same.

**We further report that:**

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 that took place during the year under review were carried out in compliance with the provisions of the Act.

We also report that adequate notice was given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance and in case of urgency, with the consent of directors at short notice and a reasonable system exists for Board Members 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 Officer, we herewith report that majority decision is carried through and proper system is in place which facilitates / ensure to capture and record, the dissenting member's views, if any, as part of the minutes.

Based on the representation made by the Company and its Officers explaining us in respect of internal systems and mechanism established by the Company which ensures compliances of Acts, Laws and Regulations applicable to the Company, we 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 applicable laws, rules, regulations and guidelines.

We further report that during the audit period under review, there were following event / action that can have a major bearing on the Company's affairs:

- 1) It may be noted that the Company has floated Initial Public Offer (IPO) for total of ₹ 700 Crores wherein ₹ 200 Crores was through Fresh Issue and ₹ 500 Crores was through Offer For Sale. The Company has allotted fresh 72,99,270 Equity Shares under IPO during the quarter under reference. The Equity Shares of the Company are listed on BSE and NSE. The Company has received final listing approval on December 28, 2021 from BSE and NSE.

Note: This Report is to be read along with attached Letter provided as "Annexure - A".

**Mahesh M. Darji**

*Company Secretary in Practice*

FCS: 7175

CP: 7809

Place: Mumbai

UDIN: F007175D000784006

Date: August 12, 2022

Peer Review No. 2061 / 2022

## Annexure – A

To,  
The Members,  
**Supriya Lifescience Limited**  
207 /208 Udyog Bhavan, Sonawala Road,  
Goregaon (East), MUMBAI – 400063

*Dear Sir / Madam,*

**SUB: Our Report of even date is to be read along with this letter.**

1. Maintenance of secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We 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 (by verifying records as was made available to us) to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company and we rely on Auditors Independent Assessment on the same.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events, etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of process followed by Company to ensure adequate Compliance.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

Place: Mumbai  
Date: August 12, 2022

**Mahesh M. Darji**  
*Company Secretary in Practice*  
FCS: 7175  
CP: 7809  
UDIN: F007175D000784006  
Peer Review No. 2061 / 2022

## ANNEXURE III ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

### 1. Brief outline on CSR Policy of the Company:

The Corporate Social Responsibility Committee had formulated and recommended to the Board, a Corporate Social Responsibility Policy ("CSR Policy") in compliance with Section 135 of the Companies Act, 2013 (the Act) read with the Companies (Corporate Social Responsibility Policy), Rules 2014 (the CSR Rules). Supriya Lifescience Limited ("SLL") is vigilant in its enforcement towards corporate principles and is committed towards sustainable development. At SLL, we know that we cannot prepare any business, our clients' or our own for the future of work without also considering the future of our planet and our society.

As a socially responsible corporate citizen, the Company is committed to the core values of collective progress and welfare. Corporate Social Responsibility ("CSR") is defined as the integration of business operations and values, whereby the interests of all stakeholders including investors, customers, employees, the community and the environment are reflected in the company's policies and actions.

The Company aims to undertake initiatives that create sustainable growth of the environment and empowers the under privileged sections of society. The Company's CSR initiatives also address the challenge of capacity building and securing sustainable livelihoods of unprivileged sections of the society around its manufacturing units.

### 2. Composition of CSR Committee:

SL No.	Name of Director	Position	Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Dr. Satish Waman Wagh	Chairman	Chairman & Managing Director	1	1
2	Dr. Saloni Satish Wagh	Member	Whole Time Director	1	1
3	Mr. Kedar Shankar Karmarkar	Member	Independent Director	1	1

### 1. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company:

Composition of CSR committee	<a href="https://supriyalifescience.com/wp-content/uploads/2021/12/Committees-of-the-Board.pdf">https://supriyalifescience.com/wp-content/uploads/2021/12/Committees-of-the-Board.pdf</a>
CSR Policy	<a href="https://supriyalifescience.com/wp-content/uploads/2021/12/CSR-Policy.pdf">https://supriyalifescience.com/wp-content/uploads/2021/12/CSR-Policy.pdf</a>
CSR projects approved by the board of the Company	<a href="https://supriyalifescience.com/wp-content/uploads/2022/06/Annual-Action-Plan-F.Y.-2021-2022.pdf">https://supriyalifescience.com/wp-content/uploads/2022/06/Annual-Action-Plan-F.Y.-2021-2022.pdf</a>

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

The requirement of carrying out the Impact assessment of CSR projects in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, is not applicable to the company.

### 5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any:

SL No.	Financial Year	Amount available for set-off from preceding financial years (in ₹)	Amount required to be set-off for the financial year, if any (in ₹)
1	2020-21	N.A.	N.A.

### 6. Average net profit of the company as per section 135(5): ₹ 1060.53 million

7. (a)	Two percent of average net profit of the company as per section 135(5):	: ₹ 21.21 million/-
(b)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years	: Nil
(c)	Amount required to be set off for the financial year, if any:	: Nil
(d)	Total CSR obligation for the financial year (7a+7b-7c).	: ₹ 21.21 million/-

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

Total Amount Spent for the Financial Year. (₹ in million)	Amount Unspent (₹ in million)				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount	Date of Transfer	Name of the Fund	Amount	Date of Transfer
₹ 15.925	₹ 6.380	April 30, 2022	NA	Nil	NA

(b) Details of CSR amount spent against ongoing projects for the financial year:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	
Sr	Name of the Project	Item from the list of activities in Schedule VII to the Act.	Local Area (Yes/No)	Location of the Project.		Project duration	Amt allocated for the project (₹ in million)	Amount spent for the project (₹ in million)	Mode of Implementation - Direct (Yes/No).	Mode of Implementation through Implementing Agency	
				State	District					Name	CSR Registration Number
1.	Medical Centre	(i)	Yes	Maharashtra	Lote, Ratnagiri	3 Years	9	2.62	No	Satish Wagh Foundation	CSR00015931

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

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sr	Name of the Project	Item from the list of activities in Schedule VII to the Act.	Local Area (Yes/No)	Location of the Project.		Amount spent for the project (₹ in million)	Mode of Implementation - Direct (Yes/No).	Mode of Implementation through Implementing Agency	
				State	District			Name	CSR Registration Number
1	Supporting COVID care Center and other COVID related relief activities	(i)	Yes	Maharashtra	Ratnagiri	4.846	Yes	NA	NA
2	Medical, Health care activities and making available safe drinking water.	(i)	Yes	Maharashtra	Mumbai & Ratnagiri	0.165	Yes	NA	NA
						2.400	No	Prabodhan Goregaon	CSR00011773
						1.044	No	Apex Kidney Foundation	CSR00007267
						0.204	No	Satish Wagh Foundation	CSR00015931
3	Supporting construction of Swananda Sewa Sadan	(iii)	Yes	Maharashtra	Palghar	0.500	No	Nutan Gulgule Foundation	CSR00019552
4	Promoting Education by move forward in the world of Digitization	(ii)	Yes	Maharashtra	Mumbai, & Ratnagiri	0.251	Yes	NA	NA
						0.606	No	Satish Wagh Foundation	CSR00015931
5	Disaster Management (helped during Chiplun Flood)	(xii)	Yes	Maharashtra	Ratnagiri	0.812	Yes	NA	NA
6	Rural Development	(x)	Yes	Maharashtra	Ratnagiri	0.284	Yes	NA	NA
						0.200	No	Naam Foundation	CSR00014162
						1.683	No	Satish Wagh Foundation	CSR00015931
7	Animal Welfare	(iv)	Yes	Maharashtra	Mumbai	0.310	Yes	NA	NA
TOTAL						13.305			

- (d) Amount spent in Administrative Overheads: Nil
- (e) Amount spent on Impact Assessment, if applicable: Not Applicable
- (f) Total amount spent for the Financial Year (8b+8c+8d+8e): ₹ 15.925 million
- (g) Excess amount for set off, if any

SL No.	Particular	Amount (₹ in million)
(i)	Two percent of average net profit of the company as per section 135(5)	₹ 21.211
(ii)	Total amount spent for the Financial Year	₹ 22.305*
(iii)	Excess amount spent for the financial year [(ii)-(i)]	₹ 1.094
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	Nil
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	₹ 1.094

\*including amount of Ongoing project.

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

The CSR amount is not remaining to be spent for the preceding three financial years.

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):

1	2	3	4	5	6	7	8	9
Sr	Project ID.	Name of Project.	Financial Year in which the project was commenced	Project Duration	Total Amount allocated for the project (in. ₹)	Amount spent in the Project in the reporting Financial Year (in ₹)	Cumulative amount spent at the end of reporting Financial Year. (in ₹)	Status of the Project Completed/ Ongoing
NA								

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

- a) Date of creation or acquisition of the capital asset(s): March 25, 2022
- b) Amount of CSR spent for creation or acquisition of capital asset: ₹ 1.425 million
- c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc:  
 Satish Wagh Foundation  
 207/208, Udyog Bhavan, Sonawala Road, Goregaon (East), Mumbai – 400063.  
 CSR Registration No.: CSR00015931
- d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset):  
 Survey No. 169/10/3, MIDC lote, Tal-Khed, Ratnagiri

Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5):

Not applicable, as the company has spent the required CSR amount.

For and on Behalf of the Board of Directors  
 For Supriya Lifescience Limited

Satish Waman Wagh

Chairman and Managing Director, Chairman- CSR Committee

DIN: 01456982

Place: Brazil

Date: August 12, 2022

## ANNEXURE IV BUSINESS RESPONSIBILITY REPORT

### SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

1.	Corporate Identity Number (CIN) of the Company	L51900MH2008PLC180452
2.	Name of the Company	Supriya Lifescience Limited
3.	Registered address	207/208, Udyog Bhavan, Sonawala Road, Goregaon (East), Mumbai – 400063, Maharashtra, India.
4.	Website	<a href="http://www.supriyalifescience.com">www.supriyalifescience.com</a>
5.	Email id	<a href="mailto:cs@supriyalifescience.com">cs@supriyalifescience.com</a>
6.	Financial Year reported	April 1, 2021 – March 31, 2022
7.	Sector(s) that the Company is engaged in (industrial activity code-wise)	Manufacturing of Active Pharmaceutical Ingredients NIC Code: 21001
8.	List three key products/services that the Company manufactures/provides (as in balance sheet)	Chlorpheniramine Maleate, Pheniramine Maleate, Ketamine Hydrochloride, Salbutamol Sulphate
9.	Total number of locations where business activity is undertaken by the Company	2 manufacturing facilities at Ratnagiri and 1 Corporate office at Mumbai, Maharashtra
10.	Markets served by the Company	The Company serves both International as well as Domestic markets with presence in around 88 countries. Key markets include Europe, Asia, LATAM & Middle East

### SECTION B: FINANCIAL DETAILS OF THE COMPANY

1.	Paid up Capital (INR)	₹ 160.97 million
2.	Total Turnover (INR)	₹ 5376.26 million
3.	Total profit after taxes (INR)	₹ 1518.10 million
4.	Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%)	Please refer the Annual report on CSR-Annexure III of Directors Report
5.	List of activities in which expenditure in 4 above has been incurred	Please refer the Annual report on CSR-Annexure III of Directors Report

### SECTION C: OTHER DETAILS

1.	Does the Company have any Subsidiary Company/ Companies?	No
2.	Do the Subsidiary Company/Companies participate in the BR Initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s)	Not Applicable
3.	Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30-60%, More than 60%]	No

### SECTION D: BR INFORMATION

#### 1. Details of Director/Directors responsible for BR

- a. Details of the Director/Director responsible for implementation of the BR policy/policies and b. Details of the BR Head

DIN Number	01456982
Name	Dr. Satish Waman Wagh
Designation	Chairman & Managing Director
Telephone number	022 4033 2727
e-mail id	<a href="mailto:satish@supriyalifescience.com">satish@supriyalifescience.com</a>



### 3. Governance related to BR

- (a) **Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year –**

The equity shares of the Company were listed on the Stock Exchange (BSE Limited and National Stock Exchange of India Limited) w.e.f. December 28, 2021, the formulation of Business Responsibility Report has become applicable to the Company from FY 2021-22 based on the market capitalization of the Company. The Management shall monitor the BR initiatives and BR performance of the Company to be complied in the BR report, annually, which shall form part of the Annual Report every year and shall be placed before the Board for their approval, every year.

- (b) **Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published? –**

The equity shares of the Company were listed on the Stock Exchanges (BSE Limited and National Stock Exchange of India Limited) w.e.f. December 28, 2021, therefore the requirement of publishing the Business Responsibility Report was not applicable to the Company for previous financial years.

The Company is publishing the Business Responsibility Report for FY 2021-22 and the said report will be part of Annual Report for FY 2021-22 and will be available on Company's website: [www.supriyalifescience.com](http://www.supriyalifescience.com)

## SECTION E: PRINCIPLE-WISE PERFORMANCE

### Principle 1

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

The policy relating to ethics, bribery and corruption not only cover the Company but also extend to our stakeholders, viz., suppliers, customers, employees etc. and other parties with whom the Company conducts any business. The Code of Conduct guides all workforce including supervisory, executive and managerial employees of the Company as well as the Board members.

2. **How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the**

**management? If so, provide details thereof, in about 50 words or so.**

The Company had received Investor complaints pertaining to IPO allotment/ refunds during the financial year and all the complaints were resolved within the regulatory timeline. We have not received any significant complaints from stakeholders in the last financial year.

### Principle 2

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

- (a) Use of AGNFD for Salbutamol sulphate intermediate stage I , II and III
- (b) Use of AGNFD for ketamine HCl intermediate stage I , II ,III, IV
- (c) Use of AGNF for production of DMC HCl and secondary Amine
- (d) Environmentally safer process in Salbutamol sulphate developed. Progress on two other products in R&D is good.

2. **For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product (optional):**

- (a) **Reduction during sourcing/production/ distribution achieved since the previous year throughout the value chain?**

Use of Agitator nutsche filter dryer in place of Centrifuge and Fluid bed dryers where the energy as well as safety enhanced for the manufacturing of Intermediate of salbutamol sulphate, Ketamine Hcl , DMCHCL.

Use of NBS in place of Liquid bromine where the hazards as well as process safety.

Use of Dedicated storage tanks in place of the Drum / Barrels for handling of chemicals along with Transfer pipeline.

- (b) **Reduction during usage by consumers (energy, water) has been achieved since the previous year?**

Use of High efficiency Dry Vacuum pump in place of oil vacuum pumps and water jet vacuum pump.

3. **Does the company have procedures in place for sustainable sourcing (including transportation)?**

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



The Company does sustainable procurement of its raw materials and mechanism is in place to procure raw materials from different sources considering availability, transportation, requirement of factories etc. This also includes transportation from suppliers to our factories.

**4. Has the company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work?**

- Transportation for goods using local transporters
- Procurement of material MSME/SME suppliers
- Hiring of locals from nearby localities for:
  1. Manpower suppliers
  2. Garden services
  3. Housekeeping
  4. Plumbing
  5. Equipment insulation
  6. Equipment erection /installation, piping and project work
- Ice procurement from local suppliers

**(a) If yes, what steps have been taken to improve their capacity and capability of local and small vendors?**

We have undertaken various guidance and training programmes for skill and knowhow development of local and small vendors and also undertaken information drive among local suppliers to enhance their capability to meet our demand materials and services.

**5. Does the company have a mechanism to recycle products and waste? If yes what is the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%). Also, provide details thereof, in about 50 words or so.**

We are manufacturer of lifesaving drugs (API) and as such we do not recycle products. >However, we do recycle water, paper and another hazardous generation Hz waste by sending it to approved and authorized parties for purification as permitted.

**Principle 3**

1. Please indicate the Total number of employees on the payroll. - 374
2. Please indicate the Total number of employees hired on temporary/contractual/casual basis. - 407
3. Please indicate the Number of permanent women employees. - 43

**4. Please indicate the Number of permanent employees with disabilities - 1**

**5. Do you have an employee association that is recognized by management? - No**

**6. What percentage of your permanent employees is members of this recognized employee association? - No**

**7. Please indicate the Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year.**

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

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

We give training to all employees in area like CGMP, Safety and On job training including data integrity, All the employees will undergo training as per Training calendar and evaluation is carried out by written test as well as oral, the frequency of training for safety – once in year, CGMP- Twice in year, On job – as and when required and newly joined employee -6 working days after the joining , every individual shall undergo minimum 30 hours training in a year with a training session of about 30 min per topic.

**Principle 4**

**1. Has the company mapped its internal and external stakeholders? Yes/No**

Yes, Company has mapped its internal and External stakeholders.

**2. Out of the above, has the company identified the disadvantaged, vulnerable & marginalized stakeholders.**

Yes. The CSR Committee of the Company develops the roadmap and action plan taking into consideration the expectations of different stakeholders including those which need support on multiple fronts.

**3. Are there any special initiatives taken by the company to engage with the disadvantaged, vulnerable and marginalized stakeholders. If so, provide details thereof, in about 50 words or so.**

Yes. The Company focuses on serving disadvantaged, vulnerable and marginalized stakeholders in core areas near to its manufacturing facilities through various CSR initiatives. For details please refer Annexure III of Directors Report.

**Principle 5**

**1. Does the policy of the company on human rights cover only the company or extend to the Group/Joint Ventures/Suppliers/Contractors/NGOs/Others?**

Code of Conduct of the Company covers the above aspects and the same is also extend to our stakeholders, viz., suppliers, customers, employees etc. and other parties with whom the Company conducts any business.

**2. How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?**

No such complaints were received in the period under review.

**Principle 6**

**1. Does the policy related to Principle 6 cover only the company or extends to the Group/Joint Ventures/Suppliers/Contractors/NGOs/others.**

Yes, it extends to the Company only.

**2. Does the company have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc? Y/N. If yes, please give hyperlink for webpage etc.**

Using clean-burning fuel like Biodiesel, briquettes which is made from waste vegetable oils, rice husk, saw dust, bagasse, groundnut shells and its produces less toxic pollutants and greenhouse gases than other fuel. This fuel protects the environment.

**3. Does the company identify and assess potential environmental risks? Y/N**

- Yes- Provided own Effluent treatment Plant and after treated effluent sending to Common effluent treatment plant for further treatment, routinely monitoring, achieving statutory norms, dedicated hazardous waste storage area and disposed to CHWTSDF.
- Emissions- Provided dust collector, process scrubbers, stack,
- liquid waste drainage system provided.

- environmental impact-The chemicals in the liquid stage are stored according to their properties so that their avoiding environment impact due to conversion of vapors.
- Regular preventive/breakdown maintenance of all pollution control equipment.

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

Yes- Obtained Environment clearance. and Regular monitoring stack gases, AAQM, NOISE, Soil, Wastewater, workplace etc through MOEFCC recognized laboratory and achieving permissible Limit.

**5. Has the company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy, etc. Y/N. If yes, please give hyperlink for web page etc.**

The Company has completed implementation of energy efficiency work i.e. Installation of LED Lights. Consequent to the same, the Company has been able to significantly reduce maintenance and energy costs, besides having positive environment impact, company has planned of solar energy system for renewable energy sources.

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

- Yes, OCEMS is installed and connected to CPCB & SPCB server.

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

- Not received any show cause/ legal notices as on end of Financial Year

**Principle 7**

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

- (a) Chemicals Export Promotion Council (CHEMEXCIL)
- (b) Pharmaceutical Export Promotion Council of India (PHARMEXCIL)
- (c) Federation of Indian Export Organisations (FIEO)
- (d) Maharashtra Chamber of Commerce, Industry & Agriculture (MACCIA)

(e) IMC Chamber of Commerce and Industry

2. Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes/No; if yes specify the broad areas (drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others)

Yes. The Company has participated in advocating matter relating to Sustainable Business Principles and Inclusive Development Policies.

#### Principle 8

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

As part of its CSR policy, the Company has taken up several initiatives in this regard for the communities or villages around the manufacturing sites. All our programs and initiatives have complemented and supported the development priorities of the local communities.

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

The Company undertakes programmes/projects through in-house team, foundation and external NGO as per need basis.

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

The Company periodically reviews the impact of various programmes/projects undertaken by the Company.

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

Refer details of CSR contributions in the Annual Report on CSR forming part of this Annual Report.

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

The details of contributions made by the Company for community development are provided in the CSR report of the Company.

#### Principle 9

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

No customer complaints are pending as at the end of the FY 2021-22.

2. Does the company display product information on the product label, over and above what is mandated as per local laws? Yes/No/N.A. /Remarks (additional information)

We comply with all stated requisite laws for safe handling of our products.

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

No

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

We have initiated a process to get feedback through our regular phone calls with customers. A formal process for tracking such system is being adopted.

## ANNEXURE V

# CONSERVATION OF ENERGY AND TECHNOLOGY ABSORPTION

Your Company is not an energy intensive unit. However, possibilities are continuously explored to conserve energy and to reduce energy consumption to the extent possible. During the year under review, considering the nature of activities presently being carried on by the Company, categorical information of the Company in terms of the Rules is provided below:

### (A) Conservation of energy:

(i) Steps taken or impact on conservation of energy	<ol style="list-style-type: none"> <li>1. Installation of Direct coupled Buonfiglio make Gear box instead of Belt driven to reduce power consumption.</li> <li>2. Installation of ANFD's in place of Centrifuges &amp; FBD's to reduce power</li> <li>3. APFC panel installed to control power factor</li> <li>4. Installation of VFD's to control RPM of reactors &amp; AHU CFM</li> <li>5. Installation of LED lights to conserve energy.</li> <li>6. Installation of Dry vacuum pumps in place of Water/steam jet/oil ring vacuum pumps.</li> <li>7. Installation of Magnetic pumps in place of centrifugal pumps.</li> </ol>
(ii) Steps taken by the company for utilizing alternate sources of energy	<ol style="list-style-type: none"> <li>1. Use Biomass Briquettes instead of furnace oil for steam generation and optimum utilization of Energy.</li> <li>2. Planning for installation of Solar panel for streetlight. &amp; solar system for power generation.</li> </ol>
(iii) Capital Investment on energy conservation equipment;	NIL

### (B) Technology absorption:

(i) the efforts made towards technology absorption:	<ol style="list-style-type: none"> <li>1. Cost reduction on account of energy efficiency</li> </ol>
(ii) the benefits derived like product improvement, cost reduction, product development or import substitution;	<ol style="list-style-type: none"> <li>2. Operational Flexibility</li> <li>3. Reduction in Manpower</li> <li>4. Increase in productivity</li> <li>5. Pollution control measures i.e. Improvement in boiler exhaust air quality</li> <li>6. Safety of Plant &amp; Machinery               <ul style="list-style-type: none"> <li>✓ Expansion of the product range.</li> <li>✓ Increase in customer base and markets.</li> <li>✓ Process optimization and increased efficiency</li> </ul> </li> </ol>
(iii) in case of imported technology (imported during the last three years reckoned from the beginning of the financial year)-	Nil
(a) the details of technology imported;	-
(b) the year of import;	-
(c) whether the technology been fully absorbed;	-
(d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof;	-

**(C) Expenditure incurred on Research and Development:**

(₹ in Million)

Particulars	March 31, 2022	March 31, 2021
Capital	19.50	-
Revenue	16.62	15.33
<b>Total</b>	<b>36.12</b>	<b>15.33</b>

**(D) Foreign exchange earnings and Outgo:**

The foreign exchange earned in terms of actual inflows during the year and the foreign exchange outgo during the year in terms of actual outflows.

(₹ in Million)

Particulars	March 31, 2022	March 31, 2021
Foreign exchange earning	3925.13	2985.52
Foreign exchanged outgo	984.66	598.26

For and on Behalf of the Board of Directors  
For Supriya Lifescience Limited

**Satish Waman Wagh**  
Chairman and Managing Director  
DIN: 01456982

Place: Brazil  
Date: August 12, 2022

# Report on Corporate Governance

The equity shares of Supriya Lifescience Limited ("Company") were listed on recognised stock exchanges BSE Limited ("BSE") and National Stock Exchange of India Limited ("NSE") with effect from December 28, 2021, subsequent to the Initial Public Offer ("IPO") of its Equity Shares. Hence, the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "Listing Regulations") were applicable to the Company w.e.f December 28, 2021, as the Company was an unlisted Public Company till December 27, 2021.

This corporate governance report (the "CG Report") is prepared in accordance with the provisions of the Listing Regulations, and the CG Report contains the details of corporate governance systems and processes at Company.

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

Corporate governance encompasses a set of systems and practices to ensure that the Company's affairs are being managed with accountability, transparency, empowerment, integrity and fairness in all the transactions. We are committed to meet the aspirations of all our stakeholders. The Company's commitment for effective Corporate Governance continues and the Company has always been at the forefront of benchmarking its internal systems and policies within accepted standards so as to facilitate the creation of long term value for all stakeholders. The Company's overall governance framework, systems, and processes reflect and support our Mission, Vision, Ethics and Values.

The Company firmly believes that good corporate governance is essential to achieve the long-term corporate goals and enhance stakeholder's value. Critical elements of corporate governance are transparency, internal controls, risk management, internal and external communications, high standards of safety, health, environment, accounting fidelity and product and service quality. The Board of Directors of the Company (the "Board") has empowered responsible persons to implement its policies and guidelines and has set up adequate review processes/mechanisms to serve this purpose. The Corporate Governance report is presented below.

## 2. Board of Directors:

The Board of Directors (the 'Board') is the primary direct stakeholder influencing corporate governance. The Board of Directors is the highest governance body constituted to oversee the Company's overall functioning. The responsibility of Board is to provide strategic guidance to the Company, to ensure effective monitoring of the management and to be accountable to the Company and the shareholders. The Board of the Company consists of eminent individuals from industry, management, technical, financial, and legal field. Information relating to the business, operations and risks affecting the Company is regularly placed before the Board for its consideration apart from information as mentioned in Part A of Schedule II of SEBI Listing Regulations.

### 2.1 Composition of Directors:

The Board comprises of an optimum combination of Executive, Non-Executive, Independent Directors and Woman Director as required under the Companies Act, 2013 ('the Act') and SEBI Listing Regulations. As on March 31, 2022, the Company's Board consists of Ten (10) directors, five of whom are Executive and remaining are Non-Executive Independent Directors, including One Woman Director is Non-Executive Independent Director. The composition of the Board, as on March 31, 2022, is in conformity with the provisions of the Companies Act, 2013 ("the Act") and regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) as amended.

### 2.2. Number & Dates of Board Meetings held during the year:

The Board meets at regular intervals to discuss and decide on business strategies/policies and review the financial performance of the Company. The notice and detailed agenda along with the relevant notes and other material information are sent in advance separately to each Director and in case of business exigencies or urgency of matters, resolutions are passed by circulation. This ensures timely and informed decisions by the Board. The Board reviews the performance of the Company vis-à-vis the budgets/targets.

During the financial year 2021-22, the Board met

9 (nine) times on May 6, 2021, May 15, 2021, July 28, 2021, October 19, 2021, November 12, 2021, December 9, 2021, December 21, 2021, December 23, 2021 & January 21, 2022. The Interval between two meetings was well within the maximum period mentioned under Section 173 of the Act and the

SEBI Listing Regulations. Due to the exceptional circumstances caused by the Covid-19 pandemic and consequent relaxations granted by MCA and SEBI, all Board meetings in FY 2022 were held through Video Conferencing.

**2.3. Attendance of Directors at the Board Meetings held during the financial year 2021-22 and the last Annual General Meeting held on August 2, 2021 and the number of other Directorship(s) and Committee Membership(s) or Chairpersonship(s) held by Directors:**

Name of Director	Category / Designation	No. of Board Meetings Attended	Attendance at Last AGM	Directorship in other listed entity (Category of Directorship)	Chairmanship / Membership of Committees in other Public Ltd Cos. \$		No. of Shares held by Directors
					Chairmanship	Membership	
Dr. Satish W. Wagh	Executive-Chairman & Managing Director	9	Yes	-	0	0	54394205
Mrs. Smita S. Wagh	Executive-Whole Time Director	2	Yes*	-	0	0	321750
Dr. Saloni S. Wagh	Executive-Whole Time Director	9	Yes	-	0	0	29250
Ms. Shivani S. Wagh	Executive-Whole Time Director	9	Yes	-	0	0	29250
Mr. Balasaheb G. Sawant	Executive-Whole Time Director	5	No	-	0	0	0
Mr. Bhairav M. Chokshi	Non-Executive-Independent Director	9	Yes	-	0	0	0
Mr. Kedar S. Karmarkar	Non-Executive-Independent Director	9	Yes	-	0	0	0
Mr. Dileep M. Jain	Non-Executive-Independent Director	9	Yes	-	0	0	0
Mr. Dinesh N. Modi	Non-Executive-Independent Director	9	Yes	1. Kisan Mouldings Limited # 2. Arrow Greentech Limited #	2	1	0
Dr. Neelam Y. Arora	Non-Executive-Independent Director	9	No	1. Shreyas Intermediates Limited # 2. Kesar Petroproducts Limited #	2	2	0

\*Attended through proxy in capacity of Member.

Category of Directorship

# Non-Executive, Independent Director

§ Figures includes Committee positions in Audit Committee and Stakeholders Relationship Committee only.

¶ Dr. Satish W. Wagh, Chairman & Managing Director, is the spouse of Mrs. Smita S. Wagh, Whole Time Director and Father of Dr. Saloni S. Wagh and Ms. Shivani S. Wagh, Whole Time Director, no other directors have any inter-se relationship with the other Directors of the Company.

None of the Independent Directors of the Company had any material pecuniary relationship or transactions with the Company, its promoters and its management during the financial year 2021-22, which in the judgment of the Board may affect the directors' independent judgment.

#### 2.4 Independent Directors:

The Non-Executive Independent Directors fulfill the conditions of independence specified in Section 149(6) of the Companies Act, 2013 and Listing Regulations. The terms and conditions stating the appointment of Independent Directors as provided in Companies Act, 2013 and the Listing Regulations has been issued and disclosed on the website of the Company viz. [www.supriyalifescience.com](http://www.supriyalifescience.com)

Board of Directors confirms that in the opinion of the Board of Directors, Independent Directors fulfill the conditions specified in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and are independent of the management.

#### 2.5 Separate Meeting of Independent Directors

A separate meeting of the Independent Directors was held on March 11, 2022 without the presence of

Executive Directors or Management representatives, inter alia, to discuss the performance of Non-Independent Directors and the Board as a whole, the performance of the Chairman of the Company taking into account the views of executive and non-executive directors and the quality, quantity and timeliness of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform its duties. All Independent Directors of the Company attended the meeting.

#### 2.6 Directors Induction and Familiarization Programmes:

Towards familiarization of the Independent Directors with the Company, periodic presentations are made at the Board and Committee meetings on business and performance updates of the Company, global business environment, business strategy and risk involved including their roles, rights, responsibility in the Company, nature of the industry in which the Company operates, business model of the Company and related matters.

The details of such programs for familiarisation of the Independent Directors with the Company are available on the website of the Company viz. [www.supriyalifescience.com](http://www.supriyalifescience.com)

#### 2.7 List of Board's skills / expertise / competencies fundamental for the effective functioning of the Company:

The Board has identified the following skills / expertise / competencies fundamental for the effective functioning of the Company which are currently available with the Board:

Skill	Description
General	Finance, Operations, Commercial, Legal, Risk and Human resources related.
Global Business	Understanding, of global business dynamics, across various geographical markets, industry verticals relating to the operations of the Company and regulatory requirements in the geographical markets.
Strategy, Planning & Marketing	Appreciation of long-term trends, strategic choices and experience in guiding and leading management teams to make decisions in uncertain environments.
Corporate Governance	Knowledge of governance processes and compliance to applicable laws and regulations to service best interests of all stakeholders, maintaining Board and Management accountability and corporate ethics and values
Leadership	Extended leadership experience for a significant enterprise, resulting in a practical understanding of organisations, processes, strategic planning, and risk management. Demonstrated strengths in developing talent, planning succession, and driving change and long-term growth
Technology	Knowledge of technology related to Company's current and future products and business opportunities, of evolving trends of usage of its product range and of developing cost-efficient processes



Name of the Director	General	Global Business	Strategy, Planning & Marketing	Corporate Governance	Leadership	Technology
Dr. Satish W. Wagh	✓	✓	✓	✓	✓	✓
Mrs. Smita S. Wagh	✓		✓	✓	✓	
Dr. Saloni S. Wagh	✓	✓	✓	✓	✓	✓
Ms. Shivani S. Wagh	✓	✓	✓	✓	✓	✓
Mr. Balasaheb G. Sawant	✓		✓	✓	✓	✓
Mr. Bhairav M. Chokshi	✓		✓	✓	✓	
Mr. Kedar S. Karmarkar	✓		✓	✓	✓	✓
Mr. Dileep M. Jain	✓		✓	✓	✓	
Mr. Dinesh N. Modi	✓		✓	✓	✓	
Dr. Neelam Y. Arora	✓		✓	✓	✓	

### 3. Board Committees:

The Company has constituted five (5) Committees of the Board which are Audit Committee, Nomination and Remuneration Committee (NRC), Corporate Social Responsibility Committee (CSRC), Stakeholders' Relationship Committee (SRC) and Risk Management Committee (RMC). The composition of the committees of the Board (the "Committee/s") is in accordance with the provisions of the Listing Regulations and the Act. Mr. Ashish Nayak, Chief Financial Officer, is a permanent invitee, and Ms. Shweta Singh, Company Secretary and Compliance Officer, is the secretary of all the Committees constituted by the Board.

#### 1. Audit Committee:

The Company has a qualified and independent Audit Committee which has been formed pursuant to Regulation 18 of Listing Regulation and Section 177 of the Companies Act. The primary objective of the Audit Committee of the Company is to monitor and provide effective supervision of the management's financial reporting process with a view to ensure accurate, timely and proper disclosures and transparency, integrity and quality of financial reporting.

The constitution, terms of reference, role and scope shall be as prescribed by Regulation 18 of SEBI Listing Regulations read with Section 177 of the Companies Act, 2013, inter-alia, covering:

- (1) Oversight of financial reporting process and the disclosure of financial information relating to Supriya Lifescience Limited (the "Company") to ensure that the financial statements are correct, sufficient and credible;
- (2) Recommendation for appointment, re-appointment, replacement, remuneration and

terms of appointment of auditors of the Company and the fixation of the audit fee;

- (3) Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- (4) Formulation of a policy on related party transactions, which shall include materiality of related party transactions;
- (5) Reviewing, at least on a quarterly basis, the details of related party transactions entered into by the Company pursuant to each of the omnibus approvals given;
- (6) Examining and reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
  - a. Matters required to be included in the director's responsibility statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013;
  - b. Changes, if any, in accounting policies and practices and reasons for the same;
  - c. Major accounting entries involving estimates based on the exercise of judgment by management;
  - d. Significant adjustments made in the financial statements arising out of audit findings;
  - e. Compliance with listing and other legal requirements relating to financial statements;
  - f. Disclosure of any related party transactions; and
  - g. Modified opinion(s) in the draft audit report.

- (7) Reviewing, with the management, the quarterly, half-yearly and annual financial statements before submission to the Board for approval;
- (8) Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilised for purposes other than those stated in the Offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the board of directors of the Company (the "Board" or "Board of Directors") to take up steps in this matter;
- (9) Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
- (10) Approval of any subsequent modification of transactions of the Company with related parties and omnibus approval for related party transactions proposed to be entered into by the Company, subject to the conditions as may be prescribed;  
  
Explanation: The term "related party transactions" shall have the same meaning as provided in Clause 2(zc) of the SEBI Listing Regulations and/ or the applicable Accounting Standards and/ or the Companies Act, 2013.
- (11) Scrutiny of inter-corporate loans and investments;
- (12) Valuation of undertakings or assets of the Company, wherever it is necessary;
- (13) Evaluation of internal financial controls and risk management systems;
- (14) Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- (15) Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- (16) Discussion with internal auditors of any significant findings and follow up there on;
- (17) Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board
- (18) Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain

any area of concern;

- (19) Recommending to the board of directors the appointment and removal of the external auditor, fixation of audit fees and approval for payment for any other services;
- (20) Monitoring the end use of funds raised through public offers and related matters;
- (21) Looking into the reasons for substantial defaults in the payment to depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- (22) Reviewing the functioning of the whistle blower mechanism;
- (23) Monitoring the end use of funds raised through public offers and related matters;
- (24) Overseeing the vigil mechanism established by the Company, with the chairman of the Audit Committee directly hearing grievances of victimization of employees and directors, who used vigil mechanism to report genuine concerns in appropriate and exceptional cases;
- (25) Approval of appointment of chief financial officer (i.e., the whole-time finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
- (26) Reviewing the utilization of loans and/or advances from/investment by the holding company in the subsidiary exceeding ₹ 1,000,000,000 or 10% of the asset size of the subsidiary, whichever is lower including existing loans/ advances/ investments existing as on the date of coming into force of this provision; and
- (27) Carrying out any other functions required to be carried out by the Audit Committee as contained in the SEBI Listing Regulations or any other applicable law, as and when amended from time to time."

#### Composition of Audit Committee:

The composition of the Audit Committee is given below:

Name of Members	Designation	Category of Directorship
Mr. Dinesh N. Modi	Chairman	Independent Director
Mr. Bhairav M. Chokshi	Member	Independent Director
Dr. Satish W. Wagh	Member	Chairman & Managing Director

**Meetings and attendance during the year:**

The Audit Committee met Four (4) times during the year and the following table gives the details of members and their attendance in Audit Committee meetings held during the year ended March 31, 2022:

Members	Audit Committee Meetings during 2021-22			
	May 6, 2021	July 28, 2021	October 19, 2021	January 21, 2022
Mr. Dinesh N. Modi	Yes	Yes	Yes	Yes
Mr. Bhairav M. Chokshi	Yes	Yes	Yes	Yes
Dr. Satish W. Wagh	Yes	Yes	Yes	Yes

The maximum gap between two meetings was not more than 120 days.

Mr. Dinesh N. Modi, Chairman of the Audit Committee attended the AGM of the Company held on August 2, 2021.

**2. Nomination and Remuneration Committee:**

The NRC has been entrusted with all the required authority and powers to play an effective role as envisaged under section 178 of the Act and regulation 19(1) of Listing Regulations. The purpose of this Committee of the Board is to discharge the Board's responsibility related to Nomination and Remuneration of the Company's Executive/Non-Executive Directors. The Committee has overall responsibility of approving and evaluating the nomination and remuneration plans, policies and programmes for Directors, Senior Management and Key Management Personnel.

**The terms of reference of the NRC are as follows:**

- (1) Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors of the Company (the "Board" or "Board of Directors") a policy relating to the remuneration of the directors, key managerial personnel and other employees ("Remuneration Policy").

The Nomination and Remuneration Committee, while formulating the above policy, should ensure that:

- (i) the level and composition of remuneration be reasonable and sufficient to attract, retain and motivate directors of the quality required to run our Company successfully
  - (ii) relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
  - (iii) remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short- and long-term performance objectives appropriate to the working of the Company and its goals.
- (2) Formulation of criteria for evaluation of independent directors and the Board;
  - (3) Devising a policy on Board diversity;
  - (4) Identifying persons who are qualified to become

directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal and carrying out evaluation of every director's performance (including independent director);

- (5) Analysing, monitoring and reviewing various human resource and compensation matters;
- (6) Deciding whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;
- (7) Determining the Company's policy on specific remuneration packages for executive directors including pension rights and any compensation payment, and determining remuneration packages of such directors;
- (8) Recommending to the board, all remuneration, in whatever form, payable to senior management and other staff, as deemed necessary;
- (9) Carrying out any other functions required to be carried out by the Nomination and Remuneration Committee as contained in the SEBI Listing Regulations or any other applicable law, as and when amended from time to time;
- (10) Reviewing and approving the Company's compensation strategy from time to time in the context of the then current Indian market in accordance with applicable laws;
- (11) Perform such functions as are required to be performed by the compensation committee under the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014, if applicable;
  - (a) To administer the employee stock option scheme/plan approved by the Board and shareholders of the Company in accordance with the terms of such scheme/plan ("ESOP Scheme") including the following:
    - i. determining the eligibility of employees to participate under the ESOP Scheme;

- ii. determining the quantum of option to be granted under the ESOP Scheme per employee and in aggregate;
- iii. date of grant;
- iv. determining the exercise price of the option under the ESOP Scheme;
- v. the conditions under which option may vest in employee and may lapse in case of termination of employment for misconduct;
- vi. the exercise period within which the employee should exercise the option and that option would lapse on failure to exercise the option within the exercise period;
- vii. the specified time period within which the employee shall exercise the vested option in the event of termination or resignation of an employee;
- viii. the right of an employee to exercise all the options vested in him at one time or at various points of time within the exercise period;
- ix. re-pricing of the options which are not exercised, whether or not they have been vested if stock option rendered unattractive due to fall in the market price of the equity shares;
- x. the grant, vest and exercise of option in case of employees who are on long leave;
- xi. allow exercise of unvested options on such terms and conditions as it may deem fit;
- xii. the procedure for cashless exercise of options;
- xiii. forfeiture/ cancellation of options granted;
- xiv. formulating and implementing the procedure for making a fair and reasonable adjustment to the number of options and to the exercise price in case of corporate actions such as rights issues, bonus issues, merger, sale of division and others. In this regard following shall be taken into consideration:
- xv. the number and the price of stock option shall be adjusted in a manner such that total value of the option to the employee remains the same after the corporate action;
- xvi. for this purpose, follow global best

practices in this area including the procedures followed by the derivative markets in India and abroad may be considered; and

xvii. the vesting period and the life of the option shall be left unaltered as far as possible to protect the rights of the employee who is granted such option.

(b) To construe and interpret the ESOP Scheme and any agreements defining the rights and obligations of the Company and eligible employees under the ESOP Scheme, and prescribing, amending and/or rescinding rules and regulations relating to the administration of the ESOP Scheme;

(12) Frame suitable policies, procedures and systems to ensure that there is no violation of securities laws, as amended from time to time, including:

(a) the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; and

(b) the Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices Relating to the Securities Market) Regulations, 2003, by the trust, the Company and its employees, as applicable.

(13) Perform such other activities as may be delegated by the Board or specified/ provided under the Companies Act, 2013 to the extent notified and effective, as amended or by the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended or by any other applicable law or regulatory authority.

(14) To consider any other matters as may be requested by the Board; and

(15) To make available its terms of reference and review annually those terms of reference and its own effectiveness and recommend any necessary changes to the Board.

#### Composition of Nomination & Remuneration Committee:

The composition of the Nomination & Remuneration Committee is given below:

Name of Members	Designation	Category of Directorship
Mr. Dinesh N. Modi	Chairman	Independent Director
Mr. Bhairav M. Chokshi	Member	Independent Director
Mr. Kedar S. Karmarkar	Member	Independent Director

**Meetings and attendance during the year:**

The Nomination & Remuneration Committee met Four (4) times during the year and the following table gives the details of members and their attendance in Committee meetings held during the year ended March 31, 2022:

Members	Nomination & Remuneration Committee Meetings during 2021-22			
	May 6, 2021	July 28, 2021	October 19, 2021	November 12, 2021
Mr. Dinesh N. Modi	Yes	Yes	Yes	Yes
Mr. Bhairav M. Chokshi	Yes	Yes	Yes	Yes
Mr. Kedar S. Karmarkar	Yes	Yes	Yes	Yes

Mr. Dinesh N. Modi, Chairman of the Nomination & Remuneration Committee attended the AGM of the Company held on August 2, 2021.

**Performance Evaluation Criteria for Independent Directors:**

The performance evaluation criteria for Independent Directors are determined by the Nomination and Remuneration Committee. An indicative list of factors on which evaluation was carried out includes participation and contribution by a director, effective deployment of knowledge and expertise, integrity and maintenance of confidentiality and independence of behaviour and judgment.

**Remuneration Policy:**

The remuneration structure for Directors, Key Managerial Personnel and Senior Management Personnel is performance driven and in considering the remuneration payable to the directors, the Nomination and Remuneration Committee considers the performance of the Company, the current trends in the industry, and the experience of the appointee, their past performance and other relevant factors. Pursuant to the SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, Nomination and Remuneration is available on the website of the Company and the weblink for the same is <https://supriyalifescience.com/wp-content/uploads/2021/09/Nomination-and-Remuneration-Policy.pdf>

**Details of remuneration to all Directors:**
**a. Details of sitting fees paid to the Non-Executive Directors**

The Company does not pay any remuneration to its Non-Executive Independent Directors apart from sitting fees. The sitting fees paid to each Non-Executive Independent Director is ₹ 30,000/- for each Board Meeting and ₹ 10,000/- for each Committee Meeting. The Details of sittings fees paid for the financial year 2021-22 are as follows:-

(₹ in million)

Name of the Directors	Sitting Fees paid for board Meetings	Sitting Fees paid for Committee Meetings	Commission
Mr. Dinesh N. Modi	0.27	0.08	Nil
Mr. Dileep M. Jain	0.27	0.01	Nil
Mr. Kedar S. Karmarkar	0.27	0.06	Nil
Dr. Neelam Y. Arora	0.27	0.00	Nil
Mr. Bhairav M. Chokshi	0.27	0.08	Nil

The Non-Executive Directors have no material pecuniary relationships or transactions with the Company in their personal capacity.

**b. Details of remuneration paid to the Chairman and Managing Director and others Executive Directors of the Company**

(₹ in million)

Name of the Directors	Salary, Bonus & Contribution to PF	Commission	Perquisites	Others*	Total
Dr. Satish W. Wagh	119.38	-	-	10	129.38
Mrs. Smita S. Wagh	14.34	-	-	-	14.34
Dr. Saloni S. Wagh	13.00	-	-	-	13.00
Ms. Shivani S. Wagh	13.00	-	-	-	13.00
Mr. Balasaheb G. Sawant	5.13	-	-	-	5.13

\*Company has paid one time performance bonus as per Shareholders resolution dated November 16, 2021.

### 3. Stakeholder Relationship Committee:

The Stakeholders Relationship Committee is empowered, inter alia, to review all matters connected with the Company's share transfers and transmissions and redressal of shareholders/ investors' complaints like non-transfer of shares, non-receipt of dividend, Annual Report etc. The composition and the terms of reference of Committee are in line with the requirements of provisions of the Companies Act, 2013 and Regulation 20 of SEBI Listing Regulations.

The terms of reference of the Stakeholders Relationship Committee are as follows:

The Stakeholders' Relationship Committee shall be responsible for, among other things, as may be required by the under applicable law, the following:

- (1) Resolving the grievances of the security holders of the listed entity including complaints related to transfer of shares or debentures, including non-receipt of share or debenture certificates and review of cases for refusal of transfer / transmission of shares and debentures, non-receipt of annual report or balance sheet, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc. and assisting with quarterly reporting of such complaints;
- (2) Review of measures taken for effective exercise of voting rights by shareholders;
- (3) Investigating complaints relating to allotment of shares, approval of transfer or transmission of shares, debentures or any other securities
- (4) Giving effect to all transfer/transmission of shares and debentures, dematerialisation of shares and re-materialisation of shares, split and issue of duplicate/consolidated share certificates, compliance with all the requirements related to shares, debentures and other securities from time to time
- (5) Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the registrar and share transfer agent of the Company and to recommend measures for overall improvement in the quality of investor services;
- (6) Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company; and
- (7) Carrying out such other functions as may be specified by the Board from time to time or specified/provided under the Companies Act

or SEBI Listing Regulations, or by any other regulatory authority.

#### Composition of Stakeholders Relationship Committee:

The composition of the Stakeholders Relationship Committee is given below:

Name of Members	Designation	Category of Directorship
Mr. Dileep M. Jain	Chairman	Independent Director
Dr. Satish W. Wagh	Member	Chairman & Managing Director
Dr. Saloni S. Wagh	S. Member	Whole Time Director

#### Meetings and attendance during the year:

The Stakeholders Relationship Committee met One (1) times during the year and the following table gives the details of members and their attendance in Committee meetings held during the year ended March 31, 2022:

Members	Stakeholders Relationship Committee held on March 15, 2022
Mr. Dileep M. Jain	Yes
Dr. Satish W. Wagh	Yes
Dr. Saloni S. Wagh	Yes

Mr. Dileep M. Jain, Chairman of the Stakeholders Relationship Committee attended the AGM of the Company held on August 2, 2021.

#### Complaints / Grievances received and attended:

During the year under review, Company has received 149 complaints from investors. All were replied/resolved to the satisfaction of the investors and no complaints were outstanding.

### 4. Corporate Social Responsibility Committee:

The Committee comprises of One Independent Directors and two executive directors. The Corporate Social Responsibility (CSR) Committee's responsibility is to assist the Board in undertaking CSR activities by way of formulating and monitoring CSR Policy of the Company.

The terms of reference of the Corporate Social Responsibility Committee are as follows:

- (a) formulate and recommend to the Board, a "Corporate Social Responsibility Policy" which shall indicate the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act, 2013 and the rules made thereunder, as amended, monitor the implementation of the same from time to time,

and make any revisions therein as and when decided by the Board;

- (b) identify corporate social responsibility policy partners and corporate social responsibility policy programmes;
- (c) review and recommend the amount of expenditure to be incurred on the activities referred to in clause (a) and the distribution of the same to various corporate social responsibility programs undertaken by the Company;
- (d) delegate responsibilities to the corporate social responsibility team and supervise proper execution of all delegated responsibilities;
- (e) review and monitor the implementation of corporate social responsibility programmes and issuing necessary directions as required for proper implementation and timely completion of corporate social responsibility programmes;
- (f) any other matter as the Corporate Social Responsibility Committee may deem appropriate after approval of the Board or as may be directed by the Board, from time to time, and
- (g) exercise such other powers as may be conferred upon the Corporate Social Responsibility Committee in terms of the provisions of Section 135 of the Companies Act.

#### Composition of Corporate Social Responsibility Committee:

The composition of the Corporate Social Responsibility Committee is given below:

Name of Members	Designation	Category of Directorship
Dr. Satish W. Wagh	Chairman	Chairman & Managing Director
Dr. Saloni S. Wagh	Member	Whole Time Director
Mr. Kedar S. Karmarkar	Member	Independent Director

#### Meetings and attendance during the year:

The Corporate Social Responsibility Committee met One (1) times during the year and the following table gives the details of members and their attendance in Committee meetings held during the year ended March 31, 2022:

Members	Corporate Social Responsibility Committee held on October 19, 2021
Dr. Satish W. Wagh	Yes
Dr. Saloni S. Wagh	Yes
Mr. Kedar S. Karmarkar	Yes

#### 5. Risk Management Committee:

Risk Management Committee was constituted by the Board, consisting of Executive and Independent Directors, to review the processes and procedures for ensuring that all strategic, operational and regulatory risks are properly identified and that appropriate systems of monitoring and mitigation are in place and to oversee and review the risk management framework, assessment of risks and minimization procedures.

1. To formulate a detailed risk management policy which shall include:
  - a. A framework for identification of internal and external risks specifically faced by the Company, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee.
  - b. Measures for risk mitigation including systems and processes for internal control of identified risks.
  - c. Business continuity plan.
2. To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;
3. To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;
4. To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;
5. To keep the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken;
6. The appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee.

#### Composition of Risk Management Committee:

The composition of the Risk Management Committee is given below:

Name of Members	Designation	Category of Directorship
Dr. Satish W. Wagh	Chairman	Chairman & Managing Director
Dr. Saloni S. Wagh	Member	Whole Time Director
Mr. Kedar S. Karmarkar	Member	Independent Director

#### Meetings and attendance during the year:

The Risk Management Committee met One (1) times during the year and the following table gives the details of members and their attendance in Committee meetings held during the year ended March 31, 2022:

Members	Corporate Social Responsibility Committee held on March 15, 2022
Dr. Satish W. Wagh	Yes
Dr. Saloni S. Wagh	Yes
Mr. Kedar S. Karmarkar	Yes

#### 4. General Body Meetings:

##### 1. Location and time, where last three AGMs held:

Year ended	Date & Time	Venue	Special Resolution passed
March 31, 2019	September 16, 2019 at 03:00 p.m.	Registered Office: 207/208, Udyog Bhavan, Sonawala Road, Goregaon (East), Mumbai – 400063, Maharashtra.	1. Appointment of Ms. Saloni Satish Wagh as a Whole Time Director 2. Appointment of Ms. Shivani Satish Wagh as a Whole Time Director 3. Approval for giving of making investment, granting loans, giving guarantee and providing security u/s 186 of the companies act, 2013 4. Approval for providing loan(s), guarantee(s) and security(ies) u/s 185 of the companies act, 2013 5. Confirmation and ratification of payment of performance bonus to Mr. Satish W. Wagh
March 31, 2020	September 11, 2020 at 11:00 a.m.		1. Adoption of new set of Articles of Associations of the Company
March 31, 2021	August 2, 2021 at 2:30 p.m.		-

##### 2. Location and time, where Extra Ordinary General Meetings were held during the year ended March 31, 2022:

Date & Time	Venue	No. of Special Resolution passed
November 16, 2021 at 11:30 a.m.	Registered Office: 207/208, Udyog Bhavan, Sonawala Road, Goregaon (East), Mumbai – 400063, Maharashtra.	6

##### 3. Special Resolutions through Postal Ballot

During the financial year ended March 31, 2022, the Company has not passed any resolutions through postal ballot.

None of the businesses proposed to be transacted at the ensuing AGM requires passing of a special resolution through postal ballot.



## 5. Means of Communication:

### 1. Quarterly, Half Yearly and Annual Results

The Quarterly, Half Yearly and Annual Results are published within the timeline stipulated under Listing Regulation. The results are submitted to the National Stock Exchange of India Limited (NSE) and BSE Limited (BSE) as well as uploaded on the Company's website and can be accessed at the [www.supriyalifescience.com](http://www.supriyalifescience.com). The Financial Results are published within the time stipulated under the listing regulation in newspaper viz. Financial Express & Loksatta.

### 2. Analyst/Investor Meets:

Officials of the Company periodically have conference calls with the Institutional Investor and Analysts. Official press release and presentations made to Institutional Investor and Analysts are submitted to the National Stock Exchange of India Limited (NSE) and BSE Limited (BSE) as well as uploaded on the Company's website and can be accessed at the [www.supriyalifescience.com](http://www.supriyalifescience.com). The Transcript of call with the analysts for Quarterly, Half Yearly and Annual Results are available on the Company's website.

### 3. Press Release, Presentation etc.:

Official media releases, presentations are sent to the Stock Exchanges. Presentations made to analysts, institutional investors, etc. are posted on the Company's website.

### 4. Management Discussion & Analysis Report:

The Management Discussion & Analysis Report forms a part of the Annual Report. All the matters pertaining to industry structure and developments, opportunities and threats, segment/product wise performance, outlook, risks & concerns etc. are discussed in the said report.

### 5. Company's Website:

The Company's website contains a separate dedicated section "Investor Relations". It contains comprehensive database of information of interest to our investors including the financial results and Annual Report of the Company, any price sensitive information disclosed to the regulatory authorities from time to time, business activities and the services rendered/ facilities extended by the Company to our investors, in a user friendly manner. The basic information about the Company as called for in terms of Regulation 46 of the Listing Regulations is provided on Company's website and the same is updated regularly. The Company has designated [cs@supriyalifescience.com](mailto:cs@supriyalifescience.com) as an email id for the purpose of registering complaints by investors and displayed the same on the Company's website.

### 6. Periodic Compliances:

The quarterly, half yearly and annual results, shareholding pattern, Corporate Governance Report

and other compliances are also posted on the website of the Company. The Shareholding Pattern, Corporate Governance Report, Quarterly, Half Yearly and Annual Results and other compliances are also filed electronically on NSE Electronic Application Processing System (NEAPS) & Digital Exchange of NSE, web based application designed for corporate at <https://neaps.nseindia.com/NEWLISTINGCORP/> and <https://digitalexchange.nseindia.com/nse-frontend-navigation/#/landing> and on BSE Online Portal - BSE Corporate Compliance & Listing Centre (the "Listing Centre") at <http://listing.bseindia.com/>

### 7. SCORES:

SCORES is a system implemented by SEBI which enables investors to lodge their complaints electronically on the SEBI website. The investor complaints are processed in a centralized web based complaints redressal system. The salient features of this system are Centralised database of all complaints, online upload of Action Taken Reports (ATRs) by concerned companies and online viewing by investors of actions taken on the complaint and its current status.

## 6. General Shareholder Information:

### I. Annual General Meeting for FY 2022:

Date: September 16, 2022

Time: 03:00 p.m. (IST)

Venue: Meeting is being conducted through VC/OAVM pursuant to the MCA Circular dated May 5, 2020 read with general circulars dated April 8, 2020, April 13, 2020, January 13, 2021, December 14, 2021 and May 05, 2022 as such there is no requirement to have a venue for the AGM.

For details, please refer to the Notice of this AGM.

As required under Regulation 36(3) of the SEBI Listing Regulations and Secretarial Standard 2 on General Meetings, particulars of Directors seeking re-appointment at this AGM are given in the Annexure to the Notice of this AGM.

### II. Financial Calendar:

April – March

The results for every Quarter are declared within 45 days from the end of the Quarter except for the last Quarter, for which Annual Audited Results are declared within the period of 60 days from the end of the Quarter as per Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

### III. Book Closure Date:

As mentioned in the Notice of this AGM.

### IV. ISIN No.: INE07RO01027

### V. Dividend Payment Date: on or after September 21,

2022

**VI. Listing on Stock Exchange:****BSE Limited**

P. J. Towers, Dalal Street, Mumbai – 400 001.

**National Stock Exchange of India Limited**Exchange Plaza, C-1, Block G,  
Bandra Kurla Complex, Bandra (East),  
Mumbai 400 051.

The Listing fees for the year 2022-23 have been paid to both the Stock Exchanges.

**VII. Stock Code:**

BSE: 543434

NSE: SUPRIYA

**VIII. Corporate Identity Number (CIN):**

L51900MH2008PLC180452

**IX. Market Price Data: High, Low during each month in last financial Year**

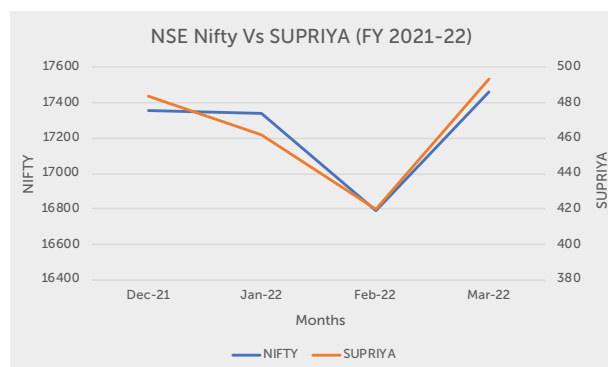
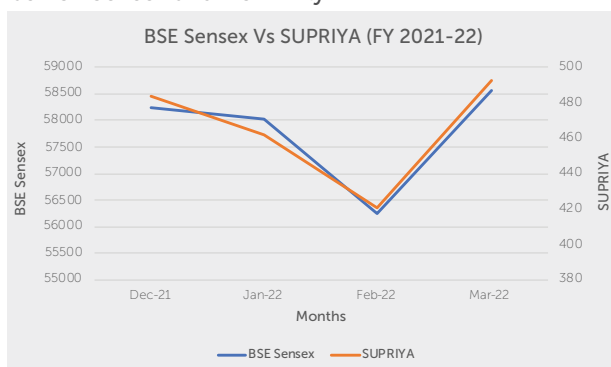
(Amount in ₹)

Month	BSE			NSE		
	High	Low	Volume	High	Low	Volume
Dec-21	527.55	383.15	49,04,093	527.85	383.20	6,68,35,420
Jan-22	601.90	443.20	63,45,081	601.90	443.10	6,56,27,225
Feb-22	489.00	376.80	13,95,134	489.00	376.75	1,42,44,428
Mar-22	515.00	400.00	13,33,804	516.00	403.60	1,19,75,255

**Note:**

(a) Equity Shares of the Company were listed on Stock Exchanges w.e.f. December 28, 2021.

(b) Source: BSE and NSE Website.

**X. Chart given below shows the stock performance at closing prices in comparison to the broad-based index such as BSE Sensex and NSE Nifty.****XI. Registrar and Transfer Agent ('RTA'):**Link Intime India Private Limited  
Unit: Supriya Lifescience Limited  
C 101, 247 Park, L B S Marg,  
Vikhroli West, Mumbai- 400 083.  
Tel: +91 22 4918 6000  
Fax: +91 22 4918 6060  
E-mail: [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in)**XII. Share Transfer System:**

During the financial year under review, RTA of the Company ensured compliance with all the procedural requirements with respect to transfer, transmission and transposition of shares and formalities with respect to name deletion, subdivision, consolidation, renewal, exchange and endorsement of share certificates. SEBI has mandated that, with effect from April 1, 2019, no share can be transferred in physical mode. All the shares of the Company are in dematerialised form. Trading in shares of the Company is permitted only in dematerialised form.

**XIII. Distribution of Shareholding as on March 31, 2022:**

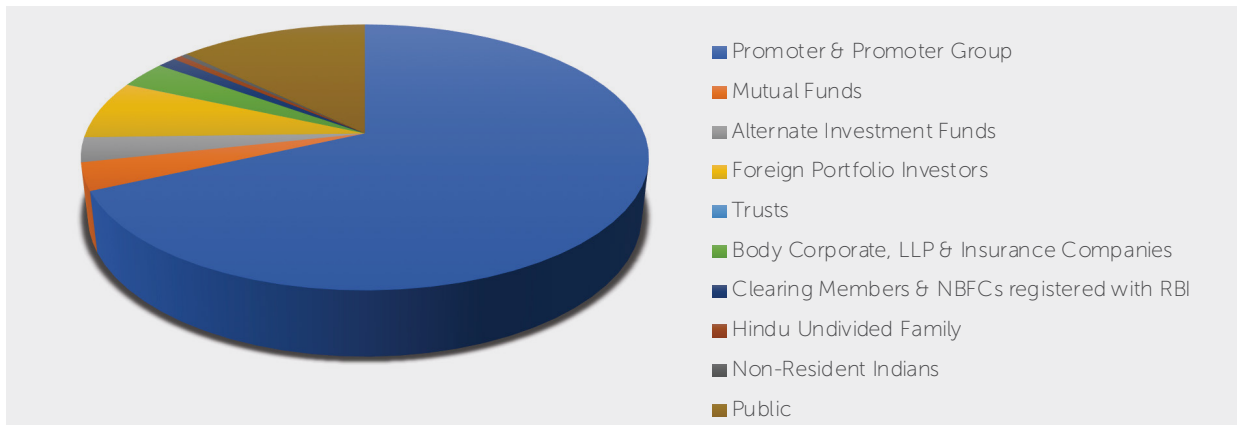
Category	No. of Shareholders*	% of Shareholders	No. of Shares	% of total Share Capital
1 to 500	80855	96.8706	4677842	5.8122
501 to 1000	1465	1.7552	1110425	1.3797
1001 to 2000	553	0.6625	805244	1.0005
2001 to 3000	178	0.2133	451544	0.561
3001 to 4000	82	0.0982	292732	0.3637
4001 to 5000	85	0.1018	412318	0.5123
5001 to 10000	123	0.1474	896314	1.1137
10001 & above	126	0.151	71836381	89.2568
<b>TOTAL:</b>	<b>83467</b>	<b>100</b>	<b>80482800</b>	<b>100</b>

\* Without consolidating the folios on the basis of PAN

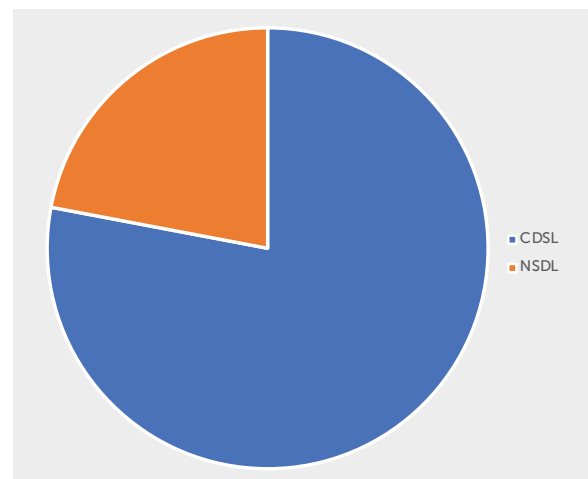
**Distribution of Shareholding (Category-wise) as on March 31, 2022:**

Category of Shareholders	No. of Shareholders*	No. of Shares	% of Shareholding
Promoter & Promoter Group	6	54920715	68.24
Mutual Funds	2	2686062	3.34
Alternate Investment Funds	6	2419076	3.01
Foreign Portfolio Investors	12	5740541	7.13
Trusts	5	14844	0.02
Body Corporate, LLP & Insurance Companies	361	2611511	3.24
Clearing Members & NBFCs registered with RBI	131	1004763	1.25
Hindu Undivided Family	1262	480183	0.60
Non-Resident Indians	982	360642	0.45
Public	79811	10244463	12.79

\* No. of shareholders mentioned here are consolidated on PAN basis


**Shareholding Profile as on March 31, 2022:**

Mode of Holding	No. of shares	% to Equity
CDSL	62763376	77.98
NSDL	17719424	22.02
<b>Total</b>	<b>80482800</b>	<b>100</b>



#### XIV. Dematerialization of Shares and Liquidity:

The Company's shares are compulsorily traded in dematerialized form on NSE and BSE. Equity shares of the Company representing 100% of the Company's equity share capital are dematerialized as on March 31, 2022. Under the Depository System, the International Securities Identification Number (ISIN) allotted to the Company's shares is INE07RO01027.

#### XV. Outstanding ADRs/ GDRs/ Warrants or any convertible instruments, conversion date and likely impact on equity:

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

#### XVI. Plant Locations:

1. A-5/2, Lote Parshuram Industrial Area, MIDC, Village – Lote, Taluka - Khed, District – Ratnagiri.
2. A-2, MIDC Genekhadpoli, Taluka – Chiplun, District – Ratnagiri

#### XVII. Address for Correspondence:

##### Registered Office:

Ms. Shweta Singh – Company Secretary & Compliance Officer  
Supriya Lifescience Limited  
207/208, Udyog Bhavan, Sonawala Road,  
Goregaon (East), Mumbai – 400063.  
Phone: +91 22 4033 2727  
E-mail: [cs@supriyalifescience.com](mailto:cs@supriyalifescience.com)  
Website: [www.supriyalifescience.com](http://www.supriyalifescience.com)

##### Registrar and Share Transfer Agents:

Link Intime India Private Limited  
Unit: Supriya Lifescience Limited  
C 101, 247 Park, L B S Marg,  
Vikhroli West, Mumbai- 400 083.  
Tel: +91 22 4918 6000  
Fax: +91 22 4918 6060  
E-mail: [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in)

#### XVIII. Credit Rating:

ICRA Limited has affirmed the credit rating for the Company as [ICRA] A- Outlook: Stable for long-term bank facilities and [ICRA] A2+ for short term bank facilities.

## 7. Other Disclosures:

- I. Disclosures on materially significant related party transactions i.e. transactions of the Company of material nature with its Promoters, Directors or the Management, their Subsidiaries or Relatives, etc. that may have potential conflict with the interests of the Company at large:

During the year under review, the Company has not entered into any materially significant related party transaction, which could have a potential conflict of interest between the Company and its Promoters or Directors or Management or their relatives other than the transactions carried out in the normal course of business. Other related party transactions have been reported at Note No. 31 of notes to Financial Statements. The Audit Committee and the Board consider periodically the statement of related party transactions in detail together with the basis at their meetings and grant their approval. The Company has formulated a policy on materiality of Related Party Transactions and also on dealing with Related Parties. The policy is also available on the website of the Company: [www.supriyalifescience.com](http://www.supriyalifescience.com)

#### II. Disclosure of Accounting Treatment:

The financial statements of the Company have been prepared in accordance with the Indian Accounting Standards (Ind AS) referred to in Section 133 of the Act. The significant accounting policies which are consistently applied are set out in the Notes to the Financial Statements.

#### III. Code of Conduct for Prohibition of Insider Trading:

In accordance with the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, the Company has, inter-alia, adopted a Code of Conduct for Prohibition of Insider Trading (Code) duly approved by the Board of Directors of the Company.

#### IV. Cases of Non-Compliances / Penalties

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

#### V. Whistle Blower Policy & Vigil Mechanism:

The Vigil Mechanism as envisaged in the Companies Act and the Rules thereunder and the Listing Regulations is implemented through the Whistle Blower Policy. This policy provides for adequate safeguards against victimization of persons who use such mechanism and provides direct access to the Chairperson of the Audit Committee in appropriate or exceptional cases.

It enables reporting illegal or unethical behaviour, actual or suspected fraud(s) or violation of the Company's Codes of Conduct or Corporate Governance Policies or any improper activity. No

person has been denied access to the Chairman of the Audit Committee. The said policy can be accessed on the Company's website at the link <https://supriyalifescience.com/wp-content/uploads/2021/09/Whistle-Blower-Policy.pdf>

**VI. Certificate under Regulation 34(3) of SEBI Listing Regulations:**

A certificate has been received from Mr. Mahesh Darji, Practicing Company Secretary, that none of the directors on the Board of the Company has been debarred or disqualified from being appointed or continuing as director of companies by the SEBI / Ministry of Corporate Affairs or any such statutory authority is enclosed.

**VII. Dividend Distribution Policy:**

The Board of Directors adopted a Dividend Distribution Policy as per the statutory requirement of SEBI Listing Regulations and the Companies Act, 2013. The said Policy is available in the website of the Company at: <https://supriyalifescience.com/wp-content/uploads/2021/09/Dividend-Distribution-Policy.pdf>

**VIII. Web link where policy for determining 'material' subsidiaries is disclosed:**

The Company does not have any subsidiary and hence policy for determining the material subsidiary is not applicable.

**IX. Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:**

The Company has in place an Anti-Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The objective of this policy is to lay clear guidelines and provide right direction in case of any reported incidence of sexual harassment across the Company's offices, and take appropriate decision in resolving such issues. An Internal Complaints Committee ('ICC') has been set up to redress the complaints received regarding sexual harassment.

During the financial year under review, no complaints were received in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (as amended).

**X. Fees paid to Statutory Auditors:**

Please refer to the Notes to accounts, for the total fees paid by the Company to the Statutory Auditors for the financial year 2021-22.

**XI. Details of utilization of funds raised through preferential allotment or qualified institutions placement:**

The Company did not raise any funds through preferential allotment or qualified institutions placements specified under Regulation 32 (7A) of the Listing Regulations after the listing of its Equity Shares on the stock exchanges on December 28, 2021.

**XII. Commodity price risks or foreign exchange risks and hedging activities:**

The Company does not engage in commodity hedging activities.

**XIII. Compliance with mandatory requirements and adoption of the non-mandatory requirements:**

The Company confirms that it has complied with all mandatory requirements prescribed in the Listing Regulations.

In addition, the Company also strives to adhere and comply with the following discretionary requirements specified under Regulation 27(1) and Part E of the Schedule II of Listing Regulations, to the extent applicable:

- a) Company's financial statements have unmodified audit opinions.
- b) Internal auditor of the Company directly reports to the Audit committee.

The Company has complied with all the mandatory requirements specified in Regulations 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the SEBI Listing Regulations to the extent applicable.

**XIV. There were no instances where the Board had not accepted any recommendation of any Committees of the Board during the financial year ended March 31, 2022.**

**XV. This Corporate Governance Report of the Company for the financial year ended March 31, 2022 is in compliance with the requirements of Corporate Governance under the Listing Regulations, as applicable.**

**XVI. Disclosures with respect to demat suspense account/ unclaimed suspense account:**

As on the date of this report there are no shares lying in the Demat Suspense Account/ Unclaimed Suspense Account.

**XVII. CEO and CFO Certification:**

The CEO and CFO of the Company have certified

to the Board in relation to reviewing financial statements and other information as required by Regulation 17(8) of the SEBI Listing Regulations and the certificate is appended.

**XVIII. Reconciliation of share capital audit report:**

Pursuant to Regulation 76 of SEBI (Depositories and Participants) Regulation, 2018, a Practicing Company Secretary shall carry out a Secretarial Audit to reconcile the total admitted capital with NSDL and CDSL and the total issued and listed capital. This audit is carried out every quarter and the report thereon is submitted to the Stock Exchanges where the company's shares are listed. The audit confirms that the total listed and paid-up capital is in agreement with the aggregate of the total number of shares in dematerialised form (held with NSDL and CDSL).

**XIX. Code of Conduct:**

A Code of Conduct has been formulated for the Directors and Senior Management Personnel of the Company and the same is available on the Company's website. The Company has received confirmations from all Directors and Senior Management of the Company regarding compliance with the Code of Conduct for the Financial Year ended March 31, 2022, as applicable to them and also enclosed herewith.

**XX. Compliance Certificate from Auditors on Corporate Governance:**

Certificate from Secretarial auditors Mr. Mahesh Darji, Practicing Company Secretary confirming compliance with the conditions of Corporate Governance as stipulated under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is annexed as to this Report.

# CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10) (i) of the SEBI  
(Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,  
The Members,  
**Supriya Lifescience Limited**  
207/208, Udyog Bhavan, Sonawala Road,  
Goregaon (East), Mumbai 400063

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Supriya Lifescience Limited, having CIN: L51900MH2008PLC180452 and having registered office situated at 207/208, Udyog Bhavan, Sonawala Road, Goregaon (East), Mumbai 400063 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in)) as considered necessary and carried by us and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on March 31, 2022 have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authorities:

SL No.	Name of Director	DIN	Date of Appointment in Company
1	Dr. Satish Wagh	01456982	26.03.2008
2	Mrs. Smita Wagh	00833912	26.03.2008
3	Dr. Saloni Wagh	08491410	01.07.2019
4	Ms. Shivani Wagh	08491420	01.07.2019
5	Mr. Bhairav Chokshi	03612527	02.02.2015
6	Mr. Kedar Karmarkar	06499019	02.02.2015
7	Mr. Balasaheb Sawant	07743507	24.02.2017
8	Mr. Dinesh Modi	00004556	25.03.2021
9	Mr. Dileep Jain	00380311	25.03.2021
10	Dr. Neelam Arora	01603068	25.03.2021

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**Mahesh M. Darji**

*Company Secretary in Practice*

FCS: 7175

CP: 7809

UDIN: F007175D000784041

Peer Review No. 2061 / 2022

Place: Mumbai  
Date: August 12, 2022

# CERTIFICATE BY CHIEF EXECUTIVE OFFICER / CHIEF FINANCIAL OFFICER

To,  
The Board of Directors  
**Supriya Lifescience Limited**

- (a) We have reviewed financial statements for the ended March 31, 2022 and that to the best of our knowledge and belief:
- (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - (ii) these statements together present a true and fair view of the company's affairs and are in compliance with the existing accounting standards, applicable laws and regulations.
- (b) To the best of our knowledge and belief, no transactions entered into by the company during the year which is fraudulent, illegal or violative of company's code of conduct.
- (c) We accept responsibility for establishing and maintaining internal controls for the financial reporting and that we have evaluated the effectiveness of the internal control systems of the company pertaining to the financial reporting and that no material deficiencies in the design or operation of internal controls were observed in the year ended March 31, 2022.
- (d) We have indicated to the auditors and the Audit Committee:
- (i) There has not been any significant change in internal control over financial reporting during the quarter and year under reference.
  - (ii) There has not been any significant change in accounting policies during the quarter /year requiring disclosure in the notes to the financial statements and
  - (iii) No instances of Significant fraud with involvement therein of the management or any employee having a significant role in the Company's internal control system over financial reporting were reported in the year ended March 31, 2022.

This Certificate is given by the undersigned with full knowledge that on its faith and strength, full reliance is placed by the Board of Directors of the Company.

**For Supriya Lifescience Limited**

Place : Mumbai  
Date : May 20, 2022

**Shireesh Ambhaikar**  
*Chief Executive Officer*

**Ashish Nayak**  
*Chief Financial Officer*



# DECLARATION ON CODE OF CONDUCT

Declaration under Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015:

All the members of the Board and the Senior Management Personnel of the Company have for the year ended March 31, 2022, affirmed compliance with the Code of Conduct laid down by the Board of Directors in terms of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

For Supriya Lifescience Limited

Place : Mumbai  
Date : May 20, 2022

**Shireesh Ambhaikar**  
*Chief Executive Officer*

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# CERTIFICATE ON CORPORATE GOVERNANCE

To,  
The Board of Directors  
**Supriya Lifescience Limited**  
Mumbai.

We have examined the compliance of conditions of Corporate Governance by Supriya Lifescience Limited ('the Company'), for the financial year ended on March 31, 2022, as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 to the extent applicable.

The compliance with conditions of Corporate Governance is the responsibility of the management. Our examination was limited to the procedures and implementation thereof adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

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

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.

**Mahesh M. Darji**  
*Company Secretary in Practice*  
FCS: 7175  
CP: 7809  
UDIN: F007175D000784039  
Peer Review No. 2061 / 2022

Place: Mumbai  
Date: August 12, 2022

**Financial  
Statements**

# Independent Auditor's Report

To the  
Members of  
M/S. SUPRIYA LIFESCIENCE LIMITED

## Report on the Financial Statements

### Opinion

We have audited the financial statements of SUPRIYA LIFESCIENCE LIMITED ("the Company"), which comprise the balance sheet as at March 31, 2022, and the statement of Profit and Loss, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (herein after referred to as "financial statement").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by The Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, and its Profit and other Comprehensive loss, changes in equity and its cash flows for the year ended on that date.

### Basis for Opinion

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

### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

### Information other than financial statements and auditors Report thereon

The Company management and Board of Directors

are responsible for the other information. The other information comprises the information included in the Company annual report, but does not include the financial statement and our auditor's report thereon.

- Our opinion on the financial statement does not cover the other information and we do not express any form of assurance conclusion thereon.
- In connection with our audit of the financial statement, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appear to be materially misstated.
- When we read the Company's annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take necessary actions, as applicable under the relevant laws and regulations.

### 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 Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, (changes in equity) and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate implementation and maintenance of 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 financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the 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.

That Board of Directors are also responsible for overseeing the Company's financial reporting process.

### Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the 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 financial statements.

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

- Identify and assess the risks of material misstatements of the 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 control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that the material uncertainty exists, we are required to draw attention in our Auditor's report to the related disclosures in the 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 financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in

- (i) Planning the scope of our audit work and in evaluating the results of our work; and
- (ii) To evaluate the effect of any identified misstatements in the financial statements.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of 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

As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

As required by Section 143(3) of the Act, we report that:

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books
- c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account.

- d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of the written representations received from the directors as on March 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".
- g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations as at March 31 2022 on its financial position in its Financial Statements.
  - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts
  - iii. The requirement to transfer amounts to the Investor Education and Protection Fund is not presently applicable to the company.
  - iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other

person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

- (b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- (d) The dividend declared or paid during the year by the Company is in compliance with Section 123 of the Act.

**For,**  
**Kakaria and Associates LLP**  
*Chartered Accountants.*  
FRN: 104558W/ W100601

**CA. Ujwal K. Kakaria**  
*Partner*  
Membership No. – 035416

Place: - Mumbai  
Date: - May 20, 2022  
UDIN: -22035416AJAQA2692

## 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 SUPRIYA LIFESCIENCE 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”)

#### Opinion

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

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, 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

#### Management’s and Board of Directors’ Responsibilities 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, 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 judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained, is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls system over financial reporting.

#### Meaning of Internal Financial Controls with Reference to Financial Statements

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 pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; 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 authorizations of management and directors of the company; and provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

#### **Inherent Limitations of Internal Financial Controls Over Financial Reporting with Reference to Standalone Financial Statements**

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.

**For,**  
**Kakaria and Associates LLP**  
*Chartered Accountants.*  
FRN: 104558W/ W100601

**CA. Ujwal K. Kakaria**  
*Partner*  
Membership No. – 035416

Place: - Mumbai  
Date: - May 20, 2022  
UDIN: -22035416AJAQA2692

## 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 SUPRIYA LIFESCIENCE LIMITED of even date)

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

- i. In respect of the Company's Property, Plant and Equipment and Intangible Assets:
    - a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment and relevant details of right-of-use assets.
    - (B) The Company has maintained proper records showing full particulars of intangible assets.
  - b) The Company has a regular program of physical verification of Property, Plant and Equipment and right-of-use assets so to cover all the assets once every three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain Property, Plant and Equipment were verified during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
  - c) Based on our examination of the property tax receipts and lease agreement for land on which building is constructed, registered sale deed / transfer deed / conveyance deed provided to us, we report that, the title in respect of self-constructed buildings and title deeds of all other immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee), disclosed in the financial statements included under Property, Plant and Equipment are held in the name of the Company as at the balance sheet date.
  - d) The Company has not revalued any of its Property, Plant and Equipment (including right-of-use assets) and intangible assets during the year.
  - e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2022 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- ii. (a) The Management has conducted physical verification of inventory at reasonable intervals during the year and no material discrepancies were noticed on such physical verification. Inventories lying with the third parties have been confirmed as at March 31, 2022 and no material discrepancies were noticed in respect of such confirmations.
  - (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks on the basis of security of current assets. In our opinion, the quarterly returns or statements filed by the Company with such banks are in agreement with the books of account of the Company.
- iii. The Company has not made investments in, companies, firms, Limited Liability Partnerships, and granted unsecured loans to other parties, during the year, in respect of which:
    - (a) The Company has not provided any loans or advances in the nature of loans or stood guarantee, or provided security to any other entity during the year, and hence reporting under clause 3(iii)(a) of the Order is not applicable.
    - (b) In our opinion, the investments made and the terms and conditions of the grant of loans, during the year are, prima facie, not prejudicial to the Company's interest.
    - (c) In respect of loans granted by the Company, the schedule of repayment of principal and payment of interest has been stipulated and the repayments of principal amounts and receipts of interest are generally been regular as per stipulation.
    - (d) In respect of loans granted by the Company, there is no overdue amount remaining outstanding as at the balance sheet date.
    - (e) No loan granted by the Company which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the overdue of existing loans given to the same parties.
    - (f) The Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment during the year. Hence, reporting under clause 3(iii)(f) is not applicable.
  - iv. The Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of loans granted, investments made and guarantees and securities provided, as applicable.
  - v. The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause 3(v) of the Order is not applicable.



- vi. We have broadly reviewed the books of accounts maintained by the company pursuant to the rules made by the central government for the maintenance of cost records under section 148(1) of the companies act 2013, and are of the opinion that prima facie the specified accounts and records have been made and maintained. We have not, however, made a details examination of the same.
- vii. In respect of statutory dues:
- (a) In our opinion, the Company has generally been regular in depositing undisputed statutory dues, including Goods and Services tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, Cess and other material

statutory dues applicable to it with the appropriate authorities.

There were disputed amounts payable in respect of Goods and Service tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, Cess and other material statutory dues in arrears as at March 31, 2022 for a period of more than six months from the date they became payable.

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

Nature of the statute	Nature of dues	Amount (₹ In Millions)	Period to which the amount relates	Forum where dispute is pending
The Service Tax Act, 1994	Service Tax	₹ 6.55	F.Y 2017-18	Tribunal

- viii. There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).

- ix. a. The Company did not have any loans or borrowings from any lender during the year. Accordingly, clause 3(ix)(a) of the Order is not applicable.
- b. The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- c. The Company has not taken any term loan during the year and there are no outstanding term loans at the beginning of the year and hence, reporting under clause 3(ix)(c) of the Order is not applicable.
- d. On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.
- e. On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries.
- f. The Company has not raised any loans during the year and hence reporting on clause 3(ix)(f) of the Order is not applicable.

gainfully invested in fixed deposits payable on demand. The maximum amount of idle/surplus funds invested during the year was ₹ 1034.62 millions.

- b. During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3(x)(b) of the Order is not applicable.
- x. a. In our opinion and according to information and explanations given by the management and audit procedures performed by us, monies raised by the company by way of initial public offer were applied for the purpose for which they were raised, though idle/surplus funds which were not required for immediate utilization have been
- xi. a. No fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
- b. No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.
- c. We have taken into consideration the whistle blower complaints received by the Company during the year (and upto the date of this report), while determining the nature, timing and extent of our audit procedures.
- xii. The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.
- xiii. In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 with respect to applicable transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.
- xiv. (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.

- (b) We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.
- xv. In our opinion during the year the Company has not entered into any non-cash transactions with its Directors or persons connected with its directors. and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- xvi. (a) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a), (b) and (c) of the Order is not applicable.
- (b) In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.
- xvii. The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- xviii. There has been no resignation of the statutory auditors of the Company during the year. Accordingly, clause 3(xviii) of the Order is not applicable.
- xix. On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting

its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

- xx. (a) There are no unspent amounts towards Corporate Social Responsibility (CSR) on other than ongoing projects requiring a transfer to a Fund specified in Schedule VII to the Companies Act in compliance with second proviso to sub-section (5) of Section 135 of the said Act. Accordingly, reporting under clause 3(xx)(a) of the Order is not applicable for the year.
- (b) In respect of ongoing projects, the Company has transferred unspent Corporate Social Responsibility (CSR) amount as at the end of the previous financial year, to a Special account within a period of 30 days from the end of the said financial year in compliance with the provision of section 135(6) of the Act.

**For,**  
**Kakaria and Associates LLP**  
*Chartered Accountants.*  
FRN: 104558W/ W100601

**CA. Ujwal K. Kakaria**  
*Partner*  
Membership No. – 035416

Place: - Mumbai  
Date: - May 20, 2022  
UDIN: -22035416AJAQA2692

## Standalone Balance Sheet as at March 31, 2022

CIN No: L51900MH2008PLC180452

(All amounts in Indian ₹ million, except as otherwise stated)

Particulars	Notes	March 31, 2022	March 31, 2021
<b>ASSETS</b>			
<b>Non-current assets</b>			
(i) Property, plant and equipment	3	1,824.68	969.53
(ii) Right to Use Asset	3	57.97	14.72
(iii) Capital Work in progress	5	434.09	787.88
(iv) Intangible Assets	4	15.09	16.13
(v) Financial Assets			
- Investments	6	0.53	0.53
- Loans and Advances	7	-	-
(vi) Other Non- Current Assets	8	39.84	11.25
<b>Total Non-current assets</b>		<b>2,372.18</b>	<b>1,800.03</b>
<b>Current assets</b>			
(i) Inventories	9	923.12	724.80
(ii) Financial Assets			
- Loans and Advances	7	5.74	5.38
- Trade receivables	10	1,151.83	735.00
- Cash and cash equivalents	11(a)	1,657.76	434.98
- Bank balances other than (iii) above	11(a)	621.32	457.79
- Other Financial Assets	11(b)	60.32	30.16
(iii) Other current assets	12	555.34	266.51
<b>Total Current Assets</b>		<b>4,975.44</b>	<b>2,654.63</b>
<b>TOTAL ASSETS</b>		<b>7,347.62</b>	<b>4,454.66</b>
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
(i) Equity share capital	13	160.97	146.37
(ii) Other equity	14	5,995.91	2,539.46
<b>Total Equity</b>		<b>6,156.87</b>	<b>2,685.83</b>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
(i) Financial Liabilities			
- Borrowings	15	-	-
- Lease Liabilities	16	52.95	20.65
- Other financial liabilities	17	-	194.86
(ii) Provisions	18	29.31	13.01
(iii) Deferred tax Liabilities	20	111.49	80.11
<b>Total Non-Current Liabilities</b>		<b>193.76</b>	<b>308.64</b>
<b>Current liabilities</b>			
(i) Financial liabilities			
- Borrowings	15	212.95	701.30
- Lease Liabilities	16	8.25	-
- Trade payables	19	489.72	510.22
- Other financial liabilities	17	7.94	5.66
(ii) Provisions	18	4.12	9.06
(iii) Other current liabilities	21	274.01	233.96
<b>Total Current Liabilities</b>		<b>996.99</b>	<b>1,460.19</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>7,347.62</b>	<b>4,454.66</b>

Summary of significant accounting policies

2

The accompanying notes are an integral part of the Standalone Ind AS financial statements.

As per our report of even date

**For Kakaria And Associates LLP**  
Chartered Accountants  
Firm Regn No 104558W/W100601

**For and on behalf of the Board of Directors of**  
SUPRIYA LIFESCIENCE LIMITED

**Dr. Satish Wagh**  
Chairman & Managing Director  
DIN : 01456982

**Dr. Saloni Wagh**  
Whole Time Director  
DIN: 08491410

**Dr. Shireesh Ambhaikar**  
Chief Executive Officer

**Ujwal Kakaria**  
Partner  
Membership no.: 035416  
UDIN NO - 22035416AJIAQA2692

**Mr. Ashish Nayak**  
Chief Financial Officer

**Ms. Shweta Singh**  
Company Secretary

Place: Mumbai  
Date: May 20, 2022

Place : Mumbai  
Date : May 20, 2022

## Statement of Profit & Loss for the period year ended March 31, 2022

CIN No: L51900MH2008PLC180452

(All amounts in Indian ₹ million, except as otherwise stated)

Particulars	Notes	March 31, 2022	March 31, 2021
<b>Income</b>			
Revenue from operations	22	5,300.49	3,912.16
Other income	23	75.77	50.05
<b>Total Income</b>		<b>5,376.26</b>	<b>3,962.21</b>
<b>Expenses</b>			
Cost of raw materials, components and stores consumed	24	1,988.30	1,405.71
(Increase)/ decrease in inventories	25	(30.256)	(124.449)
Employee benefits expense	26	490.78	327.61
Other expenses	29	711.82	571.83
<b>Total Expenses</b>		<b>3,160.65</b>	<b>2,180.71</b>
<b>Earnings before Interest, Tax, Depreciation and Amortization</b>		<b>2,215.61</b>	<b>1,781.50</b>
Depreciation and amortization expense	27	101.18	67.61
Finance costs	28	41.98	40.80
<b>Profit before tax</b>		<b>2,072.45</b>	<b>1,673.09</b>
<b>Tax expense</b>			
Current tax		521.89	430.22
Deferred tax		32.46	6.94
<b>Total tax expense</b>		<b>554.35</b>	<b>437.16</b>
<b>Profit for the year</b>		<b>1,518.10</b>	<b>1,235.93</b>
<b>Other comprehensive income</b>			
(A) Items that will not to be reclassified to profit or loss in subsequent periods:			
(a) (i) Re-measurement gains/ (losses) on defined benefit plans (Refer Note 33)		(4.22)	(1.66)
(ii) Income tax relating to above		1.08	0.42
(b) (i) Net fair value gain/(loss) on investments in equity through OCI			
(B) Items that will be reclassified to profit or loss in subsequent periods:			
(a) (i) Exchange differences on translation of foreign operations			
<b>Other comprehensive income ('OCI')</b>		<b>(3.15)</b>	<b>(1.24)</b>
<b>Total comprehensive income for the year (comprising profit and OCI for the year)</b>		<b>1,514.95</b>	<b>1,234.69</b>
<b>Earnings per equity share</b>			
Basic (₹)		18.86	16.89
Diluted (₹)		18.86	16.89
Summary of significant accounting policies			

The accompanying notes are an integral part of the Standalone Ind AS financial statements.

As per our report of even date

For Kakaria And Associates LLP  
Chartered Accountants  
Firm Regn No 104558W/W100601

For and on behalf of the Board of Directors of  
SUPRIYA LIFESCIENCE LIMITED

Dr. Satish Wagh  
Chairman & Managing Director  
DIN : 01456982

Dr. Saloni Wagh  
Whole Time Director  
DIN: 08491410

Dr. Shireesh Ambhaikar  
Chief Executive Officer

Ujwal Kakaria  
Partner  
Membership no.: 035416  
UDIN NO - 22035416AJIAQA2692

Mr. Ashish Nayak  
Chief Financial Officer

Ms. Shweta Singh  
Company Secretary

Place: Mumbai  
Date: May 20, 2022

Place : Mumbai  
Date : May 20, 2022

## Cash flow statement for the year ended March 31, 2022

CIN No: L51900MH2008PLC180452

(All amounts in Indian ₹ million, except as otherwise stated)

Particulars	March 31, 2022	March 31, 2021
<b>A CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit before tax	2,072.45	1,673.09
Adjustments for		
Depreciation and Amortization	101.18	67.61
Interest Income	(70.70)	(49.79)
Interest on Lease Liability	(3.36)	(4.50)
Finance Cost	41.59	40.57
Provision for Bad debts	-	-
<b>Operating profit before working capital changes</b>	<b>2,141.16</b>	<b>1,726.99</b>
<b>Adjustments for movement in working capital</b>		
Adjustments for (increase)/ decrease in operating assets		
Trade Receivables	(416.83)	(218.70)
Inventories	(198.32)	(230.22)
Other Current Assets	(288.83)	(79.23)
Loans and Advances	(30.53)	(31.61)
Other Non Current Assets	(28.59)	12.76
	<b>(963.10)</b>	<b>(546.99)</b>
Adjustments for increase/ (decrease) in operating liabilities		
Trade payables	(20.50)	16.53
Short term / Long term provisions	7.14	0.89
Other Financial Liabilities	(194.86)	4.66
Other Current liabilities	127.79	(143.25)
	<b>(80.43)</b>	<b>(121.17)</b>
(Income tax paid)/net of refund	(609.62)	(299.94)
<b>Net Cash generated from Operating Activities</b>	<b>488.01</b>	<b>758.89</b>
<b>B CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Fixed Assets	(599.04)	(482.41)
(Purchase)/ Sale of Investments		
Sale of fixed Assets	0.82	14.40
<b>Net Cash generated/(outflow) from Investing Activities</b>	<b>(598.22)</b>	<b>(468.01)</b>
<b>C CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds from Issue of Shares	2,000.00	
Increase/(Decrease) in Long term borrowings	-	(23.93)
Increase/(Decrease) in Short term borrowing	(486.07)	(92.73)
Finance Cost	(36.58)	(38.74)
Dividend Paid	(43.91)	(39.56)
Interest Income	70.70	49.79
Repayment of Lease liability	(7.63)	
<b>Net Cash generated from Financing Activities</b>	<b>1,496.52</b>	<b>(145.16)</b>
<b>Net Increase/(Decrease) in Cash and Cash equivalents</b>	<b>1,386.31</b>	<b>145.73</b>
<b>Cash and Cash Equivalents at the end of previous period</b>	<b>892.77</b>	<b>747.05</b>
<b>Cash and Cash Equivalents as at the end of the reporting period</b>	<b>2,279.08</b>	<b>892.77</b>

The accompanying notes are an integral part of the Standalone Ind AS financial statements.

As per our report of even date

For Kakaria And Associates LLP  
Chartered Accountants  
Firm Regn No 104558W/W100601

For and on behalf of the Board of Directors of  
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Mr. Ashish Nayak  
Chief Financial Officer

Ms. Shweta Singh  
Company Secretary

Place: Mumbai  
Date: May 20, 2022

Place : Mumbai  
Date : May 20, 2022

## Statement of Changes in equity for the year ended March 31, 2022

CIN No: L51900MH2008PLC180452

(All amounts in Indian ₹ million, except as otherwise stated)

### STATEMENT OF CHANGES IN EQUITY

#### I Equity Share Capital

Particulars	No. of Shares	Amount
As at March 2020	14636706	146.37
Add: Share Split and converted to equity shares of Rs.2 each (Refer Note 13)	58546824	
As at March 2021	73183530	146.37
Addition During the year	7299270	
As at March 2022	80482800	160.97

#### Rights and preferences attached to Equity Shares:

The Company has one class of equity shares having a par value of Rs.2/- each. Each shareholder is eligible for one vote per share held.

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.

#### II OTHER EQUITY

Particulars	Reserves and Surplus		Items of Other Comprehensive Income	Total
	Securities Premium Reserve	Retained Earnings		
Balance as at 31.03.2020		1,340.78	3.55	1,344.33
Profit for the year		1,235.93		
Other Appropriations				
Items of OCI, net of Tax				
Remeasurement of Defined Benefit			(1.24)	
Dividends		(39.56)		
Dividend Distribution Tax		-		
Balance as at 31.03.21		2,537.15	2.32	2,539.46
Profit for the year		1,518.10		
Addition during the year	1985.40			
Other Appropriations				
Items of OCI, net of Tax				
Remeasurement of Defined Benefit			(3.15)	
Dividends		(43.91)		
Dividend Distribution Tax		-		
Balance as at 31.03.2022	1,985.40	4,011.34	(0.83)	5,995.91

For Kakaria And Associates LLP  
Chartered Accountants  
Firm Regn No 104558W/W100601

For and on behalf of the Board of Directors of  
SUPRIYA LIFESCIENCE LIMITED

Dr. Satish Wagh  
Chairman & Managing Director  
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Mr. Ashish Nayak  
Chief Financial Officer

Ms. Shweta Singh  
Company Secretary

Place: Mumbai  
Date: May 20, 2022

Place : Mumbai  
Date : May 20, 2022

## Notes to Standalone Ind AS Financial Statements for the year ended March 31, 2022

CIN No: L51900MH2008PLC180452

(All amounts in Indian ₹ million, except as otherwise stated)

### Note 1: Corporate information

Supriya Lifescience Limited ('the Company') was incorporated in India on March 26, 2008 as a Public Limited Company, under The Companies Act 1956 is primarily engaged in manufacturing of Bulk Drugs and Pharmaceutical Chemicals. The registered office is located at 207/208, Udyog Bhavan, Sonawala Road, Goregaon (East), Mumbai- 400063.

The equity shares of the Company are listed on December 28, 2021 on recognized stock exchanges in India- BSE Limited and the National Stock Exchange of India Limited.

These standalone financial statements for the year ended March 31, 2022 were approved by the Board of Directors on May 20, 2022.

### Note 2 - Statement of Significant Accounting Policies

The Company has prepared financial statements for the year ended March 31, 2022 in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended) read with Section 133 of the Companies Act, 2013, (the 'Act') and other relevant provision of the act together with the comparative data as at and for the year ended March 31, 2021.

The financial statements are presented in Indian Rupees which is the functional currency of the company All the financials information is presented in Indian rupees and are rounded to the nearest rupees in million except when otherwise indicated.

#### 2.1 Basis of preparation

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

- (i) certain financial instruments that are measured at fair values at the end of each reporting period;
- (ii) defined benefit plans – plan assets that are measured at fair values at the end of each reporting period, as explained in the accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

The Company has consistently applied the following accounting policies to all periods presented in these financial statements.

#### a) Use of estimates and judgements

The preparation of Company's financial statements in conformity with the recognition and measurement principles of Ind AS requires management of the Company to make estimates and judgements that affect the reported balances of assets and liabilities, disclosures of contingent liabilities as at the date of company financial statements and the reported amounts of income and expenses for the periods presented. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and future periods are affected. The Company uses the following critical accounting estimates in preparation of its standalone financial statements:

#### b) Current versus non-current classification

Assets and Liabilities are classified as current or non – current, inter-alia considering the normal operating cycle of the company's operations and the expected realization/settlement thereof within 12 months after the Balance Sheet date.

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

#### c) 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 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.

## Notes to Standalone Ind AS Financial Statements for the year ended March 31, 2022

CIN No: L51900MH2008PLC180452

(All amounts in Indian ₹ million, except as otherwise stated)

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.

### d) Revenue recognition

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

The Company has generally concluded that it is the principal in its revenue arrangements, since it is the primary obligor in all of its revenue arrangement, as it has pricing latitude and is exposed to inventory and credit risks.

Revenue is stated net of goods and service tax and net of returns, chargebacks, rebates and other similar allowances. These are calculated on the basis of historical experience and the specific terms in the individual contracts.

In determining the transaction price, the Company considers the effects of variable consideration, the existence of significant financing components, noncash consideration, and consideration payable to the customer (if any).

The Company estimates variable consideration at contract inception until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved.

Royalties: Royalty revenue is recognised on an accrual basis in accordance with the substance of the relevant agreement (provided that it is probable that economic benefits will flow to the Company and the amount of revenue can be measured reliably). Royalty arrangements that are based on production, sales and other measures are recognised by reference to the underlying arrangement.

### e) Cash and cash equivalents

The Company considers all highly liquid investments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value, to be cash equivalents. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage.

Interest: Interest income is recognised on a time proportion basis taking into account the amount outstanding and the applicable interest applicable. Interest income is included under the head "Other income" in the statement of profit & loss account.

Dividends: Dividend income is recognised when the Company's right to receive dividend is established by the balance sheet date.

### f) Financial assets at amortised cost

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



## Notes to Standalone Ind AS Financial Statements for the year ended March 31, 2022

CIN No: L51900MH2008PLC180452

(All amounts in Indian ₹ million, except as otherwise stated)

### g) Financial assets at fair value through other comprehensive income

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows on specified dates that are solely payments of principal and interest on the principal amount outstanding and selling financial assets. The Company has made an irrevocable election to present subsequent changes in the fair value of equity investments not held for trading in other comprehensive income.

### h) Financial assets at fair value through profit or loss

Financial assets are measured at fair value through profit or loss unless they are measured at amortised cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognised in statement of profit and loss.

### i) Income Tax.

Income tax expense consists of current and deferred tax. Income tax expense is recognised in profit or loss except to the extent that it relates to items recognised in OCI or directly in equity, in which case it is recognised in OCI or directly in equity respectively

#### i. Current income tax

Current tax is the expected tax payable on the taxable profit for the year, using tax rates enacted or substantively enacted by the end of the reporting period, and any adjustment to tax payable in respect of previous years. Current tax assets and tax liabilities are offset where the Company has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously. Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI 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.

The Govt. of India had issued the Taxation Laws (Amendment) Act 2019 which provides Domestic Companies an option to pay corporate tax at reduced rates from April 1, 2019 subject to certain conditions. The company intends to opt for lower tax regime. No tax provision has been made for the year in view of losses. The company has recognised consequential impact by reversing deferred tax assets.

#### ii. 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 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 ventures 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 and the carry forward of 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 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

## Notes to Standalone Ind AS Financial Statements for the year ended March 31, 2022

CIN No: L51900MH2008PLC180452

(All amounts in Indian ₹ million, except as otherwise stated)

- In respect of deductible temporary differences associated with investments in subsidiaries and interests in joint ventures 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 profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI 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.

### j) Property, plant and equipment

Plant and equipment is stated at cost of acquisition or constructions including attributable borrowing cost till such assets are ready for their intended use, less of accumulated depreciation and accumulated impairment losses, if any. Cost of acquisition for the aforesaid purpose comprises its purchase price, including import duties and other non-refundable taxes or levies and any directly attributable cost of bringing the asset to its working condition for its intended use, net of trade discounts, rebates and credits received 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 plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. 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.

Property Plant and equipment are eliminated from financial statements, either on disposal or when retired from active use. Losses arising in case of retirement of Property, Plant and equipment and gains or losses arising from disposal of property, plant and equipment are recognised in statement of profit and loss in the year of occurrence.

The assets' residual values, useful lives and methods of depreciation are reviewed at each financial year and adjusted prospectively, if appropriate,

Depreciation is calculated on a straight-line basis over the estimated useful lives of the assets. Useful lives used by the Company are same as prescribed rates prescribed under Schedule II of the Companies Act 2013. The range of useful lives of the property, plant and equipment are as follows:

Particulars	Useful Lives
Buildings	30 years
Plants and Equipment	15 years
Office Equipment	05 years
Computer System	03 years
Motor Cars	08 years
Furniture & Fixture	10 years
Office Equipment	05 years

## Notes to Standalone Ind AS Financial Statements for the year ended March 31, 2022

CIN No: L51900MH2008PLC180452

(All amounts in Indian ₹ million, except as otherwise stated)

### k) Intangible Assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. Internally generated intangibles are not capitalised and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred.

The useful lives of intangible assets are assessed as either finite or indefinite. Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. Intangible assets are amortised as follows:

- **Software – 5 years**

Software for internal use, which is primarily acquired from third-party vendors and which is an integral part of a tangible asset, including consultancy charges for implementing the software, is capitalised as part of the related tangible asset. Subsequent costs associated with maintaining such software are recognised as expense as incurred. The capitalised costs are amortised over the lower of the estimated useful life of the software and the remaining useful life of the tangible fixed asset.

### l) Investments in the nature of equity in subsidiaries.

The Company has elected to recognise its investments in equity instruments in subsidiaries and associates at cost in the separate financial statements in accordance with the option available in Ind AS 27, 'Separate Financial Statements'.

### m) Investment properties

Investment properties comprise portions of office buildings and residential premises that are held for long-term rental yields and/or for capital appreciation. Investment properties are initially recognised at cost. Subsequently investment property comprising of building is carried at cost less accumulated depreciation and accumulated impairment losses.

The cost includes the cost of replacing parts and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of the investment property are required to be replaced at intervals, the Group depreciates them separately based on their specific useful lives. All other repair and maintenance costs are recognised in profit and loss as incurred.

Depreciation on building is provided over the estimated useful lives as specified in Schedule II to the Companies Act, 2013. The residual values, useful lives and depreciation method of investment properties are reviewed, and adjusted on prospective basis as appropriate, at each financial year end. The effects of any revision are included in the statement of profit and loss when the changes arise.

Though the group measures investment property using cost based measurement, the fair value of investment property is disclosed in the notes.

Investment properties are derecognised when either they have been disposed of or when the investment property is permanently withdrawn from use and no future economic benefit is expected from its disposal.

The difference between the net disposal proceeds and the carrying amount of the asset is recognised in the statement of profit and loss in the period of de-recognition.

### n) 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 asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or Company's assets. 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 of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used.

Impairment losses of continuing operations, including impairment on inventories, are recognised in the statement of profit and loss.

## Notes to Standalone Ind AS Financial Statements for the year ended March 31, 2022

CIN No: L51900MH2008PLC180452

(All amounts in Indian ₹ million, except as otherwise stated)

An assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Company 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 or loss.

### o) Non-current Asset held for sale.

Non-current assets and disposal groups are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the asset (or disposal group) is available for immediate sale in its present condition subject only to terms that are usual and customary for sales of such asset (or disposal group) and its sale is highly probable. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification. Non-current assets (and disposal groups) classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell. Non-current assets are not depreciated or amortised.

### p) Borrowing costs:

a. Borrowing costs that are attributable to the acquisition, construction, or production of a qualifying asset are capitalised as a part of the cost of such asset till such time the asset is ready for its intended use or sale. A qualifying asset is an asset that necessarily requires a substantial period of time (generally over twelve months) to get ready for its intended use or sale.

b. All other borrowing costs are recognised as expense in the period in which they are incurred.

### q) Leases

The Company evaluates each contract or arrangement, whether it qualifies as lease as defined under Ind AS 116.

The Company as a lessee:

The Company enters into an arrangement for lease of land, buildings, plant and machinery including computer equipment and vehicles. Such arrangements are generally for a fixed period but may have extension or termination options. The Company assesses, whether the contract is, or contains, a lease, at its inception. A contract is, or contains, a lease if the contract conveys the right to

- a) control the use of an identified asset,
- b) obtain substantially all the economic benefits from use of the identified asset, and
- c) direct the use of the identified asset.

The Company determines the lease term as the non-cancellable period of a lease, together with periods covered by an option to extend the lease, where the Company is reasonably certain to exercise that option.

The Company at the commencement of the lease contract recognizes a Right-of-Use (RoU) asset at cost and corresponding lease liability, except for leases with term of less than twelve months (short term leases) and low-value assets. 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 lease term.

The cost of the right-of-use asset comprises the amount of the initial measurement of the lease liability, any lease payments made at or before the inception date of the lease, plus any initial direct costs, less any lease incentives received. Subsequently, the right-of-use assets are measured at cost less any accumulated depreciation and accumulated impairment losses, if any. The right-of-use assets are depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment.

The Company applies Ind AS 36 to determine whether an RoU asset is impaired and accounts for any identified impairment loss as described in the impairment of non-financial assets below.

For lease liabilities at the commencement of the lease, the Company measures the lease liability at the present value of the lease payments that are not paid at that date. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined, if that rate is not readily determined, the lease payments are

## Notes to Standalone Ind AS Financial Statements for the year ended March 31, 2022

CIN No: L51900MH2008PLC180452

(All amounts in Indian ₹ million, except as otherwise stated)

discounted using the incremental borrowing rate that the Company would have to pay to borrow funds, including the consideration of factors such as the nature of the asset and location, collateral, market terms and conditions, as applicable in a similar economic environment.

After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. The Company recognizes the amount of the re-measurement of lease liability as an adjustment to the right-of-use assets. Where the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Company recognizes any remaining amount of the re-measurement in statement of profit and loss. Lease liability payments are classified as cash used in financing activities in the statement of cash flows.

### The Company as a lessor

Leases under which the Company is a lessor are classified as finance or operating leases. Lease contracts where all the risks and rewards are substantially transferred to the lessee, the lease contracts are classified as finance leases. All other leases are classified as operating leases. For leases under which the Company is an intermediate lessor, the Company accounts for the head-lease and the sub-lease as two separate contracts. The sub-lease is further classified either as a finance lease or an operating lease by reference to the RoU asset arising from the head-lease.

### r) Corporate Social Responsibility (CSR) Expenditure

CSR spend are charged to the statement of profit and loss as an expense in the period they are incurred.

### s) Provisions, Contingent liabilities, Contingent assets and Commitments:

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The expense relating to a provision is presented in the statement of profit and loss.

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.

Contingent liability is disclosed in the case of:

- A present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation;
- A present obligation arising from past events, when no reliable estimate is possible;
- A present obligation arising from past events, unless the probability of outflow of resources is remote.

Commitments include the amount of purchase order (net of advances) issued to parties for completion of assets.

Provisions, contingent liabilities, contingent assets and commitments are reviewed at each balance sheet date.

### t) Employee Benefits

Retirement benefit in the form of provident fund, pension fund and superannuation fund are defined contribution schemes. The Company has no obligation, other than the contribution payable to such schemes. The Company recognises contribution payable to such schemes as an expense, when an employee renders the related service. If the contribution payable to the schemes for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the schemes is recognised as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognised as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

The Company operates a defined benefit gratuity plan, which requires contributions to be made to a separately administered fund. The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method. Liability for gratuity as at the year-end is provided on the basis of actuarial valuation.

Remeasurements, comprising of actuarial gains and losses 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. Remeasurements are not reclassified to profit or loss in subsequent periods.

## Notes to Standalone Ind AS Financial Statements for the year ended March 31, 2022

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Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognises the following changes in the net defined benefit obligation as an expense in the statement of profit and loss:

- Service costs comprising current service costs; and
- Net interest expense or income

Accumulated leave, which is expected to be utilised within the next 12 months, is treated as short-term employee benefit. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

### u) Financial instruments

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

#### i. Financial assets

##### Initial recognition and measurement

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 asset.

##### Subsequent measurement

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

- Financial assets at amortised cost.
- Financial assets at fair value.

When assets are measured at fair value, gains and losses are either recognised entirely in the statement of profit and loss (i.e. fair value through profit or loss), or recognised in other comprehensive income (i.e. fair value through other comprehensive income).

A financial asset that meets the following two conditions is measured at amortised cost (net of any write down for impairment) unless the asset is designated at fair value through profit and loss under fair value option.

- **Business model test:** The objective of the Company's business model is to hold the financial asset to collect the contractual cash flows (rather than to sell the instrument prior to its contractual maturity to realize its fair value changes).
- **Cash flow characteristics test:** The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A financial asset that meets the following two conditions is measured at fair value through other comprehensive income unless the asset is designated at fair value through profit and loss under fair value option.

- **Business model test:** The financial asset is held within a business model whose objective is achieved by both collected contractual cash flows and selling financial instruments.
- **Cash flow characteristics test:** The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

##### Derecognition

When the Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; it evaluates if and to what extent it has retained the risks and rewards of ownership.

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognised when:

- The rights to receive cash flows from the asset have expired, or
- Based on above evaluation, either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

## Notes to Standalone Ind AS Financial Statements for the year ended March 31, 2022

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(All amounts in Indian ₹ million, except as otherwise stated)

When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

### Impairment of financial assets

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

a) Trade receivables that result from transactions those are within the scope of Ind AS 18

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.

### v) Impact of COVID-19 (Pandemic)

The Company has taken into account all the possible impacts of COVID-19 in preparation of these standalone financial statements, including but not limited to its assessment of, liquidity and going concern assumption, recoverable values of its financial and non-financial assets, impact on revenue recognition owing to changes in cost budgets of fixed price contracts, impact on leases and impact on effectiveness of its hedges. The Company has carried out this assessment based on available internal and external sources of information upto the date of approval of these standalone financial statements and believes that the impact of COVID-19 is not material to these standalone financial statements and expects to recover the carrying amount of its assets. The impact of COVID-19 on the standalone financial statements may differ from that estimated as at the date of approval of these standalone financial statements owing to the nature and duration of COVID-19.

## Notes to Standalone Ind AS Financial Statements for the year ended March 31, 2022

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(All amounts in Indian ₹ million, except as otherwise stated)

### NOTE : 3 PROPERTY, PLANT AND EQUIPMENT

Particulars	Factory Land (Lote + Ambarnath)	Factory Land (Swastik Industries)	Factory Land - Prime Ghane Khadpoli	Factory Building	Office Premises	Plant & Machinery	Electrical Fittings	Furniture & Fixtures	Laboratory Equipments	Office Equipment	Air Conditioners	Books	Product Registration	Computer	Motor Car*	Total	Right To Use Asset
At March 31, 2020	23.31	5.27	-	281.49	1.49	605.15	54.88	19.49	46.32	7.16	2.90	0.70	16.75	7.76	15.80	1,088.47	23.88
Additions	49.28	-	-	-	-	1.32	-	14.83	-	1.30	0.92	0.16	-	6.92	18.85	93.58	-
Disposals	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
At March 31, 2021	72.59	5.27	-	281.49	1.49	606.46	54.88	34.33	46.32	8.47	3.82	0.87	16.75	14.68	34.64	1,182.05	23.88
Additions	-	-	14.56	263.77	-	594.41	35.57	8.70	22.09	6.08	0.28	-	-	3.30	(0.00)	948.75	53.91
Disposals	(0.82)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(0.82)	(6.15)
At March 31, 2022	71.77	5.27	14.56	545.27	1.49	1,200.87	90.44	43.02	68.41	14.54	4.10	0.87	16.75	17.98	34.64	2,129.98	71.64
At March 31, 2020	-	-	-	23.31	1.49	76.87	15.85	4.23	12.88	3.40	1.99	0.08	1.82	3.86	6.00	151.77	5.47
Charge for the year	-	-	-	9.03	-	29.21	5.66	3.09	4.61	1.03	0.30	0.05	0.84	2.59	4.35	60.75	3.69
Disposals	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
At March 31, 2021	-	-	-	32.34	1.49	106.08	21.51	7.32	17.49	4.43	2.29	0.13	2.66	6.45	10.35	212.52	9.16
Charge for the year	-	-	-	14.71	-	50.17	7.97	4.00	4.61	1.52	0.38	0.05	0.84	3.85	4.69	92.78	4.51
Disposals	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
At March 31, 2022	-	-	-	47.04	1.49	156.26	29.48	11.31	22.09	5.94	2.67	0.18	3.50	10.30	15.04	305.30	13.67
As at March 31, 2020	23.31	5.27	-	258.18	-	528.28	39.03	15.26	33.44	3.76	0.91	0.62	14.94	3.90	9.80	936.70	18.41
As at March 31, 2021	72.59	5.27	-	249.15	-	500.38	33.37	27.01	28.83	4.04	1.52	0.74	14.10	8.23	24.30	969.53	14.72
As at March 31, 2022	71.77	5.27	14.56	498.22	-	1,044.61	60.97	31.71	46.31	8.60	1.43	0.69	13.25	7.68	19.60	1,824.68	57.97

\* For property, plant and equipment existing as on the date of transition to Ind AS, i.e., April 01, 2018, the Company has used IGAAP carrying value as deemed costs. Motor Car\*

Out of the total value of Motor Car block of ₹ 60,24,645.77/- is not in the name of Company

### NOTE : 4 INTANGIBLE ASSETS

Particulars	Know-how(Swastik industries)	Computer Software	Total
Cost*			
At March 31, 2020	15.25	20.75	36.00
Additions	3.08	-	3.08
Disposals	14.40	-	14.40
At March 31, 2021	0.85	23.83	24.69
Additions	-	2.85	2.85
Disposals	-	-	-
At March 31, 2022	0.85	26.69	27.54



## Notes to Standalone Ind AS Financial Statements for the year ended March 31, 2022

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### NOTE : 4 INTANGIBLE ASSETS (contd.)

Particulars	Know-how(Swastik industries)	Computer Software	Total
<b>Depreciation</b>			
At March 31, 2020	0.88	4.50	5.39
Charge for the year	-	3.92	3.92
Disposals	0.75	-	0.75
<b>At March 31, 2021</b>	<b>0.14</b>	<b>8.43</b>	<b>8.56</b>
Charge for the year	0.23	3.66	3.89
Disposals	-	-	-
<b>At March 31, 2022</b>	<b>0.37</b>	<b>12.09</b>	<b>12.45</b>
Net book value			
As at March 31, 2020	14.37	16.25	30.62
As at March 31, 2021	0.72	15.41	16.13
As at March 31, 2022	0.49	14.60	15.09

### NOTE: 5 CAPITAL WORK IN PROGRESS

Particulars	Building Lote	Plant & Machinery Lote	Building Ambernath	Plant & Machinery Ambernath	Electrical Fitting Ambernath	Capital WIP Prime	Capital WIP Admin Block Civil Lote	Capital WIP RM Warehouse	Capital WIP RFD Equipments	Capital WIP R&D Equipments	Capital WIP Lab Equipments	Capital WIP Admin Block Electrical Installation	Capital WIP ETP Civil	Capital WIP ETP Block Civil	Capital WIP RM Warehouse Electrical Installation	Capital WIP FG Warehouse Civil	Capital WIP (E) Block Civil	Capital WIP RM Warehouse Equipment	Capital WIP, Isambe Land	Total
<b>Cost*</b>																				
At March 31, 2020	45.80	74.42	199.29	68.89	13.73	-	-	-	-	-	-	-	-	-	-	-	-	-	-	402.14
Additions	66.87	318.87	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	385.74
Disposals	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>At March 31, 2021</b>	<b>112.67</b>	<b>393.30</b>	<b>199.29</b>	<b>68.89</b>	<b>13.73</b>	<b>2.81</b>	<b>39.53</b>	<b>19.87</b>	<b>0.29</b>	<b>16.77</b>	<b>16.77</b>	<b>7.09</b>	<b>6.16</b>	<b>2.20</b>	<b>1.07</b>	<b>1.07</b>	<b>2.20</b>	<b>0.09</b>	<b>0.55</b>	<b>1079.00</b>
Additions	3.70	2.78	2.78	4.31	0.66	2.81	39.53	19.87	0.29	16.77	16.77	7.09	6.16	2.20	1.07	1.07	2.20	0.09	0.55	1079.00
Disposals	116.38	344.77	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	461.15
<b>At March 31, 2022</b>	<b>-</b>	<b>48.52</b>	<b>202.07</b>	<b>73.20</b>	<b>14.39</b>	<b>2.81</b>	<b>39.53</b>	<b>19.87</b>	<b>0.29</b>	<b>16.77</b>	<b>16.77</b>	<b>7.09</b>	<b>6.16</b>	<b>2.20</b>	<b>1.07</b>	<b>1.07</b>	<b>2.20</b>	<b>0.09</b>	<b>0.55</b>	<b>434.64</b>
<b>Depreciation</b>																				
At March 31, 2020	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Charge for the year	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>At March 31, 2021</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Charge for the year	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>At March 31, 2022</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
As at March 31, 2020	45.80	74.42	199.29	68.89	13.73	-	-	-	-	-	-	-	-	-	-	-	-	-	-	402.14
As at March 31, 2021	112.67	393.30	199.29	68.89	13.73	2.81	39.53	19.87	0.29	16.77	16.77	7.09	6.16	2.20	1.07	1.07	2.20	0.09	0.55	787.88
As at March 31, 2022	-	48.52	202.07	73.20	14.39	2.81	39.53	19.87	0.29	16.77	16.77	7.09	6.16	2.20	1.07	1.07	2.20	0.09	0.55	434.09

## Notes to Standalone Ind AS Financial Statements for the year ended March 31, 2022

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(All amounts in Indian ₹ million, except as otherwise stated)

### NOTE: 5 CAPITAL WORK IN PROGRESS (contd.)

#### CWIP Aging Schedule

CWIP	Amount in CWIP for a period of				Total
	Less than 1 Year	1-2 years	2-3 years	More than 3 years	
Capital WIP, Ambernath	-	-	-	289.66	289.66
Capital WIP, Lote (D) Block	48.52	-	-	-	48.52
Capital WIP, Prime	2.81	-	-	-	2.81
Capital WIP Admin Block Civil	39.53	-	-	-	39.53
Capital WIP RM Warehouse	19.87	-	-	-	19.87
Capital WIP RM Warehouse Electrical Installtion	0.02	-	-	-	0.02
Capital WIP RM Warehouse Equipment	0.09	-	-	-	0.09
Capital WIP R&D Equipments	0.29	-	-	-	0.29
Capital WIP Lab Equipements	16.77	-	-	-	16.77
Capital WIP Admin Block Electrical Installation	7.09	-	-	-	7.09
Capital WIP ETP Civil	6.16	-	-	-	6.16
Capital WIP FG Warehouse Civil	1.07	-	-	-	1.07
Capital WIP (E) Block Civil	2.20	-	-	-	2.20
Projects temporarily suspended	-	-	-	-	-
<b>Total</b>	<b>144.43</b>	<b>-</b>	<b>-</b>	<b>289.66</b>	<b>434.09</b>

Details of projects where activity has been suspended shall be given separately

CWIP	Amount in CWIP for a period of				Total
	Less than 1 Year	1-2 years	2-3 years	More than 3 years	
Capital WIP, Ambernath	-	-	-	281.91	281.91
Capital WIP, Lote (D) Block	505.97	-	-	0.00	505.97
<b>Total</b>	<b>505.97</b>	<b>-</b>	<b>-</b>	<b>281.91</b>	<b>787.88</b>

### NOTE: 6 NON-CURRENT INVESTMENTS

Particulars	March 31, 2022	March 31, 2021
<b>A. Investments in Unquoted Instruments (Equity Shares)</b>		
Saraswat Bank	0.53	0.53
<b>TOTAL (A)</b>	<b>0.53</b>	<b>0.53</b>

### NOTE: 7 LOANS AND ADVANCES(Unsecured, considered good)

Particulars	Non - Current		Current	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
Loans and Advances to Staff	-	-	5.64	5.28
Others	-	-	0.10	0.10
<b>TOTAL (A)</b>	<b>-</b>	<b>-</b>	<b>5.74</b>	<b>5.38</b>

### NOTE: 8 Other non - current assets

Particulars	March 31, 2022	March 31, 2021
Sundry Deposits (Assets)	39.84	11.25
<b>TOTAL (A)</b>	<b>39.84</b>	<b>11.25</b>

## Notes to Standalone Ind AS Financial Statements for the year ended March 31, 2022

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### NOTE: 9 INVENTORIES

Particulars	Current	
	March 31, 2022	March 31, 2021
Raw Materials	402.74	244.95
Work-in-progress	313.03	238.01
Finished Goods	179.48	224.24
Stores/Spares & Packing material	27.86	17.60
<b>TOTAL</b>	<b>923.12</b>	<b>724.80</b>

### NOTE: 10 TRADE RECEIVABLES

Particulars	Current	
	March 31, 2022	March 31, 2021
<b>Unsecured and considered good</b>		
Over Six months		
Export Debtors	1.51	-
Local Debtors	8.84	-
Others		
Export Debtors	735.54	422.78
Local Debtors	420.00	322.61
	<b>1,165.88</b>	<b>745.39</b>
Less: Provision for Doubtful Debtors	14.05	10.39
<b>TOTAL</b>	<b>1,151.83</b>	<b>735.00</b>

### Trade Receivables Aging

Particulars	Outstanding for following periods from due date of payments					Total
	Less than 6 months	6 months – 1 year	1-2 yrs	2-3 yrs	More than 3 years	
Undisputed, considered good	1,155.53	2.98	2.30	1.32	3.74	1,165.9
Undisputed trade receivables-considered doubtful	-	-	-	-	-	-
Disputed trade receivables-considered good	-	-	-	-	-	-
Disputed trade receivables-considered doubtful	-	-	-	-	-	-

Particulars	Outstanding for following periods from due date of payments					Total
	Less than 6 months	6 months – 1 year	1-2 yrs	2-3 yrs	More than 3 years	
Undisputed, considered good	721.31	6.33	15.02	0.84	1.89	745.39
Undisputed trade receivables-considered doubtful	-	-	-	-	-	-
Disputed trade receivables-considered good	-	-	-	-	-	-
Disputed trade receivables-considered doubtful	-	-	-	-	-	-

## Notes to Standalone Ind AS Financial Statements for the year ended March 31, 2022

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(All amounts in Indian ₹ million, except as otherwise stated)

### NOTE: 11(a) CASH AND CASH EQUIVALENTS

Particulars	Current	
	March 31, 2022	March 31, 2021
Cash on hand	1.14	1.66
<b>Balances with banks:</b>		
Current accounts*	230.45	7.10
Fixed Deposits (with less than 3 month of original maturity)	838.70	301.96
Fixed Deposits (with more than 3 month but less than 12 month of original maturity)	587.46	124.27
	<b>1,657.76</b>	<b>434.98</b>
<b>Bank balances other than above</b>		
Fixed Deposits# (with more than 12 month of original maturity)	621.32	457.79
	<b>621.32</b>	<b>457.79</b>
<b>TOTAL</b>	<b>2,279.08</b>	<b>892.77</b>

\* Includes an amount of Rs 63,80,000/- kept in a separate bank account for a project to be undertaken under CSR

# Includes Deposits worth Rs 2,97,68,538/- for the period ended March 31, 2022 (FY-20-21 : Rs.2,85,06,694/-) earmarked against letter of credit facility from the bank due in next twelve months

### NOTE: 11 (b) OTHER FINANCIAL ASSETS

Particulars	Current	
	March 31, 2022	March 31, 2021
<b>Balances with banks:</b>		
Accrued Interest on Fixed Deposits	60.32	30.16
<b>TOTAL</b>	<b>60.32</b>	<b>30.16</b>

### NOTE: 12 OTHER CURRENT ASSETS

Particulars	Current	
	March 31, 2022	March 31, 2021
Prepaid Expenses	72.45	9.98
Advance to Suppliers	<b>169.85</b>	<b>85.44</b>
Balance with government authorities	173.70	171.09
Advance against property	139.34	-
<b>TOTAL</b>	<b>555.34</b>	<b>266.51</b>

### 13. EQUITY SHARE CAPITAL

Particulars	March 31, 2022	March 31, 2021
<b>Authorised share capital (No.)</b>		
March 31, 2022: 17,50,00,000*, Equity Shares of Rs. 2 each	350.00	
March 31, 2021: 17,50,00,000* Equity Shares of Rs. 2 each		350.00
<b>Issued, subscribed and fully paid-up shares (No.)</b>		
March 31, 2022: 8,04,82,800 Equity Shares of Rs.2 Each	160.97	
March 31, 2021: 7,31,83,530 Equity Shares of Rs. 2 each		146.37
<b>Total issued, subscribed and fully paid-up shares</b>		
March 31, 2022: 8,04,82,800 Equity Shares of Rs.2 Each	160.97	
March 31, 2021: 7,31,83,530 Equity shares of Rs. 2 each		146.37

\*During the previous year, the Company with requisite approval in place has sub-divided the face value of equity shares of the Company from Rs. 10/- each to Rs. 2/- each. The Record date for the sub-division was December 26 2020. Consequently, the Company has issued total 58,546,824 equity shares of Rs. 2/- each in lieu of 14,636,706 equity shares of Rs. 10/- each.

## Notes to Standalone Ind AS Financial Statements for the year ended March 31, 2022

CIN No: L51900MH2008PLC180452

(All amounts in Indian ₹ million, except as otherwise stated)

### 13. EQUITY SHARE CAPITAL (contd.)

#### (a) Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

Equity shares	March 31, 2022		March 31, 2021	
	No. in lakhs	Amount	No. in lakhs	Amount
At the beginning of the year	73183530	146.37	73183530	146.37
Issued during the year	7299270	14.60		
<b>Balance at the end of the year</b>	<b>80482800</b>	<b>160.97</b>	<b>73183530</b>	<b>146.37</b>

#### (b) Terms/ rights attached to equity shares

The Company has only one class of equity shares having a par value of ₹ 10 per share. Each holder of equity share is entitled to one vote per share.

In event of liquidation of the Company, the holders of equity shares would be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

#### (c) Shares held by each shareholder holding more than five percent

Particulars	March 31, 2022		March 31, 2021	
	No of Shares held	% holding	No of Shares held	% holding
<b>Name of Shareholders</b>				
Satish.W.Wagh	54394205.00	67.58%	72635070.00	99.25%

#### Shareholding of Promoters:

	No. of Shares	% of total shares	% change during the year
Satish Wagh	5,43,94,205	67.58	31.67

### 14. OTHER EQUITY

Particulars	Reserves and Surplus			Total
	Securities Premium Reserve	Retained Earnings		
<b>Balance as at 31.03.2020</b>		<b>1,340.78</b>	<b>3.55</b>	<b>1,344.33</b>
Profit for the year		1,235.93		1,235.93
Other Appropriations				-
Items of OCI , net of Tax				-
Remeasurement of Defined Benefit			(1.24)	(1.24)
Dividends		(39.56)		(39.56)
Dividend Distribution Tax				-
Transfer to General Reserve				-
<b>Balance as at 31.03.21</b>		<b>2,537.15</b>	<b>2.32</b>	<b>2,539.46</b>
Profit for the year		1,518.10		1,518.10
Addition during the year	1985.40			1,985.40
Other Appropriations				-
Items of OCI , net of Tax				-
Remeasurement of Defined Benefit			(3.15)	(3.15)
Dividends		(43.91)		(43.91)
Dividend Distribution Tax				-
Transfer to General Reserve				-
<b>Balance as at 31.03.22</b>	<b>1,985.40</b>	<b>4,011.34</b>	<b>(0.83)</b>	<b>5,995.91</b>

## Notes to Standalone Ind AS Financial Statements for the year ended March 31, 2022

CIN No: L51900MH2008PLC180452

(All amounts in Indian ₹ million, except as otherwise stated)

### NOTE: 15 BORROWINGS

Particulars	Non - Current		Current	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
<b>Non-current borrowings</b>				
<b>(a) Secured</b>				
Term Loans from Banks	-	-	-	-
<b>Total Secured Loans (a)</b>	-	-	-	-
<b>Total non-current borrowings (a + b)</b>	-	-	-	-
<b>Current Borrowings</b>				
<b>(a) Secured</b>				
Working Capital Loans from Banks	-	-	212.08	663.83
Loan from Directors	-	-	0.87	10.27
<b>(b) Current maturities long term debt</b>	-	-	-	27.19
<b>Total current borrowings</b>	-	-	212.95	701.30

Nature of security and terms of repayment for Long Term Borrowings

Nature of security	Terms of Repayment
<b>Non-current borrowings</b>	
<b>(a) Secured</b>	
Secured Term Loan from Bank, balance outstanding amounting to Rs Nil (previous year - Rs 2,71,94,901/-) is secured by charge by way collateral security of the land and building located at A-5/2, Lote Parshuram Ind Area, MIDC, Taluka Khed, Dist Ratnagiri and charge by way of hypothecation of all movable assets (except book debts and inventory) located at A-5/2, Lote Parshuram Ind Area, MIDC, Taluka Khed, Dist Ratnagiri and counter guaranteed by 2 Directors	Term loan is Repaid in FY 2021-22
<b>Current Borrowings</b>	
<b>a) Secured</b>	
Working capital from Bank is secured by way of collateral security of land and building located at A-5/2, Lote Parshuram Ind Area, MIDC, Taluka Khed, Dist Ratnagiri and hypothecation of all receivables and inventories	

### NOTE: 16 LEASE LIABILITIES

Particulars	Non - Current		Current	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
Lease Liabilities( Refer note 32)	52.95	20.65	8.25	-
<b>TOTAL</b>	<b>52.95</b>	<b>20.65</b>	<b>8.25</b>	<b>-</b>

### NOTE: 17 OTHER FINANCIAL LIABILITIES

Particulars	Non - Current		Current	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
Security Deposit	-	194.86	-	-
Employee related payables	-	-	7.94	5.66
<b>TOTAL</b>	<b>-</b>	<b>194.86</b>	<b>7.94</b>	<b>5.66</b>

## Notes to Standalone Ind AS Financial Statements for the year ended March 31, 2022

CIN No: L51900MH2008PLC180452

(All amounts in Indian ₹ million, except as otherwise stated)

### NOTE: 18 PROVISIONS

Particulars	Non - Current		Current	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
<b>Long term Provisions</b>				
-- Gratuity Provision	26.73	13.01	-	-
-- Compensated absences	2.58	-	-	-
<b>Short term Provisions</b>				
-- Gratuity Provision	-	-	3.49	9.06
-- Compensated absences	-	-	0.63	-
<b>TOTAL</b>	<b>29.31</b>	<b>13.01</b>	<b>4.12</b>	<b>9.06</b>

### NOTE: 19 TRADE PAYABLES

Particulars	Current	
	March 31, 2022	March 31, 2021
Micro Enterprises and Small Enterprises	39.90	49.21
Other than micro and small enterprises		
To Related Parties		
To Others	449.83	461.01
<b>TOTAL</b>	<b>489.72</b>	<b>510.22</b>

a) the principal amount remaining unpaid to any supplier at the end of each accounting year;	39.90	49.21
b) the amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006), along with the amount of the payment made to the supplier beyond the appointed day during each accounting year;	-	-
c) the amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006;	-	-
d) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-
The above Disclosure in respect of amount payable to such Enterprises as at March 31,2020, has been made in the Financial statement based on information received and available with the Company. Further in view of the management the impact of Interest, if any, that may be payable in accordance with the provision of Act is not expected to be material. The Company has not received any claim for Interest from any MSME Supplier registered under the said MSME Act.	-	-

## Notes to Standalone Ind AS Financial Statements for the year ended March 31, 2022

CIN No: L51900MH2008PLC180452

(All amounts in Indian ₹ million, except as otherwise stated)

### NOTE: 19 TRADE PAYABLES (contd.)

#### Trade Payables Aging

Particulars	Outstanding for following periods from due date of payments			
	Less than 1 year	1-2 yrs.	2-3 yrs.	More than 3 years
Undisputed				
MSME	39.90	-	-	-
Others	437.04	7.83	4.95	-
Disputed				
MSME	-	-	-	-
Others	-	-	-	-

#### Trade Payables Aging

Particulars	Outstanding for following periods from due date of payments			
	Less than 1 year	1-2 yrs.	2-3 yrs.	More than 3 years
Undisputed				
MSME	40	-	-	-
Others	437	8	5	-
Disputed				
MSME	-	-	-	-
Others	-	-	-	-

### NOTE: 20 DEFERRED TAX LIABILITIES

Particulars	Current	
	March 31, 2022	March 31, 2021
On account of Depreciation	120.84	83.04
Others	(9.35)	(2.93)
<b>TOTAL</b>	<b>111.49</b>	<b>80.11</b>

### NOTE: 21 OTHER CURRENT LIABILITIES

Particulars	Current	
	March 31, 2022	March 31, 2021
Advance from Customers	178.31	9.41
Statutory Liabilities	17.52	20.15
Other Liabilities	14.08	52.55
Income Tax Provision	64.11	152
<b>TOTAL</b>	<b>274.01</b>	<b>233.96</b>

### NOTE: 22 REVENUE FROM OPERATIONS

Particulars	March 31, 2022	March 31, 2021
<b>Sale of Products</b>		
Export Sales	4,264.13	3,242.57
Domestic Sales	1,514.30	1,008.64
<b>Gross Sales</b>	<b>5,778.43</b>	<b>4,251.20</b>
Less: Excise Duty/ Sales tax	(584.69)	(397.55)
<b>Net Sales</b>	<b>5,193.74</b>	<b>3,853.66</b>



## Notes to Standalone Ind AS Financial Statements for the year ended March 31, 2022

CIN No: L51900MH2008PLC180452

(All amounts in Indian ₹ million, except as otherwise stated)

### NOTE: 22 REVENUE FROM OPERATIONS (contd.)

Particulars	March 31, 2022	March 31, 2021
Other Operating Revenue		
Product Focus Marketing Incentive	39.62	11.81
Advance Licence Income	6.75	0.25
Rent Received	-	-
Duty Drawback Received	38.23	27.74
Foreign Currency Fluctuation Gain	22.14	18.71
<b>Revenue from Operation</b>	<b>5,300.49</b>	<b>3,912.16</b>

### NOTE: 23 OTHER INCOME

Particulars	March 31, 2022	March 31, 2021
Interest Income	70.70	49.79
Dividend Received	0.11	-
Sundry Balances written back	1.36	-
Miscellaneous Income	0.11	0.00
Interest Income on Staff Advance	0.05	0.06
Deferred Creditors	-	0.15
Interest Income on Security Deposit- Asset (Udyog Bhavan 215/216 & 207/208/208A)	0.08	0.06
Adjusted lease liability	3.36	
<b>TOTAL</b>	<b>75.77</b>	<b>50.05</b>

### NOTE: 24 COST OF RAW MATERIALS, COMPONENTS AND STORES CONSUMED

Particulars	March 31, 2022	March 31, 2021
Opening Stock	244.95	145.13
Purchases	2,146.10	1,505.54
Purchases Research & Development	-	-
	2,391.05	1,650.67
Closing Stock	402.74	244.95
<b>TOTAL</b>	<b>1,988.30</b>	<b>1,405.71</b>

### NOTE: 25 (INCREASE)/ DECREASE IN INVENTORIES

Particulars	March 31, 2022	March 31, 2021
<b>Opening Stock</b>		
Finished Goods	224.24	257.07
Work-in-Progress	238.01	80.74
	<b>462.25</b>	<b>337.81</b>
<b>Closing Stock</b>		
Finished Goods	179.48	224.24
Work-in-Progress	313.03	238.01
	<b>492.51</b>	<b>462.25</b>
<b>TOTAL</b>	<b>(30.26)</b>	<b>(124.45)</b>

## Notes to Standalone Ind AS Financial Statements for the year ended March 31, 2022

CIN No: L51900MH2008PLC180452

(All amounts in Indian ₹ million, except as otherwise stated)

### NOTE: 26 EMPLOYEE BENEFIT EXPENSE

Particulars	March 31, 2022	March 31, 2021
Salaries, Wages, Allowances and Bonus	458.74	313.67
Salaries, Wages, Allowances and Bonus _ R & D	14.92	-
Contribution to Employee Benefit Funds	4.24	7.13
Staff Welfare Expenses	12.88	6.80
<b>TOTAL</b>	<b>490.78</b>	<b>327.61</b>

### NOTE: 27 DEPRECIATION AND AMORTIZATION EXPENSE

Particulars	March 31, 2022	March 31, 2021
Depreciation of property, plant and equipment (note 3)	96.67	63.93
Depreciation on ROU	4.51	3.69
<b>TOTAL</b>	<b>101.18</b>	<b>67.61</b>

### NOTE: 28 FINANCE COSTS

Particulars	March 31, 2022	March 31, 2021
Interest		
Working Capital Finance	22.19	21.78
Others	0.53	4.64
Other Financial Costs	13.87	11.63
Interest Expense on Creditors	0.39	0.22
Interest Expense on SD (Liability)	-	0.46
Interest Expense on Lease Liability (As per IndAS 116)	5.00	2.06
<b>TOTAL</b>	<b>41.98</b>	<b>40.80</b>

### NOTE: 29 OTHER EXPENSES

Particulars	March 31, 2022	March 31, 2021
<b>Manufacturing Expenses</b>		
Jobwork Charges	-	2.52
Hel Majuri Exp.	2.17	1.54
Stores and Spares Consumed	18.48	17.88
Packing Materials	20.29	13.88
Power & Fuel	140.70	92.37
Laboratory Expenses	32.08	28.34
Pollution Control Expenses	2.04	1.10
R&D Expenses	16.62	6.61
Repairs to Machinery	75.72	47.65
Environment Health & Safety (EHS)	4.78	2.03
Other Expenses	27.94	16.49
<b>Selling and Distribution Expenses</b>		
Commission	58.72	57.40
Sales Promotion Expenses	165.03	173.80

## Notes to Standalone Ind AS Financial Statements for the year ended March 31, 2022

CIN No: L51900MH2008PLC180452

(All amounts in Indian ₹ million, except as otherwise stated)

### NOTE: 29 OTHER EXPENSES (contd.)

Particulars	March 31, 2022	March 31, 2021
<b>Administrative and Other Expenses</b>		
Travelling Expenses	13.95	6.29
Rates and Taxes	3.53	6.72
Insurance Premium	31.29	19.90
Repairs & Maintenance to Others	0.91	0.07
Motor Car Expenses	1.86	2.43
Postage & Courier Charges	4.48	3.06
Postage & Courier Charges_ Res & Development	-	-
Printing & Stationery	5.41	3.53
Printing & Stationery_ Res & Development	-	-
Telephone Expenses	2.06	1.23
Legal and Professional Fees	17.67	29.08
Legal and Professional Fees-RD	-	-
Payments to Auditor	2.50	0.84
CSR Expenses	15.93	11.35
Donation	11.69	3.90
Security Charges	10.14	7.88
General expenses	13.19	8.95
Foreign Currency Fluctuation Loss	-	-
Subscription Expenses	3.39	0.01
Allowance for Doubtful Debt	-	4.96
Deferred Staff Advance	-	-
Director Sitting Fees	1.58	-
Branding Expenses	0.23	-
Prior Period Expenses	0.25	-
Share Registry Maintenance RTA fees	0.09	-
IPO Expenses	3.44	-
Provision for Douthful debt	3.66	-
<b>TOTAL</b>	<b>711.82</b>	<b>571.83</b>

### NOTE- 30 AUDITOR'S REMUNERATION

Particulars	March 31, 2022	March 31, 2021
<b>(I) Payment to the auditor's comprises of:</b>		
For Statutory Audit	1.03	0.84
For Tax Audit	-	-
For VAT Audit	-	-
Others	1.47	-
<b>TOTAL</b>	<b>2.50</b>	<b>0.84</b>

### Note- 30 (ii) Corporate Social Responsibilities

As per section 135 of the companies Act 2013 and rules there in, the companies is required to spend at least 2% of the average net profit of the past three years towards corporate social responsibility Details of Corporate social expenses is as follows

Particulars	March 31, 2022	March 31, 2021
Gross amount required to be spend during the year	21.21	11.32
Amount spend during the period/year	22.31	-
- Construction/ acquisition of an asset (Refer note 11(a))	6.38	-
- On purpose other than above	15.93	11.35
<b>TOTAL</b>	<b>15.93</b>	<b>11.35</b>

## Notes to Standalone Ind AS Financial Statements for the year ended March 31, 2022

CIN No: L51900MH2008PLC180452

(All amounts in Indian ₹ million, except as otherwise stated)

### NOTE: 31 RELATED PARTY TRANSACTIONS

#### (i) Details of Related Party

Particulars	Name of the Party
Enterprise over which the key managerial personnel has Control	Prime Chemicals Ravi Industries Swastik Industries Supriya Pharmaceuticals
Key Managerial Personnel (Director)	Satish W Wagh Smita S Wagh Saloni S Wagh Shivani S Wagh Balasaheb Sawant
Relatives of Key Managerial Personnel	Asha Wagh Arun W Wagh
Enterprise over which the relatives of key managerial personnel have control	Vaibhav Chemicals
Key Managerial Personnel (Others)	
CEO	Shireesh Bhalachandra Ambhaikar
CFO	Ashish Nayak
Company Secretary	Shweta Singh

## Notes to Standalone Ind AS Financial Statements for the year ended March 31, 2022

CIN No: L51900MH2008PLC180452

(All amounts in Indian ₹ million, except as otherwise stated)

### NOTE: 31 RELATED PARTY TRANSACTIONS (contd.)

(ii) Table providing total amount of transactions that have been entered into with related parties for the relevant financial year:

Key Managerial Persons - Directors	Particulars	Year ended	Transactions during the year							Dividend Paid	Balance at the end of the period March 22		
			Job Work/ Reimbursement of Labour	Sale of SLL Office to Satish Wagh	Assets of Swastik Ind. purchased by supriya	Purchase/ sale of Property	Advance Against Properties	Director's Remuneration	Salary				
<b>Related parties where control exists</b>													
Chairman & Managing Director	Satish W Wagh	31-Mar-22	-	-	-	-	129.38	-	2.12	2.23	6.27	39.23	(1.33)
Whole Time Director	Smita S Wagh	31-Mar-22	-	-	-	-	14.34	-	-	2.75	-	0.17	-
Whole Time Director	Saloni S Wagh	31-Mar-22	-	-	-	-	11.77	-	-	-	-	0.02	-
Whole Time Director	Shivani S Wagh	31-Mar-22	-	-	-	-	11.77	-	-	-	-	0.02	-
Whole Time Director	Balasaheb Sawant	31-Mar-22	-	-	-	-	5.11	-	-	-	-	-	-
<b>Key Managerial Persons - Others</b>													
CEO	Shireesh Bhalachandra Ambhalkar	31-Mar-22	-	-	-	-	-	13.38	-	-	-	-	-
CFO	Ashish Nayak	31-Mar-22	-	-	-	-	-	5.17	-	-	-	-	-
Company Secretary	Shweta Singh	31-Mar-22	-	-	-	-	-	0.58	-	-	-	-	-
Relative of Key Managerial Personnel	Arun W Wagh	31-Mar-22	-	-	-	-	-	1.55	-	-	-	-	-
Relative of Key Managerial Personnel	Asha W Wagh	31-Mar-22	-	-	-	-	-	3.93	-	6.55	-	0.08	-
<b>Enterprise over which the key managerial personnel has significant influence</b>													
Partnership firm of Satish Wagh & Smita Wagh	Prime Chemicals	31-Mar-22	-	-	-	14.56	-	-	-	-	-	-	-
Partnership firm of Satish Wagh and Smita Wagh	Ravi Industries	31-Mar-22	-	-	-	-	-	-	-	-	-	-	-
Proprietorship of Satish Wagh	Swastik Industries	31-Mar-22	2.99	-	-	-	-	-	-	-	-	-	-
Partnership firm of Satish Wagh & Smita Wagh	Supriya Pharmaceuticals	31-Mar-22	-	-	-	-	-	-	-	-	-	0.00	-
<b>Enterprise over which the relatives of key managerial personnel have significant influence</b>													
Partnership firm of Arun Wagh & Asha Wagh	Valbhav Chemicals	31-Mar-22	-	-	-	-	-	-	-	-	0.97	-	(0.15)
Foundation where Satish Wagh is trustee	Satish Wagh Foundation	31-Mar-22	-	-	-	(1.33)	-	-	-	-	-	-	-

## Notes to Standalone Ind AS Financial Statements for the year ended March 31, 2022

CIN No: L51900MH2008PLC180452

(All amounts in Indian ₹ million, except as otherwise stated)

### NOTE: 32 EARNINGS PER SHARE

Particulars	March 31, 2022	March 31, 2021
Profit after tax attributable to equity shareholders	1,518.10	1,235.93
Weighted average number of equity shares for basic EPS	80482800	73183530
<b>Earnings per Share (Basic/Diluted)</b>	<b>18.86</b>	<b>16.89</b>

\*During the previous year, the Company with requisite approval in place has sub-divided the face value of equity shares of the Company from Rs. 10/- each to Rs. 2/- each. The Record date for the sub-division was December 26 2020. Consequently, the Company has issued total 58,546,824 equity shares of Rs. 2/- each in lieu of 14,636,706 equity shares of Rs. 10/- each.

### NOTE- 33 LEASES

#### 33.1 Amounts recognised in Balance Sheet

Particulars	March 31, 2022	March 31, 2021
(i) Right to use Assets		
Opening	14.72	18.41
Add: Addition	47.76	-
Less: Depreciation	4.51	3.69
Closing	57.97	14.72
<b>Total</b>	<b>57.97</b>	<b>14.72</b>
(ii) Lease Liabilities		
Opening	20.65	23.10
Add: Addition	43.17	
Add: Interest Cost	5.00	2.06
Less: Lease Rent	7.63	4.50
Closing	61.20	20.65
<b>Total</b>	<b>61.20</b>	<b>20.65</b>

#### 33.2 Amounts recognised in the statement of profit and loss

Particulars	Note No.	For the period ended March 31, 2022
(i) Depreciation and amortisation expense	3	4.51
(ii) Interest Expenses (included in finance cost)	26	5.00
(iii) Expenses relating to lease payments*	27	7.63

\* Expenses relating to lease payments has been accounted for applying paragraph 6 of Ind AS 116- Leases and accordingly recognised as expense in the statement of profit and loss.

#### 33.3 The impact on the statement of profit and loss for the year ended March 31, 2022 is as below:

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Rent is lower by	7.63	4.50
Depreciation is higher by	4.51	3.69
Finance cost is higher by	7.63	2.06

The company has discounted lease payments @ 9.90% p.a

#### 33.4 Additional information on extension / termination options.

Extension and termination options are included in a number of property lease arrangements of the Company. These are used to maximise operational flexibility in terms of managing the assets used in the Company's operations. The majority of extension and termination options held are exercisable based on mutual consent of the Company and respective lessors.

## Notes to Standalone Ind AS Financial Statements for the year ended March 31, 2022

CIN No: L51900MH2008PLC180452

(All amounts in Indian ₹ million, except as otherwise stated)

### NOTE: 34 CONTINGENT LIABILITIES AND COMMITMENTS

Particulars	March 31, 2022	March 31, 2021
Bank Guarantees	49.65	9.15
Commitments	-	-
<b>Disputed Income Tax, Sales Tax, Service Tax and GST Demand:</b>		
i) Pending before Tribunal	6.55	6.55
<b>Total</b>	<b>56.20</b>	<b>15.70</b>

### Note 35: Reclassification

Previous year's figures have been regrouped/reclassified wherever necessary to correspond with the current year's classification/disclosures

### NOTE: 36 (A) CATEGORY WISE CLASSIFICATION OF FINANCIAL INSTRUMENTS

Particulars	Non - Current		Current	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
<b>Financial Assets measured at Fair value through</b>				
Other Comprehensive Income				
Investment in quoted instruments	-	-	-	-
<b>TOTAL</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

### Financial assets measured at Amortized cost

Particulars	Non - Current		Current	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
Loans to employees	5.64	5.28	-	-
Rental Deposits	39.84	11.25	-	-
Trade Receivables	-	-	1,151.83	735.00
Cash and Cash Equivalents	-	-	2,279.08	922.93
<b>TOTAL</b>	<b>45.48</b>	<b>16.53</b>	<b>3,430.91</b>	<b>1,657.93</b>

### Financial assets measured at fair value through profit and loss

Particulars	Non - Current		Current	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
Investment in equity based Mutual funds	-	-	-	-
Investments in Debt based Mutual Funds	-	-	-	-
<b>TOTAL</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

### Financial Liabilities measured at Amortized cost

Particulars	Non - Current		Current	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
Borrowings	-	-	212.95	701.30
Trade payables (including retained creditors)	-	-	489.72	510.22
Deposits	-	194.86	-	-
Deferred Income	-	-	-	-
<b>TOTAL</b>	<b>-</b>	<b>194.86</b>	<b>702.67</b>	<b>1,211.52</b>

## Notes to Standalone Ind AS Financial Statements for the year ended March 31, 2022

CIN No: L51900MH2008PLC180452

(All amounts in Indian ₹ million, except as otherwise stated)

### 36 (B) FAIR VALUE HIERARCHY

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

As at 31.03.2021	Fair Value as at 31.03.2021	Fair value hierarchy		
Financial Assets / Financial Liabilities		Quoted Prices in active markets ( Level 1)	Significant observable Inputs ( Level 2)	Significant unobservable Inputs ( Level 3)
<b>Financial Assets measured at Fair value through other comprehensive income</b>				
Investments in quoted equity shares	-	-	-	-
<b>Financial Assets measured at Fair value through Profit and Loss</b>				
Investments in Debt based Mutual Funds	-	-	-	-
Investment in equity based Mutual funds	-	-	-	-
<b>Financial Liability measured at Fair value through Profit and Loss</b>				

As at 31.03.2022	Fair Value as at 31.03.2022	Fair value hierarchy		
Financial Assets / Financial Liabilities		Quoted Prices in active markets ( Level 1)	Significant observable Inputs ( Level 2)	Significant unobservable Inputs ( Level 3)
<b>Financial Assets measured at Fair value through other comprehensive income</b>				
Investments in quoted equity shares	-	-	-	-
<b>Financial Assets measured at Fair value through Profit and Loss</b>				
Investments in Debt based Mutual Funds	-	-	-	-
Investment in equity based Mutual funds	-	-	-	-
<b>Financial Liability measured at Fair value through Profit and Loss</b>				

The fair value of financial asset and liabilities measured at amortised cost approximate there fair values

### NOTE: 37 FINANCIAL RISK MANAGEMENT

Company's financial risk management is an integral part of how to plan and execute its business strategies. The Company's financial risk management policy is set by the Managing Board.

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from a change in the price of a financial instrument.

The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rates, equity prices and other market changes that affect market risk sensitive instruments.

Market risk is attributable to all market risk sensitive financial instruments including investments and deposits, foreign currency receivables, payables and loans and borrowings.

#### (i) Foreign Currency Risk

The Company operates internationally and portion of the business is transacted in several currencies and consequently the Company is exposed to foreign exchange risk through its sales and services in overseas and purchases from overseas suppliers in various foreign currencies.

#### Foreign currency exposure as at March 31, 2022

Particulars	USD	EURO
Trade receivables	9.45	0.14
Bank Balances	0.29	-
Loan Liabilities	3.23	-
Trade payables	1.27	0.52



## Notes to Standalone Ind AS Financial Statements for the year ended March 31, 2022

CIN No: L51900MH2008PLC180452

(All amounts in Indian ₹ million, except as otherwise stated)

### NOTE: 37 FINANCIAL RISK MANAGEMENT (contd.)

#### Foreign currency exposure as at March 31, 2021

Particulars	USD	EURO
Trade receivables	5.85	-
Bank Balances	0.03	-
Trade payables	1.87	-

#### Foreign currency sensitivity

Particulars	2021-22		2020-21	
	1 % Increase	1 % decrease	1 % Increase	1 % decrease
USD	0.14	(0.14)	0.04	(0.04)
EURO	0.01	(0.01)	-	-
<b>Increase \ (Decrease) in profit or loss</b>	<b>0.14</b>	<b>(0.14)</b>	<b>0.04</b>	<b>(0.04)</b>

#### (ii) Equity Price Risk

The company's investment portfolio consists of investments in quoted instruments like mutual funds carried at fair value in the balance sheet.

#### (iii) Credit risk

Credit risk arises from the possibility that counter party may not be able to settle their obligations as agreed. To manage this, the Company periodically assesses the financial reliability of customers, taking into account the financial condition, current economic trends, and analysis of historical bad debts and ageing of accounts receivable. Individual risk limits are set accordingly.

The company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk the company compares the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition.

It considers available reasonable and supportive forwarding-looking information such as :

(i) Actual or expected significant adverse changes in business

#### Exposure to credit risk

Particulars	March 31, 2022	March 31, 2021
Loans to employees	5.64	5.28
Rental Deposits	39.84	11.25
Trade Receivables	1151.83	735.00
Cash and Cash Equivalentents	2279.08	922.93

The aging analysis of the receivables has been considered from the date the invoice falls due. The age wise break up of receivables that are past due, is given below:

Particulars	Amount
<b>March 31, 2022</b>	
Upto 30 days	632.96
Up to 60 days	309.32
Up to 90 days	136.96
Up to 180 days	39.19
Up to 365 days	47.45
More than 365 days	
<b>Total</b>	<b>1,165.88</b>

## Notes to Standalone Ind AS Financial Statements for the year ended March 31, 2022

CIN No: L51900MH2008PLC180452

(All amounts in Indian ₹ million, except as otherwise stated)

### NOTE: 37 FINANCIAL RISK MANAGEMENT (contd.)

Particulars	Amount
<b>March 31, 2021</b>	
Upto 30 days	248.09
Up to 60 days	255.68
Up to 90 days	137.59
Up to 180 days	67.52
Up to 365 days	26.11
More than 365 days	-
<b>Total</b>	<b>735.00</b>

#### Expected Credit Loss Assessment

Exposures to customers outstanding at the end of each reporting period are reviewed by the company to determine incurred and expected credit losses. Management believes that the unimpaired amount that are past due are still collectible in full, based on historical payment behaviour and extensive analysis of customer credit risk.

Particulars	Current	
	March 31, 2022	March 31, 2021
Export Debtors	735.54	422.78
Local Debtors	420.00	322.61
	<b>1,155.53</b>	<b>745.39</b>
Less: Expected Credit Loss	14.05	5.72
<b>TOTAL</b>	<b>1,141.49</b>	<b>739.67</b>

#### (iv) 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 Company's corporate treasury department is responsible for liquidity, funding as well as settlement management.

In addition, processes and policies related to such risks are overseen by senior management. Management monitors the Company's net liquidity position through rolling forecasts on the basis of expected cash flows.

The table below provides details regarding the remaining contractual maturities of significant financial liabilities at the reporting date based on contractual undiscounted payments.

#### Maturity profile of financial liabilities

The table below provides details regarding the remaining contractual maturities of significant financial liabilities at the reporting date based on contractual undiscounted payments.

As at March 31, 2022	Less than one year	1 to 5 years	Total
Borrowing	212.95	-	212.95
Retention Creditors	-	-	-
Trade payables	489.72	-	489.72
Other financial liabilities	7.94	-	7.94
	<b>710.61</b>	<b>-</b>	<b>710.61</b>
As at March 31 2021	Less than one year	1 to 5 years	Total
Borrowings	674.10	-	674.10
Retention Creditors	-	-	-
Trade payables	500.91	9.32	510.22
Other financial liabilities	27.19	194.86	222.06
	<b>1202.20</b>	<b>204.18</b>	<b>1,406.38</b>

## Notes to Standalone Ind AS Financial Statements for the year ended March 31, 2022

CIN No: L51900MH2008PLC180452

(All amounts in Indian ₹ million, except as otherwise stated)

### NOTE: 37 FINANCIAL RISK MANAGEMENT (contd.)

#### (v) Capital management

For the purposes of the Company's Capital Management, capital includes issued capital and all other equity reserves.

The primary objective of the Company's Capital Management is to maximise shareholder value. The company manages its capital structure and makes adjustments in the light of changes in economic environment and the requirements of the financial covenants. The company does not have gearing as its cash and reserves are substantial to cover up borrowings.

### NOTE: 38 DISCLOSURE IN PURSUANT TO IND AS 19 DEFINED BENEFIT EMPLOYEE

#### Assets and Liability (Balance Sheet Position)

Particulars	As at March 31,2022	As at March 31,2021
Present Value of Benefit Obligation at the end of the period	(30.22)	(22.07)
Fair Value of Plan Assets at the end of the Period		
Surplus / (Deficit)	(30.22)	(22.07)
Effects of Asset Ceiling, if any		-
<b>Net Asset / (Liability) Recognised in the Balance Sheet</b>	<b>(30.22)</b>	<b>(22.07)</b>

Particulars	For the period ending March 31,2022	For the period ending March 31,2021
In Income Statement	4.24	2.93
In Other Comprehensive Income	4.22	1.66
<b>Total Expenses Recognized during the period</b>	<b>8.46</b>	<b>4.59</b>

#### Graphical Representation of Liability and Expenses

Particulars	For the period ending March 31,2022	For the period ending March 31,2021
Present Value of Obligation as at the beginning	22.07	18.66
Current Service Cost	2.80	1.71
Interest Expense or Cost	1.43	1.22
Re-measurement (or Actuarial) (gain) / loss arising from:		
- change in demographic assumptions	0.02	
- change in financial assumptions	(0.72)	0.08
- experience variance (i.e. Actual experience vs assumptions)	4.92	1.58
- others	-	-
Past Service Cost	-	-
Effect of change in foreign exchange rates	-	-
Benefits Paid	(0.31)	(1.18)
Acquisition Adjustment	-	-
Effect of business combinations or disposals	-	-
<b>Present Value of Obligation as at the end</b>	<b>30.22</b>	<b>22.07</b>

## Notes to Standalone Ind AS Financial Statements for the year ended March 31, 2022

CIN No: L51900MH2008PLC180452

(All amounts in Indian ₹ million, except as otherwise stated)

### NOTE: 38 DISCLOSURE IN PURSUANT TO IND AS 19 DEFINED BENEFIT EMPLOYEE (contd.)

#### Expenses Recognised in the Income Statement

Particulars	For the period ending March 31,2022	For the period ending March 31,2021
Current Service Cost	2.80	1.71
Past Service Cost	-	-
Loss / (Gain) on settlement	-	-
Net Interest Cost / (Income) on the Net Defined Benefit Liability / (Asset)	1.43	1.22
	<b>4.24</b>	<b>2.93</b>

Particulars	For the period ending March 31,2022	For the period ending March 31,2021
Actuarial (gains) / losses		
- change in demographic assumptions	0.02	-
- change in financial assumptions	-0.72	0.08
- experience variance (i.e. Actual experience vs assumptions)	4.92	1.58
- others		
Return on plan assets, excluding amount recognised in net interest expense	-	-
Re-measurement (or Actuarial) (gain)/loss arising because of change in effect of asset ceiling		
<b>Components of defined benefit costs recognised in other comprehensive income</b>	<b>4.22</b>	<b>1.66</b>

#### Actuarial Assumptions

We have used actuarial assumptions selected by the Company. The Company has been advised that the assumptions selected should be unbiased and mutually compatible and should reflect the Company's best estimate of the variables of the future. The Company has also been advised to consider the requirement of Para 44 of IndAS 19 in this regard.

#### (i) Financial Assumptions

The principal financial assumptions used in the valuation are shown in the table below:

Particulars	As at March 31,2022	As at March 31,2021
Discount rate (per annum)	6.90%	6.49%
Salary growth rate (per annum)	10%	10%

The discount rate indicated above reflects the estimated timing and currency of benefit payments. It is based on the yields/ rates available on applicable bonds as on the current valuation date.

The salary growth rate indicated above is the Company's best estimate of an increase in salary of the employees in future years, determined considering the general trend in inflation, seniority, promotions, past experience and other relevant factors such as demand and supply in employment market, etc.

#### (ii) Demographic Assumptions

The principal demographic assumptions used in the valuation are shown in the table below:

Particulars	As at March 31,2022	As at March 31,2021
Mortality rate (% of IALM 06-08)	100%	100%
Normal retirement age	58years	58years
Attrition / Withdrawal rates, based on age: (per annum)		
Upto 30 years	10%	10%
31-44 years	10%	10%
Above 44 years	10%	10%

## Notes to Standalone Ind AS Financial Statements for the year ended March 31, 2022

CIN No: L51900MH2008PLC180452

(All amounts in Indian ₹ million, except as otherwise stated)

### NOTE: 38 DISCLOSURE IN PURSUANT TO IND AS 19 DEFINED BENEFIT EMPLOYEE (contd.)

#### (iii) Sensitivity Analysis

Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate, expected salary increase and mortality. The sensitivity analysis below have been determined based on reasonably possible changes of the assumptions occurring at the end of the reporting period, while holding all other assumptions constant. The results of sensitivity analysis is given below:

Particulars	As at March 31, 2022		As at March 31, 2021	
Defined Benefit Obligation (Base)	30.22		22.07	
Particulars	Decrease	Increase	Decrease	Increase
Discount Rate (- / + 1%) (% change compared to base due to sensitivity)	1.61	1.82	1.02	1.17
Salary Growth Rate (- / + 1%) (% change compared to base due to sensitivity)"	1.75	1.58	1.00	1.12
Attrition Rate (- / + 50% of attrition rates) (% change compared to base due to sensitivity)	0.40	0.44	0.32	0.35

### NOTE: 39 INCOME TAX RECONCILIATION

(a) Tax Expense recognised in Statement of profit and Loss comprises

Particulars	March 31, 2022	March 31, 2021
<b>Current income tax:</b>		
Current income tax charge	521.89	430.22
<b>Deferred tax:</b>		
Relating to origination and reversal of temporary differences	32.46	6.94
<b>Income tax expense reported in the statement of profit or loss</b>	<b>554.35</b>	<b>437.16</b>
<b>(b) Deferred tax related to items recognised in OCI during in the year:</b>		
Net loss/(gain) on remeasurements of defined benefit plans	1.08	(0.42)
<b>Income tax charged to OCI</b>	<b>1.08</b>	<b>(0.42)</b>

(c) Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for March 31, 2022 and March 31, 2021:

Particulars	March 31, 2022	March 31, 2021
<b>Accounting profit before income tax</b>	<b>2,072.45</b>	<b>1,673.09</b>
Tax on accounting profit at statutory income tax rate 25.168% (March 31, 2021 25.474% )	521.59	426.20
Expenses that are not deductible in determining taxable profit	2.94	0.99
Change/ Credit in respect of earlier years	17.54	3.12
Others	26.62	
<b>Tax expense reported in the statement of profit or loss</b>	<b>568.69</b>	<b>430.31</b>
<b>Effective Tax Rate</b>	<b>27.44%</b>	<b>25.72%</b>

## Notes to Standalone Ind AS Financial Statements for the year ended March 31, 2022

CIN No: L51900MH2008PLC180452

(All amounts in Indian ₹ million, except as otherwise stated)

### NOTE: 39 INCOME TAX RECONCILIATION (contd.)

(d) Components of Deferred tax assets/ ( Liabilities ) recognised in Balance sheet and Statement of profit and loss

Particulars	Balance sheet		Statement of Profit and Loss	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
Difference between Book depreciation and tax depreciation	120.84	83.04	37.81	(2.20)
Deferred Tax Asset on Gratuity	(7.61)	(1.17)	(6.44)	5.05
Deferred Tax Asset on Leave Encashments	(0.81)	-	(0.81)	-
Deferred Tax Asset on Trade Payables	-	(0.10)	0.10	0.02
Deferred Tax Asset on Staff Advance	(0.13)	(0.15)	0.02	0.01
Deferred Tax Asset (Rental Security Deposit -Asset)	0.34	-	0.34	0.07
Deferred Tax Liability on ROU IndAS 116	14.26	3.75	10.51	(0.88)
Deferred Tax Liab (SD Liability -Hunan)	-	-	-	0.57
Deferred Tax Asset (Lease Liability as per IndAS 116)	(15.40)	(5.26)	(15.40)	(4.93)
Deferred Tax Asset (SD Liab-Tasly)	-	-	-	8.81
Other Difference	-	-	5.26	0.42
Deferred Tax Income / (Expense )	-	-	<b>31.38</b>	<b>6.94</b>
<b>Net Deferred Tax Asset / ( Liabilities )</b>	<b>111.49</b>	<b>80.11</b>	<b>-</b>	<b>-</b>

(e) Reconciliation of deferred tax liabilities (net):

Particulars	March 31, 2022	March 31, 2021
<b>Opening balance as at April 1</b>	<b>80.11</b>	<b>73.59</b>
Tax (Income)/ Expense during the period recognised in		-
(i) Statement of Profit and loss in profit and loss	32.46	6.94
(ii) Statement of Other Comprehensive Income	(1.08)	(0.42)
<b>Closing balance as at March 31</b>	<b>111.49</b>	<b>80.11</b>









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