



An ISO 9001 & ISO 13485 Certified Company

Date- 5th July, 2022

To, BSE Limited ("BSE"), Corporate Relationship Department, 2 nd Floor, New Trading Ring, P.J. Towers, Dalal Street, Mumbai – 400 001	To, National Stock Exchange of India Limited ("NSE"), "Exchange Plaza", 5 th Floor, Plot No. C/1, G Block, Bandra-Kurla Complex, Bandra (East), Mumbai – 400 051
BSE Scrip Code: 543399	NSE Symbol: TARSONS
ISIN: INE144Z01023	ISIN: INE144Z01023

Sub: Submission of the Annual Report of the Company for the Financial Year 2021-22 along with the Notice of the 39th Annual General Meeting

Dear Sir/Madam,

In furtherance to our letter dated 22nd June, 2022 and pursuant to the provisions of Regulation 34(1)(a) and Regulation 30 read with Part A (Para A) of Schedule III of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we hereby enclose the Annual Report of the Company for the Financial Year 2021-22 along with the Notice of the 39th Annual General Meeting of the Company scheduled to be held on Friday, 29th July, 2022 at 12.00 P.M. (IST) through Video Conferencing or Other Audio Visual Means (VC/OAVM).

The aforesaid documents are being dispatched electronically to only those members whose email IDs are registered with the Company/Depositories.

The Annual Report and the Notice of the AGM is also available on the website of the Company at www.tarsons.com.

We request you to take the same on records.

Thanking you,

Yours faithfully,
For Tarsons Products Limited

Santosh Kumar Agarwal
Company Secretary & Chief Financial Officer
Membership No. 44836

Encl: As above



TRUST DELIVERED

Annual Report
2021-22



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For more investor-related information,
please visit:

FINANCIAL – TARSONS

Or Simply Scan



INVESTOR INFORMATION

Market Capitalization as
at 31st March, 2022 : ₹ **37,467.86 million**

CIN : **L51109WB1983PLC036510**

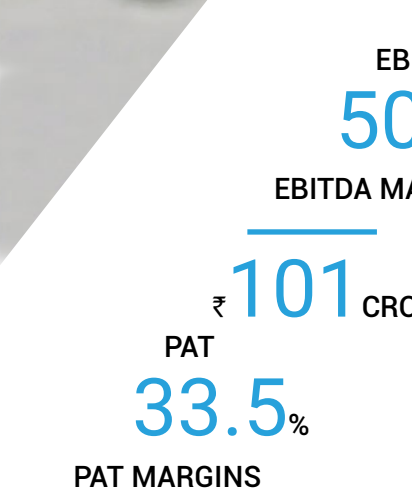
BSE Code : **543399**

NSE Symbol : **TARSONS**

AGM Date : **29th July, 2022**

AGM Venue/Mode : **Video Conference/
Other Audio Visual-Means**

Disclaimer : This document contains statements about expected future events and financials of Tarsons Products Limited, which are forward-looking. By their nature, forward-looking statements require the Company to make assumptions and are subject to inherent risks and uncertainties. There is a significant risk that the assumptions, predictions, and other forward-looking statements may not prove to be accurate. Readers are cautioned not to place undue reliance on forward-looking statements as several factors could cause assumptions, actual future results and events to differ materially from those expressed in the forward-looking statements. Accordingly, this document is subject to the disclaimer and qualified in its entirety by the assumptions, qualifications and risk factors referred to in the Management Discussion and Analysis section of this Annual Report.



TRUST DELIVERED

₹ **238** CRORES

GROSS PROFIT

79.1 %

GROSS PROFIT MARGINS

₹ **153** CRORES

EBITDA

50.8 %

EBITDA MARGINS

₹ **101** CRORES

PAT

33.5 %

PAT MARGINS

A business is built on capabilities, developed on efficiencies and scaled with opportunities.

But even with all three in place, one of the most fundamental keystones for any business to truly flourish depends on its ability to earn **TRUST**.

Trust about meeting demands and requirements.

Trust about fulfilling commitments and promises.

Trust about being honest and reliable.

At Tarsons, we belong to an industry in which the global MNCs are historically dominant. We belong to a highly stringent market in terms of quality standards and compliances. We belong to a sector that demands high precision, strong technical capabilities, robust manufacturing practices and excellent sales and marketing skills for a good brand recall.

Today, we are among the top leading names as manufacturers of Indian labware, testifying for our ability to deliver on all the above-mentioned aspects. We have been supplying products to the life sciences industry under our brand label 'TARSONS' for the past 39 years. This denotes how, as a brand, we have won the trust of the scientists' community in India. Our differentiated offerings and user-friendly, high-quality, and cost-effective products reduces dependency on import. Through these years, we have built long-standing relationships with our customers, earned their loyalty and lived up to their expectations. Where we stand today, as a company, is definitely a reflection of how our strategies have worked in our favor. But more than anything, it speaks highly of how we have managed to build, earn, and retain the trust of our customers. It is proof that, right through our journey, we have got **TRUST DELIVERED!**

TRUST DELIVERED WITH CONSISTENCY

About Tarsons Products Limited

“ With an experience of more than 39 years, we're amongst the leading Indian Labware manufacturing company engaged in the designing, development, manufacturing and marketing of 'consumables', 'reusables' and 'others', including benchtop equipment's which help us to cater a diverse range of end-customers across various sectors.”

Tarsons Products Limited ('Tarsons' or 'We') is one of the leading manufacturer and supplier of labware products. With a foundation of 39 rich years' experience in the field of life sciences, we have successfully built Tarsons into a prominent company in the Indian labware market.

Our offerings include a gamut of diversified products – consumables, reusables, and others – with over 1,700 SKUs across 300+ product categories. Our products cater to various sectors, including research organizations, pharmaceutical companies, diagnostic companies, and others. Our products are distributed pan-India to our end-customers through our authorised distributors. We enjoy long-standing relationships with our distributors and end customers. This has helped us align our offerings with our distributors' and end-customers' business needs through the support of an on-ground sales and marketing team.

We ensure strict quality control norms across our manufacturing processes which also outlines our conduct of safe and efficient research for the scientific community.

Tarsons has 5 manufacturing units located in West Bengal. These manufacturing facilities enable us to offer a wide array of products to our end-customers across various industries while maintaining high-quality standards and monitoring regulatory compliance.

Our products are supplied to over 40 countries across both developed and emerging markets through a blend of branded and Original Design Manufacturer (ODM) sales. From our total export revenue, branded products generated 43% of our revenue while 57% was contributed by (ODM) sales.

39

YEARS OF EXPERIENCE

1,700+

SKU's

300+

PRODUCT CATEGORIES

5 MANUFACTURING FACILITIES

2 UPCOMING STATE-OF-THE ART

MANUFACTURING FACILITIES

SUPPLYING OUR PRODUCTS

TO 40+ COUNTRIES

141+

DISTRIBUTORS IN INDIA



MISSION



To accelerate progress in life science by providing our customers with high-quality products and services whilst creating opportunities for our employees and delivering superior and sustainable stakeholder value.

Tarson's Vision is to grow business and become the most valued Labware Company in the Life Science space through world class performance, creating growing value for the Indian economy and the Company's stakeholders.

VISION



AMONGST THE LEADING INDIAN LABWARE SUPPLIER TO INDUSTRIES INCLUDING LIFE SCIENCE SECTOR WITH STRONG BRAND RECOGNITION

Our rich experience and proficiency of almost 4 decades in supplying labware products to various industries including life science sector have led us to become a

TRUSTED BRAND

&

ONE OF THE INDUSTRY'S LEADING PLAYERS

Tarsons enjoys a market share of 9-12% of the Indian labware market

(Source: Frost & Sullivan Report)

Over the years, we have consistently emphasized building robust quality management systems and production processes. We offer differentiated products with reliable quality and cost-competitive prices. These parameters have led Tarsons to maintain a leadership position in the market and develop strong brand recognition and consumer loyalty in domestic and key overseas markets.

TRUST STRENGTHENED WITH OUR JOURNEY



2018

Obtained ISO 13485:2016/NSEN
certificate for manufacturing
facility

2009

Obtained ISO 9001:2015 certificate for
manufacturing facility

1987

Commenced production of
Centrifuge Tubes

1983

Incorporation of TPPL with manufacturing
of reusable plastic products

2021-22

Successfully listed on stock exchange i.e.
NSE and BSE

Acquired 5 acres of land in Panchla and 6 acres
of land in Amta for developing another facility for
capacity expansion

2019

Set up line for **PCR products** in Jalan Industrial
Complex at Jangalpur

2012

Set up manufacturing facility expanding into
**production of fully automatic centrifuge tubes,
and cryogenic vials** in Dhulagarh

2002

Pioneered the **first fully robotic clean
room plant** for manufacturing molecular
biology consumables

1984

Commenced
production of Pipette Tips



TRUST SERVED THROUGH OFFERINGS

Diverse Range of Labware Products across Varied Customer Segments

“ Our Company was founded on the ideology of serving the needs of the Indian scientist community. And for this, we rely on our expertise in precision manufacturing technologies. With this ideology at the core of all our functions, we developed a diverse range of labware products under the categories: consumables, reusables and others. Since our establishment, we've extended our labware offerings and obtained economies of scale in our production operations. Thus, allowing us to serve new markets and explore new product options for our customers.”



CONSUMABLES

We offer the following products under *Consumables*:



Pipette Tips: These are mostly used in research to transfer small volumes of liquids with high precision. Our Company provides *Pipette Tips* with and without embedded filter – sterilized and non-sterilized.



Centrifuge Ware: We manufacture and sell the *micro centrifuge tubes* snap cap and screw cap, and 15ml and 50ml *centrifuge tubes*. These are produced with premium grade virgin polypropylene and are perfect for versatile applications – storage, spinning down & separation of colloidal solution.



Petri Dishes: We manufacture *Petri Dishes* with virgin biomedical graded polystyrene that are mostly used in the culture of microbes and sensitivity assays. Typically, these are used once and discarded, optimizing the time consumed in washing and sterilizing.



Cryo Ware: We specially design *Cryo Vials* for storing biological materials at extreme temperatures – as low as -196°C (vapor phase of liquid nitrogen).



Storage Vials: Storage vials are designed for use with samples at -80°C. These are used for storage of PCR reagents, enzymes and other diagnostics, biochemical reagents or samples.

REUSABLES

We manufacture and sell Reusables such as bottles used as standard containers for storing large volumes of solutions in the pharmaceutical sector. Our portfolio of products under Reusables include:



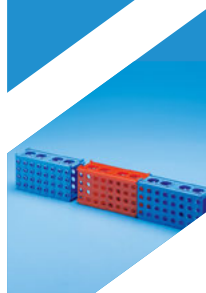
Bottles and Carboys: The resin used to make the Bottles and Carboys is of the finest quality and it must meet medical-grade standards. Resins are selected to minimize additives and reduce potential leachability. Our Bottles and closures are designed with strong, customized thread design and lip seal technology. We manufacture and test these products regularly to ensure they are leakage-proof. Carboys are mostly used for containment, protection and transportation of various kinds of reagents. While the bottles are used for media formulation and mixing, aseptic protocols, stirring and storage of intermediates. Our containers are reusable and durable, making our products reliable amongst overseas customers.



Beakers: We supply Beakers made of Polypropylene (PP) or Polymethyl Pentane (PMP), which are economical enough to discard after a single use. The product is used for safe handling of acids, alkalis and other dangerous solutions and ensures best solution handling and mixing experiences for our customers.



Cylinders: Our measuring Cylinders are made of PP or PMP, which is used to measure the volume of liquids, chemicals, and solutions during daily lab work.



Racks: We supply interlocking Racks that facilitate product customization as per end-customers' requirements and specifications. These Racks are made of high-quality autoclavable polypropylene. They allow accommodation of various sizes of tubes and thus, enable easy handling and efficient sample storage.

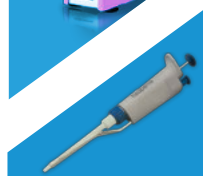
OTHERS



Centrifuge: Our Centrifuge machines are built with a compact design to accommodate PCR tubes and micro centrifuge tubes.

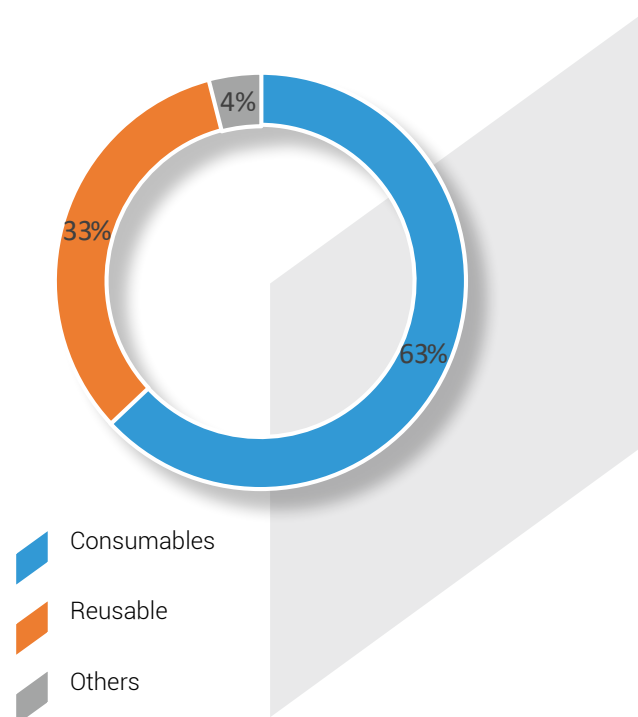


Vortex: We produce Vortex shakers which are compact and rugged construction with a heavy metal base and a rubber foot for preventing movement of the shaker during use. These Vortex have variable speed control features with a maximum speed of 3,000 RPM.



Pipettors: We supply Pipettors – an essential laboratory instrument used to accurately and precisely transfer volumes of liquid in the microliter range.

SEGMENT-WISE REVENUE DISTRIBUTION



MESSAGE FROM THE CHAIRMAN & MD

“ I take absolute pleasure in reaching out to you for the first time through our annual report following a successful listing. I am grateful for the overwhelmingly positive response to our initial public offering (IPO), which was oversubscribed 77 times. As a company, we are honoured by your trust, and this response reinstates our faith in our business strategy and a promising future. This is a big moment for all of us at Tarsons, heralding a new beginning in our 39 years of history. The support we receive from you continues to inspire us to work harder.”



Dear Stakeholders,

I am happy to announce a successful conclusion to 2021-22. Tarsons maintained a track record of being India's leading Plastic Labware manufacturer, providing the superior quality labware products. We supply products to the life sciences industry under our brand label TARSONS with our central business theme - TRUST DELIVERED. Being in an industry historically dominated by global MNCs, we have won the trust of the scientists' community in India, and we are proud of this achievement. Our differentiated, user-friendly, cost-effective products reduces dependency on import while ensuring consistency of high quality. The consistency and benefits that our products bring along translate into the impeccable trust we have earned through these last few decades.

Macro-Economic & Industrial Landscape

The year 2021 presented significant opportunities for the overall economy. Following the first quarter of 2021-22, India experienced shoots of growth, with considerable demand in core sectors. Today, as the demand and consumption levels return to the pre-pandemic levels, increased Government and private consumption are helping rebuild our economy by giving it a much-needed boost. As determined by the Index of Industrial Production (IIP), production levels rose by 17.4% during the April-November 2021 period, marking the beginning of India's revival and growth narrative.

The demand for laboratory equipment like Centrifuge, Liquid Handling systems and PCR instruments is huge in India. Growth in the healthcare services and pharmaceutical market is growing due to improving healthcare infrastructure, which is driving the lab equipment market. The growth of the pharmaceutical sector, investment into R&D and the rising diagnostic centres in India are all boosting the demand for laboratory equipment.

Operational Highlights

With the growing demand for our products and increased wallet share among customers year after year, we continue to grab market share across segments. This is helping strengthen our geographical presence by delighting our customers with our wide range of labware products. We are optimistic that our performance will align with or exceed our historical growth pace. On a YoY basis, our domestic and export revenue grew by 31.4% and 31.3% in 2021-22, respectively. We are enhancing our focus on export to tap the enormous potential of the export business by delivering our best-in-class products.

We have been constantly growing our product portfolio to add more offerings to our basket. We are increasing our manufacturing capacity to cater the growing demand for popular product categories such as Liquid Handling, Centrifuge Ware, and Cryo Ware through investment in additional machines, moulds and ancillary infrastructure. In line with the idea of expanding our portfolio, we have

acquired 5 acres of land to develop a new manufacturing facility in Panchla, West Bengal. We intend to grow and enter new product segment, Cell Culture, through this plant. Further, we plan to develop a new fulfilment centre in Amta, West Bengal, to integrate our warehouse operations. We also aim to achieve backward integration in our manufacturing process by building an in-house sterilization centre for captive consumption with a target to complete the project by H1 of 2023-24. Besides, we continued to invest in automation to ensure high-level of accuracy and purity, with minimum human intervention. We will also manufacture some products apart from constructing warehouse and radiation plant. Thereby, progressing on our course by adapting to relevant changes and trends.

Financial Highlights

The year 2021-22 ended on a high note with strong revenue numbers, higher profitable growth, and stronger margins led by improved product mix and higher operational efficiency. We implemented strategic cost-saving and efficiency improvement processes. This was done with the intent to enhance productivity which resulted in a growth of 46% PAT compared to 2020-21. Some of the financial highlights of the year were as follows:

- Revenue from operations increased by 31% compared to the last financial year and stood at ₹ 301 Crores, while our Gross Profit margins jumped from 73.1% to 79.1%, showcasing our higher profitable business model
- EBITDA margins stood at 50.8%, while EBITDA increased and stood at ₹ 153 Crores demonstrating a growth of 48%
- PAT for the financial year 2021-22 stood at ₹ 101 Crores, while PAT margins stood at 33.5%

Overall, it proved to be a good year, and we clocked in robust financial performance, delighting our shareholders and investors.

Outlook

The demand for labs, research pharma and diagnostic companies is continuously growing, increasing the demand for Labware products in turn. As a company, we are well placed to grow our domestic and export businesses backed by our new product launches and capacity expansion. We expect our diverse product portfolio, long-standing

customer relationships and the goodwill earned with consumers, suppliers, and other stakeholders over the years to translate into a strong performance in the coming years.

Vote of Thanks

On behalf of the entire Board, I thank all our stakeholders who have been part of our journey. I once again welcome the newest members, i.e., the shareholders in our family and thank them for trusting us. I would also like to thank our customers, suppliers, vendors and bankers for their continued faith and support. Finally, our journey is incomplete without our people, and I express my deep gratitude to them for having worked towards accomplishing our vision.

Regards,

Sanjive Sehgal

Chairman & Managing Director



TRUST REINFORCED THROUGH UNIMAGINED POSSIBILITIES

Key Business Strategies

At Tarsons, we are driven by our unique growth strategy and our endeavor to invest in new initiatives. Our business growth model guides our expansion into neighbouring geographies and ancillary sectors. This approach helps our stakeholders to gauge and interpret our various businesses' management and governance transparently, thereby reinforcing their trust. Here is a broader view of the opportunity landscape of our business and our efforts and preparedness to seize the same:

THE INDIAN LABWARE MARKET IS BURGEONING WITH OPPORTUNITIES...

Globally, the Labware Market space is dominated by a few developed countries marking speedy growth. As a developing economy, India, with its increasing focus on pharmaceutical and biotech sectors, healthcare research and development initiatives and extensive clinical trials, is anticipated to witness robust growth. According to Frost & Sullivan Industry Report 2021, the size of Indian Plastic Labware market is expected to substantially grow between 2020-2025, clocking in 16% CAGR. At Tarsons, as one of the major players in the Indian Plastic Labware Equipment market, our Company has ample opportunities to thrive and cater to the market's burgeoning needs. Some of the prominent factors driving this growth are:

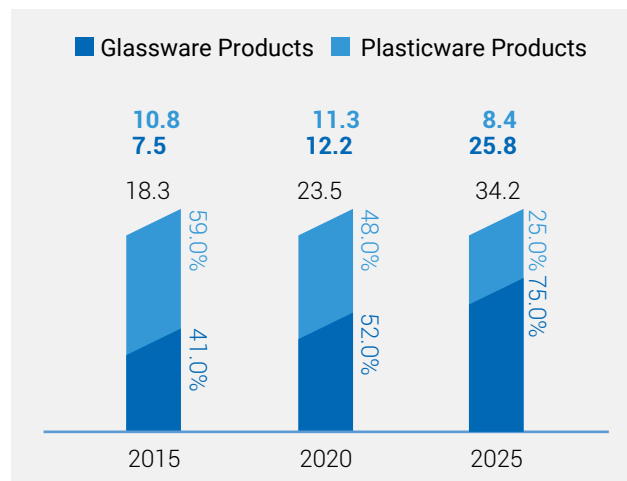
- An increase in spending by pharmaceutical companies is anticipated to promote the study of various chronic illnesses treatments
- An improvement is being witnessed in the long-term demand for laboratory investigations, vaccine development activities and clinical trials due to the COVID-19 pandemic
- A rising rate of urbanization and a thriving middle-class coupled with sedentary lifestyles is resulting in growing incidences of chronic diseases. This, in turn, is driving healthcare research & demand for labware products.
- A highly underpenetrated healthcare sector provides significant room for growth
- An expansion in the pharmaceutical R&D outsourcing to India is expected to act as a huge catalyst for the labware space

...AND UNDERGOING A RAPID ADOPTION OF GLASSWARE TO PLASTICWARE

The Indian Plastic Labware space is gaining market share due to adoption from Glassware to Plasticware products. According to Frost & Sullivan, in 2020, the Indian Glassware Products' market share stands at 48%, while that of the Plasticware Market stands at 52%. As per estimates, the difference in this share is projected to grow wider with the Glassware Products and Plasticware Products capturing 25% and 75% of the market share, respectively, by 2025. Various factors like increased applicability, higher safety and less contamination of Plastic Labware are endorsing this shift in the demand. Let us look at a few significant factors driving this shift:

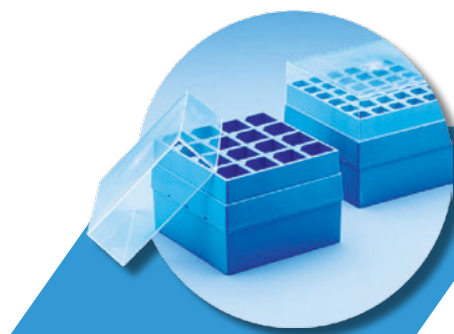
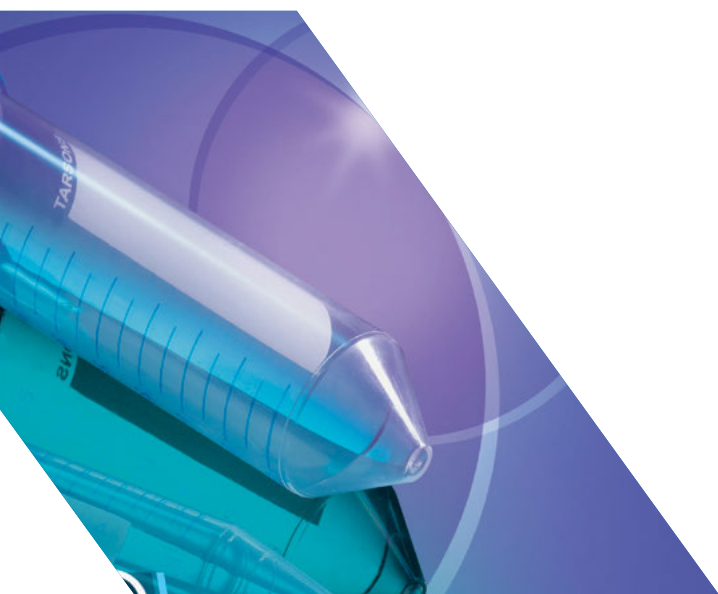
MARKET SIZE

(₹ in Billion)



- **Increased Applicability:** Superior ability to handle radioactive isotopes, hazardous & carcinogenic chemicals or substances are adding to Plastic Labware's applicability.
- **Enhanced Safety:** Inherent characteristics of Plastic Labware, including thermo-stability & safety of laboratory personnel in case of accidents, add to its preference.

- **Less Contamination:** Samples stored in glass containers are prone to contamination due to leaching of inorganic ions into aqueous solutions or exposure to light in case of light-sensitive materials, making Plastic Labware a preferred choice vis-à-vis Glass Labware.
- **Ease of Handling:** Plastic Labware is significantly lighter in weight and much easier to handle over long hours than Glass Labware.
- **Durability:** Plastic Labware equipment's unbreakable nature and longer shelf life make it better in terms of use and flexibility for scientists & researchers while adding weightage to its demand.
- **Cost-Effective:** Plastic Labware is more cost-effective than Glass Labware which makes it an easily preferred choice over Glass Labware.



WE ARE ENHANCING AND EXPANDING OUR EXISTING PRODUCT PORTFOLIO...

We are enhancing our focus on branding and promoting our products to seize the growing opportunities. We are also working to improve our visibility in the Labware industry by actively creating brand awareness and loyalty amongst our end-customers.

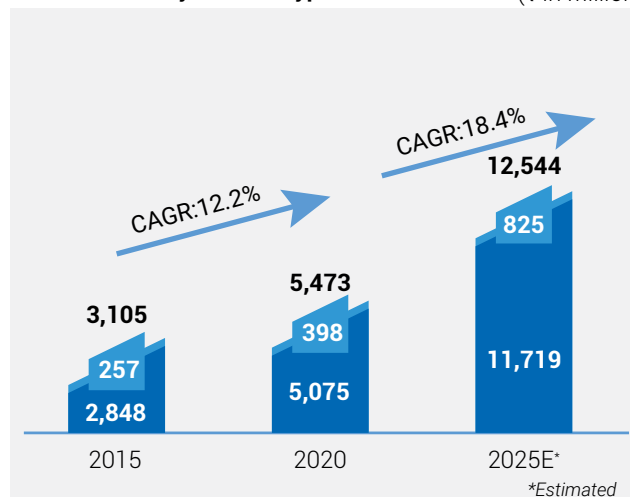
We are manufacturing PCR and enhancing our focus to produce Cell Culture and Bio process in the near future. Besides, we are consistently working on expanding our product line and developing new products to capitalise on emerging trends. We are focusing on launching new products in the labware market with varied applications across industries and are continuously improving process and cost efficiencies in the our operations. With the 'Make in India' initiative and growing advantage of domestic manufacturers, as compared to import markets, we believe we are well-poised to expand our domestic sales.

...AND LEVERAGING GROWTH BY EXPANDING OUR MANUFACTURING

Between 2015 to 2020, the Indian Plasticware Laboratory PCR/Cell Culture market witnessed robust growth, expanding at a CAGR of 12.2%. A Frost & Sullivan Industry Report 2021, estimates this growth to continue in the near future and projects the PCR/Cell Culture market register a CAGR of 18.4% between 2021 to 2025.

India Plasticware Laboratory PCR/Cell Culture Market By Product Type

(₹ in Million)



At Tarsons, we constantly invest in physical and operational infrastructure to develop our manufacturing capacities in popular product categories such as Liquid Handling, Centrifuge Ware, and Cryo Ware. We also invest in additional machines, moulds and ancillary infrastructure to achieve this.

We are expanding our manufacturing capacities to cater to the surge in demand and leverage growth. We have acquired five acres of land to develop a new manufacturing facility in Panchla, West Bengal. Through this facility, we intend to enter new product segments comprising Cell Culture to support our expansion.



...AND TAKING INITIATIVES TO MAINTAIN OUR OPERATIONAL EFFICIENCY & PROFITABILITY

We are taking various initiatives and investing in improving the cost-efficiency of our manufacturing processes. This includes cost-rationalization and efficiency-improvement strategies such as investment in advanced automation solutions to avoid human error, enhance throughput and increase the productivity of our manufacturing operations.

We will continue using a centralized approach for sourcing our products. This will help us achieve economies of scale in our raw material procurement process. The idea is to optimize current processes to help maintain efficiency and profitability while reducing process cycle time. Thereby enabling improvement of recovery and recycling while also incorporating backward integration into our manufacturing process.



...CONSISTENTLY WORKING TO INCREASE OUR PRESENCE IN OVERSEAS MARKETS

We have continuously focused on increasing our global presence in the past few years. Our export revenue, which has been a key contributor to our total revenue for the last few years is a good indicator of the same. During 2021-22, our Company generated ₹ 993 Million and showcased a 100% growth compared to 2018-19.

A report by the Frost & Sullivan suggests that with the US increasing the levied tariffs and tightening green compliance on Chinese goods over the past few years, Indian players are poised to benefit and gain share over time by providing a cost-effective manufacturing alternative. To make the most and gain from this opportunity arising from the global market, we have undertaken a two-pronged approach:

- Branded sales targeting emerging markets such as Asia Pacific, Middle East and South America
- ODM sales to supply products to developed markets such as the US and Europe



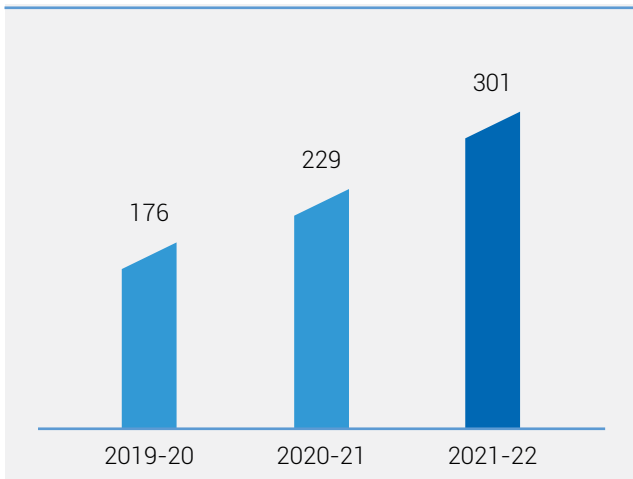
TRUST UNDERPINNED THROUGH CREDIBLE NUMBERS

Key Financial Highlights

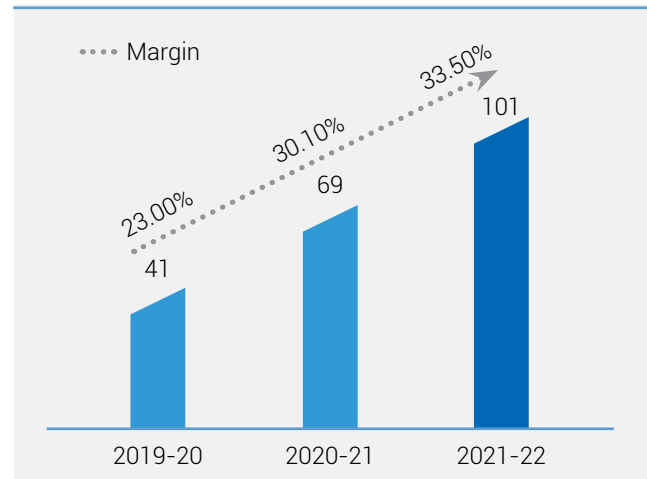
“ At Tarsons, we have always endeavored to create healthy returns for our shareholders. And to improve shareholders' value, we believe it is essential to build a resilient business model and earn higher profitability through ethical business practices.



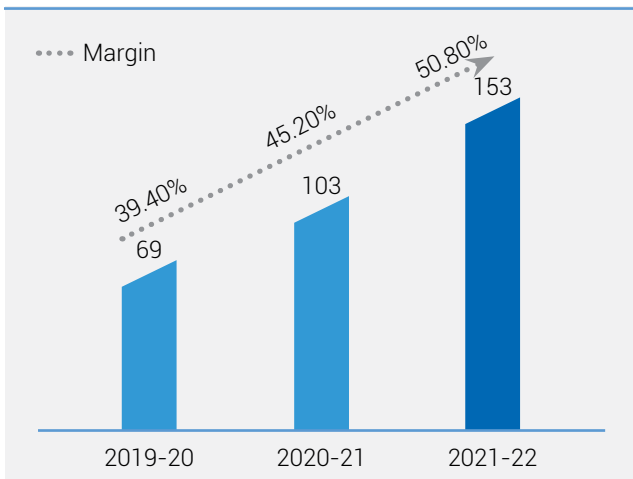
Revenue from Operations (₹ in Crores)



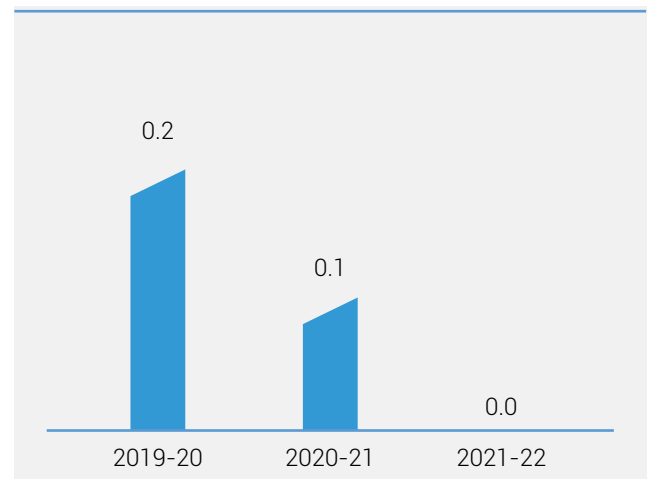
PAT & PAT Margin (₹ in Crores)



EBITDA & EBITDA Margins (₹ in Crores)

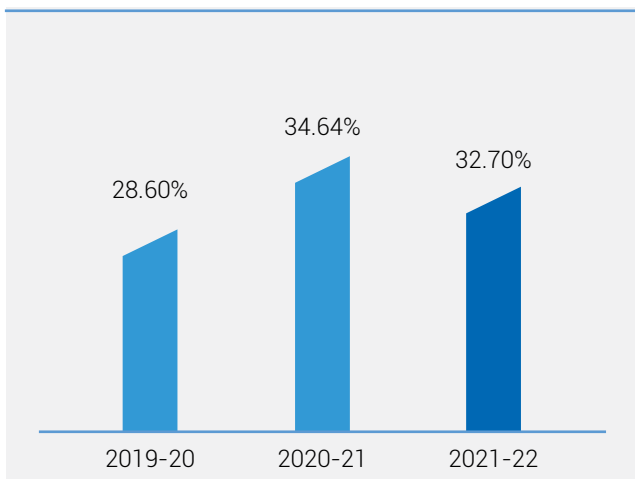


Net Debt-to-Equity (x times)

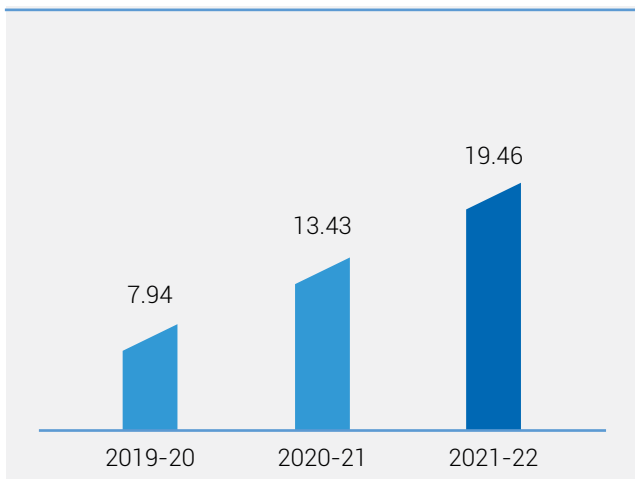




ROCE (%)



Basic EPS (₹ per share)



DELIGHTING COMMUNITY AND EMPLOYEES THROUGH OUR INITIATIVES

There is nothing more crucial to us than our employees' development and welfare of communities we operate in through our business strategies. They remain the nucleus of our thought process.



EMPLOYEE HEALTH AND SAFETY

Tarsons prioritizes the health and safety of the employees and adheres to Health and safety requirements at the workplace and sites. We have provided 15 days paid leave to COVID affected employees and also provided conveyance allowance to our employees during the peak of the COVID. During the year, we conducted fire drill and also conducted eye check-up for our employees' safety and health. In addition, we continuously take various initiative to develop and enhance the skillset of our employees. We have also organized vaccination drive for our employees and their families.





COMMUNITY ENGAGEMENT

In our forward march, we take along our communities through our Corporate Social Responsibility (CSR) initiatives. The Company has made an advance CSR expenditure amounting to ₹ 3.31 Crores in the FY 2020-21 by donating KN-95 mask with and without valve to Tata Medical Centre, Kolkata, Rabindranath Tagore International Institute of Cardiac Science (Narayana Hrudayalaya Limited) and in the Local area and Community directly. During the FY 2021-22, the Company has utilized ₹ 1.33 Crores from the advance CSR obligation.



TRUST DELIVERED THROUGH A PROFICIENT MANAGEMENT

Experienced Board & Managerial Team

At Tarsons, our Board of Directors is committed to ensuring stability and permanence with an intellectual, experienced and professional leadership. Our endeavor is to enhance value for our stakeholders over time through a robust foundation of good governance. Our Board aims to ethically lead with a shared vision fully aligned with our Company's goals and objectives.



Mr. Sanjive Sehgal is the Chairman and Managing Director of the Company. He holds a bachelor's degree in science from St. Xavier's College, Kolkata and has an experience of over 40 years in production, marketing and distribution of lab ware, plastic lab consumables and bench-top instruments and supply of products to the healthcare pharmaceutical biotechnology and Research Institutes. He has been associated with the Company as an Executive Director from 25th July, 1983 and has been appointed as the Managing Director of the Company from 25th July, 2018.



Mr. Rohan Sehgal is the Whole-Time Director of the Company. He holds a Degree in BSc (Hons) Management from Manchester University, United Kingdom. He has more than 10 years of experience in the industry and has been involved in Operations Management, Organic Business Growth, Strategic Planning, Staff Development, Performance & Quality Standards, Customer Satisfaction & Allegiance Leadership Development, P&L Management/Budget Planning, Manufacturing & Marketing, Change Management, Commercial & Customer Support, Strategic Partnerships, etc. He has been associated with the Company as an Executive Director from 1st September, 2014 and has been appointed as a Whole time Director of the Company from 25th July, 2018.



Mr. Girish Paman Vanvari is the Non-Executive Independent Director of the Company. He holds a bachelor's degree in Commerce from the University of Bombay and is a member of the Institute of Chartered Accountants of India, with an AIR holder position. With over 27 years of consulting experience, Mr. Girish is the Founder of Transaction Square - a Tax, Regulatory and Business Advisory Firm. Prior to his entrepreneurial venture, Mr. Girish had a 13-year stint with KPMG wherein he was the National Leader for Tax at KPMG India. He has regularly worked with many large multinationals and Indian promoter companies in advising them on various tax and regulatory issues. Further, he has built an exclusive legacy of work in M&A deals and restructuring transactions for some of the biggest deals in the industry. Prior to KPMG, Mr. Girish was at Arthur Andersen for over a decade. Mr. Girish is a regular conference host, presenter and moderator at various tax conferences and seminars. He has been regularly featured in a number of international and Indian media outlets, newspapers and business magazines. He has been appointed as Non-Executive Independent Director in the Company from 10th May, 2021.



Mr. Viresh Oberai is the Non-Executive Independent Director of the Company. He holds a bachelor's degree in history from the University of Delhi and has done his MEP from IIM Ahmedabad and GMP from CEDEP Fontainebleau. He has over 22 years of experience with Tata Steel. He has been conferred with the 'Chief Executive for the Year' award by Indian Institute of Materials Management, the CMA Management Excellence Award for Leadership and the Udyog Rattan award from Indian Economic Society. He has been appointed as a Non-Executive Independent Director of the Company from 20th November, 2018.



Mrs. Sucharita Basu De is the Non-Executive Independent Woman Director of the Company. She holds a bachelor's degree in law from the University of Calcutta. She is the Managing Partner of Aquilaw (the Firm) and has an extensive work experience of over 20 years in commercial and corporate agreements, capital markets, joint venture and financing transactions, real estate, infrastructure, international trade laws policy, trust laws and litigation and has led and been involved in numerous transactions involving the above. Mrs. De is also a Standing Counsel for the State of West Bengal at Hon'ble Supreme Court of India. She is the Chairperson of CII – India Women Network, West Bengal Chapter and represents the Firm in CII, Maharashtra and West Bengal State Council and in CII, Eastern Regional Council. She is also heading the Policy Panel of CII, West Bengal and also represents the Firm in the Managing Committee of BCCI and is member of the Legal and the Socio – Economic Committee of BCCI. She has been appointed as a Non-Executive Independent Woman Director of the Company from 10th May, 2021.



Mr. Gaurav Pawan Kumar Podar is the Non-Executive Nominee Director of the Company. He holds a bachelor's degree in management studies and a master's degree in management studies from the Mumbai University. He has been working as an investment professional in ADV Advisors India Private Limited since 16th September, 2016 and has previously worked with Tata Capital Financial Services Limited, AION India Investment Advisors Private Limited and Boston Analytics Private Limited. He has also worked with the affiliate companies of Apollo Global Management Inc. - AGM India Advisors Private Limited. He has over 10 years of experience in the Finance industry. He has been appointed as Non-Executive Nominee Director in the Company from 10th June, 2019.

CORPORATE INFORMATION

BOARD OF DIRECTORS

- 1. Mr. Sanjive Sehgal**
Chairman & Managing Director
- 2. Mr. Rohan Sehgal**
Whole-Time Director
- 3. Mr. Girish Paman Vanvari**
Non-Executive Independent Director
(w.e.f. 10th May, 2021)
- 4. Mr. Viresh Oberai**
Non-Executive Independent Director
- 5. Mrs. Sucharita Basu De**
Non-Executive Independent Woman
Director (w.e.f. 10th May, 2021)
- 6. Mr. Gaurav Pawan Kumar Podar**
Non-Executive Director (Nominee)
- 7. Mr. Suresh Eshwara Prabhala**
Non-Executive Director (Nominee)
(upto 26th July, 2021)
- 8. Mr. Ashok Kumar Duggar**
Non-Executive Director (Nominee)
(upto 26th July, 2021)

KEY MANAGERIAL PERSONNEL

- 1. Mr. Santosh Kumar Agarwal**
Company Secretary, Compliance
Officer & Chief Financial Officer

(Company Secretary & Compliance
Officer w.e.f. 7th February, 2022)

COMMITTEES OF THE BOARD

- 1. Audit Committee**
Mr. Girish Paman Vanvari- Chairperson
Mr. Viresh Oberai- Member
Mrs. Sucharita Basu De- Member
- 2. Nomination & Remuneration Committee**
Mr. Viresh Oberai- Chairperson
Mr. Girish Paman Vanvari - Member
Mrs. Sucharita Basu De- Member
- 3. Stakeholders Relationship Committee**
Mr. Viresh Oberai- Chairperson
Mr. Sanjive Sehgal - Member
Mr. Rohan Sehgal- Member
- 4. Corporate Social Responsibility Committee**
Mrs. Sucharita Basu De - Chairperson

Mr. Sanjive Sehgal - Member

Mr. Rohan Sehgal- Member

5. Risk Management Committee

Mr. Girish Paman Vanvari - Chairperson

Mr. Rohan Sehgal- Member

Mr. Gaurav Pawan Kumar Podar- Member

6. IPO Committee

Mr. Rohan Sehgal- Chairperson

Mr. Gaurav Pawan Kumar Podar- Member

Mrs. Sucharita Basu De- Member

AUDITORS

Statutory Auditors

M/s. Price Waterhouse Chartered
Accountants LLP, Chartered Accountants

Secretarial Auditors

M/s. Manisha Saraf & Associates,
Practicing Company Secretaries

Internal Auditors

M/s. Grant Thornton Bharat LLP

BANKERS

HDFC Bank
Axis Bank
ICICI Bank
Punjab National Bank

REGISTERED OFFICE/CORPORATE OFFICE

Tarsons Products Limited

(Formerly known as Tarsons Products
Private Limited)

CIN: L51109WB1983PLC036510

Martin Burn Business Park,
Room No. 902,

BP- 3, Salt Lake, Sector- V,
Kolkata-700091, West Bengal, India

Phone: 033-35220300

Email: info@tarsons.com

Website: www.tarsons.com

PLANT LOCATIONS

1. Jangalpur Plant

Jalan Industrial Complex,
Gate No-1, NH-6, Jangalpur,
Biparnapara, Begri,
Howrah-711411, West Bengal

2. Dhulagarh Plant

Master Plot No. PPF-1,
Mouza Kandua, JL No-5, PS- Sankrail,
Gram Panchayat Kandua,
Howrah-711302, West Bengal

3. Behala Plant - 1

36/A/4 Burroshibtolla Main Road
Factory, Behala, Kolkata-700038,
West Bengal

4. Behala Plant - 2

22 Burroshibtolla Main Road Factory,
Behala, Kolkata-700038, West Bengal

5. Kasba Plant

P1 Kasba Industrial State, Phase 2,
Kolkata-700107, West Bengal

REGISTRAR & SHARE TRANSFER AGENT (RTA)

M/s. KFIN Technologies Limited

(Formerly KFIN Technologies
Private Limited)

Selenium Tower B, Plot No.31 &32
Gachibowli, Financial District
Nanakramguda, Serilingampally
Hyderabad-500 032

Telangana, India

Tel: +91 40 6716 2222

E-mail: ahfl.ipo@kfintech.com

Website: <https://www.kfintech.com/>



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Management Discussion and Analysis

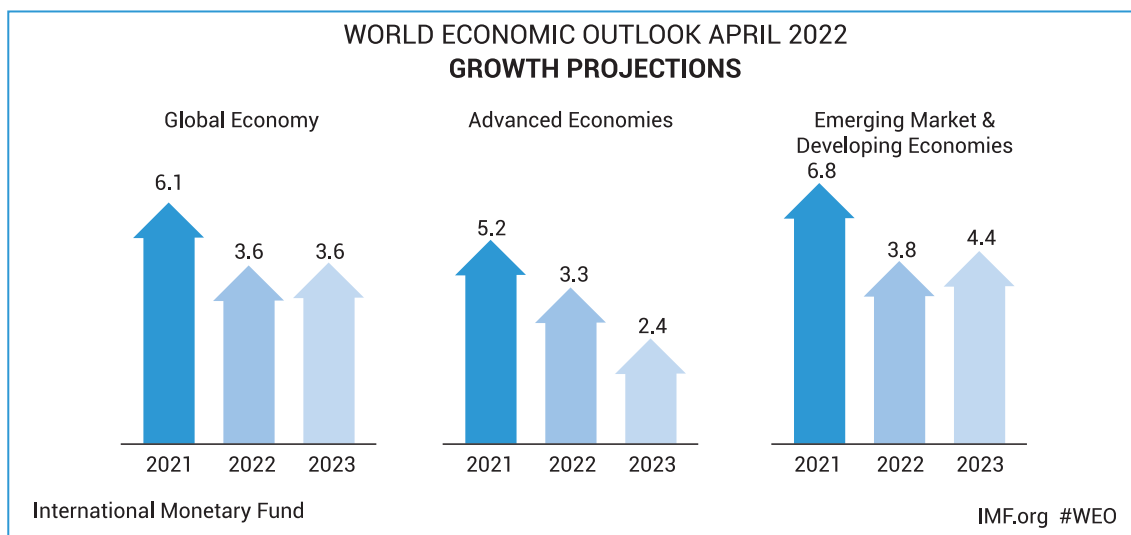
GLOBAL ECONOMIC OVERVIEW

After a prolonged battle against the COVID-19 pandemic, the global economy started to progress towards 2021. This progress was led by a faster vaccination drive and timely interest rate redressal. According to the IMF, the global economy grew by 6.1% in 2021 after a contraction of 3.3% in 2020. Moreover, there are signs that historically low-saving countries tended to accumulate greater savings in the wake of the pandemic, putting their finances on firmer footing going forward.

The second half of 2021 was a bit volatile, owing to the global energy crisis, new variants of COVID-19, mobility restrictions, and supply chain disruption, hampering global trade. The Russia-Ukraine conflict became a key concern for the global economy by the end of 2021. It led to a rise in crude oil prices, and it crossed USD 120 per barrel, further raising prices of essential commodities and building inflationary pressures.

Outlook

The IMF projected a growth rate of 3.6% for 2022 and 2023 as well. Significant inflation and several central banks tightening monetary policy caused global interest rates to increase. Trade flows were further disrupted by global political tensions, interrupting productions, sanctions, and impairing access to cross-border payment systems. Following this, energy and food availability and prices were majorly impacted and continue to remain a key concern.



(Source: <https://www.imf.org/en/Publications/WEO/Issues/2022/04/19/world-economic-outlook-april-2022>)

INDIAN ECONOMIC OVERVIEW

According to the FICCI Economic Outlook Survey, the Indian economy is expected to grow at 7.4% in 2021-22, following a contraction of 7.3% in 2020-21. Thereby, showcasing steady recovery in the Indian economy.

During the first half of the financial year 2021-22, the Indian economy showcased robust growth owing to a more intensive vaccination drive, Government stimulus packages, the PLI Scheme, and an accommodating stance on RBI policy. Furthermore, the economy benefitted from high consumer demand and ease in mobility restrictions. Thereby, Indian GDP grew by 20.1% in Q1 2021 against a decline of 24.4% in the same quarter of previous year. Following a similar pattern, Q2 showcased a growth of 8.4% in 2021 against a contraction of 4.4% in Q2 2020.

The Indian economy experienced volatility during the second half of the financial year 2021-22. Shortage of coal, an energy crisis, and a rise in inflation led by higher crude prices were the major factors that became key concerns for the RBI. Despite these challenges, the festive season demand has maintained the higher consumer demand and India's GDP increased by 5.4% in Q3 2021-22. Moreover, export figures have also touched an all-time high of USD 669.65 Billion showcasing the impact of the robust policies of the Indian Government. Additionally, GST collections for the financial year stood at ₹ 14.83 Lakhs Crores, representing strong consumer demand. Rising geopolitical tensions slowed down the pace of growth in the final phase of 2021-22 resulting in higher oil prices and a cascade impact on rising input costs, this further prompted IMF to lower the growth projection for 2021-22 from 9% to 8.2%.

Management Discussion and Analysis (Contd.)

Outlook

According to the IMF, India is going to remain the fastest-growing economy in the world during 2021-24. For 2022-23, the Indian economy is expected to witness a GDP growth of 7.2%. Economic activity is expected to further revive and boost demand with increased Government spending - as planned in the Union Budget 2021-22 - and rise in private consumption and investments.

(Source: <https://pib.gov.in/PressReleasePage.aspx?PRID=1750782>, https://www.rbi.org.in/Scripts/BS_PressReleaseDisplay.aspx?prid=53601, https://gstcouncil.gov.in/sites/default/files/gst-statistics/GST_Revenue_collection_april2022.pdf)

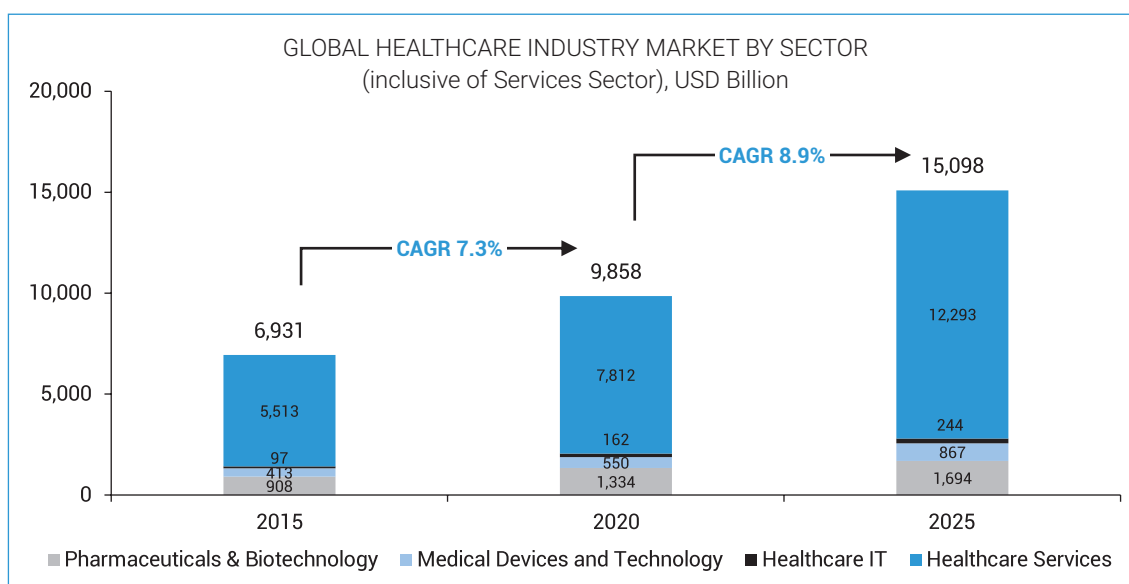
INDUSTRY OVERVIEW

Global Healthcare Market Overview

The global Healthcare market stood at USD 9,858 Billion in 2019-20, showcasing a CAGR of 7.3% in the past five years. This growth was led by the aging population, strong economic growth in emerging markets, and health insurance reforms globally. The global Healthcare market is highly fragmented, with a high number of smaller players in the industry. The Healthcare market can be segmented into different categories namely healthcare services, healthcare IT, medical devices and technology, and pharmaceutical and biotechnology. As the largest contributor to the industry, Healthcare services accounted for 79.2% of the entire Healthcare market in 2019-20, followed by pharmaceutical and biotechnology and the other segments. The top ten players in the industry account for 7-8% of the entire market.

Outlook

In terms of manufacturing revenue, the global Healthcare sector is expected to increase by 8.9% between 2020 and 2025, reaching USD 15,098 Billion by 2025. The global Healthcare industry is expected to rise as a result of faster economic growth, technological developments, and the increasing prevalence of chronic diseases arising from sedentary lifestyles. However, several risks, such as increased knowledge of alternative therapies and natural remedies, limited Government provision in healthcare services, and stringent Government regulations, might derail the estimates.



(Source: Frost & Sullivan)

INDIAN HEALTHCARE MARKET

The Indian Healthcare industry is valued at USD 198 Billion witnessing a CAGR of 9.1% in the last five years. As the world's population is aging, there is a rise in the prevalence and frequency of chronic diseases, along with the need for high-quality therapies at lower prices. These factors are driving health investments from healthcare providers and facilitating growth in the Healthcare industry. India's Healthcare Access and Quality (HAQ) index showcased continuous improvement over the years. From 30.7 in 1990 to 44.8 in 2014-15, 67.3 in 2019-20, and 66.25 in 2020-21, this consistent rise indicates the healthcare system has improved generally.

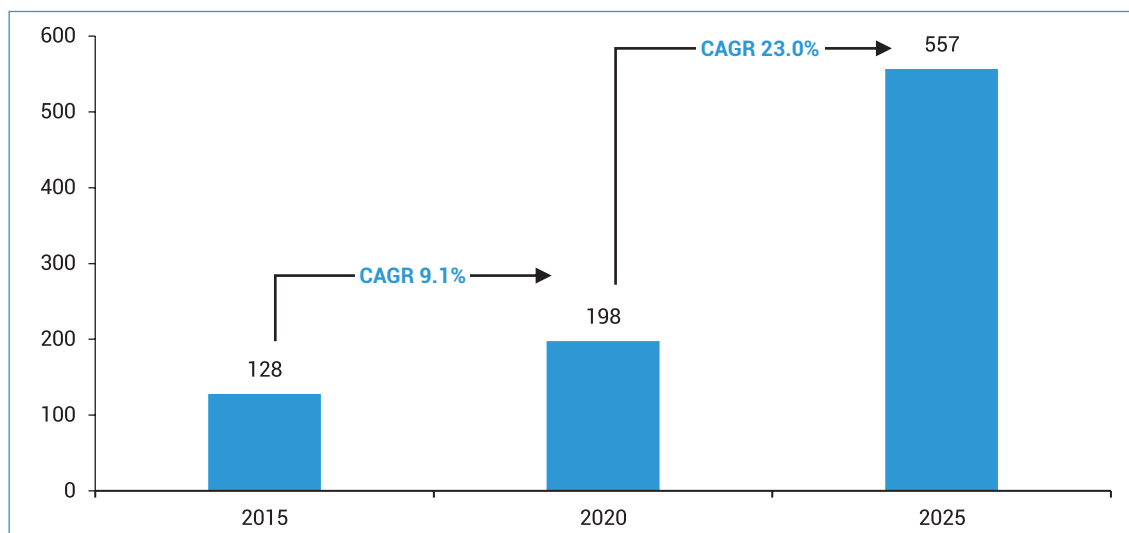
Management Discussion and Analysis (Contd.)

The Indian Government is undertaking various measures to strengthen the country's entire healthcare system. This includes the speedy introduction of generic medicines into the market and increased focus on rural health programs, lifesaving drugs, and preventive vaccines, which augurs well for the pharmaceutical companies.

Digital healthcare/telemedicine is in its initial stage and is expanding rapidly in India as following pandemic. Gradually, people are adapting to newer health technologies and intelligent solutions for lowering barriers between hospitals and patients. Artificial Intelligence (AI) and telemedicine technology can build further and better growth prospects. As a result, several major private players adopted telemedicine services. The Ministry of Health and Family Welfare with NITI Aayog released official guidelines for telemedicine practice, enabling registered medical practitioners to provide remote consultation under the supervision of the Medical Council of India (MCI). The Indian Government and companies have increased their focus on the digitalization of healthcare through enhanced efficiency and patient care.

Refurbished medical laboratory instruments, used as backup machines in the best of hospitals, enjoy a ready market in India. For hospitals, which are less sophisticated and situated in districts, the refurbished medical laboratory instruments are ideal for the laboratories due to the substantially lower investment cost.

INDIAN HEALTHCARE INDUSTRY MARKET SIZE, USD BILLION



Outlook

The Indian Healthcare market is estimated to reach USD 557 Billion by 2024-25, showcasing a CAGR of 23% between 2020-25. This growth will be driven by increasing medicine spendings in the digital healthcare system, leading to further growth. India is propelled to become one of the top 10 countries in terms of medicine spending, with the projection of growth rate increasing from 9% to 12% over the next five years. (Source: Frost & Sullivan)

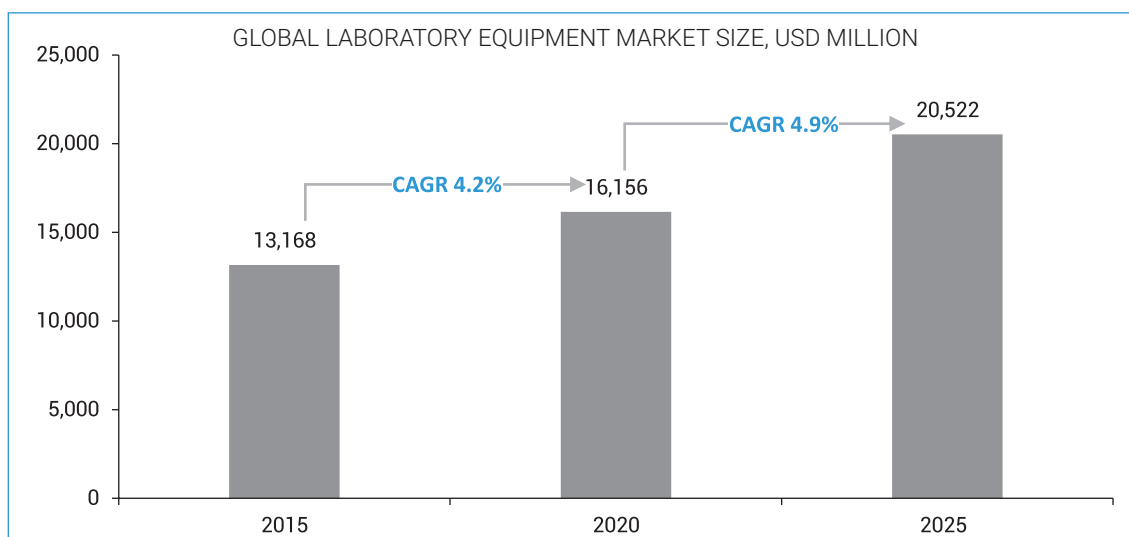
GLOBAL LABORATORY EQUIPMENT MARKET OVERVIEW

Lab technicians or scientists employ laboratory equipment to perform tasks such as analysing patients' biological samples, preparing cell culture mediums for research, studying cells for diagnosis of various diseases, and more. The market is broadly divided into Consumables (Centrifuge, Liquid Handling, and Cryoware products), Reusables (mainly Bottles, Beakers, Measuring Cylinders, Tube Racks, Flasks, and Carboys), and others.

Overall, the industry is witnessing higher demand and is exhibiting continuous growth. This is led by technological advancement in the field of chemical and biological research, the development of diagnostic centers, and the biodegradability of disposables or reusability of products among other factors. Laboratories have emerged as multipurpose research facilities that host several types of testing mechanisms, novel developments, and research analogies. Furthermore, the trend of research-based studies has been gaining prominence. Thereby, leading to the development of new laboratories in schools and universities, imbuing students' interest at an early stage in turn propelling the market demand.

Management Discussion and Analysis (Contd.)

Glass equipment is one of the major contributors to the laboratory equipment market, accounting for 45% to 48% in 2019-20. The global Plasticware Lab Equipment market segment stands at USD 8.4 Billion (₹ 612.5 Billion), with plasticware products making up to 52% of the total Lab Equipment market segment. The Global Labware market is witnessing higher demand for plastic labware which is led by lower breakages concerns, higher flexibility and lower cost.



Outlook

The global Laboratory Equipment market segment is expected to witness a CAGR of 4.9% from 2020-25. It is projected to reach USD 20.5 Billion (₹ 1,493.8 Billion) by 2025 from USD 16.2 Billion (₹ 1,176 Billion) in 2020. While the global Plasticware Lab Equipment market segment is valued at USD 8.4 Billion (₹ 612.5 Billion) and is anticipated to grow at 10.5% reaching USD 13.8 Billion (₹ 1,007.7 Billion) by 2025. Asia-Pacific region is going to lead the way in terms of growth with a rise of 7.7%.

(Source: Frost & Sullivan)

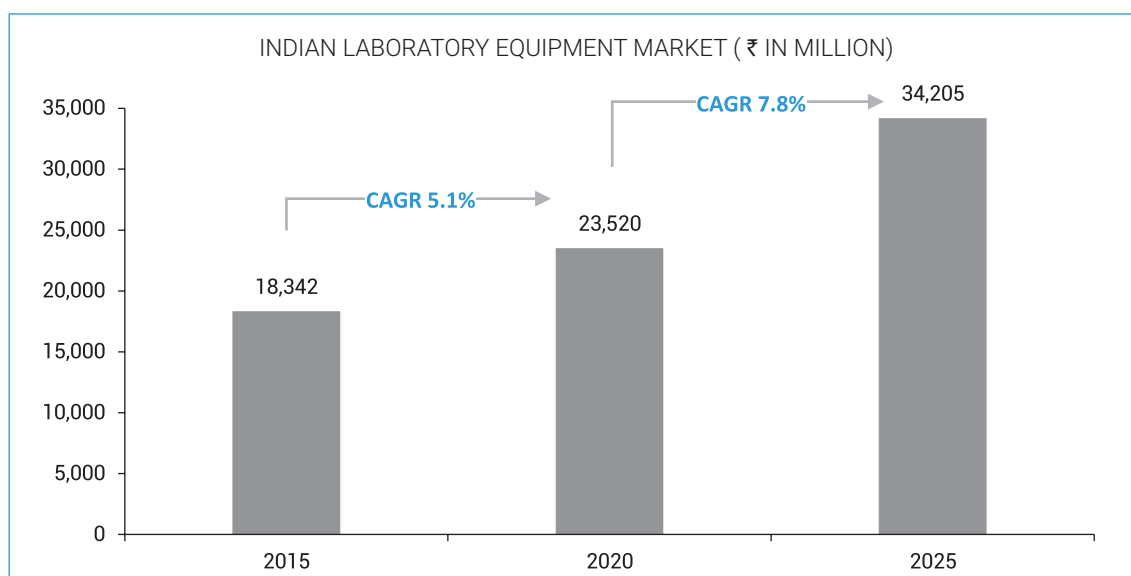
INDIAN LABORATORY EQUIPMENT MARKET OVERVIEW

Indian Laboratory equipment is valued at ₹23,520 Million (USD 323.1 Million) in 2020. The Healthcare services and Pharmaceutical industry showed excellent growth in terms of market demand over the past few years. This was led by the greater frequency of chronic diseases, improved healthcare infrastructure, and higher insurance penetration. Furthermore, increased investment in R&D and the expansion of diagnostic centers in India are all driving up the need for laboratory equipment.

India is expected to see a huge shift in lab equipment from glassware products to plasticware products due to the latter being favored more since it enables ease of handling, flexibility, and lower costs. In addition, most plastic lab containers are recyclable. Traditional glassware made from borosilicate glass has heat-resistant properties that makes it non-recyclable, thereon, observing higher demand as a result of increased preference. It is estimated that plastic labware products are going to grow by 23% in the coming years.

The plasticware product is beneficial for the producers since raw material prices of high-grade plasticware resins (despite being a crude derivate) are not as volatile as crude prices and generally are passed on down the value chain allowing the companies to benefit even while the crude oil prices fluctuate.

Management Discussion and Analysis (Contd.)



Outlook

It is estimated that the Indian Laboratory Equipment market will witness 7.8% CAGR in 2020-2025, to reach ₹ 34,205 Million (USD 469.9 Million). Factors driving this growth include concerns related to health issues, increasing penetration of healthcare, improving diagnostic facilities, growth in pharmaceutical R&D outsourcing to India, and a growing focus on Research and Development.

(Source: Frost & Sullivan)

COMPANY OVERVIEW

Tarsons Products Limited ('Tarsons' or 'The Company' or 'TPL'), having an experience of over 36 years, is one of the leading labware companies. The Company possesses expertise in designing, development, manufacturing, and marketing of consumables, reusables, and other labware. TPL produces a wide range of high-quality labware that assists scientific research and improves healthcare. With over 1,700 SKUs and over 300 product categories, TPL holds a diverse product portfolio.

The Company caters to a diverse range of end-customers across various sectors, including research organisations, academic institutions, pharmaceutical companies, CROs, diagnostic companies, and hospitals. Some of the Company's prominent end-customers include the Indian Institute of Chemical Technology and National Center for Biological Sciences across academic institutes and research organizations, Dr. Reddy's Laboratories and Enzene Biosciences across Pharmaceutical sectors, and many others.

The Company currently operates through its five manufacturing facilities located in West Bengal. These facilities are vertically integrated and equipped with automated support systems that help maintain quality, increase productivity, and reduce costs.

OPERATIONAL OVERVIEW

During the year 2021-22, TPL showcased robust operational performance wherein its revenue from operations stands at ₹ 3007.94 Millions indicating a growth of 31.4% compared to last financial year, while the gross profit margins stands at 79.09%. The Company continues to invest in automation to eliminate human error and increase overall performance. Through the development of a new production facility in Panchla, West Bengal, the Company is gradually increasing its manufacturing capacity for both existing and new products. Tarsons Products Limited is focusing on branding & promotion to enhance visibility in the Labware industry to increase brand awareness & loyalty. The Company is diversifying its product line even further by introducing new products in the cell culture & robot-handled consumables. The import-dominated markets for these products are focused on further expansion.

As of 31st March, 2022, the Company sold its products to 40+ countries via 45+ distributors. The Company has also increased its export sales and the total exports stand at ₹ 992.92 Crores in 2021-22 compared to ₹ 755.91 crores, showcasing a growth of 31.35%. In terms of domestic sales, the Company has a strong and wide distribution network with the help of 152 distributors across the country driving its pan-India presence.

Management Discussion and Analysis (Contd.)

FINANCIAL SNAPSHOT

Highlights of the financial results for the fiscal year ending 31st March, 2022 :

- In 2021-22, Revenue from Operations were 3,007.94 million, 31.40% higher as compared to 2020-21, owing to robust demand and growth in the export and domestic sectors, while TPL has reported a gross profit margins of 79.09%
- In 2021-22, the Company's Earnings Before Interest, Taxes, Depreciation, and Amortization (EBITDA) was ₹ 1526.99 Million, witnessing a growth of 47.62% compared to 2020-21
- In 2021-22, the Company recorded a PAT of ₹ 1006.64 Million compared to ₹ 688.70 Million in 2020-21, showcasing a growth of 46.16%
- In 2021-22, the Return on Capital Employed (ROCE) stands at 32.7%, while in 2020-21 we've reported 34.64% of ROCE

Particulars (₹ in Million)	2021-22	2020-21
Revenue	3,007.94	2,289.11
EBITDA	1,526.99	1,034.39
EBITDA Margin (%)	50.77%	45.19%
PAT	1,006.64	688.70
PAT Margin (%)	33.47%	30.09%
Earnings per Share (in ₹)	19.46	13.43
Return on Capital Employed (%)	32.70%	34.64%
Return on Equity (%)	27.42%	31.17%
Networth	4,898.30	2,443.38

RISK MANAGEMENT

The Board of Directors of the Company is in charge of establishing and overseeing the Group's risk management framework. The Board is in the process of establishing the Risk Management Committee, responsible for developing and monitoring the Group's risk management policies. The Committee will report to the Board of Directors on its activities. The Group's risk management policies are established to identify and analyse the risks faced by the Group. These policies intend to set appropriate risk limits and controls while constantly monitoring the relevance of these limits in line with the need of the hour.

Risk management policies and systems are reviewed regularly to keep up with the changing market conditions and the Group's operations. The Group, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment, wherein all employees understand their roles and obligations.

Risk	Impact	Mitigation
Industry Risk	Given the dynamic nature of the industry, changes could be, at times, unfavorable as a result of their unforeseen nature.	The Company has a presence across various geographies and periodically evaluates various developments globally to identify any risk, and implements immediate action in mitigating the same.
Operational Risk	Any manufacturing or quality control issues may damage the Company's reputation, adversely affecting the business and its operational results, and financial conditions.	The Company invests in automation to avoid human error and for an improved overall performance. Further, rigorous checks are executed to maintain the quality and efficacy of the products as per customer standards.
Forex Risk	Any changes in the foreign exchange rate can substantially influence the Company's financial performance because of TPL primarily being an export-oriented Company.	The Company is exporting its products while importing raw materials. This provides natural hedge.
Liquidity Risk	Any potential inability on the Company's behalf to fund an increase in its assets and to meet its financial obligations may adversely affect TPL's financial conditions.	The Company's business strategy is aimed at meeting liquidity obligations while also safeguarding it from liquidity and interest rate risk. Thereby, ensuring stability in its earnings.

Management Discussion and Analysis (Contd.)

Risk	Impact	Mitigation
Suppliers Risk	Any volatility in prices may directly impact the Company's profitability and margins. In case of a significant change in the raw material prices and operational costs among others, profitability, too, may be impacted.	The Company has developed close associations with alternative suppliers to protect TPL from any disruption in the raw material supply chain. The Company's raw material's cost currently accounts for approx. 20% of its topline. Hence, any increase in the pricing for raw materials, may not have the same proportionate impact on the margins. Besides, The Company undertakes price increases every year to factor in inflationary impact.

HUMAN RESOURCE

TPL considers its people as valuable assets, and thereby, the Company is focused on developing and nurturing its human resources. Recruitment and retention, learning and development, performance management and review, and communication are all areas where the Company concentrates its human resource efforts. The employee receives regular training to help them achieve operational excellence, productivity, and quality and safety compliance. The Company provides performance-based incentives to its sales team, and none of its staff are unionised. Evaluation of the existing human resource efforts is done regularly by the Company in order to make them more inclusive, employee-centric, and skill-development driven. The Company will continue to place a strong emphasis on creating and maintaining an exceptional workplace culture based on human performance. To promote a tranquil and harmonious work atmosphere, the Company implemented proactive policies. TPL believes that its rapid expansion and positive work environment, along with a high employee satisfaction rate, have helped the Company in attracting a huge number of talented people.

Sales, IT, administrative, finance, marketing, procurement, logistics, design, operations, manufacturing, R&D, engineering, and factory personnel are among the Company's employees. The Company's employees contribute significantly to its business operations. As of 31st March, 2022, the Company employed more than 500 full-time employees and workers spread over all offices and units across India.

HEALTH, SAFETY, AND ENVIRONMENT

The Company's safety management initiatives include designing and implementing health and safety policy and facilitating external and internal safety audits. It also focuses on planning activities to achieve health and safety, and performance monitoring and evaluation for employees. TPL intends to reduce the negative environmental impact of its products and activities, preserve ecological balance, and protect biodiversity surrounding the Company's industrial facilities. Furthermore, the Company strives to meet statutory requirements, as well as the requirements of the licenses, approvals, and other certificates. The Company also aims to ensure the safety of its employees and those working under its supervision.

Appropriate mitigation steps are taken in advance to guarantee that the business is conducted keeping in mind all the possible risks. The Company ensures that every recruit receives sufficient training before participating in any form of the production process. Employees of the Company are insured by the Employees' State Insurance Act of 1948, which gives them access to medical care for themselves and their immediate families. The Company also procured group health (floater) insurance coverage for employees who aren't covered by ESIS. Through relevant programs and policies, TPL is committed to ensuring sustainability in its operations.

INTERNAL CONTROL SYSTEMS AND ITS ADEQUACY

Internal controls are adequate and well-synchronized at the Company. It follows all procedures, laws, rules, and legislation to the letter. Periodic risk assessment, mitigation, and monitoring are carried out to ensure operational efficiency, keeping in mind the type and business complexity of operations. Internal audits are carried out by the Company's independent auditors to ensure appropriate documentation and reporting. If there are any discrepancies, they are immediately reported to Management and the Audit Committee for immediate resolution. The Company's robust IT infrastructure ensures data security and audit processing efficiency. The recording of transactions and accounting requirements are scrupulously followed. The MIS, on the other hand, improves real-time reporting and helps with expense control. To guarantee rigorous compliance, any differences between the actual and budgeted allocation are promptly reported and addressed.

Management Discussion and Analysis (Contd.)

CAUTIONARY STATEMENT

Statements in the Management Discussion and Analysis Report describing the Company's projections, estimates, and expectations may be interpreted as 'forward-looking statements' within the meaning of applicable securities laws and regulations. Actual results could differ from those expressed or implied. Important factors that could make a difference to the Company's operations include economic conditions affecting demand/supply, price conditions in the domestic and international markets in which the Company operates, and changes in Government regulations, tax laws, and other statutes. The Company assumes no responsibility to publicly amend, modify, or revise any forward-looking statements based on any subsequent development, information, or events.

DIRECTORS' REPORT

Dear Shareholders,

Your Directors' take pleasure in presenting the 39th Annual Report of the Company, together with the audited financial statements (Standalone and Consolidated), prepared in compliance with Ind AS Accounting Standards, for the year ended 31st March, 2022.

STATE OF COMPANY'S AFFAIR AND BUSINESS OVERVIEW

The Company ('Tarsons') is an Indian labware Company engaged in designing, development, manufacturing and marketing of 'consumables', 'reusables' and 'others including benchtop equipment', used in various laboratories across research organizations, academia institutes, pharmaceutical companies CROs, diagnostic companies and hospitals. The Company is also engaged in the manufacturing of wide range of quality labware products which helps scientific discovery and improve healthcare. Tarsons currently operate through five manufacturing facilities located in West Bengal. The Company cater to a diverse range of end customers across various sectors which include research organizations, academic institutions, pharmaceutical companies, CROs, diagnostic companies and hospitals and distribute the products to these end customers on a pan-India basis through authorized distributors. The Company supply products to life sciences industry under the brand label "TARSONS WITH THE WORDS -TRUST DELIVERED™".

A key focus of the business is promoting and maintaining operational quality, a people-centric culture and an effective technology system thus, offering and contributing to the Company's growth. The Company possesses following competitive strengths:

- Strong customer proposition
- Brand positioning for millennials
- Vertically managed and scalable supply chain
- Huge distribution network
- Strong production capability and automation
- Operational quality, a people-centric operating culture, and effective technology systems
- Experienced and professional management team

More details on the state of Company's affair and business overview are discussed in the Management Discussion & Analysis Report forming part of this Annual Report.

FINANCIAL SUMMARY & PERFORMANCE HIGHLIGHTS

The standalone and consolidated Financial Statements for the Financial Year ended 31st March, 2022, forming part of this Annual Report, have been prepared in accordance with the Indian Accounting Standard (hereinafter referred to as "Ind AS") prescribed under Section 133 of the Companies Act, 2013 and other recognized accounting practices and policies to the extent applicable. Necessary disclosures with regard to Ind-AS reporting have been made under the Notes to Financial Statements. The Company's performance during the financial year under review as compared to the previous financial year is summarized below:

(₹ in millions)

Particulars	Standalone		Consolidated	
	2021-22	2020-21	2021-22	2020-21
Revenue from Operations	3,007.94	2,289.11	3,007.94	2,289.11
Other Income	84.67	53.80	84.67	53.80
Total Income	3,092.61	2,342.91	3,092.61	2,342.91
Profit before Finance Cost, Depreciation, and Tax	1,611.66	1,088.18	1,611.66	1,088.18
Finance Cost	42.16	27.22	42.16	27.22
Depreciation	219.61	136.62	219.61	136.62
Share of Profit/(Loss) of Subsidiary	-	-	-	-
Profit Before Tax (PBT)	1,349.89	924.34	1,349.89	924.34
Current Tax	332.48	234.73	332.48	234.73
Deferred Tax	10.77	0.91	10.77	0.91
Net Profit After Tax (PAT)	1,006.64	688.70	1,006.64	688.70
Other Comprehensive Income (Items that will not be reclassified subsequently to Profit or Loss)	2.06	(1.02)	2.06	(1.02)
Total Comprehensive Income for the Year	1,008.70	687.68	1,008.70	687.68
Earnings per equity share				
Basic earnings per share (in ₹)	19.46	13.43	19.46	13.43
Diluted earnings per share (in ₹)	19.46	13.43	19.46	13.43

Note: 1. Figures in brackets represent deductions.

2. Previous year's figures have been regrouped/reclassified wherever necessary to correspond with the current year's classification/disclosure.

DIRECTORS' REPORT (Contd.)

During the year under review, the revenue from operations and other income was ₹ 3092.61 million on standalone basis as compared to the last year's revenue of ₹ 2342.91 million on standalone basis. The Company has achieved Profit Before Tax of ₹ 1349.89 million and Profit After Tax of ₹ 1006.64 million on standalone basis as on 31st March 2022 as against previous year's Profit Before Tax of ₹ 924.34 million and Profit After Tax of ₹ 688.70 million on standalone basis. The Company achieved a total Comprehensive Income of ₹ 1008.70 million. The EPS on standalone financials for the year ended on 31st March, 2022, was ₹ 19.46.

More details on the financial statements of the Company along with various financial ratios are available in the Management Discussion & Analysis Report forming part of this report.

IMPACT OF COVID-19 PANDEMIC

In order to support people, battle the challenges posed by the pandemic, the Company launched several initiatives on multiple fronts for prevention and treatment of COVID-19 by leveraging its capabilities in continuous manufacturing and supplying of labware products.

Stringent measures have been put in to safeguard employees. Thermal scanning is done to check body temperature at all entry points. Hand sanitizers are placed at vantage points all across the Office and Factories. Disposable masks have been made available. As a part of the protocols in most of the areas inside the plant and factories area and all across the offices, employees need to wear masks wherever required.

The Company has continued to operate and provide services to its customers, without any significant disruptions during COVID-19 crisis. The Company has evaluated its liquidity position and of recoverability and carrying values of its assets and accordingly, at present the management does not see any medium to long term risks in the Company's ability to continue as a going concern and meeting its liabilities as and when they fall due.

DIVIDEND & APPROPRIATIONS

The Board of Directors of your company, after considering holistically the relevant circumstances, has decided that it would be prudent, not to recommend any Dividend for the financial year ended 31st March, 2022.

As per Regulation 43A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), the Company has formulated Dividend Distribution Policy taking into account the parameters prescribed in the said Regulations. The Dividend Distribution Policy is available on Company's website at <https://tarsons.com/wp-content/uploads/2022/06/Dividend-Distribution-Policy.pdf>.

TRANSFER TO RESERVES

The Directors' do not propose to transfer any amounts to the general reserves of the Company, instead have recommended to retain the entire of profits for the financial year ended 31st March, 2022 in the profit and loss account.

CONVERSION FROM PRIVATE LIMITED TO PUBLIC LIMITED COMPANY

During the financial year ended 31st March, 2022, the Company has been converted from a Private Limited Company to Public Limited Company w.e.f. 14th June, 2021.

INITIAL PUBLIC OFFERING (IPO) AND LISTING

During the year, the Company made an Initial Public Offering ("IPO") of 15,465,861 equity shares of face value of ₹ 2 each of the Company for cash at a price of ₹ 662 per equity share (including a share premium of ₹ 660 per equity share) aggregating to ₹ 10,235.41 million, comprising of a fresh issue of 2,265,861 equity shares (including 49,081 equity shares issued to the employees at a price of ₹ 601) aggregating to ₹ 1,497.01 million and an offer for sale of 13,200,000 equity shares aggregating to ₹ 8,738.40 million comprising of 390,000 equity shares by Mr. Sanjive Sehgal aggregating to ₹ 258.18 million, 310,000 equity shares by Mr. Rohan Sehgal aggregating to ₹ 205.22 million, the Promoters of the Company and 12,500,000 equity shares aggregating to ₹ 8,275.00 million by Clear Vision Investment Holdings PTE. Limited, the Investor.

The issue opened on 15th November, 2021 and closed on 17th November, 2021. The issue was led by book running lead managers viz., ICICI Securities Limited, Edelweiss Financial Services Limited and SBI Capital Markets Limited.

DIRECTORS' REPORT (Contd.)

The issue was subscribed 77.49 times, amid huge interest from institutional investors. The Company's paid-up share capital consisting of 53,206,281 equity shares were listed and admitted for dealing on the National Stock Exchange of India Limited ('NSE') and BSE Limited ('BSE') with effect from 26th November, 2021, subject to fulfillment of lock-in conditions on certain shares.

SHARE CAPITAL

a) Authorized Share Capital

During the financial year under review, the Company at its Extra-Ordinary General Meeting held on 10th May, 2021 re-classified its Authorized Share Capital from ₹ 1,15,00,000/- (Rupees One Crore Fifteen Lakhs only) divided into 11,50,000 (Eleven Lakhs Fifty Thousand) equity shares of ₹ 10/- (Rupees Ten only) each to Rupees 20,00,00,000/- (Rupees Twenty Crores only) divided into 2,00,00,000 (Two Crores) Equity Shares of ₹ 10/- (Rupees Ten only) each and accordingly capital clause of Memorandum of Association was altered.

The Company in its Extra-Ordinary General Meeting held on 16th June, 2021 approved to subdivide the existing authorized share capital of the Company from ₹ 20,00,00,000 (Rupees Twenty Crores) consisting of 2,00,00,000 (Two Crores) equity shares of face value of ₹ 10/- (Rupees Ten only) each to ₹ 20,00,00,000 (Rupees Twenty Crores) consisting of 10,00,00,000 (Ten Crores) equity shares of face value of ₹ 2/- (Rupees Two only) each. Therefore, the cumulative number of issued, subscribed and paid-up Equity Shares, pursuant to sub-division was increased from 1,92,228 (One Lakh Ninety-Two Thousand Two Hundred Twenty-Eight) equity shares of ₹10 (Rupees Ten only) each to 9,61,140 (Nine Lakhs Sixty-One Thousand One Hundred Forty) equity Shares of ₹2 (Rupees Two only) each.

b) Issued, Subscribed and Paid-up Share Capital

During the financial year under review:

- 1) The Company in its Extra-Ordinary General Meeting held on 16th June, 2021 approved the bonus issue of 52 (Fifty-Two) equity shares of face value of ₹ 2/- (Rupees Two only) each for every one existing fully paid-up equity share of face value ₹ 2/- (Rupees Two only) each and accordingly 4,99,79,280 (Four Crores Ninety-Nine Lakhs Seventy-Nine Thousand Two Hundred and Eighty) bonus shares were issued and allotted. The Bonus shares were allotted in the Board meeting held on 26th June, 2021.
- 2) The Company issued and allotted 22,65,861 equity shares of face value of ₹ 2/- (Rupees Two only) each by way of fresh issue through IPO of the Company.

With the said allotment, Paid-up Share Capital of the Company has increased to ₹ 10,64,12,562/- (Rupees Ten Crores Sixty-Four Lakhs Twelve Thousand Five Hundred and Sixty-Two Only) divided into 53,206,281 (Five Crores Thirty-Two Lakhs Six Thousand Two Hundred and Eighty-One) equity shares of ₹ 2/- (Rupees Two Only) each as on 31st March, 2022.

c) Utilization of Proceeds of IPO

Pursuant to the Regulation 32 of the Listing Regulations, a statement/explanation for the deviation(s) or variation(s) in the use of proceeds of IPO is herein given below:

Particulars of Issue	Shares Issued	Amount Raised	Deviation(s) or Variation(s) in the use of proceeds of issue, if any
IPO	22,65,861 equity shares of face value of ₹ 2/- (Rupees Two only) each by way of fresh issue through IPO of the Company.	₹ 1,49,70,06,041/- (Rupees One Forty-Nine Crores Seventy Lakhs Six Thousand and Forty-One only) through fresh issue.	There were no instances of deviation(s) or variation(s) in the utilization of proceeds as mentioned in the objects stated in the Prospectus in respect of the IPO issue of the Company.

DIRECTORS' REPORT (Contd.)

The proceeds of IPO were utilized for the objects as disclosed in the Prospectus. Details as on 31st March, 2022 are as follows:

Sl. No.	Name of the Object	Brief description of the object	Amount as proposed in Offer Document (₹ in millions)	Amount utilized (₹ in millions)	Total unutilized Amount (₹ in millions)
1.	Funding capital expenditure for the Proposed Expansion	To be utilized for the construction of New Plant at Panchla, West Bengal.	620.00	0.00	620.00
2.	Repayment/prepayment of certain borrowings of the Company	To be used for the repayment of Loan Liabilities of Company	785.40	779.87	5.53
3.	General corporate purposes	To be used for the General requirement of the Company.	16.21	0.18	16.03
4.	Offer related expenses in relation to the Fresh Issue	To be used to meet the expenses of the offer.	74.73	40.35	34.38
5.	Amount received on account of lower subscription of Employee Reserved Shares	To be added to General Corporate purposes.	0.67	0.00	0.67
Total			1497.01	820.40	676.61

DETAILS OF SUBSIDIARY, JOINT VENTURES AND ASSOCIATES/CONSOLIDATED FINANCIAL STATEMENTS

The Company has one subsidiary i.e., Inlabpro Pte. Limited, which was incorporated on 20th July, 2020 with paid-up capital of USD 1 divided into 1 equity shares, in Singapore. However, on account of COVID-19 pandemic and not being commercially viable, the Board of Directors passed a resolution on 14th June, 2021 to wind up the Subsidiary. Accordingly, an application for winding up has been filed and the same is under process.

Inlabpro Pte. Limited has not been operational since its incorporation and hence, on account of it being wound-up, there will be no adverse impact on the Company.

The Company has prepared Consolidated Financial Statements in accordance with Indian Accounting Standards notified under the Companies (Indian Accounting Standards) Rules, 2015 ('Ind AS'). The audited standalone and consolidated financial statements of the Company along with the financial statements of Subsidiary are also available on the website of the Company at www.tarsons.com. A statement containing salient features of the financial statements of the Subsidiary pursuant to Section 129(3) of the Act read with Rule 5 of the Companies (Accounts) Rules, 2014, is given in Form AOC-1 being marked as "Annexure-I" to this Report.

During the financial year under review, there were no Companies which has become/ceased to become a Joint Venture/Associate Company.

DIRECTORS' & KEY MANAGERIAL PERSONNEL

DIRECTORS

The Board of Directors holds fiduciary position and is entrusted with the responsibility to act in the best interests of the Company. The Board at its meetings deliberate and decide on strategic issues including review of policies, financial matters, discuss on business performance and other critical matters for the Company. Committees constituted by the Board focus on specific areas and take informed decisions within the framework of the delegated authority and responsibility and make specific recommendations to the Board on matters under its purview. Decisions and recommendations of the Committees are placed before the Board for consideration and approval as required.

Composition of Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Non-Independent Director and Non-Executive Independent Directors including Women Director in accordance with the provisions of Companies Act, 2013 and Regulation 17 of Listing Regulations. All the Directors have rich experience and specialized knowledge in sectors covering law, finance, accountancy and other relevant areas.

DIRECTORS' REPORT (Contd.)

As on 31st March, 2022, the Board consisted of six directors comprising of three Non-Executive Independent Directors including a woman director, namely, Mr. Viresh Oberai (DIN: 00524892), Mr. Girish Paman Vanvari (DIN: 07376482) and Ms. Sucharita Basu De (DIN: 06921540), one Non-Executive Nominee Director, namely, Mr. Gaurav Pawan Kumar Podar (DIN: 08387951) and two Executive Directors, namely, Mr. Sanjive Sehgal (DIN: 00787232) and Mr. Rohan Sehgal (DIN: 06963013). The Chairman of the Company is an Executive Director. The profile of all the Directors can be accessed on the Company's website at <https://tarsons.com/directors-officers/>.

None of the Directors of the Company have incurred any disqualification under Section 164(2) of the Act read with Rule 14(1) of the Companies (Appointment and Qualification of Directors) Rules, 2014. All the Directors have confirmed that they are not debarred from accessing the capital market as well as from holding the office of Director pursuant to any order of Securities and Exchange Board of India or Ministry of Corporate Affairs or any other such regulatory authority. In the view of the Board, all the directors possess the requisite skills, expertise, integrity, competence, as well as experience considered to be vital for business growth.

The composition of Board of Directors and detailed analysis of various skills, qualifications and attributes as required and available with the Board has been presented in the Corporate Governance Report.

Mr. Girish Paman Vanvari (DIN: 07376482) and Ms. Sucharita Basu De (DIN: 06921540), has been appointed as Non-Executive Independent Directors of the Company for a consecutive term of five years w.e.f. 10th May, 2021 and their appointment was regularized and approved in the Extra Ordinary General Meeting held on 10th May, 2021. In the opinion of the Board, both the Directors are a person of integrity and possesses relevant experience and expertise.

Mr. Suresh Eshwara Prabhala (DIN: 02130163) and Mr. Ashok Kumar Duggar (DIN: 08186964), Non-Executive Directors of the Company, tendered resignation from the Board of the Company w.e.f. 26th July, 2021, due to personal reasons. The Board of Directors placed on record their sincere appreciation for the contributions made by both Mr. Suresh Eshwara Prabhala and Mr. Ashok Kumar Duggar during their tenure as Directors of the Company.

Pursuant to the provisions of Section 152(6) (d) of the Act read with Companies (Appointment and Qualification of Directors) Rules, 2014 and Articles of Association of the Company, Mr. Sanjive Sehgal (DIN: 00787232) will retire by rotation at the ensuing Annual General Meeting and being eligible has offered himself for re-appointment.

Information regarding the directors seeking re-appointment as required by Regulation 36 of the Listing Regulations and Secretarial Standard-2 has been given in the notice convening the ensuing Annual General Meeting.

KEY MANAGERIAL PERSONNEL

Mr. Ravi Prakash Mundhra was appointed as the Company Secretary and Compliance Officer w.e.f. 10th May, 2021 and ceased to be the Company Secretary and Compliance Officer w.e.f. 26th July, 2021.

Mr. Piyush Khater was appointed as the Company Secretary and Compliance Officer w.e.f. 28th July, 2021 and ceased to be the Company Secretary and Compliance Officer w.e.f. 10th January, 2022.

Mr. Santosh Kumar Agarwal, who is serving as the Chief Financial Officer of the Company since 1st October, 2019, was appointed as the Company Secretary and Compliance Officer, w.e.f. 7th February, 2022.

DECLARATION BY INDEPENDENT DIRECTORS

There are three Independent Directors on the Board of the Company. The Company has received declarations from all the Independent Directors confirming that they meet the criteria of independence as prescribed under Section 149 (6) of the Act as well as Regulation 16 of the Listing Regulations.

The Independent Directors have also submitted a declaration confirming that they have registered their names in the databank of Independent Directors as being maintained by the Indian Institute of Corporate Affairs (IICA) in terms of Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014.

None of the independent directors are aware of any circumstance or situation, which exist or may be reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective independent judgment and without any external influence. The board of directors have taken on record the declaration and confirmation submitted by the Independent Directors

DIRECTORS' REPORT (Contd.)

after undertaking due assessment of the same and in their opinion the Independent Directors fulfill the conditions specified in the Act and Listing Regulations and are independent of the management.

The Independent Directors have complied with the Code for Independent Directors prescribed in Schedule IV to the Act along with the Code of Conduct for Directors and Senior Management Personnel formulated by the Company as per Listing Regulations.

COMPANY'S POLICY ON APPOINTMENT AND REMUNERATION OF DIRECTORS, KEY MANAGERIAL PERSONNEL SENIOR MANAGEMENT PERSONNEL AND OTHER EMPLOYEES

On the recommendation of Nomination and Remuneration Committee, the Company has formulated and adopted a Nomination and Remuneration Policy which is in accordance with the Act and the Listing Regulations. The Policy aims to attract, retain and motivate qualified people at the board and senior management levels and ensure that the interests of Board members & senior executives are aligned with the Company's vision and mission statements and are in the long-term interests of the Company.

The Nomination and Remuneration Policy of the Company has been designed with the following basic objectives:

- a. To set out a policy relating to remuneration of Directors, Key Managerial Personnel's, Senior Management Personnel's and other employees of the Company.
- b. To formulate criteria for appointment of Directors, Key Managerial Personnel's and Senior Management Personnel's.
- c. To formulate the criteria for determining qualification, competencies, positive attributes and independence for appointment of a director.

The Policy is available on the website of the Company at <https://tarsons.com/wp-content/uploads/2022/04/Nomination-and-Remuneration-Policy.pdf>.

NUMBER OF MEETINGS OF THE BOARD

Your Board meets at regular intervals to discuss and decide on business strategies/policies and review the Company's financial performance. During the Financial Year 2021-22, fourteen (14) Board Meetings were held. The meetings were held in hybrid mode i.e., both physically and virtually in accordance with the applicable provisions of the Act. The details relating to Board Meetings and attendance of Directors in each board meeting held during the FY-2021-22 has been separately provided in the Corporate Governance Report.

COMMITTEES OF THE BOARD

The constitution of the Board Committees is in acquiescence of provisions of the Act and the relevant rules made thereunder, Listing Regulations and the Articles of Association of the Company. The Board has constituted Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee, Corporate Social Responsibility Committee, Risk Management Committee and IPO Committee to deal with specific areas/activities that need a closer review and to have an appropriate structure for discharging its responsibilities.

The composition, terms of reference, attendance of directors at the meetings of all the above Committees has been disclosed in the Corporate Governance Report.

There has been no instance where the Board has not accepted any of the recommendations of the Audit Committee.

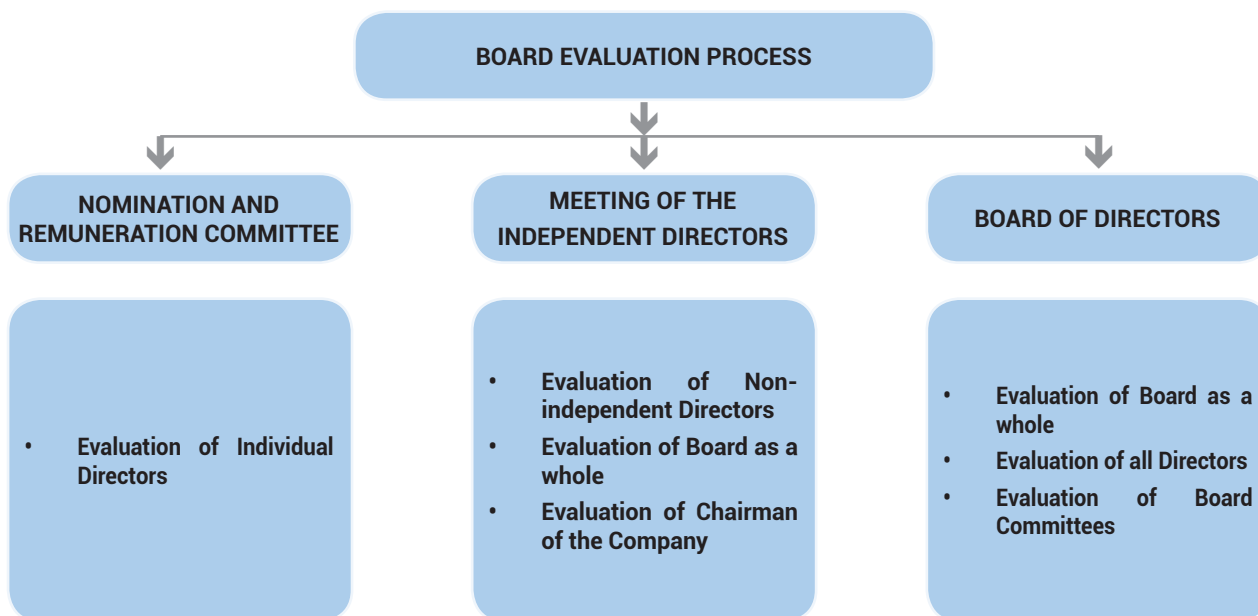
PERFORMANCE EVALUATION OF THE BOARD, THE COMMITTEES AND THE INDIVIDUAL DIRECTORS

Pursuant to the provisions of the Companies Act, 2013, Regulation 17(10) and other applicable provisions of the Listing Regulations and in consonance with Guidance Note on Board Evaluation issued by the SEBI, the Board of Directors of the Company have formulated a Board Evaluation Policy which lays down the manner of evaluation of the Board as a whole, its committees and the individual Directors.

The Board on the recommendation of the Nomination and Remuneration Committee carried out an annual performance evaluation of the Board as a whole and directors individually. The Board also carried evaluation of the performance of its various Committees for the year under consideration. The performance evaluation of the Directors was carried out by the entire Board, other than the Director being evaluated. The performance evaluation of the Chairman and the Non-Independent Directors were carried out by the Independent Directors. The Directors expressed their satisfaction over the evaluation process.

DIRECTORS' REPORT (Contd.)

The Evaluation process covers a structured questionnaire for evaluation by Board members and the evaluation mechanism with definite parameters has been explicitly described in the Corporate Governance Report. The process of evaluation has been detailed below:



DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134 of the Act, the Directors of the Company confirm that:

- (i) in the preparation of the Annual Accounts for the year ended 31st March, 2022, the applicable accounting standards have been followed and there are no material departures from the same;
- (ii) they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of state of affairs of the Company as at 31st March, 2022 and of the profit of the Company for the year ended on that day;
- (iii) they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities;
- (iv) the Annual Accounts for the year ended 31st March, 2022 have been prepared on a "going concern" basis;
- (v) they have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively;
- (vi) they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

RISK MANAGEMENT

The Company has built a comprehensive risk management framework that seeks to identify all kinds of anticipated risks associated with the business and to take remedial actions to minimize any kind of adverse impact on the Company. The Company understands that risk evaluation and risk mitigation is an ongoing process within the organization and is fully committed to identify and mitigate the risks in the business. The Company has established the three levels of risk management responsibilities in its risk management structure. These are- (a) Risk Governance and Surveillance, (b) Risk Review and Management and (c) Risk Ownership and Control.

The Company has also set up a Risk Management Committee to monitor the existing risks as well as to formulate strategies towards identifying new and emergent risks. The Risk Management Committee identifies the key risks for the Company,

DIRECTORS' REPORT (Contd.)

develops and implements the risk mitigation plan, reviews and monitors the risks and corresponding mitigation plans on a regular basis and prioritizes the risks, if required, depending upon the effect on the business/reputation. The Company has also formulated and implemented a Risk Management Policy in accordance with Listing Regulations, to identify and monitor business risk and assist in measures to control and mitigate such risks. The Policy is available on the Website of the Company at <https://tarsons.com/wp-content/uploads/2022/04/Risk-Manangement-Policy.pdf>. The other details in this regard are provided in the Corporate Governance Report, which forms part of this Annual Report.

INTERNAL FINANCIAL CONTROLS

According to Section 134(5) (e) of the Act, the term Internal Financial Control ('IFC') means the policies and procedures adopted by the Company for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and early detection of frauds and errors, the accuracy and completeness of the accounting records and the timely preparation of reliable financial information.

The Company has a well-established internal control framework, which is designed to continuously assess the adequacy, effectiveness and efficiency of financial and operational controls and the Board is responsible for ensuring that IFC are laid down in the Company and that such controls are adequate and operating effectively.

The Company's internal control systems are commensurate with the nature of its business and the size and complexity of its operations. These are routinely tested and certified by Statutory as well as Internal Auditors.

Necessary certification by the Statutory Auditors in relation to Internal Financial Control u/s 143(3)(i) of the Act forms part of the Audit Report.

CORPORATE SOCIAL RESPONSIBILITY

In compliance with the provisions of Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, the Company has constituted a Corporate Social Responsibility (CSR) Committee. It is committed to ensure the social wellbeing of the communities through its CSR initiatives, in alignment with the Company's key priorities. The details of the Committee along with its terms of reference has been disclosed in detail in the Corporate Governance section of Annual Report.

The Company has adopted a Corporate Social Responsibility Policy in accordance with the Companies (Corporate Social Responsibility Policy) Rules, 2014 which can be accessed at <https://tarsons.com/wp-content/uploads/2022/05/Corporate-Social-Responsibility-Policy.pdf>. The Policy inter alia briefs the areas in which CSR outlays can be made, objectives, the various CSR Programs/Projects which can be undertaken, implementation of the said programs and projects, criteria for identification of the implementing agencies, monitoring and evaluation mechanisms and annual action plan.

The Company has made an advance CSR expenditure amounting to ₹ 33.12 million in 2020-21 by donating KN-95 mask with and without valve to Tata Medical Centre, Kolkata, Rabindranath Tagore International Institute of Cardiac Science (Narayana Hrudayalaya Limited) and in the Local area and Community directly. During 2021-22, the Company has utilized ₹ 13.32 million from the advance CSR obligation.

The brief outline of the CSR Policy of the Company and the initiatives undertaken by the Company during the financial year ended 31st March, 2022, in accordance with Section 135 of the Act and Companies (Corporate Social Responsibility Policy) Rules, 2014 is set out in "Annexure-II" to this report.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

During the year under review, all the transactions entered into by the Company with related parties were in compliance with the applicable provisions of the Act and the Listing Regulations, details of which are set out in the Notes to Financial Statements forming part of this Annual Report. All related party transactions are entered into only after receiving prior approval of the Audit Committee. Further, in terms of the provisions of Section 188(1) of the Act read with the Companies (Meetings of Board and its Powers) Rules, 2014, all contracts/arrangements/ transactions entered into by the Company with its related parties, during the financial year under review, were in ordinary course of business and on arm's length and not material.

In line with the requirements of the Act and the Listing Regulations, the Company has also formulated a Policy on dealing with Related Party Transactions ('RPTs') and the same is available on the website of the Company at <https://tarsons.com/wp-content/uploads/2022/04/Related-Party-Transactions-Policy.pdf>.

DIRECTORS' REPORT (Contd.)

Further, the Company has not entered into any contracts/arrangements/transactions with related parties which are material in nature in accordance with the Related Party Transactions Policy of the Company nor any transaction has any potential conflict with the interest of the Company at large.

No transactions were carried out during the year which requires reporting in Form AOC - 2 pursuant to Section 134 (3) (h) of the Act read with Rule 8(2) of the Companies (Accounts) Rules, 2014.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

The details of loans, guarantees and investments covered under the provisions of Section 186 of the Act form part of the Notes to the financial statements of the Company.

PARTICULARS OF EMPLOYEES

The information required under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 as amended from time to time in respect of Directors/employees of the Company is attached as "**Annexure- III**" to this report.

The information required under Section 197(12) of the Act read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 as amended from time-to-time forms part of this Board Report. However, in terms of Section 136 of the Act, the annual report is being sent to the shareholders excluding the said statement. The said information is readily available for inspection by the shareholders at the Company's registered office during the business hours on all working days up to the date of ensuing Annual General Meeting and shall also be provided to any shareholder of the Company, who sends a written request to the Company Secretary and Compliance Officer at investor@tarsons.com.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

Information on conservation of energy, technology absorption and foreign exchange earnings and outgo as stipulated in Section 134(3)(m) of the Act read with Rule 8 of the Companies (Accounts) Rules, 2014 for year ended 31st March, 2022 is provided below:

A. Conservation of Energy		
i.	Steps taken or impact on conservation of energy	Nil
ii.	Steps taken for utilizing alternate sources of energy	
iii.	Capital investment on energy conservation equipment's	
B. Technology absorption		
i.	Efforts made towards technology absorption	Nil
ii.	Benefits derived like product improvement, cost reduction, product development or import substitution	
iii.	In case of imported technology (imported during the last three years reckoned from the beginning of the financial year)- <ul style="list-style-type: none"> ● the details of technology imported ● the year of import ● whether the technology been fully absorbed ● If not fully absorbed, areas where absorption has not taken place, and the reasons thereof 	
iv.	The expenditure incurred on Research and Development	
C. Foreign Exchange Earnings and Outgo (₹ in million)		
1.	Foreign Exchange Earnings by the Company	992.92
2.	Foreign Exchange Expenditure by the Company	1316.31

AUDITORS & AUDIT REPORTS

Statutory Auditors and Auditor's Report

M/s. Price Waterhouse Chartered Accountants LLP (FRN012754N/N500016), Chartered Accountants, have been appointed as the Statutory Auditors of the Company for a term of five years from 2018-19 to 2022-23 at the 35th Annual General Meeting of the Company held on 28th September, 2018. The Auditors fulfill the eligibility and qualification norms as prescribed under the Act,

DIRECTORS' REPORT (Contd.)

the Chartered Accountants Act, 1949 and rules and regulations issued thereunder. In addition, the auditors hold a valid certificate issued by the Peer Review Board of the Institute of Chartered Accountants of India (ICAI), a prerequisite for issuing quarterly Limited Review reports.

The Auditor's Report on the standalone and consolidated financial statements of the Company for the year ended 31st March, 2022 forms part of this Annual Report and there are no qualifications, reservation, adverse remark or disclaimer made by the statutory auditors in their report.

Internal Auditors

M/s. Grant Thornton Bharat LLP (LLP Registration No. AAA-7677), were appointed as the Internal Auditors of the Company for the FY-2021-22 in the Board Meeting held on 26th June, 2021 in accordance with the provisions of Section 138 of the Act read with the Companies (Accounts) Rules, 2014.

Secretarial Auditors

Pursuant to the provisions of Section 204 of the Act read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board at its meeting held on 26th June, 2021, had appointed M/s. Manisha Saraf & Associates, Practicing Company Secretaries (FRN No. S2019WB666200) as Secretarial Auditor of the Company for the FY-2021-22. The Secretarial Audit Report for the FY-2021-22 in form MR 3 is annexed to this report as "**Annexure- IV**".

There are no qualifications, reservations or adverse remark or disclaimer in the Secretarial Audit Report.

Pursuant to provisions of Regulation 24A of Listing Regulations, the Company has undertaken an audit for the FY- 2021-22 for all applicable compliances as per SEBI Rules, Regulations, Circulars, Notifications, Guidelines etc. issued thereunder. The Annual Secretarial Compliance Audit Report duly issued by Practicing Company Secretaries, M/s Manisha Saraf & Associates (FRN No. S2019WB666200) has been submitted to the Stock Exchanges within the prescribed time.

Cost Auditors and Cost Audit Report

The Company is not required to maintain cost records in terms of the requirements of Section 148 of the Act and rules framed thereunder.

REPORTING OF FRAUDS BY AUDITORS

During the year under review, none of the auditors have reported any instances of fraud committed against the Company as required to be reported under Section 143 (12) of the Act.

VIGIL MECHANISM/WHISTLE BLOWER POLICY

The Company has adopted a Whistle Blower Policy and established the necessary Vigil Mechanism, which is in line with the Regulation 22 of the Listing Regulations and Section 177 of the Companies Act, 2013 for its Directors and employees. Pursuant to the Policy, the Whistle Blower can raise concerns relating to Reportable Matters (as defined in the Policy) such as unethical behavior, breach of Code of Conduct, actual or suspected fraud, any other malpractice, impropriety or wrongdoings, illegality, non-compliance of legal and regulatory requirements, retaliation against the Directors & Employees and instances of leakage of/ suspected leakage of Unpublished Price Sensitive Information of the Company etc.

Further, the mechanism adopted by the Company encourages the Whistle Blower to report genuine concerns or grievances to the Audit Committee, and provides for adequate safeguards against victimization of Whistle Blower, who avail of such mechanism and also provides for direct access to the Chairman of the Audit Committee, in appropriate or exceptional cases. The Audit Committee oversees the functioning of the same. Further, no personnel have been denied access to the Audit Committee during the Financial Year under review.

The details of this Policy are explained in the Corporate Governance Report which forms a part of this Annual Report and also hosted on the website of the Company at <https://tarsons.com/wp-content/uploads/2022/04/Whistle-Blower-Policy.pdf>.

There was no instance of such reporting during the financial year ended 31st March, 2022.

DIRECTORS' REPORT (Contd.)

ANNUAL RETURN

Pursuant to the provisions of Section 134(3)(a) and Section 92(3) of the Act, read with Rule 12 of the Companies (Management and Administration) Rules, 2014, the Annual Return of the Company for the Financial Year ended 31st March, 2022 is available on the website of the Company at <https://tarsons.com/wp-content/uploads/2022/06/Annual-Return-for-FY-2021-22.pdf>

DEPOSITS

During the year under review, the Company has not accepted any deposits from the public within the meaning of Sections 73 of the Act read with the Companies (Acceptance of Deposits) Rules, 2014. As the Company has not accepted any deposit during the financial year under review there is no non-compliance with the requirements of Chapter V of the Act.

CREDIT RATING

The credit rating of your Company for long term bank facilities is "CARE A+; Stable" and for short term bank facilities is "CARE A1". Details of the same are provided in the Corporate Governance Report.

CORPORATE GOVERNANCE

The Company's Corporate Governance Practices are a reflection of value system encompassing culture, policies, and relationships with the stakeholders. Integrity and transparency are key to Corporate Governance Practices to ensure that Company gain and retain the trust of stakeholders at all times. It is about maximizing shareholder value legally, ethically and sustainably. The Board exercises its fiduciary responsibilities in the widest sense of the term.

As per Regulation 34(3) read with Schedule V of the Listing Regulations, a separate section on corporate governance practices followed by the Company, together with a certificate from the Company's Statutory Auditors confirming compliance with the same has been disclosed under the Corporate Governance Report section of this Annual Report.

MANAGEMENT DISCUSSION & ANALYSIS REPORT

The Management Discussion and Analysis Report in compliance with Regulation 34(2)(e) of Listing Regulations is provided in a separate section and forms an integral part of this report.

BUSINESS RESPONSIBILITY REPORT

Pursuant to Regulation 34(2) of Listing Regulations, the top 1000 listed companies are required to prepare a Business Responsibility Report describing the initiatives taken by the Company from an environmental, social and the governance perspective. The Company has accordingly prepared a Business Responsibility Report as set out in "**Annexure-V**" to this Report and the same is also available on the website of the Company at <https://tarsons.com/wp-content/uploads/2022/06/Business-Responsibility-Report-for-FY-2021-22.pdf>.

HUMAN RESOURCES

Employees are the most valuable and indispensable asset for a Company. The Company has always been proactive in providing growth, learning platforms, safe workplace and personal development opportunities to its workforce. The Company had 556 permanent employees on its rolls as on 31st March, 2022.

DISCLOSURE UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company has zero tolerance towards sexual harassment at workplace and is committed to provide a safe and secure working environment for all employees.

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 and rules made thereunder and the same is hosted on the Company's website at <https://tarsons.com/wp-content/uploads/2022/06/Policy-on-Prevention-of-Sexual-Harassment.pdf>. An Internal Complaints Committee (ICC) has also been set up to redress complaints received regarding sexual harassment.

During the year under review, no cases were filed under the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

DIRECTORS' REPORT (Contd.)

COMPLIANCE WITH SECRETARIAL STANDARDS ON BOARD MEETINGS AND GENERAL MEETINGS

During the Financial Year 2021-22, the Company has complied with all the relevant provisions of the applicable Secretarial Standards issued by the Institute of Company Secretaries of India.

GENERAL DISCLOSURES

Your Directors state that:

1. No material changes and commitments affecting the financial position of the Company have occurred from the close of the financial year ended 31st March, 2022 till the date of this report.
2. There was no change in the nature of business of the Company during the financial year ended 31st March, 2022.
3. During the year, no significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operation in future.
4. During the financial year under review no disclosure or reporting is required with respect to issue of equity shares with differential rights as to dividend, voting or otherwise, issue of Sweat equity shares and Buyback of shares.
5. No proceedings are filed by the Company or pending against the Company under the Insolvency and Bankruptcy Code, 2016.
6. The Company serviced all the debts & financial commitments as and when they became due and no settlements were entered into with the bankers.

ACKNOWLEDGEMENT

Your Directors' place on record their sincere appreciation for the continued co-operation and support extended to the Company by various Banks, local authorities, customers, suppliers and business associates. Your Directors' also thank the Medical Profession, the Trade and Consumers for their patronage to the Company's products. Your Directors' also place on record sincere appreciation of the continued hard work put in by the employees at all levels, amidst the challenging time. The directors are thankful to the esteemed shareholders for their support and the confidence reposed in the Company and its management and also thank the Company's vendors, investors, business associates, Central/State Government and various departments and agencies for their support and co-operation.

For and on behalf of the Board of Directors
For Tarsons Products Limited
(Formerly known as Tarsons Products Private Limited)

Place : Kolkata
Date: 27th May, 2022

Mr. Sanjive Sehgal
Chairman & Managing Director
(DIN: 00787232)

Mr. Rohan Sehgal
Director
(DIN: 06963013)

ANNEXURE – I to DIRECTORS' REPORT

FORM AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries or associate companies or joint ventures

Part A-Subsidiaries

1	Name of Subsidiary	Inlabpro Pte. Limited
2	The date since when subsidiary was acquired	20 th July, 2020
3	Reporting period for the subsidiary concerned, if different from the holding Company's reporting period.	1 st April, 2021 to 31 st March, 2022
4	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.	Reporting Currency- USD Exchange Rate- 55
5	Share capital	USD 1
6	Reserves and surplus	0
7	Total assets	USD 1
8	Total Liabilities	USD 1
9	Investments	0
10	Turnover	0
11	Profit before taxation	0
12	Provision for taxation	0
13	Profit after taxation	0
14	Proposed Dividend	0
15	Extent of shareholding (in percentage)	100%

- Notes:** 1. Names of subsidiaries which are yet to commence operations- NA
 2. Names of subsidiaries which have been liquidated or sold during the year- The aforesaid Subsidiary has not been operational since its incorporation and an application for strike-off has been filed, which is under process.

Part B -Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

Sl. No.	Name of Joint Venture	
1	Latest audited Balance Sheet Date	Not Applicable
2	Date on which the Associate or Joint Venture was associated or acquired	
3	Shares of Associate or Joint Ventures held by the Company on the year end No.	
	Amount of Investment in Associates or Joint Venture	
	Extent of Holding (in percentage)	
4	Description of how there is significant influence	
5	Reason why the associate/joint venture is not consolidated	
6	Networth attributable to shareholding as per latest audited Balance Sheet	
7	Profit or Loss for the year	
	i. Considered in Consolidation	
	ii. Not Considered in Consolidation	

- Notes:** 1. Names of associates or joint ventures which are yet to commence operations- NA
 2. Names of associates or joint ventures which have been liquidated or sold during the year-NA

For and on behalf of the Board of Directors

For Tarsons Products Limited
(Formerly known as Tarsons Products Private Limited)

Mr. Sanjive Sehgal

Chairman & Managing Director
 (DIN: 00787232)

Mr. Rohan Sehgal

Director
 (DIN: 06963013)

Place : Kolkata

Date: 27th May, 2022

ANNEXURE – II to DIRECTORS' REPORT

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES FOR THE YEAR ENDED 31ST MARCH, 2022

1. Brief outline on CSR Policy of the Company:

The CSR Policy has been instituted based on the Corporate Social Responsibility (CSR) philosophy of the Company and is committed to undertake CSR activities in accordance with the CSR Regulations. The CSR Policy aims to set up a framework governed by basic principles and actions to be taken by the management for safeguarding the interest of the society. Our CSR activities are designed to serve societal, local and national goals in all the locations where we operate and create a significant and sustained impact on communities affected by our businesses. The Company focuses on practicing its corporate values through its commitment to grow in a socially and environmentally responsible way, while meeting the interests of its stakeholders, including shareholders, customers, employees, suppliers, business partners, local communities and other organizations. The main objectives of the CSR Policy are as follows:

- To ensure that the Company is committed to operate its business in an economically, socially and environmentally sustainable manner, while recognizing the interests of all its stakeholders
- To take up programs that benefit the communities in and around its work centers and over a period of time, results in enhancing the quality of life of the people in the area of its business operations
- To generate a community goodwill for the Company and help reinforce a positive and socially responsible image of Company as a good corporate citizen of the Country

The Company has formulated a CSR Policy in accordance with the applicable provisions of the Companies Act, 2013 read with the relevant rules framed thereunder and the same is available on the website of the Company at <https://tarsons.com/wp-content/uploads/2022/05/Corporate-Social-Responsibility-Policy.pdf>. The CSR activities of the Company are as per the provisions of Schedule VII of the Companies Act, 2013 and CSR Policy gives an overview of the projects and programs which are proposed to be undertaken by the Company in the coming years.

2. Composition of the CSR Committee:

With respect to the Company's CSR philosophy, the Board has constituted the "CSR Committee" as follows:

Sl. No	Name of the Director	Nature of Directorship	Designation	No. of meetings of CSR Committee held during the year ^c	No. of meetings of CSR Committee attended during the year
1.	Ms. Sucharita Basu De ^a	Independent Woman Director	Chairperson	1	0
2.	Mr. Sanjive Sehgal	Chairman & Managing Director	Member	1	1
3.	Mr. Rohan Sehgal	Whole-Time Director	Member	1	1
4.	Mr. Ashok Kumar Duggar ^b	Non-Executive Director	Member	NA	NA

a. Inducted as Chairperson w.e.f. 26th June, 2021

b. Ceased to be the member of the CSR Committee w.e.f. 26th June, 2021 and ceased to be the Director of the Company w.e.f. 26th July, 2021

c. During the FY 2021-22, one CSR Committee meeting was held on 6th August, 2021

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

Sl. No	Particulars	Web-link
1	Composition of the CSR Committee	https://tarsons.com/committee-of-the-board/
2	CSR Policy	https://tarsons.com/wp-content/uploads/2022/05/Corporate-Social-Responsibility-Policy.pdf
3	CSR Projects	https://tarsons.com/wp-content/uploads/2022/05/CSR-Budget-and-Annual-Action-Plan-for-FY-2021-22.pdf

Annexure – II to DIRECTORS' REPORT (Contd.)

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

Not applicable for the financial year 2021-22.

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 Million)	Amount required to be set-off for the financial year, if any (₹ in Million)
1.	2021-22	33.12	13.32

6. Average Net Profit of the Company as per section 135(5): ₹ 666.10 Million
7. (a) Prescribed CSR Expenditure - Two per cent of average net profit of the Company as per section 135(5): ₹ 13.32 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: ₹ 13.32 Million
(d) Total CSR obligation for the financial year (7a+7b-7c): Nil
8. (a) CSR amount spent or unspent for the financial year:

Total amount spent for the Financial Year (in ₹)	Amount Unspent (in ₹)				
	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
₹ 13.32 Million	Nil	NA	NA	Nil	NA

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

1	2	3	4	5		6	7	8	
S No	Name of the Project	Item from the list of activities in Schedule VII to the Act.	Local area (Yes/No)	Location of the project		Amount spent for the project (₹ in Million)	Mode of implementation - Direct (Yes/No)	Mode of Implementation - Through Implementing Agency	
				State	District			Name	CSR Registration number
1.	Donation of KN-95 masks towards COVID-19 relief activities	Promoting health care including preventing health care	Yes	West Bengal	Kolkata	13.32	Yes	-	-
TOTAL						13.32			

Note: The Ministry of Corporate Affairs (MCA) has notified the Companies (CSR Policy) Amendment Rules, 2021 ('Rules') vide notification dated 22nd January, 2021 and has allowed Companies to set off excess expenditure made against the required 2% CSR expenditure up to the immediately succeeding three financial years subject to compliance with the conditions stipulated under rule 7(3) of the Companies (CSR Policy) Rules, 2014.

The Company has made an advance CSR expenditure amounting to ₹ 33.12 Million in 2020-21 by donating KN-95 mask with and without valve to Tata Medical Centre, Kolkata, Rabindranath Tagore International Institute of Cardiac Science (Narayana Hrudayalaya Limited) and in the Local area and Community directly.

During the FY 2021-22, the Company has utilized ₹ 13.32 Million from the advance CSR obligation, which is 2% of the average net profits made during the three immediately preceding financial years in accordance with Section 135 of the Companies Act, 2013.

Further, as per the notification the Company can set-off the excess expenditure made up-to three succeeding financial years. During the FY2021-22, the Company has set-off ₹ 13.32 Million and the remaining amount i.e., ₹ 19.80 Million will be set-off in next two succeeding years.

Annexure – II to DIRECTORS' REPORT (Contd.)

- (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):** ₹ 13.32 Million
- (g) **Excess amount for set off, if any:**

Sl. No.	Particulars	Amount (₹ in Million)
(i)	Two per cent of average net profit of the Company as per section 135(5)	13.32
(ii)	Total amount spent for the Financial Year	13.32
(iii)	Excess amount spent for the financial year [(ii)-(i)]	0.00
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	0.00
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	0.00

9. (a) **Details of Unspent CSR amount for the preceding three financial years:** Not applicable.
- (b) **Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):** Not applicable.
10. **In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details).**
- (a) **Date of creation or acquisition of the capital asset(s):** Not applicable.
- (b) **Amount of CSR spent for creation or acquisition of capital asset:** Not applicable.
- (c) **Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.:** Not applicable.
- (d) **Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset):** Not applicable.
11. **Specify the reason(s), if the Company has failed to spend two per cent of the average net profit as per section 135(5):**
Not Applicable

For and on behalf of the Board of Directors
For Tarsons Products Limited
(Formerly known as Tarsons Products Private Limited)

Place : Kolkata
 Date: 27th May, 2022

Mr. Sanjive Sehgal
 Chairman & Managing Director
 (DIN: 00787232)

Mrs. Sucharita Basu De
 Chairperson- CSR Committee
 (DIN: 06921540)

ANNEXURE – III to DIRECTORS' REPORT

STATEMENT OF DISCLOSURE OF MANAGERIAL REMUNERATION UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

- (i) The ratio of remuneration of each director to the median remuneration of employees of the Company for the financial year 2021-22 and percentage increase in remuneration of each Directors, Chief Financial Officer and Company Secretary during the financial year 2021-22 are as under.

Name of Director/KMP	Designation	Remuneration of Directors/KMP for FY 2021-22 (₹ in Million)	Ratio of remuneration of each Director to the Median remuneration of employees	Percentage increase in Remuneration
Executive Directors				
Mr. Sanjive Sehgal	Managing Director	42.50	146	7.32%
Mr. Rohan Sehgal	Whole-Time Director	37.50	129	89.39%
Non-Executive Directors ^a				
Mr. Viresh Oberai	Independent Director	1.16	4	NA
Mr. Girish Paman Vanvari ^b	Independent Director	1.07	4	NA
Ms. Sucharita Basu De ^b	Independent Director	1.07	4	NA
Mr. Gaurav Pawan Kumar Podar ^c	Non-Executive Director	Nil	NA	NA
Mr. Suresh Eshwara Prabhala ^c	Non-Executive Director	Nil	NA	NA
Mr. Ashok Kumar Duggar ^c	Non-Executive Director	Nil	NA	NA
Key Managerial Personnel				
Mr. Santosh Kumar Agarwal ^d	Chief Financial Officer & Company Secretary	5.87	NA	15.01%
Mr. Ravi Prakash Mundhra ^e	Company Secretary	1.80	NA	NA
Mr. Piyush Khater ^f	Company Secretary	0.70	NA	NA

Note-

- a) Non-Executive Independent Directors were paid remuneration in the form of sitting fees only for attending the Board and Committee meetings and therefore the percentage increase in their remuneration is Not Applicable.
- b) Mr. Girish Paman Vanvari and Ms. Sucharita Basu De, were appointed as Independent Directors w.e.f. 10th May, 2021.
- c) Mr. Gaurav Pawan Kumar Podar, Mr. Suresh Eshwara Prabhala and Mr. Ashok Kumar Duggar are the non-executive directors nominated on the Board and they do not receive any remuneration, sitting fees or commission from the Company. Further, Mr. Suresh Eshwara Prabhala and Mr. Ashok Kumar Duggar ceased to be the Directors of the Company, w.e.f. 26th July, 2021.
- d) Mr. Santosh Kumar Agarwal, the Chief Financial Officer of the Company was also appointed as the Company Secretary w.e.f. 7th February, 2022.
- e) Mr. Ravi Prakash Mundhra was appointed as Company Secretary w.e.f. 10th May, 2021 and had resigned w.e.f. 26th July, 2021.
- f) Mr. Piyush Khater was appointed as Company Secretary w.e.f. 28th July, 2021 and had resigned w.e.f. 10th January, 2022.
- (ii) The percentage increase in the median remuneration of employees in the financial year 2021-22 was 0.63%.

The median has been arrived by comparing the median remuneration of the cost-to-the Company as on 31st March, 2022 as compared to previous year as on 31st March, 2021.

Annexure – III to DIRECTORS' REPORT (Contd.)

- (iii) The Company has 556 permanent employees on the rolls of the Company as on 31st March, 2022.
- (iv) Average percentile increase in the salaries of employees other than the managerial personnel in the financial year 2021-22 was 12%, whereas the average percentile increase in the managerial remuneration was 30%.
- (v) It is hereby affirmed that the remuneration paid to the Directors, Key Managerial Personnel, Senior Management Personnel and employees during the year ended 31st March, 2022 is as per the Nomination and Remuneration Policy of the Company.

For and on behalf of the Board of Directors
For Tarsons Products Limited
(Formerly known as Tarsons Products Private Limited)

Place : Kolkata
Date: 27th May, 2022

Mr. Sanjive Sehgal
Chairman & Managing Director
(DIN: 00787232)

Mr. Rohan Sehgal
Director
(DIN: 06963013)

ANNEXURE – IV to DIRECTORS' REPORT

Form No. MR-3

SECRETARIAL AUDIT REPORT

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

For the Financial Year Ended 31st March, 2022

To,
The Members,

TARSONS PRODUCTS LIMITED

Martin Burn Business Park,
Room No. 902 BP-3, Salt Lake, Sector- V,
Kolkata-700091

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

Based on my verification of the Company's books, papers, minute books, registers, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2022 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:-

I have examined the books, papers, minute books, registers, forms and returns filed and other records maintained by the Company for the financial year ended on **31st March, 2022**, to the extent applicable, according to the provisions of:-

- (i) The Companies Act, 2013 ("the Act") and the rules made thereunder including statutory amendments made thereto and modifications thereof for the time being in force;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'), to the extent applicable:-
 - (a) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (b) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
 - (c) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; **(Not Applicable to the Company during the Audit Period)**;
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **(Not Applicable to the Company during the Audit Period)**;
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **(Not Applicable to the Company during the Audit Period)** and
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018. **(Not Applicable to the Company during the audit period)**;

Annexure – IV to DIRECTORS' REPORT (Contd.)

- (vi) Other laws applicable specifically to the Company namely:
- Environment (Protection) Act, 1986;
 - The Water (Prevention and Control of Pollution) Act, 1974;
 - The Factories Act, 1948;
 - Bureau of Indian Standards;
 - The Industrial Disputes Act, 1947;
 - The Payment of Wages Act, 1936 and Minimum Wages Act, 1948;
 - The Contract Labour (Regulation And Abolition) Act, 1970;

I have relied on the representation made by the Company and its Officers for systems and mechanism formed by the Company for compliances under above mentioned applicable Acts and Laws to the Company.

I have also examined compliance with the applicable clauses of the following:

- Secretarial Standards issued by The Institute of Company Secretaries of India with respect to board and general meetings.
- The Listing agreement entered into by the Company with BSE Limited and National Stock Exchange of India Limited and Securities and Exchange Board of India (Listing Obligations and Disclosures Requirements) Regulations, 2015.

I further report that, the compliance by the Company of applicable financial laws such as direct and indirect tax laws and maintenance of financial records and books of accounts have not been reviewed in this audit since the same have been subject to review by the statutory financial auditors, tax auditors, and other designated professionals.

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

I 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 period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance or at a shorter notice with the consent of Directors, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

None of the Directors in any meeting dissented on any resolution and hence there was no instance of recording any dissenting member's view in the minutes.

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

I further report that during the audit period, except for the following events, there was no event / action having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines etc.,

- The Board of Directors of the Company, in its meeting held on 10th May, 2021, approved the resolution to initiate the conversion of the Company from a private limited Company to a public Company in view of its plans to approach the capital markets and have its shares listed on the stock exchange. The requisite approvals have been obtained under the Companies Act, 2013 and the Company has been converted to a public limited Company on 14th June, 2021.
- During the financial year under review, the Company at its Extra-Ordinary General Meeting held on 10th May, 2021 re-classified its Authorized Share Capital from ₹ 1,15,00,000/- (Rupees One Crore Fifteen Lakhs only) divided into 11,50,000 (Eleven Lakhs Fifty Thousand) equity shares of ₹ 10/- (Rupees Ten only) each to ₹ 20,00,00,000/- (Rupees Twenty Crores only) divided into 2,00,00,000 (Two Crores) Equity Shares of ₹ 10/- (Rupees Ten only) each and accordingly capital clause of Memorandum of Association was altered.
- The Company in its Extra-Ordinary General Meeting held on 16th June, 2021 approved to subdivide the existing authorized share capital of the Company from ₹ 20,00,00,000 (Rupees Twenty Crores) consisting of 2,00,00,000 (Two Crores) equity shares of face value of ₹ 10/- (Rupees Ten only) each to ₹ 20,00,00,000 (Rupees Twenty Crores) consisting of 10,00,00,000

Annexure – IV to DIRECTORS' REPORT (Contd.)

(Ten Crores) equity shares of face value of ₹ 2/- (Rupees Two only) each. Therefore, the cumulative number of issued, subscribed and paid-up Equity Shares, pursuant to sub-division was increased from 1,92,228 (One Lakhs Ninety-Two Thousand Two Hundred Twenty-Eight) equity shares of ₹10 (Rupees Ten only) each to 9,61,140 (Nine Lakhs Sixty-One Thousand One Hundred Forty) equity Shares of ₹2 (Rupees Two only) each.

- d) The Company in its Extra-Ordinary General Meeting held on 16th day of June, 2021 approved the bonus issue of 52 (Fifty Two) equity shares of face value ₹ 2/- each for every one existing fully paid up equity share of face value ₹ 2/- each and accordingly 49,979,280 bonus shares were issued and allotted. The Bonus shares were allotted in the Board meeting held on 26th day of June, 2021.
- e) The Company issued and allotted 22,65,861 equity shares of face value of ₹ 2/- (Rupees Two only) each by way of fresh issue through IPO of the Company. With the said allotment, Paid-up Share Capital of the Company has increased to ₹ 10,64,12,562/- (Rupees Ten Crores Sixty-Four Lakhs Twelve Thousand Five Hundred and Sixty-Two Only) divided into 53,206,281 (Five Crores Thirty-Two Lakhs Six Thousand Two Hundred and Eighty-One) equity shares of ₹ 2/- (Rupees Two Only) each. The Company got listed with National Stock Exchange of India Limited ("NSE") and BSE Limited ("BSE") on 26th November, 2021.

*This report is to be read with our letter of even date which is annexed as **Annexure-I** and forms an integral part of this report.*

For Manisha Saraf & Associates Practising Company Secretary

Manisha Saraf

(Proprietor)

Membership No: F7607

Certificate of Practice No: 8207

FRN: S2019WB666200

UDIN: F007607D000401649

Date: 27th May, 2022

Place: Kolkata

Annexure – IV to DIRECTORS' REPORT (Contd.)

ANNEXURE-I

To,

The Members,

TARSONS PRODUCTS LIMITED

Martin Burn Business Park,

Room No. 902 BP-3, Salt Lake, Sector- V,

Kolkata-700091

My 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. My responsibility is to express an opinion on these secretarial records based on our audit.
2. I have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the process and practices, I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, I 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. My examination was limited to the verification of procedure on test basis.
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.

For Manisha Saraf & Associates
Practising Company Secretary

Manisha Saraf

(Proprietor)

Membership No: F7607

Certificate of Practice No: 8207

FRN: S2019WB666200

UDIN: F007607D000401649

Date: 27th May, 2022

Place: Kolkata

ANNEXURE – V to DIRECTORS' REPORT

BUSINESS RESPONSIBILITY REPORT

This Business Responsibility Report relating to the year ended on 31st March, 2022, has been issued in compliance with the requirements of Regulation 34(2)(f) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and forms a part of the Report of the Directors to the Members of the Company.

SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

1. **Corporate Identity Number (CIN) of the Company:** L51109WB1983PLC036510
2. **Name of the Company:** Tarsons Products Limited (formerly known as Tarsons Products Private Limited)
3. **Registered address:** Martin Burn Business Park, Room No. 902, BP- 3, Salt Lake, Sector- V, Kolkata-700091, West Bengal, India
4. **Website:** www.tarsons.com
5. **E-mail id:** info@tarsons.com
6. **Financial Year reported:** 1st April, 2021 to 31st March, 2022
7. **Sector(s) that the Company is engaged in (industrial activity code-wise):**

Particulars	National Industrial Code
Manufacture of Plastic products	2220

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

The Company is engaged in the manufacturing and trading of plastic laboratory products and certain scientific equipment's. The products find usage in laboratories engaged in research on molecular biology, cell culture, genomics, Proteomics, immunology etc.

The main plastic products which the Company manufactures includes bottles and carboys, centrifuge ware, cryoware, electrophoresis, instruments, general labware products, liquid handling products, PCR products, boxes and racks, etc. The product portfolio range is available on the website of the Company at <https://tarsons.com/products/>.

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

- i. **Number of International Locations:** The Company has more than 45 distributors located in more than 45 countries however there are no permanent establishments outside India.
- ii. **Number of National Locations:** The Company carries out its operation through its registered/corporate office situated in Kolkata and several marketing/site offices across India and also have more than 140 distributors located in different parts of India. The Company has five manufacturing units at Howrah and Kolkata in West Bengal. Further, the Company is coming up with two new manufacturing facilities at West Bengal, one situated in Panchla and another facility for radiation plant, fulfilment center and manufacturing situated in Amta.

Details of the above plant locations of the Company are provided in the Corporate Governance Report forming part of this Annual Report.

10. Markets served by the Company – Local/State/National/International

In addition to the Indian markets, the Company also serves Europe, North America (USA and Canada), Central and Latin America, Middle East and Africa, South-East Asia and Oceania.

SECTION B: FINANCIAL DETAILS OF THE COMPANY

1. **Paid up Capital (₹):** ₹ 10,64,12,562
2. **Total Turnover (₹):** ₹ 2991.90 Million (Net)
3. **Total profit after taxes (₹):** ₹ 1006.64 Million
4. **Total Spending on Corporate Social Responsibility (CSR) as percentage of Net Profit (%):**

The Company has utilized ₹ 13.32 Million on CSR activities during the financial year 2021-22 which amounts to 2% of the average net profits of the three immediately preceding years.

Annexure – V to DIRECTORS' REPORT (Contd.)

5. List of activities in which expenditure in 4 above has been incurred:

Sl. No.	Category	₹ in Million
1.	Promoting health care including preventing health care (Donation of KN-95 masks towards COVID-19 relief activities)	13.32

For more details, please refer **Annexure II** to Board's Report.

SECTION C: OTHER DETAILS

1. Does the Company have any Subsidiary Company/ Companies?

The Company has formed a Wholly Owned Subsidiary Company named as Inlabpro Pte. Limited having paid-up capital of USD 1 in Singapore on 20th July, 2020. The Board members at its meeting held on 14th June, 2021 decided to wind up the Subsidiary as the Company has not been operational since its incorporation. Accordingly, an application for winding up has been filed and the same is under process.

2. Do the Subsidiary Company/Companies participate in the Business Responsibility (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%]

The Company does not mandate its suppliers/distributors to participate in the Company's BR initiatives. However, they are encouraged to adopt such practices and follow the concept of being a responsible business entity.

SECTION D: BUSINESS RESPONSIBILITY INFORMATION

1. Details of Director/Directors responsible for BR.

(a) Details of the Director responsible for implementation of the BR Policy

- DIN Number** : 06963013
- Name** : Mr. Rohan Sehgal
- Designation** : Whole Time Director

(b) Details of the BR head

No.	Particulars	Details
1	DIN Number	06963013
2	Name	Mr. Rohan Sehgal
3	Designation	Whole Time Director
4	Telephone number	033 3522 0300
5	Email id	info@tarsons.com

2. Principle-wise BR Policy as per National Voluntary Guidelines:

The nine (9) principles outlined in National Voluntary Guidelines are as follows:

P1	Businesses should conduct and govern themselves with Ethics, Transparency and Accountability.
P2	Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle.
P3	Businesses should promote the well-being of all employees.
P4	Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized.
P5	Businesses should respect and promote human rights.
P6	Businesses should respect, protect and make efforts to restore the environment.
P7	Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner.
P8	Businesses should support inclusive growth and equitable development.
P9	Businesses should engage with and provide value to their customers and consumers in a responsible manner.

Annexure – V to DIRECTORS' REPORT (Contd.)
(a) Details of compliance (Reply in Y/N)

No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	Do you have Policy/Policies for	Y	Y	Y	Y	Y	Y	Y	Y	Y
2	Has the Policy being formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
		The policies have been prepared based on relevant feedback/inputs from internal stakeholders. Further, the Company shall engage with the key external stakeholders and evaluate their feedback, which may help in making changes/improvements to the policies.								
3	Does the Policy conform to any national/international standards? If yes, specify? (50 words)	Y	Y	Y	Y	Y	Y	Y	Y	Y
		The policy is based on National Voluntary Guidelines on Social, Environmental & Economical Responsibilities of Business released by Ministry of Corporate Affairs, Government of India.								
4	Has the Policy being approved by the Board? Is yes, has it been signed by MD/owner/CEO/ appropriate Board Director?	Y	Y	Y	Y	Y	Y	Y	Y	Y
5	Does the Company have a specified Committee of the Board/Director/Official to oversee the implementation of the Policy?	Y	Y	Y	Y	Y	Y	Y	Y	Y
		The Director responsible for BR activities and BR head is responsible for implementation of the Policy.								
6	Indicate the link for the Policy to be viewed online?	The Policy is available on the website of the Company at www.tarsons.com								
7	Has the Policy been formally communicated to all the relevant internal and external stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
		The Policy has been posted on the Company's website for information of all stakeholders. For internal stakeholders, appropriate communication means like Notice Boards, Circulation etc., are used.								
8	Does the Company have in-house structure to implement the Policy/ Policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
9	Does the Company have a grievance redressal mechanism related to the Policy/policies to address stakeholders' grievances related to the Policy/Policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
10	Has the Company carried out independent audit/ evaluation of the working of this Policy by an internal or external agency?	N	N	N	N	N	N	N	N	N
		The Policies are evaluated internally from time to time and updated whenever required.								

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

No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	The Company has not understood the Principles.	Not applicable								
2	The Company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles.									
3	The Company does not have financial or manpower resources available for the task.									
4	It is planned to be done within next 6 months.									
5	It is planned to be done within the next 1 year.									
6	Any other reason (please specify).									

Annexure – V to DIRECTORS' REPORT (Contd.)

3. Governance related to BR

(a) Indicate the frequency with which the Board of Directors, Committees of the Board or CEO 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 Exchanges (BSE Limited and National Stock Exchange of India Limited) w.e.f. 26th November, 2021 and the formulation of Business Responsibility Report has become applicable to the Company from 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. 26th November, 2021 and thus 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 2021-22 and the said report will be part of Annual Report for 2021-22 and will be available on Company's website at www.tarsons.com.

SECTION E: PRINCIPLE-WISE PERFORMANCE

PRINCIPLE 1: BUSINESSES SHOULD CONDUCT AND GOVERN THEMSELVES WITH ETHICS, TRANSPARENCY AND ACCOUNTABILITY

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

The Company has in place an Anti-Corruption Policy and an Ethics Policy which is primarily applicable to the internal stakeholders of the Company. The Company has also put in place a Whistle Blower Policy which provides a platform to these stakeholders for reporting suspected unethical behavior, malpractices, wrongful conduct, fraud, violation of company's policy without fear of reprisal and is helpful in eliminating any kind of wrongful conduct in the system. The suppliers/contractors/business associates dealing with the Company are also encouraged to maintain ethical standards in all their practices.

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 has in place different mechanisms for receiving and dealing with complaints from different stakeholders' viz. shareholders, customers, employees, vendors, etc. During the financial year 2021-22, the Company did not receive any complaints in relation to ethics, bribery and corruption, however, 488 complaints were received from investors/shareholders and majority of complaints were related to Initial Public Offer (IPO) queries from investors/shareholders which were duly responded within a time bound manner and no complaints were pending to be resolved as at the end of the year.

PRINCIPLE 2: BUSINESSES SHOULD PROVIDE GOODS AND SERVICES THAT ARE SAFE AND CONTRIBUTE TO SUSTAINABILITY THROUGHOUT THEIR LIFE CYCLE

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

The Company manufactures disposable plastic labware, centrifuge ware, cryo labware, liquid handling system, safety products and instruments and possesses expertise in plastic molding and have a sound knowledge of latest and inventive laboratory techniques, thus each of the products are customized to the laboratory needs. The name 'Tarsons' is synonymous with creativity, togetherness, quality and service and thus the Company has been creating breakthrough solutions for the scientific community, with the design of future in mind. The Company strives to ensure that products supplied are in conformity with customer's specifications, use of safe and legally permissible raw materials, with strict adherence to quality standards and controls.

Annexure – V to DIRECTORS' REPORT (Contd.)

The Company is expanding and strengthening its market position, balancing commercial ambitions with environmental concern. The Company constantly is working on innovations and introduces products that reduces environmental impact. Sustainability is at the heart of the Company and being environmentally conscious, the Company is committed to creating, maintaining and ensuring a safe & clean environment. The Company is ISO 13485: 2016 and ISO 9001: 2015 certified and endeavors to provide products and services, which are sustainable throughout their life cycle and tries to ensure that no damage is caused to the environment.

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?

The Company applies its unparalleled innovation and expertise in research and development, and combines that with engineering dexterity to create state of the art Plastic Labware and Life Science products. The Company's sincere efforts in pursuing research in the fields of quality injection molding, rigorous QA/QC proceedings, and the integration of robotics in manufacturing, yields high quality products. The Company has also undertaken other initiatives and energy efficient measures at its office premises such as use of LED lights.

(b) Reduction during usage by consumers (energy, water) has been achieved since the previous year?

There are no specific standards to ascertain the same.

3. Does the Company have procedures in place for sustainable sourcing (including transportation)? If yes, what percentage of your inputs was sourced sustainably? Also, provide details thereof, in about 50 words or so.

Yes, the Company focuses on sustainable procurement practices. The Company considers aspects of safety and environment in addition to commercial considerations while selecting its suppliers. The Company deals in superior high quality medical grade which are available outside India. More than 75% raw material comes from USA and Europe.

No formal study has been undertaken to ascertain the percentage of inputs sourced sustainably.

4. Has the Company taken any steps to procure goods and services from local and small producers, including communities surrounding their place of work?

(a) If yes, what steps have been taken to improve their capacity and capability of local and small vendors?

The Company strives to procure materials and avail services from local vendors/suppliers, without compromising on quality and products. Company's Supplier selection, assessment and evaluation process includes elements of sustainability. Local and small producers form an integral part of our supply chain ecosystem and are supported on their working capital with timely payments and their profitability with very reasonable pricing. These allow them to expand their capacity with an increase in our demand. They also get a regular push on their competency and quality through technical interactions that help them improve continually. The Company tries to procure from local partners which are generally Micro, Small & Medium Enterprise ('MSME') vendors.

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.

Our production processes aim at highest resource efficiency in converting as much raw materials as possible into products and thus minimizing waste volumes. We consider resource efficiency a foundation of our business model.

PRINCIPLE 3: BUSINESSES SHOULD PROMOTE THE WELL-BEING OF ALL EMPLOYEES

The Company is committed to provide a safe and healthy work environment to all the employees and enables them to realize their full potential. Details are mentioned below:

- i. **Please indicate the total number of employees-** 556
- ii. **Please indicate the total number of employees hired on temporary/ contractual/ casual basis-** Nil
- iii. **Please indicate the number of permanent women employees-** 13
- iv. **Please indicate the number of permanent employees with disabilities-** Nil

Annexure – V to DIRECTORS' REPORT (Contd.)

- v. **Do you have an employee association that is recognized by management-** No
- vi. **What percentage of permanent employees is members of this recognized employee association?** NA
- vii. **Please indicate the Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the financial year and pending, as on the end of the financial year-**

The Company's Policy prohibits engaging of any child labour or involuntary labour. Thus, there are no complaints relating to the same.

The Company has adopted a Policy on prevention, prohibition and redressal of sexual harassment at the workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. During the year no complaints relating to sexual harassment were reported.

No.	Category	No of complaints filed during the financial year	No of complaints pending as on end of the financial year
A	Child labour, forced labour, involuntary labour	NIL	NIL
B	Sexual harassment	NIL	NIL
C	Discriminatory employment	NIL	NIL

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

The Company from time to time provide training on safety awareness to the factory workers as well as the other employees of the Company.

No.	Category	Safety	Skill
A	Permanent Employees	90%	
B	Permanent Women Employees	90%	
C	Casual /temporary/ contractual Employees	NA	
D	Employees with Disabilities	NA	

PRINCIPLE 4: BUSINESSES SHOULD RESPECT THE INTERESTS OF, AND BE RESPONSIVE TOWARDS ALL STAKEHOLDERS, ESPECIALLY THOSE WHO ARE DISADVANTAGED, VULNERABLE AND MARGINALIZED

1. **Has the Company mapped its internal and external stakeholders? Yes/no**

The Company is responsive towards all stakeholders and has mapped its internal and external stakeholders in a way which is mutually beneficial. Maintaining relationship with stakeholders is a business imperative for the Company.

2. **Out of the above, has the Company identified the disadvantaged, vulnerable & marginalized stakeholders?**

Except of the identifying and maintaining a list of MSME vendors, which is required statutorily, the Company is currently in the process of creating a definition of disadvantaged, vulnerable & marginalised stakeholders. Post which the Company would start identifying the same within the stakeholders it works/ interacts with.

3. **Are there any special initiatives taken by the Company to engage with the disadvantaged, vulnerable & marginalized stakeholders? If so, provide the details thereof, in about 50 words or so.**

No, except for the ones that are statutorily required under relevant regulations.

PRINCIPLE 5: BUSINESSES SHOULD RESPECT AND PROMOTE HUMAN RIGHTS

1. **Does the policy of the Company on human rights cover only the Company or extend to the Group/ Joint Ventures/ Suppliers/ Contractors/ NGOs/ Others?**

The Company promotes awareness of the importance of respecting human rights within its value chain and discourages instances of abuse. It prohibits the use of forced or compulsory labour at all our units and discourage the same with our business associates. The suppliers, contractors etc. dealing with the Company is always encouraged to maintain ethical standards in all their practices. The Company applies principles of equal opportunity, fair treatment and zero tolerance for any form of unlawful discrimination or harassment of employees including sexual harassment.

Annexure – V to DIRECTORS' REPORT (Contd.)

The principles of Human Rights are ensured through the following Policies of the Company- Code of Conduct for Employees and Parties dealing with the Company, Ethics Policy and various other internal policies protecting the rights and interest of the employees.

2. How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management?

No complaints were received pertaining to human rights violation during the reporting period.

PRINCIPLE 6: BUSINESSES SHOULD RESPECT, PROTECT AND MAKE EFFORTS TO RESTORE THE ENVIRONMENT

1. Does the policy related to Principle 6 cover only the Company or extend to the Group/ Joint Ventures/ Suppliers/ Contractors/ NGOs/ Others?

The Company aims to develop itself as a long term, sustainable business that delivers value for all its Stakeholders. For sustainable development, the management of the Company endeavors to strike proper balance between economic, social and environmental performance in dealings with various stakeholders of the Group, namely, customers, investors, lenders, deposit holders and the society.

The Company has focused on safety as a value-led concept by inculcating a sense of ownership at all levels and driving behavioral change towards creation of a safety culture. In line with this, the Company has formulated an Environment Policy to ensure a unified and common approach to the dimensions of Business Responsibility and environmental needs across the Company and is applicable to all employees and executives and all the business unit operations of the Company. The Company makes its best efforts to impress upon other entities in the value chain and its other stakeholders to participate in the environmental initiatives depending upon their means and resources.

2. Does the Company have strategies/initiatives to address the global environmental issues such as climate change, global warming, etc? Y/N. If yes, please give hyper link for web-page etc.

The Company is in the process of adapting the same. As the initiatives evolve, the same would be available on the Company's website.

3. Does the Company identify and assess potential environmental risks? Y/N.

Yes. The Company has constituted a Risk Management Committee, whose role, inter alia, is to formulate a framework for identification of internal and external risks, including environmental risks. The said Committee is responsible to ensure that appropriate methodology, processes and systems are in place to monitor and evaluate such environmental risks and devise measures to mitigate such risks, in the wake of changing industry dynamics and evolving complexity.

The Company has also formulated Environment Policy and Risk Management Policy to assess the same.

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

No, the Company currently does not have any project related to Clean Development Mechanism.

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

The Company is committed to utilizing renewable energy and towards this end is planning to install the rooftop solar panels to power its factories, which will help in reducing our carbon footprint and ensuring reduction in global warming, decreasing the burning of limited fossil fuels, curbing CO2 emissions, preventing pollution and keeping a check on obtuse deforestation. The details are provided in Board's Report.

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

The Company follows the applicable environmental laws and regulations. The Company's emissions, effluents and waste are within Central and State Pollution Control Boards permissible limits.

Annexure – V to DIRECTORS' REPORT (Contd.)

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.

There were no show cause/legal notices received from the pollution control authorities which are pending at the end of the financial year.

PRINCIPLE 7: BUSINESSES, WHEN ENGAGED IN INFLUENCING PUBLIC AND REGULATORY POLICY, SHOULD DO SO IN A RESPONSIBLE MANNER.

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

(a) Plastic Export Promotion Council

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)

The Company works closely with Industry Associations to advocate and pursue various causes that are in larger interests of industry, economy, society and the public.

PRINCIPLE 8: BUSINESSES SHOULD SUPPORT INCLUSIVE GROWTH AND EQUITABLE DEVELOPMENT

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

The Company has a CSR Policy to support community development, inclusive growth, and equitable development. The Company engages local units for its MSME procurement and strives to provide for equality by empowering people through capability-building and skill development. The Company extends its social responsibility and has utilized ₹ 13.32 Million towards CSR activities in FY 2021-22.

The details of specific CSR activities are given in **Annexure-II** to the Director's Report.

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

The aforesaid CSR programs are undertaken by the Company directly at present.

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

The Managing Director of the Company is personally involved in monitoring all the CSR activities of the Company on a regular basis. The CSR Committee internally performs an impact assessment of its initiatives to understand the efficacy of the programs and to gain insight for improving the design and delivery of future initiatives. However, no structural impact assessment is put in place at present.

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

During the year, the Company has utilized ₹ 13.32 Million towards CSR activity. The details of the same are given in **Annexure-II** to the Director's Report.

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

All CSR projects and initiatives are driven by the needs of the community with the objective of sustainable community development. Regular monitoring of all community development initiatives is done to ensure the successful and effective adoption of these initiatives by the community.

Annexure – V to DIRECTORS' REPORT (Contd.)

PRINCIPLE 9: BUSINESSES SHOULD ENGAGE WITH AND PROVIDE VALUE TO THEIR CUSTOMERS AND CONSUMERS IN A RESPONSIBLE MANNER

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

Satisfied customers are the key to the Company's success and aims to earn customers' continued loyalty by treating them fairly, delivering the products and services they want and exceeding their expectations. The Company does not sell products directly to consumers, so per se, there are no consumer complaints maintainable against the Company.

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).

Yes, the Company adheres to all legal statutes with respect to product labeling and display of product information. The Company also displays all the requisite information and safety guidance which are specific to its product.

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

No, there are no cases filed by any stakeholder during last five years regarding unfair trade practices, irresponsible advertising and/or anti-competitive behavior.

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

The Company has not carried out any formal consumer survey/consumer satisfaction trends. However, the Company keeps track of responses/comments from various stakeholders.

For and on behalf of the Board of Directors
For Tarsons Products Limited
(Formerly known as Tarsons Products Private Limited)

Place : Kolkata
Date: 27th May, 2022

Mr. Sanjive Sehgal
Chairman & Managing Director
(DIN: 00787232)

Mr. Rohan Sehgal
Director
(DIN: 06963013)

Report On Corporate Governance

1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

The Company believes that good Corporate Governance is an important component in enhancing stakeholders' value and it emerges from the application of the best and sound management practices and compliance with the laws coupled with adherence to the highest standards of transparency and business ethics. Adherence to transparency, accountability, fairness and ethical standards are an integral part of the Company's function. The Company place strong emphasis on Corporate Governance and believes in adopting and adhering to the best practices and is committed to do things in the right way. Tarsons firmly believes that Corporate Governance is critical to success of its business and its governance practices are reflected in its strategy, plan, culture, policies and relationship with stakeholders.

The Company is committed in its responsibility towards the community and environment in which it operates, towards its employees and business partners and towards society in general. The Company has in place, processes and systems whereby the Company complies with the requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') and has comprehensively adopted practices mandated in the Listing Regulations.

2. BOARD OF DIRECTORS

The Company recognizes the importance of a diverse board in its success. The Board is entrusted with the ultimate responsibility of the management, direction and performance of the Company and has been vested with the requisite powers, authorities and duties. The Board plays a crucial role in overseeing how the management serves the short and long-term interests of the stakeholders. Accordingly, to oversee the same, competent, experienced and eminent personalities from diverse spheres, possessing varied skills, qualifications, expertise and experience have been selected as members of the Board.

(a) COMPOSITION OF BOARD OF DIRECTORS

The Board of your Company has an optimum combination of Executive and Non-Executive Directors in compliance with the requirements of SEBI Listing Regulations, and the Companies Act, 2013 as amended from time to time. The composition and strength of the Board is reviewed from time to time for ensuring that it remains aligned with the statutory as well as business requirements. As on 31st March, 2022, the Board consists of six (6) Directors comprising three (3) Independent Directors including a woman director, one (1) Nominee Director and two (2) Executive Directors. The Company believes that the Independent Directors bring with them the rich experience, knowledge and practices followed in other companies resulting in imbibing the best practices followed in the industry. None of the Independent Directors are more than 75 years of age. The day-to-day management of affairs of the Company is managed by the Senior Management which includes Managing Director, Whole-Time Directors and functional heads, who function under overall supervision and guidance of Board. Board plays the primary role as the trustees to safeguard and enhance stakeholders' value through their effective decisions and supervision. The profile of the Directors can be accessed on the Company's website at <https://tarsons.com/directors-officers/>.

The Board's composition is in accordance with the provisions of Section 149 of the Companies Act, 2013 (hereinafter referred to as 'Act') and Regulation 17 of Listing Regulations.

Report On Corporate Governance (Contd.)

(b) DIRECTORSHIP(S), COMMITTEE MEMBERSHIP(S)/CHAIRMANSHIP(S) AND SHAREHOLDING

The number of Directorship(s), Committee Membership(s)/Chairmanship(s) of all the Directors is within respective limits prescribed under the Act and the Listing Regulations.

The details of each member of the Board as on 31st March, 2022 are given below:

Sl. No.	Name & Designation/ Category	DIN	Initial Date of Joining the Board	Running Term of Independent Director	Number and percentage of equity shares held in the Company	Number of Directorship in other Companies ^a			Number of Membership/ Chairmanship of Committees of other Companies ^b		Names of the other Listed entities & category of directorship
						Private Companies	Unlisted Public Companies	Listed Public Companies	As Chairman	As Member (including chairmanship)	
1.	Mr. Sanjive Sehgal (Chairman & Managing Director-Promoter)	00787232	25.07.1983	NA	1,43,54,248 (26.98%)	-	-	-	-	-	None
2.	Mr. Rohan Sehgal (Executive Director-Promoter)	06963013	01.09.2014	NA	1,08,00,347 (20.30%)	-	-	-	-	-	None
3.	Mr. Viresh Oberai (Non-Executive Independent Director)	00524892	20.11.2018	1 st term	4,700 (0.0088%)	2	-	-	-	-	None
4.	Mr. Girish Paman Vanvari ^c (Non-Executive Independent Director)	07376482	10.05.2021	1 st Term	-	1 ^d	1	4	5	7	Himadri Speciality Chemical Limited (Non-Executive Independent Director) Aurobindo Pharma Limited (Non-Executive Independent Director) Rategain Travel Technologies Limited (Non-Executive Independent Director) Kolte-Patil Developers Limited (Non-Executive Independent Director)
5.	Ms. Sucharita Basu De ^e (Non-Executive Independent Woman Director)	06921540	10.05.2021	1 st Term	-	-	-	2	-	1	Himadri Speciality Chemical Limited (Non-Executive Independent Director) Himadri Credit and Finance Limited (Non-Executive Independent Director)
6.	Mr. Gaurav Pawan Kumar Podar (Non-Executive Nominee Director)	08387951	10.06.2019	NA	-	3	-	-	-	-	None

- Excludes foreign companies, guarantee companies and companies registered under Section 8 of the Act.
- Represents only membership/chairmanship of Audit Committee & Stakeholders Relationship Committee of Public Companies whether listed or not.
- Appointed as Independent Director for a term of five years w.e.f. 10th May, 2021.
- Mr. Girish Paman Vanvari has been appointed as Independent Director in Blue Jet Healthcare Private Limited w.e.f. 13th April, 2022.
- Appointed as Independent Director for a term of five years w.e.f. 10th May, 2021.
- Apart from as stated above, the directors do not hold any other shares/convertible instruments.
- Number of Directorship, Committee Membership(s)/Chairmanship(s) of all the Directors as on 31st March, 2022 is within the prescribed limits.

Report On Corporate Governance (Contd.)

(c) MEETING OF THE BOARD OF DIRECTORS

The Company adheres to the provisions of the Act, Secretarial Standards and Listing Regulations with respect to convening and holding the meetings of the Board of Directors and its Committees. 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 exceptional cases tabled at the meeting with the approval of the Board. This ensures timely and informed decisions by the Board. The Board reviews the performance of the Company vis-à-vis the budgets/targets. In case of a special and urgent business need, the Board's approval is taken by passing resolutions by circulation, as permitted by law, which are noted and confirmed in the subsequent Board Meeting.

During the FY 2021-22, fourteen (14) Board Meetings were held in compliance with the various provisions of the Act/ Listing Regulations and the interval between two meetings was well within the maximum period mentioned under Section 173 of the Act and the Listing Regulations. Board Meetings are generally held at the registered office of the Company either through video conference or through physical presence. The necessary quorum was present for all the meetings.

Attendance of Directors at the Board Meetings and at the 38th Annual General Meeting held on 6th August, 2021:

Sl. No.	Attendance at Board Meetings held during the year	Name of the Directors							
		Mr. Sanjive Sehgal	Mr. Rohan Sehgal	Mr. Gaurav Pawan Kumar Podar	Mr. Viresh Oberai	Mr. Girish Paman Vanvari	Ms. Sucharita Basu De	Mr. Suresh Eshwara Prabhala	Mr. Ashok Kumar Duggar
1	28.04.21	✓	✓	✓	✓	NA	NA	LOA	✓
2	10.05.21	✓	✓	✓	✓	NA	NA	✓	✓
3	22.05.21	✓	✓	✓	✓	LOA	✓	✓	✓
4	14.06.21	✓	✓	✓	✓	✓	✓	✓	✓
5	26.06.21	✓	✓	✓	✓	✓	✓	✓	✓
6	26.07.21	✓	✓	✓	✓	✓	✓	✓	✓
7	06.08.21	✓	✓	✓	✓	✓	✓	NA	NA
8	04.09.21	✓	✓	✓	✓	✓	LOA	NA	NA
9	25.10.21	LOA	✓	✓	✓	✓	✓	NA	NA
10	05.11.21	✓	✓	✓	✓	✓	✓	NA	NA
11	18.11.21	✓	✓	✓	✓	✓	LOA	NA	NA
12	23.12.21	✓	✓	✓	✓	✓	LOA	NA	NA
13	07.02.22	✓	✓	✓	✓	✓	✓	NA	NA
14	29.03.22	✓	LOA	✓	✓	✓	LOA	NA	NA
Number of meetings held		14	14	14	14	12	12	6	6
Number of meetings attended		13	13	14	14	11	8	5	6
Attendance at last AGM held on 6th August, 2021		✓	✓	✓	✓	✓	✓	NA	NA

* LOA stands for Leave of Absence

* Mr. Girish Paman Vanvari and Ms. Sucharita Basu De were appointed as Independent Directors of the Company w.e.f. 10th May, 2021 and Mr. Suresh Eshwara Prabhala and Mr. Ashok Kumar Duggar ceased to be the Directors of the Company w.e.f. 26th July, 2021.

Report On Corporate Governance (Contd.)

(d) CORE SKILLS, EXPERTISE, COMPETENCIES AND ATTRIBUTES OF THE DIRECTORS

The Directors of the Company bring with them a wide range of skills and experience to the Board, which enhances the quality of the Board's decision-making process. The Board of the Company comprises of qualified members who possess the required skills, expertise and competencies that allow them to make effective contributions to the Board and its Committees. The Board of Directors have based on the recommendations of the Nomination & Remuneration Committee, identified the following core skills, expertise and competencies for effective functioning of the Board which are currently available with all the Directors of the Company.

Sr. No.	Broad Parameters	Name of Directors (✓) the appropriate column					
		Sanjive Sehgal	Rohan Sehgal	Gaurav Pawan Kumar Podar	Viresh Oberai	Sucharita Basu De	Girish Paman Vanvari
1.	Experience of laws, rules, regulation policies applicable to the organization/ industry/ sector and level/ status of compliances thereof by the organization	✓	✓	✓	✓	✓	✓
2.	Experience of the best corporate governance practices, relevant governance codes,	✓	✓	✓	✓	✓	✓
3.	Experience of business ethics, ethical policies, codes and practices of the organization	✓	✓	✓	✓	✓	✓
4.	Understanding of the structures and systems which enable the organization to effectively identify, asses and manage risks and crisis	✓	✓	✓	✓	✓	✓
5.	Experience in overseeing large and complex Supply Chain	✓	✓	✓	✓	✓	✓
6.	Leadership experience of running large enterprise	✓	✓	✓	✓	✓	✓
7.	Finance and Accounting experience	✓	✓	✓	✓	✓	✓

(e) INTER-SE RELATIONSHIP BETWEEN DIRECTORS

Mr. Rohan Sehgal, Whole-Time Director of the Company, is the son of Mr. Sanjive Sehgal who is the Managing Director and Chairman of the Company. None of the other Directors of the Company are related to each other in accordance with Section 2(77) of the Act, including the rules made thereunder.

(f) INDEPENDENT DIRECTORS

The Board of Directors of the Company consists of three (3) Independent Directors and the Board confirms that the Independent Directors of the Company meet the criteria of independence as laid down under Section 149(6) of the Act and the Listing Regulations and are independent of the management. None of the independent directors are aware of any circumstance or situation, which exist or may be reasonably anticipated, that could impair or impact their ability to discharge duties with an objective independent judgment and without any external influence. The board of directors have taken on record the declaration and confirmation submitted by the Independent Directors after undertaking due assessment of the veracity of the same.

Report On Corporate Governance (Contd.)

All the Independent Directors of the Company have duly registered their names in the databank of Independent Directors as being maintained by the Indian Institute of Corporate Affairs (IICA) in terms of Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014.

(g) MEETING OF THE INDEPENDENT DIRECTORS

A separate meeting of the Independent Directors of the Company was held on 29th March, 2022 without the presence of Non-Independent Directors and members of management. Mr. Girish Paman Vanvari chaired the Independent Director's meeting. In accordance with the Listing Regulations, following matters were, inter alia, reviewed and discussed in the meeting:

- Performance of Non-Independent Directors and the Board of Directors as a whole.
- Performance of the Chairman of the Company.
- Assessment of 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 their duties.

(h) FAMILIARIZATION PROGRAMMES FOR INDEPENDENT DIRECTORS

All the new Directors inducted on the Board are provided a formal orientation programme to acquaint them with the Company's background history, nature of industry, product offerings, businesses, policies of the Company, structure of the board and committees. Towards familiarization of the Independent Directors with the Company, periodic presentations are also made at the Board and Committee meetings on business and performance updates of the Company, business strategy and risk involved including their roles, rights, responsibility in the Company and related matters.

The details of familiarization program imparted to the Independent Directors are available on the website of the Company at <https://tarsons.com/wp-content/uploads/2022/04/Familiarization-Programme-imparted-to-Independent-Directors-FY-2021-22.pdf>.

(i) APPOINTMENT AND RESIGNATION OF INDEPENDENT DIRECTORS

Mr. Girish Paman Vanvari (DIN: 07376482) and Ms. Sucharita Basu De (DIN: 06921540), were appointed as Independent Directors of the Company for a consecutive term of five years with effect from 10th May, 2021. The terms and conditions of the appointment of Independent Directors are available on Company's website at <https://tarsons.com/wp-content/uploads/2022/04/Letter-of-Appointment-of-Independent-Director.pdf>. Further, none of the Independent Directors have tendered their resignation during the financial year 2021-22.

3. COMMITTEES OF THE BOARD

The Board Committees play a crucial role in the governance structure of the Company and have been constituted to focus on those aspects of business that require special attention. Each Committee is guided by its terms of reference, which defines the composition, scope and powers of the Committee. The Committees administered by their respective Chairman meet at regular intervals. Further, the minutes of all the Committee meetings are placed before the Board for review.

The Board has constituted the following committees.

A. AUDIT COMMITTEE

The Audit Committee has been constituted in accordance with the provisions of Section 177 of the Act and Regulation 18 of the Listing Regulations and comprises of three independent directors. All the members of the Committee are financially literate and experienced and bring in the specialized knowledge and proficiency in the fields of accounting, audit, finance, taxation, compliance, strategy and management.

The Company Secretary and Compliance Officer of the Company, acts as the Secretary to the Committee. Minutes of all the meetings of the Audit Committee are circulated to all the members of the Board and are also placed in the next scheduled meeting of the Board, for discussion and review thereof.

During the financial year 2021-22, the Audit Committee met four times and the gap between none of the meetings exceeded 120 days. All the recommendations made by the Audit Committee during the year under review were duly accepted by the Board.

Report On Corporate Governance (Contd.)

The composition of Audit Committee and the details of meetings attended by the members are given below:

Sl. No.	Attendance at Audit Committee Meetings held during the year	Name/Category/Designation of the Directors		
		Mr. Girish Paman Vanvari, Non-Executive Independent Director (Chairman)	Mr. Viresh Oberai, Non-Executive Independent Director (Member)	Ms. Sucharita Basu De, Non-Executive Independent Woman Director (Member)
1.	06.08.21	✓	✓	✓
2.	25.10.21	✓	✓	✓
3.	07.02.22	✓	✓	✓
4.	29.03.22	✓	✓	✓
Number of meetings held		4	4	4
Number of meetings attended		4	4	4

* Necessary quorum was present in all the meetings.

Terms of Reference

The Committee is governed by the terms of reference which are in line with the regulatory requirements mandated by the Act and Listing Regulations. The terms of reference of Audit Committee, as approved by the Board, include the following:

- ✓ to oversee the financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- ✓ to recommend for appointment, remuneration and terms of appointment of auditors of the Company;
- ✓ to approve payment to statutory auditors for any other services rendered by the statutory auditors;
- ✓ to review with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
 - matters required to be included in the director's responsibility statement to be included in the board's report in terms of Companies Act, 2013, as amended;
 - changes, if any, in accounting policies and practices and reasons for the same;
 - major accounting entries involving estimates based on the exercise of judgment by management;
 - significant adjustments made in the financial statements arising out of audit findings;
 - compliance with listing and other legal requirements relating to financial statements;
 - disclosure of any related party transactions;
 - modified opinion(s) in the draft audit report;
- ✓ to review with the management, the quarterly financial statements before submission to the board for approval;
- ✓ to examine the financial statement and auditor's report thereon;
- ✓ to monitor the end use of funds raised through public offers and related matters;
- ✓ to review with the management, the statement of uses/application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the issue document/prospectus/ notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter;
- ✓ to review and monitor the auditor's independence and performance, and effectiveness of audit process;

Report On Corporate Governance (Contd.)

- ✓ to approve or subsequently modify the transactions with related parties;
- ✓ to scrutinize inter-corporate loans and investments;
- ✓ to undertake valuation of undertakings or assets of the Company, wherever it is necessary;
- ✓ to evaluate internal financial controls and risk management systems;
- ✓ to review with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- ✓ to review 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;
- ✓ to discuss with internal auditors any significant findings and follow up there on;
- ✓ to review the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
- ✓ to discuss with statutory auditors and internal auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- ✓ to look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- ✓ to review the functioning of the whistle blower mechanism;
- ✓ to approve appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;
- ✓ to carry out any other function as may be required / mandated by the Board from time to time and/ or mandated as per the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Companies Act, 2013, the listing agreements to be entered into between the Company and the respective stock exchanges on which the equity shares of the Company are proposed to be listed and/or any other applicable laws;
- ✓ to consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the company and its shareholders;
- ✓ to review the utilization of loans and/or advances from/investment by the holding company in the subsidiary exceeding rupees 100 Crores or 10% of the asset size of the subsidiary, whichever is lower including existing loans /advances /investments;

In addition to the above the Audit Committee mandatorily review's the following:

- Management Discussion and analysis of financial conditions and results of operations
- Statement of significant Related Party Transactions (as defined by the Audit Committee), submitted by Management
- Management letters/letters of internal control weaknesses issued by the Statutory Auditors
- Internal audit reports relating to internal control weaknesses
- Appointment, removal and terms of remuneration of the Internal Auditor shall be subject to review by the audit committee
- Statement of deviations as and when becomes applicable
 - a. Quarterly statement of deviation(s), submitted to stock exchanges(s) in terms of Regulation 32(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations. 2015, as amended
 - b. Annual statement of funds utilized for purposes other than those stated in the offer document/ prospectus/ notice in terms of the SEBI (Listing Obligations and Disclosure Requirements) Regulations. 2015, as amended

Report On Corporate Governance (Contd.)

B. NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration Committee has been constituted in accordance with the provisions of Section 178 of the Act and Regulation 19 of Listing Regulations. The Committee comprises of three independent directors and the Company Secretary and Compliance Officer, acts as Secretary to the Committee.

The Nomination and Remuneration Committee inter alia oversees the Company's nomination process including succession planning for the senior management and the Board and recommend a policy for their remuneration.

During the year, two Nomination and Remuneration Committee meetings were held. The composition of Nomination and Remuneration Committee and the details of meetings attended by the members are given below:

Sl. No.	Attendance at Nomination and Remuneration Committee Meetings held during the year	Name/Category/Designation of the Directors		
		Mr. Viresh Oberai, Non-Executive Independent Director (Chairman)	Mr. Girish Paman Vanvari, Non-Executive Independent Director (Member)	Ms. Sucharita Basu De, Non-Executive Independent Woman Director (Member)
1.	07.02.22	✓	✓	✓
2.	29.03.22	✓	✓	✓
Number of meetings held		2	2	2
Number of meetings attended		2	2	2

**Necessary quorum was present in both the meetings.*

Terms of Reference

The terms of reference of the Nomination & Remuneration Committee are in line with the guidelines set out in the Act and Listing Regulations and inter-alia includes the following:

- ✓ to formulate criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees

The Nomination and Remuneration Committee, while formulating the said 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 the 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;
 - iv. objectives appropriate to the working of the Company and its goals;
- ✓ to formulate criteria for evaluation of performance of independent directors and the board of directors;
 - ✓ to devise a policy on diversity of board of directors;
 - ✓ to identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board of directors their appointment and removal and shall specify the manner for effective evaluation of performance of the Board, its committees and individual directors to be carried out either by the Board, by the Nomination and Remuneration Committee or by an independent external agency and review its implementation and compliance. The Company shall disclose the remuneration policy and the evaluation criteria in its board report;
 - ✓ to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;
 - ✓ to recommend to the Board, all remuneration in whatever form, payable to senior management;

Report On Corporate Governance (Contd.)

- ✓ to carry out any other function as may be required/mandated by the Board from time to time and/ or mandated as per the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Companies Act, 2013, the listing agreements to be entered into between the Company and the respective stock exchanges on which the equity shares of the Company are proposed to be listed and/or any other applicable laws;
- ✓ to perform such other functions as may be necessary or appropriate for the performance of its duties

Performance Evaluation

The Nomination and Remuneration Committee has laid down the process, format, attributes and criteria for performance evaluation of the Board of the Company, its Committees and the individual Board Members including Independent Directors and the Chairman of the Company. Accordingly, evaluation was carried out during the financial year 2021-22.

An indicative list of factors on which evaluation was carried out includes:

- i) Professional qualification, expertise & experience
- ii) Level of integrity & confidentiality
- iii) Availability for meetings and preparedness
- iv) Understanding the vision, mission of the company and strategic and business plans, financial reporting risks and related internal controls and providing critical oversight on the same
- v) Monitoring the compliances with corporate governance regulations and guidelines
- vi) Openness to ideas and ability to challenge the practices and throwing up new ideas
- vii) Knowledge of the Company's key activities, financial condition and key developments
- viii) Contribution to strategic planning process and value addition to the Company
- ix) Amount of time spent on discussions on strategic and general issues
- x) Review of the actual result of the Company vis-à-vis the plan/policies devised earlier and suggests corrective measures
- xi) Frequency of the meetings and effective and proactive measures taken to perform functions
- xii) Adherence to ethical standards & code of conduct
- xiii) Bringing independent judgment during board deliberations on strategy, performance, risk management

Remuneration Of Directors

The Company has adopted a Nomination & Remuneration Policy to determine the compensation structure of the Executive/Non-Executive Directors. The Policy is intended to set out specific criteria to pay equitable remuneration to the Directors, Key Managerial Personnel's (KMP), Senior Management Personnel's (SMP) and other employees of the Company in consonance with the existing industry practice and aims at attracting and retaining high calibre talent. Remuneration of Executive and Non-executive Directors is determined by the Board, on the recommendation of the Nomination and Remuneration Committee, subject to the approval of the shareholders, where ever required. All remuneration, in whatever form, payable to Senior Management are also recommended by this Committee.

The salient features of the Nomination & Remuneration Policy are provided in the Board's Report and the detailed policy is available on the Company's website at <https://tarsons.com/wp-content/uploads/2022/04/Nomination-and-Remuneration-Policy.pdf>.

(a) Remuneration paid to Executive Directors

The appointment and remuneration of Executive Directors are governed by the Articles of Association of the Company and the resolutions passed by the shareholders of the Company. The revision in remuneration, if any is recommended by the Nomination and Remuneration Committee to the Board for its consideration by taking into account their individual performance and as well performance of the Company in a given year.

Report On Corporate Governance (Contd.)

Details of remuneration paid to Executive Directors during the year 2021-22 are given below:

Name	Designation	Remuneration (₹ in Million)	Bonus/ Commission/ Pension etc. (₹ in Million)	Period of appointment	Service Contract/Notice Period/ Severance fees	Stock Option
Mr. Sanjive Sehgal	Chairman & Managing Director	42.5	-	Appointed for a period of 5 years from 26 th July, 2018 to 25 th July, 2023	The terms of severance, notice period and termination is governed as per the terms and conditions of employment agreement entered into with both the Directors by the Company.	NIL
Mr. Rohan Sehgal	Whole-Time Director	37.5	-	Appointed for a period of 5 years from 26 th July, 2018 to 25 th July, 2023		

(b) Remuneration paid to Non-Executive Directors

The Non-Executive Independent Directors are paid remuneration by way of sitting fees. Each of the Non-Executive Independent Directors are paid sitting fees for attending both board and committee meetings. The Board at its meeting held on 10th May, 2021 revised the amount of sitting fees as paid to the Non-Executive Independent Directors of the Company, from ₹10 Lakhs p.a. to ₹12 Lakhs p.a. The Non-Executive Directors are not entitled to any stock options.

The Company has no pecuniary relationship or transactions with its Non-Executive Directors other than payment of sitting fee and out-of pocket expenses, if any, to them for attending the Board and Committee meetings.

Details of remuneration paid to Non-Executive Independent Directors during the year 2021-22 are given below:

(₹ in Million)

Name	Sitting Fee
Mr. Viresh Oberai	1.16
Mr. Girish Paman Vanvari*	1.07
Ms. Sucharita Basu De*	1.07

* Appointed w.e.f. 10th May, 2021.

C. STAKEHOLDERS RELATIONSHIP COMMITTEE

The Stakeholders Relationship Committee has been constituted in accordance with the provisions of Section 178 of the Act and Regulation 20 of Listing Regulations. The Committee comprises of three directors, two being executive and one Independent. The Chairman of the Committee is an Independent Director and the Company Secretary acts as Secretary to the Committee.

Mr. Santosh Kumar Agarwal, Chief Financial Officer and Company Secretary is acting as the Compliance Officer of the Company in terms of Regulation 6 of the Listing Regulations. M/s. KFIN Technologies Limited (formerly KFIN Technologies Private Limited) acts as the Registrar and Share Transfer Agent of the Company.

As a measure of speedy redressal of investor grievances, the Company has registered on SCORES (SEBI Complaints Redress System) platform, a web based centralized grievance redress system set up by SEBI to capture investor complaints against listed companies. 488 complaints were received during 2021-22, which were majorly related to non-receipt of refund/unblock, rejection due to non-allotment, unavailability of Folio/DP details, clarification regarding the shares during the IPO issue and were duly resolved. Further, all the Complaints as registered on SCORES against the Company during the financial year 2021-22 were related to IPO matter and few complaints as received from stock exchanges on behalf of the shareholder were duly responded and resolved. There were no pending complaints at the beginning and at the end of financial year 2021-22.

Report On Corporate Governance (Contd.)

During the year, one Stakeholders Relationship Committee meeting was held on 29th March, 2022.

Mr. Viresh Oberai, Chairman of the Stakeholders Relationship Committee attended the last Annual General Meeting of the Company held on 6th August, 2021.

The composition of Stakeholders Relationship Committee and the details of meetings attended by the members are given below:

Sl. No.	Attendance at Stakeholders Relationship Committee Meeting held during the year	Name/Category/Designation of the Directors		
		Mr. Viresh Oberai, Non-Executive Independent Director (Chairman)	Mr. Sanjive Sehgal, Managing Director (Member)	Mr. Rohan Sehgal, Whole-Time Director (Member)
1.	29.03.22	✓	✓	LOA
Number of meetings held		1	1	1
Number of meetings attended		1	1	0

*Necessary quorum was present in the meeting.

Terms of Reference

The terms of reference of the Stakeholders Relationship Committee are in line with the guidelines set out in the Act and Listing Regulations and inter-alia includes the following:

- ✓ to resolve the grievances of the security holders of the Company including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc. and assisting with quarterly reporting of such complaints;
- ✓ to review measures taken for effective exercise of voting rights by shareholders;
- ✓ to review adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent;
- ✓ to review the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company; and
- ✓ to carry out such other functions as may be specified by the Board from time to time or specified/provided under the Companies Act, 2013 or the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, each as amended or by any other regulatory authority.

D. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

The Corporate Social Responsibility Committee was originally constituted w.e.f. 11th March, 2016 and has been re-constituted w.e.f. 26th June, 2021 in accordance with the provisions of Section 135 of the Act. The Committee comprises of three directors, two being executive and one independent. The Chairman of the Committee is an Independent Director and the Company Secretary acts as Secretary to the Committee.

The Corporate Social Responsibility Committee assists the Board in effectively discharging the Company's corporate social responsibilities. The Committee formulates & monitors the CSR Policy and recommends the annual CSR plan to the Board. The details of the CSR activities are provided in the Annexure- II to the Directors' Report.

During the year, one Corporate Social Responsibility Committee meeting was held on 6th August, 2021.

Report On Corporate Governance (Contd.)

The composition of Corporate Social Responsibility Committee and the details of meetings attended by the members are given below:

Sl. No.	Attendance at Corporate Social Responsibility Committee Meeting held during the year	Name/Category/Designation of the Directors			
		Ms. Sucharita Basu De, Non-Executive Independent Woman Director (Chairperson)**	Mr. Sanjive Sehgal, Managing Director (Member)	Mr. Rohan Sehgal, Whole-Time Director (Member)	Mr. Ashok Kumar Duggar, Non-Executive Director *** (Member)
1.	06.08.21	LOA	✓	✓	NA
Number of meetings held		1	1	1	NA
Number of meetings attended		0	1	1	NA

* Necessary quorum was present in the meeting.

** Inducted as Chairperson of the Committee w.e.f. 26th June, 2021.

*** Ceased to be the member of the Committee w.e.f. 26th June, 2021 and ceased to be the Director of the Company w.e.f. 26th July, 2021.

Terms of Reference

The terms of reference of the Corporate Social Responsibility Committee are in line with the guidelines set out in the Act and inter-alia includes the following:

- ✓ to formulate a corporate social responsibility policy to the Board, indicating the activities to be undertaken by the Company in areas or subjects specified in the Companies Act, 2013. The activities should be within the list of permitted activities specified in the Companies Act, 2013 and the rules thereunder;
- ✓ to recommend the amount of expenditure to be incurred, amount to be at least 2% of the average net profit of the Company in the three immediately preceding financial years or where the Company has not completed the period of three financial years since its incorporation, during such immediately preceding financial years;
- ✓ to institute a transparent monitoring mechanism for implementation of the corporate social responsibility projects or programs or activities undertaken by the Company;
- ✓ to monitor the corporate social responsibility policy from time to time and issuing necessary directions as required for proper implementation and timely completion of corporate social responsibility programmes;
- ✓ to identify corporate social responsibility policy partners and corporate social responsibility policy programmes;
- ✓ to identify and appoint the corporate social responsibility team of the Company including corporate social responsibility manager, wherever required; and
- ✓ to perform such other duties and functions as the Board may require the corporate social responsibility committee to undertake to promote the corporate social responsibility activities of the Company or as may be required under applicable laws."

E. RISK MANAGEMENT COMMITTEE

The Risk Management Committee has been constituted in accordance with the provisions of Regulation 21 of Listing Regulations. The Committee comprises of three directors with Independent Director being the Chairman of the Committee.

During the year, one Risk Management Committee meeting was held on 29th March, 2022. The composition of Risk Management Committee and the details of meetings attended by the members are given below:

Sl. No.	Attendance at Risk Management Committee Meeting held during the year	Name/Category/Designation of the Directors		
		Mr. Girish Paman Vanvari, Non-Executive Independent Director (Chairman)	Mr. Rohan Sehgal, Whole-Time Director (Member)	Mr. Gaurav Pawan Kumar Podar, Non-Executive Director (Member)
1.	29.03.2022	LOA	✓	✓
Number of meetings held		1	1	1
Number of meetings attended		1	1	1

*Necessary quorum was present in the meeting.

Report On Corporate Governance (Contd.)

Terms of Reference

The terms of reference of the Risk Management Committee are in line with the guidelines set out in the Act and Listing Regulations and inter-alia includes the following:

- ✓ 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 Risk Management Committee.
 - b. Measures for risk mitigation including systems and processes for internal control of identified risks.
 - c. Business continuity plan.
- ✓ To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;
- ✓ To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;
- ✓ To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;
- ✓ To keep the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken;
- ✓ The appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee.

F. IPO COMMITTEE

The IPO Committee of the Board of Directors was constituted inter alia to approve and undertake various activities in relation to the Initial Public Offer.

During the year, seven (7) IPO Committee meetings were held. The composition of IPO Committee and the details of meetings attended by the members are given below:

Sl. No.	Attendance at IPO Committee Meetings held during the year	Name/Category/Designation of the Directors		
		Mr. Rohan Sehgal, Whole-Time Director (Chairman)	Mr. Gaurav Pawan Kumar Podar, Non-Executive Director (Member)	Ms. Sucharita Basu De, Non-Executive Independent Woman Director (Member)
1.	09.08.2021	✓	✓	✓
2.	10.08.2021	✓	✓	✓
3.	25.10.2021	✓	✓	✓
4.	09.11.2021	✓	✓	✓
5.	12.11.2021	✓	✓	✓
6.	18.11.2021	✓	✓	✓
7.	23.11.2021	✓	✓	✓
Number of meetings held		7	7	7
Number of meetings attended		7	7	7

*Necessary quorum was present in the meetings.

Report On Corporate Governance (Contd.)

Terms of Reference

The terms of reference of the IPO Committee includes the following:

- ✓ To make applications, seek clarifications, obtain approvals and seek exemptions from, where necessary, the SEBI, the relevant registrar of companies, the RBI, and any other governmental or statutory authorities as may be required in connection with the Offer and accept on behalf of the Board such conditions and modifications as may be prescribed or imposed by any of them while granting such approvals, permissions and sanctions as may be required and wherever necessary, incorporate such modifications / amendments as may be required in the draft red herring prospectus, the red herring prospectus and the prospectus as applicable;
- ✓ To finalize, settle, approve, adopt and file in consultation with the book running lead managers appointed for the Offer (the "BRLMs") where applicable, the draft red herring prospectus, the red herring prospectus and the prospectus in connection with the Offer, the preliminary and final international wrap and any amendments, supplements, notices, addenda or corrigenda thereto ("Offer Documents"), and take all such actions as may be necessary for the submission and filing of these documents including incorporating such alterations/corrections/modifications as may be required by SEBI, the Registrar of Companies, West Bengal at Kolkata or any other relevant governmental and statutory authorities or in accordance with applicable laws;
- ✓ To decide in consultation with the BRLMs on the timing, pricing and all the terms and conditions of the Offer, including the price band, Offer price, Offer size and to accept any amendments, modifications, variations or alterations thereto;
- ✓ To appoint and enter into and terminate arrangements with the BRLMs, underwriters to the Offer, syndicate members to the Offer, brokers to the Offer, escrow collection bankers to the Offer, refund bankers to the Offer, registrars, sponsor bank, legal advisors, auditors, advertising agency and any other agencies or persons or intermediaries in relation to the Offer, including any successors or replacements thereof, and to negotiate, finalize and amend the terms of their appointment, including but not limited to the execution of the mandate letter with the BRLMs and negotiation, finalization, execution and, if required, amendment of the offer agreement with the BRLMs, and to remunerate all such intermediaries/agencies including the payments of commissions, brokerages, etc.;
- ✓ To negotiate, finalize and settle and to execute and deliver or arrange the delivery of the draft red herring prospectus, the prospectus, the preliminary and final international wrap, offer agreement, syndicate agreement, underwriting agreement, share escrow agreement, cash escrow agreement, agreements with the registrar to the Offer and all other documents, deeds, agreements and instruments whatsoever with the registrar to the Offer, legal advisors, auditors, advertising agency, stock exchange(s), BRLMs, Selling Shareholders and any other agencies/intermediaries in connection with the Offer with the power to authorize one or more officers of the Company to execute all or any of the aforesaid documents or any amendments thereto as may be required or desirable in relation to the Offer;
- ✓ To seek, if required, the consent and/or waiver of the lenders of the Company, customers, parties with whom the Company has entered into various commercial and other agreements, all concerned government and regulatory authorities in India or outside India, and any other consents and/or waivers that may be required in relation to the Offer or any actions connected therewith;
- ✓ To open and operate bank accounts in terms of the escrow agreement and to authorize one or more officers of the Company to execute all documents/deeds as may be necessary in this regard;
- ✓ To open and operate bank accounts of the Company in terms of Section 40(3) of the Companies Act, 2013, as amended, and to authorize one or more officers of the Company to execute all documents/deeds as may be necessary in this regard;
- ✓ To authorize and approve incurring of expenditure and payment of fees, commissions, brokerage, remuneration and reimbursement of expenses in connection with the Offer;
- ✓ To accept and appropriate the proceeds of the Offer in accordance with the applicable laws;

Report On Corporate Governance (Contd.)

- ✓ To approve code of conduct as may be considered necessary by the IPO Committee or as required under the applicable laws, regulations or guidelines for the Board, officers of the Company and other employees of the Company;
- ✓ To approve the implementation of any corporate governance requirements that may be considered necessary by the Board or the IPO Committee or as may be required under the applicable laws or the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended and listing agreements to be entered into by the Company with the relevant stock exchanges, to the extent allowed under law;
- ✓ To approve the restated audited financial statements of the Company, prepared by the Company in accordance with the requirements of relevant provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended for the purposes of inclusion in the Offer Documents;
- ✓ To issue receipts/allotment letters/confirmation of allotment notes either in physical or electronic mode representing the underlying Equity Shares in the capital of the Company with such features and attributes as may be required and to provide for the tradability and free transferability thereof as per market practices and regulations, including listing on one or more stock exchange(s), with power to authorize one or more officers of the Company to sign all or any of the aforesaid documents;
- ✓ To authorize and approve notices, advertisements in relation to the Offer in consultation with the relevant intermediaries appointed for the Offer;
- ✓ To do all such acts, deeds, matters and things and execute all such other documents, etc., as may be deemed necessary or desirable for such purpose, including without limitation, to finalize the basis of allocation and to allot the shares to the successful allottees as permissible in law, issue of allotment letters/confirmation of allotment notes, share certificates in accordance with the relevant rules, in consultation with the BRLMs;
- ✓ To do all such acts, deeds and things as may be required to dematerialize the Equity Shares and to sign and/or modify, as the case maybe, agreements and/or such other documents as may be required with the National Securities Depository Limited, the Central Depository Services (India) Limited, registrar and transfer agents and such other agencies, authorities or bodies as may be required in this connection and to authorize one or more officers of the Company to execute all or any of the afore stated documents;
- ✓ To make applications for listing of the Equity Shares in one or more stock exchange(s) for listing of the Equity Shares and to execute and to deliver or arrange the delivery of necessary documentation to the concerned stock exchange(s) in connection with obtaining such listing including without limitation, entering into listing agreements and affixing the common seal of the Company where necessary;
- ✓ To settle all questions, difficulties or doubts that may arise in regard to the Offer, including allotment, terms of the Offer, utilization of the Offer proceeds and matters incidental thereto as it may deem fit;
- ✓ To submit undertaking/certificates or provide clarifications to the SEBI, Registrar of Companies, West Bengal at Kolkata and the relevant stock exchange(s) where the Equity Shares are to be listed;
- ✓ To negotiate, finalize, settle, execute and deliver any and all other documents or instruments and to do or cause to be done any and all acts or things as the IPO Committee may deem necessary, appropriate or advisable in order to carry out the purposes and intent of this resolution or in connection with the Offer and any documents or instruments so executed and delivered or acts and things done or caused to be done by the IPO Committee shall be conclusive evidence of the authority of the IPO Committee in so doing;
- ✓ To approve suitable policies on insider trading, whistle-blowing, risk management, and any other policies as may be required under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended or any other applicable laws;
- ✓ To approve the list of 'group companies' of the Company, if any, identified pursuant to the materiality policy adopted by the Board, for the purposes of disclosure in the draft red herring prospectus, the red herring prospectus and the prospectus; and to approve the list of pending litigations involving such group companies which has a material impact on the Company;

Report On Corporate Governance (Contd.)

- ✓ Deciding, negotiating and finalizing the pricing and all other related matters regarding the execution of the relevant documents with the investors in consultation with the BRLMs and in accordance with applicable laws;
- ✓ Taking on record the approval of the Selling Shareholders for offering their Equity Shares in the Offer for Sale and taking all actions as may be authorized in connection therewith;
- ✓ To withdraw the draft red herring prospectus or the red herring prospectus or to decide to not proceed with the Offer at any stage in accordance with applicable laws and in consultation with the BRLMs; and
- ✓ To delegate any of its powers set out hereinabove, as may be deemed necessary and permissible under applicable laws to the officials of the Company.

4. GENERAL BODY MEETINGS

The particulars of last three Annual General Meetings of the Company are given below:

Period	Date of AGM	Time	Location/Mode	Special Resolution(s) passed
2020-21 (38 th AGM)	06.08.2021	5:00 PM	Held at the registered office of the Company at Martin Burn Business Park, Room No. 902, BP- 3, Salt Lake, Sector-V, Kolkata-700091	None
2019-20 (37 th AGM)	12.10.2020	1:00 PM	Held through Video Conferencing on TEAMS meeting software	None
2018-19 (36 th AGM)	30.09.2019	5.00 PM	Held at Hotel ITC Sonar, 1 JBS Haldane Avenue, Opposite Science City, Kolkata-700046	None

The particulars of the Extra-Ordinary General Meetings of the Company held during the FY 2021-22 are given below:

Date of EGM	Time	Location/Mode	Special Resolution(s) passed
10.05.2021	4:30 PM	Held at the registered office of the Company at Martin Burn Business Park, Room No. 902, BP- 3, Salt Lake, Sector-V, Kolkata-700091	<ol style="list-style-type: none"> 1. To increase the Authorized capital of the Company from ₹ 1,15,00,000/- (Rupees One Crore Fifteen Lakhs Only) divided into 11,50,000 (Eleven Lakhs Fifty Thousand) Equity Shares of ₹ 10/- (Rupees Ten Only) each to ₹ 20,00,00,000/- (Rupees Twenty Crores Only) divided into 2,00,00,000 (Two Crore) Equity Shares of ₹ 10/- (Rupees Ten Only) each. 2. Conversion of Company from Private Limited to Public Limited Company 3. Alteration of Name Clause of Memorandum of Association of the Company 4. Adoption of new set of Articles of Association as applicable to a public limited Company
16.06.2021	2:00 PM	Held at the registered office of the Company at Martin Burn Business Park, Room No. 902, BP- 3, Salt Lake, Sector-V, Kolkata-700091	<ol style="list-style-type: none"> 1. Alteration of Capital Clause of Memorandum of Association of the Company
30.06.2021	4.00 PM	Held at the registered office of the Company at Martin Burn Business Park, Room No. 902, BP- 3, Salt Lake, Sector-V, Kolkata-700091	<ol style="list-style-type: none"> 1. Creation of Charges on the movable and immovable properties of the Company, both present and future, in respect of borrowings 2. Revision in the remuneration of Mr. Sanjive Sehgal, Managing Director, of the Company 3. Revision in the remuneration of Mr. Rohan Sehgal, Whole-Time Director, of the Company

Report On Corporate Governance (Contd.)

Date of EGM	Time	Location/Mode	Special Resolution(s) passed
28.07.2021	5.00 PM	Held at the registered office of the Company at Martin Burn Business Park, Room No. 902, BP- 3, Salt Lake, Sector-V, Kolkata-700091	<ol style="list-style-type: none"> To carry out Initial Public Offer (IPO) of Equity Shares of ₹ 2/- each To increase the investment limits for NRIS and OCBS To amend the Articles of Association of the Company

Further, during the year, no approval of the shareholders was obtained through Postal Ballot and none of the business proposed to be transacted at the ensuing Annual General Meeting requires passing of resolution through Postal Ballot.

5. MEANS OF COMMUNICATION

The Company recognizes communication as a key element of the overall Corporate Governance framework, and therefore emphasizes on prompt, continuous, efficient and relevant communication to all stakeholders.

- (a) Financial Results and Newspaper Publications:** The quarterly and annual financial results are filed with stock exchanges and displayed on stock exchanges websites. The results are also made available on Company's website at <https://tarsons.com/financial-results/>. The results are published usually in 'Financial Express' in English and 'Aajkal' in Bengali.
- (b) News Releases/Presentations:** Detailed presentations are made to institutional investors and financial analysts on the Company's quarterly financial results and are sent to the Stock Exchanges and are also uploaded on the Company's website at <https://tarsons.com/investor-information/>.
- (c) Annual Report:** Annual Report containing audited standalone and consolidated financial statements together with Board's Report, Auditors' Report and other reports/information are circulated to members entitled thereto and is also made available on the Company Website at <https://tarsons.com/financial-reports/>.
- (d) Website:** In compliance with Regulation 46 of the Listing Regulations, a separate dedicated section under 'Investors' on the Company's website gives comprehensive information about the Company, information on various announcements made by the Company, annual report, annual report of subsidiary, financial results, policies of the company, shareholding pattern, corporate governance report, etc. The Company's investor presentations made to the institutional investors and analysts and other corporate communications made to the stock exchanges are also available on the website of the Company at www.tarsons.com.
- (e) The Company has also designated the e-mail ID investor@tarsons.com exclusively for investor servicing.

6. GENERAL SHAREHOLDER INFORMATION

- (i) CIN of the Company: L51109WB1983PLC036510
- (ii) Details of Annual General Meeting: Friday, 29th July, 2022, 12.00 P.M (IST) through Video Conferencing/Other Audio-Visual Means facility.
- (ii) Financial year: The financial year of the Company is from 1st April to 31st March.
- (iii) Dividend: The Board has not recommended any Dividend for 2021-22.
- (iv) Cut-off Date: Friday, 22nd July, 2022 (For determining eligibility of shareholders who will be entitled to vote electronically on the resolutions mentioned in the Notice convening the AGM either through remote e-Voting or voting at the AGM]
- (v) Listing on Stock Exchanges: The shares of the Company are listed on both the stock exchanges as mentioned below w.e.f. 26th November, 2021.

Name of Stock Exchange	Address	Stock Code/Symbol	ISIN
BSE Limited (BSE)	Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001	543399	INE144Z01023
National Stock Exchange of India Limited (NSE)	Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (East), Mumbai - 400 051	TARSONS	

Report On Corporate Governance (Contd.)

- (vi) Listing Fees: The Company has paid the annual listing fees for the financial year 2022-23 to the respective stock exchanges within the prescribed time limit.
- (vii) Tentative calendar of the Board Meetings for consideration of quarterly results for the Financial Year 2022-23:
- For the quarter ended 30th June, 2022: On or before 14th August, 2022
 - For the quarter and half year ended 30th September, 2022: On or before 14th November, 2022
 - For the quarter ended 31st December, 2022: On or before 14th February, 2023
 - For the quarter and year ended 31st March, 2023: On or before 30th May, 2023

The Company was listed as on 26th November, 2021, post which quarterly results were announced as follows:

For the quarter ended 31st December, 2021: 7th February, 2022

For the quarter and financial year ended 31st March, 2022: 27th May, 2022

- (viii) Market Price Data and Performance of Company's Share Prices:

The details of monthly high/low/closing price data and volume of shares traded of the Company at BSE and NSE from the date of listing its shares on stock exchange, i.e., 26th November, 2021, are given below:

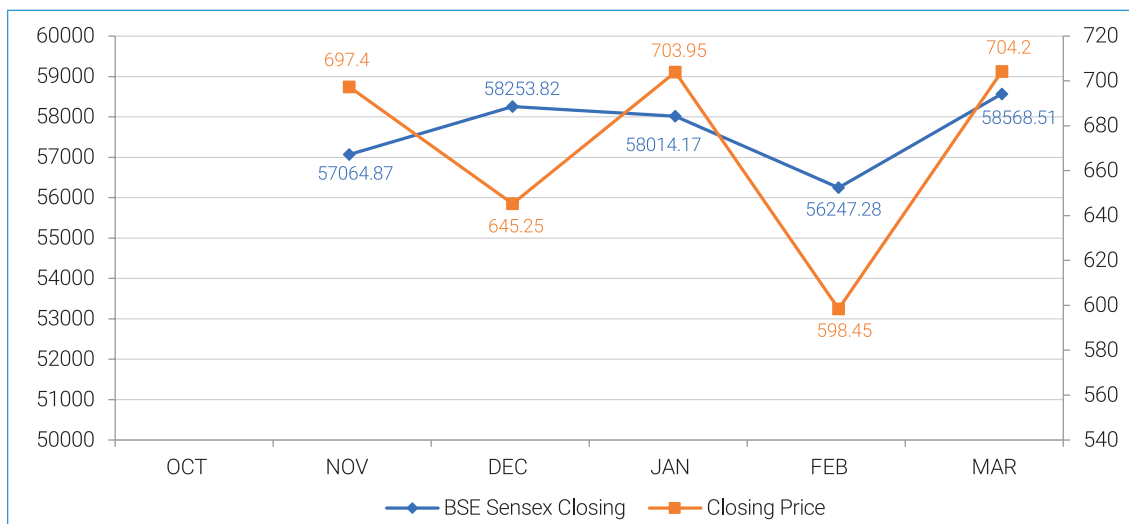
Month (2021-22)	BSE				
	High Price (₹)	Low Price (₹)	Closing Price (₹)	Volume (No. of shares)	BSE Sensex Closing
November, 2021	928.65	634.00	697.40	43,22,858	57064.87
December, 2021	721.00	581.75	645.25	1518553	58253.82
January, 2022	759.00	625.00	703.95	850749	58014.17
February, 2022	723.80	570.00	598.45	556752	56247.28
March, 2022	728.00	585.25	704.20	740749	58568.51

Month (2021-22)	NSE				
	High Price (₹)	Low Price (₹)	Closing Price (₹)	Volume (No. of shares)	NSE Nifty Closing
November, 2021	924.90	671.50	697.45	2,74,79,719	16983.20
December, 2021	721.70	581.45	645.00	1,11,13,963	17354.05
January, 2022	759.60	625.00	703.25	59,89,486	17339.85
February, 2022	720.70	538.70	595.55	32,89,738	16793.90
March, 2022	728.40	587.00	702.95	31,21,290	17464.75

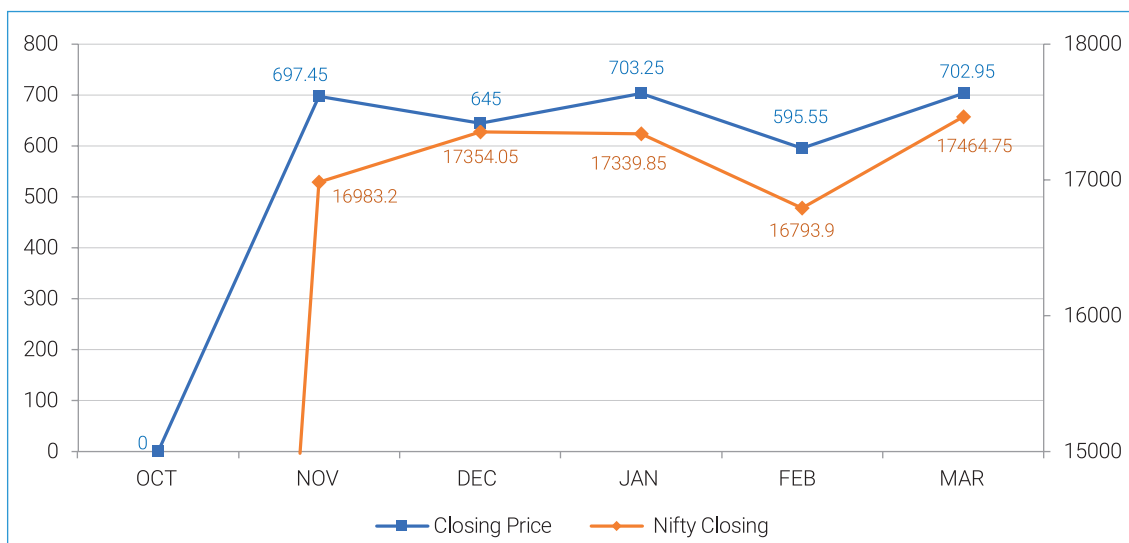
[Source: This information is compiled from the data available from the website of BSE & NSE]

Report On Corporate Governance (Contd.)

Share Price on BSE vis-a-vis BSE Sensex



Share Price on NSE vis-a-vis NSE Nifty



- (ix) The securities of the Company were available for trading on NSE & BSE from the date of listing of its shares on stock exchange, i.e., 26th November, 2021 and were not suspended for any period since then.

(x) Registrar and Share Transfer Agents (RTA):

All work related to Share Registry, both in physical and electronic form, are handled by the Company's Registrar and Share Transfer Agent, whose name and contact details are as given below:

M/s. KFIN Technologies Limited (formerly KFIN Technologies Private Limited)

Selenium Tower B, Plot No.31 &32
 Gachibowli, Financial District
 Nanakramguda, Serilingampally
 Hyderabad 500 032
 Telangana, India
 Tel: +91 40 6716 2222
 E-mail: ahfl.ipo@kfintech.com
 Website: <https://www.kfintech.com/>

Report On Corporate Governance (Contd.)

(xi) Share Transfer System:

The Company's shares are traded under compulsory dematerialized mode, freely tradeable and the entire share transfer process is monitored by the Registrar and Share Transfer Agent of the Company. During the financial year under review, the 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, sub-division, consolidation, etc. Effective 1st April, 2019, SEBI has amended Regulation 40 of the Listing Regulations, which deals with transfer or transmission or transposition of securities. According to this amendment, the requests for effecting the transfer of listed securities shall not be processed unless the securities are held in dematerialized form with a Depository.

As on the date of this report, all the holdings of the Company are in dematerialized form.

(xii) Distribution of shareholding on the basis of shareholders class as on 31st March, 2022:

Category	No. of shareholders*		No. of shares	
	Total	%	Total	%
1-500	124821	98.74	3529873	6.63
501-1000	881	0.70	689803	1.30
1001-2000	360	0.29	518594	0.97
2001-3000	119	0.09	286111	0.54
3001-4000	53	0.04	184146	0.35
4001-5000	44	0.03	197895	0.37
5001-10000	67	0.05	486276	0.91
10001-20000	27	0.02	395115	0.74
20001 & above	46	0.04	46918468	88.19
Total	126418	100.00	53206281	100.00

* Without consolidating the folios on the basis of PAN.

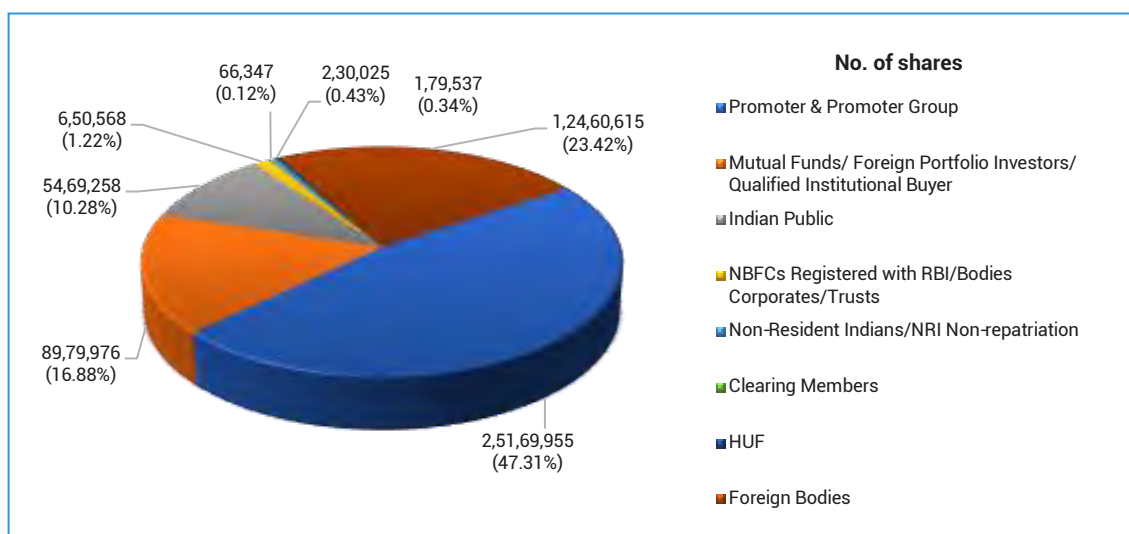
(xiii) Distribution of Shareholding on the basis of ownership as on 31st March, 2022:

Category	No. of shares*	% of share capital
Promoter & Promoter Group	2,51,69,955	47.31
Mutual Funds/Foreign Portfolio Investors/ Qualified Institutional Buyer	89,79,976	16.88
Indian Public	54,69,258	10.28
NBFCs Registered with RBI/Bodies Corporates/Trusts	6,50,568	1.22
Non-Resident Indians/NRI Non-repatriation	2,30,025	0.43
Clearing Members	66,347	0.12
HUF	1,79,537	0.34
Foreign Bodies	1,24,60,615	23.42
Total	5,32,06,281	100.00

*Details mentioned here are consolidated on PAN basis as per SEBI Circular no. SEBI/HO/CFD/CMD/CIR/P/2017/128 dated 19th December, 2017.

Report On Corporate Governance (Contd.)

Graphical representation of shareholding pattern on the basis of ownership:



(xiv) Dematerialization of shares and liquidity as on 31st March, 2022:

100% of the Company's equity shares are held in dematerialized form as on 31st March, 2022 details of which is given below:

Nature of holding	No. of Shares	Percentage (%) of share capital
Demat		
- NSDL	4,88,48,653	91.81
- CDSL	43,57,628	8.19
Total	5,32,06,281	100.00

(xv) The Company has not issued Global Depository Receipts (GDR)/American Depository Receipts (ADR)/Warrants or any other convertible instruments during the year.

(xvi) Commodity Price Risk/Foreign Exchange Risk and hedging activities:

The Company does not deal in commodities and hence the disclosure pursuant to Listing Regulations are not applicable. For a detailed discussion on foreign exchange risk and hedging activities with regard to Company's revenue in foreign currency, please refer to Management Discussion and Analysis Report forming part of the Annual Report.

(xvii) Plant Locations:

Jangalpur Plant Jalan Industrial Complex, Gate No-1, NH-6, Jangalpur, Biparnapara, Begri, Howrah-711411, West Bengal	Dhulagarh Plant Master Plot No. PPF-1, Mouza Kandua, JL No-5, PS-Sankrail, Gram Panchayat Kandua, Howrah-711302, West Bengal
Behala Plant - 1 36/A/4 Burro-shibtolla Main Road Factory, Behala, Kolkata-700038, West Bengal	Behala Plant - 2 22 Burro-shibtolla Main Road Factory, Behala, Kolkata-700038, West Bengal
Kasba Plant P1 Kasba Industrial State, Phase 2, Kolkata -700 107, West Bengal	

Note: The Company is coming up with two new manufacturing facilities at West Bengal, one situated in Panchla and another facility for radiation plant, fulfilment center and manufacturing situated in Amta.

Report On Corporate Governance (Contd.)

(xviii) Address for Correspondence:

For any queries relating to the shares of the Company, correspondence may be addressed at:

The Company Secretary

Tarsons Products Limited
 Room No. 902, BP- 3,
 Salt Lake, Sector- V
 Kolkata 700091, West Bengal, India
 E-mail: investor@tarsons.com
 Website: www.tarsons.com

(xix) The Credit Ratings obtained by the Company during the year are mentioned below:

Sl. No.	Name of the Credit Rating Agencies	Facilities	Revised Ratings	Previous Ratings
1.	CARE Ratings	Long Term Bank Facilities	CARE A+; Stable (Single A Plus; Outlook: Stable)	Revised from CARE A; Stable (Single A; Outlook: Stable)
		Short Term Bank Facilities	CARE A1 (A One)	-

7. CODE OF CONDUCT

The Company has adopted a Code of Conduct for Directors and Senior Management Personnel ("the Code"). The Code is intended to serve as a basis for ethical decision-making in conduct of professional work. The Code requires Directors and Employees to act honestly, fairly, ethically, with integrity and conduct themselves in professional, courteous and respectful manner. The duties of Directors including duties as an Independent Director as laid down in the Companies Act, 2013 also forms part of the Code of Conduct. The copy of the Code has been displayed on the Company's website at <https://tarsons.com/wp-content/uploads/2022/06/Code-of-Conduct-for-Directors-and-Senior-Management-of-the-Company.pdf>.

The Code has been duly circulated to all the members of the Board and Senior Management Personnel and all of them have affirmed compliance with the Code. A declaration to this effect duly signed by the Managing Director is reproduced at the end of this report and marked as **Annexure A**.

8. CODE OF CONDUCT FOR PROHIBITION OF INSIDER TRADING

In compliance with SEBI (Prohibition of Insider Trading) Regulations, 2015, the Company has formulated a Code of Conduct for Regulating, Monitoring and Reporting of Trading by Insiders. The code lays down the Guidelines and procedures to be followed and disclosures to be made while dealing with equity shares of the Company. A copy of the said Code is available on the Company's website at <https://tarsons.com/wp-content/uploads/2022/06/Insider-Trading-Policy.pdf>.

The Company has also adopted 'Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information' in accordance with the SEBI (Prohibition of Insider Trading) Regulations, 2015. A copy of the said Code is available on the Company's website at <https://tarsons.com/wp-content/uploads/2022/06/Code-of-practices-and-procedures-for-fair-disclosure-of-UPSI.pdf>.

9. CEO & CFO CERTIFICATION

A certificate from the Managing Director and the Chief Financial Officer of the Company with regard to compliance in terms of Regulation 17(8) of Listing Regulations has been annexed at the end of this report and marked as **Annexure B**.

10. DISCLOSURES

- (i) There were no materially significant related party transactions, which may have potential conflict with the interest of the Company. The details of the related party transactions are set out in the notes to financial statements forming part of this Annual Report. All the transactions with related parties have been made at arm's length basis. The Company has formulated a Policy on materiality of Related Party Transactions and on dealing with Related Party Transactions, in accordance with relevant provisions of Companies Act, 2013 and Listing Regulations, as amended. The policy can be accessed at <https://tarsons.com/wp-content/uploads/2022/04/Related-Party-Transactions-Policy.pdf>.

Report On Corporate Governance (Contd.)

- (ii) The Company became listed Company w.e.f. 26th November, 2021. No penalty or stricture was imposed by the Stock Exchanges or SEBI or any other authority, from the date of listing. All applicable requirements were fully complied with.
- (iii) The Company has adopted a Vigil Mechanism/Whistle Blower Policy as required under Section 177 of the Act and Regulation 22 of Listing Regulations, which is being reviewed by the Audit Committee of the Board. The Policy can be accessed at <https://tarsons.com/wp-content/uploads/2022/04/Whistle-Blower-Policy.pdf>.

The Audit Committee periodically reviews the existence and functioning of the mechanism. During the year, there was no reporting under the Vigil Mechanism/Whistle Blower Policy of the Company and no personnel were denied access to the Audit Committee.

- (iv) The Company has complied with all the applicable mandatory requirements of the Listing Regulations during the financial year 2021-22.
- (v) 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.
- (vi) The Policy for determining 'material' subsidiaries is available on the website of the Company at <https://tarsons.com/wp-content/uploads/2022/06/Policy-on-Material-Subsidiaries.pdf>.
- (vii) The Company has not raised any funds through preferential allotment or qualified institutions placement during the financial year 2021-22 as specified in Regulation 32(7A) of the Listing Regulations.

During the financial year ended 31st March, 2022, the Company had raised ₹ 1497.01 Million through Initial Public Offering and all the funds have been duly utilized as per the objects stated in the Prospectus.

- (viii) The Company has obtained a certificate from M/s. Mehta & Mehta, Practicing Company Secretaries, certifying that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of companies by the SEBI/Ministry of Corporate Affairs or any such statutory authority in accordance with Listing Regulations. Copy of the Certificate is attached as **Annexure C**.
- (ix) During the financial year 2021-22, there have been no circumstances where the Board of Directors of the Company have not accepted any recommendation made by any of the Committees of the Board.
- (x) During the financial year 2021-22, the following payments were made to M/s. Price Waterhouse Chartered Accountants LLP, Statutory Auditors of the Company.

Particulars of payment	Amount (₹ in Million)
Statutory Audit Fee	2.00
Others	2.80
Total	4.80

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

The Company has in place a 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 year under review, no complaints were received by the ICC under the aforesaid Act.

- (xii) The Company has not made any loans and advances to any firms/companies in which any of the directors of the Company are interested during the FY 2021-22.
- (xiii) The Company is fully compliant with Listing Regulations and there are no such non-compliances to report.

The Company has also complied with all the mandatory requirements specified in Regulation 17 to 27 read with Schedule V and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the Listing Regulations.

Report On Corporate Governance (Contd.)

- (xiv) The Company ensures dissemination of applicable information under Regulation 46(2) of the Listing Regulations on the Company's website (www.tarsons.com). The section on 'Investors' on the website serves to inform the members by giving complete financial details, annual reports, presentations made by the Company to investors, shareholding patterns and such other information relevant to shareholders.
- (xv) The Company does not have any shares in demat suspense account or unclaimed suspense account.
- (xvi) 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:
- The quarterly and half yearly financial results are submitted to Stock Exchanges, published in newspapers and posted on the Company's website and are not sent to the shareholders separately.
 - The Company's financial statements for the FY 2021-22 do not contain any audit qualification. The Company continues to adopt best practices to ensure regime of unmodified audit opinion.
 - The Chairman of the Company is an Executive Director.
 - The Internal Auditors of the Company report directly to the Audit Committee and are invited to be present as invitees at the Audit Committee meetings.

For and on behalf of the Board of Directors
For Tarsons Products Limited
(Formerly known as Tarsons Products Private Limited)

Place : Kolkata
Date: 27th May, 2022

Mr. Sanjive Sehgal
Chairman & Managing Director
(DIN: 00787232)

Mr. Rohan Sehgal
Director
(DIN: 06963013)

Annexure A to Report On Corporate Governance (Contd.)

ANNEXURE A

DECLARATION

As required by SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, I affirm that the Board members and the Senior Management Personnel have confirmed compliance with the Code of Conduct for Directors and Senior Management Personnel, as applicable to them, for the year ended 31st March, 2022.

Place: Kolkata

Date: 27th May, 2022

Sanjive Sehgal

Managing Director

(DIN: 00787232)

ANNEXURE B**CERTIFICATE BY MANAGING DIRECTOR AND CHIEF FINANCIAL OFFICER**

The Board of Directors

Tarsons Products Limited

Martin Burn Business Park,
Room No. 902 BP- 3, Salt Lake,
Sector- V, Kolkata 700091

1. We have reviewed the financial statements and the cash flow statement for the financial year ended 31st March, 2022 and that to the best of our knowledge and belief, we state that:
 - 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 existing accounting standards, applicable laws and regulations.
2. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year 2021-22, which are fraudulent, illegal or violative of the Company's code of conduct.
3. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting. We have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
4. We have indicated, wherever applicable, to the Auditors and the Audit Committee:
 - i) significant changes in internal control over financial reporting during the year;
 - ii) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - iii) instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Date: 27th May, 2022
Place: Kolkata

Sanjive Sehgal
Managing Director

Santosh Kumar Agarwal
Chief Financial Officer
& Company Secretary

Annexure C to Report On Corporate Governance (Contd.)

ANNEXURE C

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,

Tarsons Products Limited

Martin Burn Business Park,
Room No.902 BP- 3, Salt Lake,
Sector- V, Kolkata, West Bengal - 700091

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Tarsons Products Limited having CIN NO: L51109WB1983PLC036510 and having registered office at Martin Burn Business Park, Room No.902 BP- 3, Salt Lake, Sector- V, Kolkata, West Bengal - 700091 (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 and 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) as considered necessary and explanations furnished to me/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 31st March, 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 Authority.

Sr. No.	Name of Directors	DIN	Date of appointment in Company
1.	VIRESH OBERAI	00524892	20/11/2018
2.	SANJIVE SEHGAL	00787232	25/07/1983
3.	SUCHARITA BASU DE	06921540	10/05/2021
4.	ROHAN SEHGAL	06963013	01/09/2014
5.	GIRISH PAMAN VANVARI	07376482	10/05/2021
6.	GAURAV PAWAN KUMAR PODAR	08387951	10/06/2019

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.

For **Mehta & Mehta,**

Company Secretaries
(ICSI Unique Code P1996MH007500)

Vanita Kanoi

Partner

ACS No: 44285

CP No: 23620

Place: Kolkata

Date: 25/05/2022

UDIN: A044285D000388948

AUDITORS' CERTIFICATE REGARDING COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE

To the Members of **Tarsons Products Limited (Formerly Tarsons Products Private Limited)**

We have examined the compliance of conditions of Corporate Governance by Tarsons Products Limited (Formerly Tarsons Products Private Limited), for the year ended 31st March, 2022 as stipulated in Regulations 17, 17A, 18, 19, 20, 21, 22, 23, 24, 24A, 25, 26, 27 and clauses (b) to (i) and (t) of sub-regulation (2) of regulation 46 and para C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) (collectively referred to as "SEBI Listing Regulations, 2015").

The compliance of conditions of Corporate Governance is the responsibility of the Company's management. Our examination was carried out in accordance with the Guidance Note on Certification of Corporate Governance, issued by the Institute of Chartered Accountants of India and was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the SEBI Listing Regulations, 2015.

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

For and on behalf of
Price Waterhouse Chartered Accountants LLP

Amit Peswani

Partner

Membership No: 501213

UDIN: 22501213ALBODK1959

Place: Gurugram

Date: 27th May, 2022

Independent Auditor's Report

To the Members of Tarsons Products Limited (Formerly Tarsons Products Private Limited)

REPORT ON THE AUDIT OF THE STANDALONE FINANCIAL STATEMENTS

Opinion

1. We have audited the accompanying standalone financial statements of Tarsons Products Limited (Formerly Tarsons Products Private Limited) ("the Company"), which comprise the Standalone Balance Sheet as at March 31, 2022, and the Statement of Profit and Loss (including Other Comprehensive Income), the Standalone Statement of Changes in Equity and the Standalone Statement of Cash Flows for the year then ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information.
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, and total comprehensive income (comprising of profit and other comprehensive income), changes in equity and its cash flows for the year then ended.

Basis for Opinion

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

Key audit matter

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

Key Audit Matter	How our audit addressed the key audit matter
<p>Revenue recognition as per Ind AS 115</p> <p>Refer to Note-2.12 (Significant Accounting Policies) and Note 20 (Revenue from Operations) of the standalone financial statements</p> <p>The Company's revenue for the year ended March 31, 2022 is ₹ 3,007.94 millions.</p> <p>The Company recognises revenue from sale of products in accordance with the accounting principles prescribed under Ind AS 115, Revenue from contracts with customers. Revenue is recognised when the company satisfies a performance obligation by transferring control of the products being sold to the customer. The control in respect of sale of products is transferred when the products are delivered to the customers in accordance with the terms of contract with the customer i.e., either when the goods are shipped or delivered to the specific location. Revenue is measured at the fair value of consideration received or receivable, net of trade discounts, volume rebates, and taxes or duties collected.</p>	<p>Our audit procedures included the following:</p> <ol style="list-style-type: none"> a) We evaluated the design and tested operating effectiveness of the relevant controls with respect to revenue recognition. b) We assessed the appropriateness of the revenue recognition accounting policy in line with Ind AS 115. c) We performed substantive testing of revenue transactions on a sample basis, recorded during the year by testing the underlying documents which included contracts with the customers, goods dispatch notes, shipping documents (e.g., lorry receipts, bill of lading, Airway bill etc.) and customer acknowledgments, as applicable. d) We assessed the different types of delivery terms agreed by the Company with its customers to evaluate the point of time when control of the products being sold is transferred to the customer either through shipment of goods or through delivery of goods to specific location and determine whether performance obligation specified in the underlying contracts is satisfied.

Independent Auditor's Report (Contd.)

Key Audit Matter	How our audit addressed the key audit matter
<p>We identified revenue recognition as a key audit matter as revenue is significant to the standalone financial statements owing to its large volume and results in greater audit effort to address the matter.</p>	<p>e) We tested, on a sample basis, specific revenue transactions recorded, before and after the financial year end date, by testing the underlying shipping documents and customer acknowledgements, as applicable.</p> <p>f) We examined, on a sample basis, credit notes issued after the year end, wherever applicable to determine whether the revenue has been recognised in the appropriate financial period.</p> <p>g) We have tested a sample of revenue adjustment manual journal entries recorded by the Company to identify unusual items, if any.</p> <p>Based on the above procedures performed, no significant exception was noted by us in the revenue recognised by the Company during the year.</p>

Other Information

5. The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board's Report along with its Annexures in the Company's Annual Report but does not include the standalone financial statements and our auditor's report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Responsibilities of management and those charged with governance for the standalone financial statements

6. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, 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 accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.
7. In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's responsibilities for the audit of the standalone financial statements

8. Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs

Independent Auditor's Report (Contd.)

will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

9. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:
 - Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
 - Obtain an understanding of internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to standalone 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 a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
 - Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
10. 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.
11. 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.
12. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other legal and regulatory requirements

13. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the Annexure B a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
14. 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.

Independent Auditor's Report (Contd.)

- (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.
 - (e) On the basis of the written representations received from the directors 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 with reference to standalone financial statements 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 Rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company does not have any pending litigations which would impact its financial position.
 - ii. The Company was not required to recognise a provision as at March 31, 2022 under the applicable law or accounting standards, as it does not have any material foreseeable losses on long-term contract. The Company did not have any derivative contracts as at March 31, 2022.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2022.
 - iv. (a) The management has represented that, to the best of its knowledge and belief, as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries (Refer Note 46 (i) to the standalone financial statements);
 - (b) The management has represented that, to the best of its knowledge and belief, as disclosed in the notes to the accounts, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries (Refer Note 46 (ii) to the standalone financial statements); and
 - (c) Based on such audit procedures that we 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 (a) and (b) contain any material misstatement.
 - v. The Company has not declared or paid any dividend during the year.
15. The Company has paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

For **Price Waterhouse Chartered Accountants LLP**
Firm Registration Number: 012754N/N500016

Amit Peswani
Partner

Membership Number 501213
UDIN: 22501213AJRWNB9836

Place: Gurugram
Date: 27th May, 2022

Annexure A to Independent Auditor's Report

Referred to in paragraph 14(f) of the Independent Auditor's Report of even date to the members of Tarsons Products Limited (Formerly Tarsons Products Private Limited) on the standalone financial statements as of and for the year ended 31st March, 2022.

REPORT ON THE INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO STANDALONE FINANCIAL STATEMENTS UNDER CLAUSE (I) OF SUB-SECTION 3 OF SECTION 143 OF THE ACT

1. We have audited the internal financial controls with reference to standalone financial statements of Tarsons Products Limited (Formerly Tarsons Products Private Limited) ("the Company") as of March 31, 2022 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

2. The Company's management 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 ("the Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing deemed to be prescribed under Section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to standalone financial statements was established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements included obtaining an understanding of internal financial controls with reference to standalone financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.
5. 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 with reference to standalone financial statements.

Meaning of Internal Financial Controls with reference to standalone financial statements

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

Inherent Limitations of Internal Financial Controls with reference to standalone financial statements

7. Because of the inherent limitations of internal financial controls with reference to standalone financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to standalone

Annexure A to Independent Auditor's Report (Contd.)

financial statements to future periods are subject to the risk that the internal financial controls with reference to standalone financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

8. In our opinion, the Company has, in all material respects, an adequate internal financial controls system with reference to standalone financial statements and such internal financial controls with reference to standalone financial statements 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 issued by ICAI.

For **Price Waterhouse Chartered Accountants LLP**

Firm Registration Number: 012754N/N500016

Amit Peswani

Partner

Membership Number 501213

UDIN: 22501213AJRWNB9836

Place: Gurugram

Date: 27th May, 2022

Annexure B to Independent Auditors' Report

Referred to in paragraph 13 of the Independent Auditors' Report of even date to the members of Tarsons Products Limited (Formerly Tarsons Products Private Limited) on the standalone financial statements as of and for the year ended 31st March, 2022

- i. (a) (A) The Company is maintaining proper records showing full particulars, including quantitative details and situation, of Property, Plant and Equipment.
- (B) The Company is maintaining proper records showing full particulars of Intangible Assets.
- (b) The Property, Plant and Equipment of the Company have been physically verified by the Management during the year and no material discrepancies have been noticed on such verification. In our opinion, the frequency of verification is reasonable.
- (c) The title deeds of all the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee), as disclosed in Note 3(a)(ii) to the standalone financial statements, are held in the name of the Company.
- (d) The Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year. Consequently, the question of our commenting on whether the revaluation is based on the valuation by a Registered Valuer, or specifying the amount of change, if the change is 10% or more in the aggregate of the net carrying value of each class of Property, Plant and Equipment (including Right of Use assets) or intangible assets does not arise.
- (e) Based on the information and explanations furnished to us, no proceedings have been initiated on the Company for holding benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended in 2016) (formerly the Benami Transactions (Prohibition) Act, 1988 (45 of 1988)) and Rules made thereunder, and therefore the question of our commenting on whether the Company has appropriately disclosed the details in its standalone financial statements does not arise. (Refer Note 46(iii) to the Standalone Financial Statements)
- ii. (a) The physical verification of inventory (excluding stocks with third parties) has been conducted at reasonable intervals by the Management during the year and, in our opinion, the coverage and procedure of such verification by Management is appropriate. In respect of inventory lying with third parties, these have substantially been confirmed by them. The discrepancies noticed on physical verification of inventory as compared to book records were not 10% or more in aggregate for each class of inventory.
- (b) During the year, the Company has been sanctioned working capital limits in excess of ₹ 5 crores, in aggregate, from banks on the basis of security of current assets. The Company has filed quarterly returns or statements with such banks, which are not in agreement with the unaudited books of account as set out below. (Also refer Note 43 to the standalone financial statements)

Name of the Bank	Aggregate working capital limits sanctioned (₹ in millions)	Nature of Current Assets/ Liabilities where differences were observed	Quarter ended	Amount disclosed as per quarterly return/ statement (₹ in millions)	Amount as per books of account (₹ in millions)	Difference (₹ in millions)	Reasons for difference
HDFC Bank and Axis Bank	210 from each of the banks	Current Assets	30th June, 2020	1,074.20	983.86	90.34	Note 1
		Current Liabilities		403.90	435.05	(31.15)	
		Revenue from Operations		436.10	419.08	17.02	
	210 from each of the banks	Current Assets	30th September, 2020	1,196.40	1,116.91	79.49	Note 1
		Current Liabilities		490.50	489.36	1.14	
		Revenue from Operations		1,016.70	1,007.54	9.16	
210 from each of the banks	Current Assets	31st December, 2020	1,183.20	1,091.80	91.40	Note 1	
	Current Liabilities		459.30	431.81	27.49		
	Revenue from Operations		1,623.40	1,606.11	17.29		

Annexure B to Independent Auditor's Report (Contd.)

Name of the Bank	Aggregate working capital limits sanctioned (₹ in millions)	Nature of Current Assets/ Liabilities where differences were observed	Quarter ended	Amount disclosed as per quarterly return/ statement (₹ in millions)	Amount as per books of account (₹ in millions)	Difference (₹ in millions)	Reasons for difference
	210 from each of the banks	Current Assets	31st March, 2021	1,156.40	1,124.80	31.60	Note 1
		Current Liabilities		414.80	417.99	(3.19)	
		Revenue from Operations		2,324.00	2,279.09	44.91	
	310 from each of the banks	Current Assets	30th June, 2021	1,402.40	1,411.90	(9.50)	Note 1
		Current Liabilities		695.70	759.03	(63.33)	
		Revenue from Operations		688.70	688.73	(0.03)	
	310 from each of the banks	Current Assets	30th September, 2021	1,828.20	1,815.17	13.03	Note 1
		Current Liabilities		905.50	903.61	1.89	
		Revenue from Operations		1,445.30	1,445.37	(0.07)	
	310 from each of the banks	Current Assets	31st December, 2021	2,871.10	2,865.81	5.29	Note 1
		Current Liabilities		808.70	810.90	(2.20)	
	310 from each of the banks	Current Assets	31st March, 2022	2,446.70	2,445.25	1.45	Note 1
		Current Liabilities		348.30	349.14	(0.84)	

Note 1 - The Bank returns were prepared and filed before the completion of all standalone financial statement closure activities including Ind AS related adjustments/ reclassifications as applicable, which led to these differences between the final books of accounts and the bank return based on provisional books of accounts.

- iii. (a) The Company has not made any investments during the year in any Company / firm / Limited Liability Partnership. The Company has not granted secured/ unsecured loans/advances in nature of loans, to any Company / firm / Limited Liability Partnership/ other party other than unsecured loan to 4 employees. The Company did not stand guarantee, or provided security to any Company / firm / Limited Liability Partnership/ other party. The aggregate amount during the year, and balance outstanding at the balance sheet date with respect to aforesaid loans are as per the table given below:

	Guarantees	Security	Loans (₹ in millions)	Advances in nature of loans
Aggregate amount granted/ provided during the year - Others (Employees)	Nil	Nil	0.62	Nil
Balance outstanding as at balance sheet date in respect of the above case - Others (Employees)	Nil	Nil	0.50	Nil

(Also refer Note 4 to the standalone financial statements)

- (b) In respect of the aforesaid loan to employees (which are interest free), the terms and conditions under which such loans were granted are not prejudicial to the Company's interest.
- (c) In respect of the aforesaid loan to employees, the schedule of repayment of principal has been stipulated, and the employees are repaying the principal amounts, as stipulated in a regular manner.
- (d) In respect of the aforesaid loan to employees, there is no amount which is overdue for more than ninety days.

Annexure B to Independent Auditor's Report (Contd.)

- (e) There were no loans which fell due during the year and were renewed/extended. Further, no fresh loans were granted to same employees to settle the existing overdue loans.
- (f) The loans granted to employees during the year, had stipulated the scheduled repayment of principal and the same were not repayable on demand. There were no loans/advances in nature of loans which were granted during the year to promoter/related parties.
- iv. In our opinion, and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of the loans and investments made, and guarantees and security provided by it.
- v. The Company has not accepted any deposits or amounts which are deemed to be deposits within the meaning of Sections 73, 74, 75 and 76 of the Act and the Rules framed there under to the extent notified.
- vi. The Central Government of India has not specified the maintenance of cost records under sub-section (1) of Section 148 of the Act for any of the products of the Company.
- vii. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is generally regular in depositing undisputed statutory dues in respect of provident fund, though there has been a slight delay in a few cases, and is regular in depositing undisputed statutory dues, including employees' state insurance, sales tax, income tax, service tax, duty of customs, duty of excise, value added tax, cess goods and services tax and other material statutory dues, as applicable, with the appropriate authorities. Also, refer Note 33 to the standalone financial statements regarding management's assessment on certain matters relating to provident fund.
- (b) According to the information and explanations given to us and the records of the Company examined by us, there are no statutory dues referred to in sub-clause (a) which have not been deposited on account of any dispute.
- viii. According to the information and explanations given to us and the records of the Company examined by us, there are no transactions in the books of account that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.
- ix. (a) According to the records of the Company examined by us and the information and explanation given to us, the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest to any lender during the year.
- (b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the Company has not been declared Wilful Defaulter by any bank or financial institution or government or any government authority.
- (c) In our opinion, and according to the information and explanations given to us, the term loans have been applied for the purposes for which they were obtained. (Also refer Note 14(d) to the standalone financial statements)
- (d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the standalone financial statements of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.
- (e) According to the information and explanations given to us and on an overall examination of the standalone financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.
- (f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.
- x. (a) In our opinion, and according to the information and explanations given to us, the monies raised by way of initial public offer during the year have been applied for the purposes for which they were obtained and as explained in Note 45 to the Standalone financial statement there were no delays/ default regarding the application. Further, the Company has not raised any money by way of further public offer (including debt instruments) during the year.

Annexure B to Independent Auditor's Report (Contd.)

- (b) The Company has not made any preferential allotment or private placement of shares or fully or partially or optionally convertible debentures during the year. Accordingly, the reporting under clause 3(x)(b) of the Order is not applicable to the Company.
- xi. (a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company, noticed or reported during the year, nor have we been informed of any such case by the Management.
- (b) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, a report under Section 143(12) of the Act, in Form ADT-4, as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 was not required to be filed with the Central Government. Accordingly, the reporting under clause 3(xi)(b) of the Order is not applicable to the Company.
- (c) During the course of our examination of the books and records of the Company carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, and as represented to us by the management, no whistle-blower complaints have been received during the year by the Company. Accordingly, the reporting under clause 3(xi)(c) of the Order is not applicable to the Company.
- xii. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the reporting under clause 3(xii) of the Order is not applicable to the Company.
- xiii. The Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act. The details of such related party transactions have been disclosed in the standalone financial statements as required under Indian Accounting Standard 24 "Related Party Disclosures" specified under Section 133 of the Act.
- xiv. (a) In our opinion and according to the information and explanation given to us, the Company has an internal audit system commensurate with the size and nature of its business.
- (b) The reports of the Internal Auditor for the period under audit have been considered by us.
- xv. The Company has not entered into any non-cash transactions with its directors or persons connected with him. Accordingly, the reporting on compliance with the provisions of Section 192 of the Act under clause 3(xv) of the Order is not applicable to the Company.
- xvi. (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the reporting under clause 3(xvi)(a) of the Order is not applicable to the Company.
- (b) The Company has not conducted non-banking financial / housing finance activities during the year. Accordingly, the reporting under clause 3(xvi)(b) of the Order is not applicable to the Company.
- (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, the reporting under clause 3(xvi)(c) of the Order is not applicable to the Company.
- (d) Based on the information and explanations provided by the management of the Company, the Group does not have any CICs, which are part of the Group. We have not, however, separately evaluated whether the information provided by the management is accurate and complete. Accordingly, the reporting under clause 3(xvi)(d) of the Order is not applicable to the Company.
- xvii. The Company has not incurred any cash losses in the financial year or in the immediately preceding financial year
- xviii. There has been no resignation of the statutory auditors during the year and accordingly the reporting under clause (xviii) is not applicable.
- xix. According to the information and explanations given to us and on the basis of the financial ratios (Also refer Note 40 to the standalone financial statements), ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company

Annexure B to Independent Auditor's Report (Contd.)

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. As at balance sheet date, the Company does not have any amount remaining unspent under Section 135(5) of the Act. Accordingly, reporting under clause 3(xx) of the Order is not applicable.
- xxi. The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of Standalone Financial Statements. Accordingly, no comment in respect of the said clause has been included in this report.

For **Price Waterhouse Chartered Accountants LLP**
Firm Registration Number: 012754N/N500016

Amit Peswani

Partner

Membership Number 501213

UDIN: 22501213AJRWNB9836

Place: Gurugram

Date: 27th May, 2022

Standalone Balance Sheet

As at 31st March, 2022

(All amounts in Rupees millions, unless otherwise stated)

Particulars	Notes	As at 31st March, 2022	As at 31st March, 2021
ASSETS			
Non-Current Assets			
Property, Plant and Equipment	3(a)	1,814.33	1,136.64
Right-of-use Assets	39	66.94	67.66
Capital Work-in-Progress	3(b)	322.45	215.00
Intangible assets under development	3(c)	-	5.83
Intangible assets	3(d)	6.64	-
Financial Assets			
i. Other Financial Assets	4	59.12	30.58
Current Tax assets	5	24.99	24.39
Other Non-Current Assets	6	702.54	351.38
Total Non-Current Assets		2,997.01	1,831.48
Current Assets			
Inventories	7	823.74	466.97
Financial Assets			
i. Trade Receivables	8	651.78	470.37
ii. Cash and Cash Equivalents	9	774.42	23.32
iii. Bank Balances other than Cash and Cash Equivalents	10	83.77	8.13
iv. Other Financial Assets	4	0.58	0.39
Other Current Assets	11	110.96	158.84
Total Current Assets		2,445.25	1,128.02
TOTAL ASSETS		5,442.26	2,959.50
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	12	106.41	1.92
Other Equity	13	4,791.89	2,441.46
Total Equity		4,898.30	2,443.38
Liabilities			
Non-Current Liabilities			
Financial Liabilities			
i. Borrowings	14	93.45	32.74
ii. Lease Liabilities	39	0.45	0.44
iii. Other Financial Liabilities	16	1.03	0.53
Deferred Tax Liabilities (Net)	17	43.57	32.80
Other Non-Current Liabilities	19	56.32	31.62
Total Non-Current Liabilities		194.82	98.13
Current Liabilities			
Financial Liabilities			
i. Borrowings	14	122.72	301.80
ii. Lease Liabilities	39	0.03	0.03
iii. Trade Payables	15		
(A) Total Outstanding Dues to Micro Enterprises and Small Enterprises		10.07	3.33
(B) Total Outstanding Dues to Creditors other than Micro Enterprises and Small Enterprises		119.45	56.42
iv. Other Financial Liabilities	16	35.12	26.94
Provisions	18	14.92	15.31
Other Current Liabilities	19	46.83	14.15
Total Current Liabilities		349.14	417.99
Total Liabilities		543.96	516.12
TOTAL EQUITY AND LIABILITIES		5,442.26	2,959.50

Significant accounting policies

2

The accompanying notes are an integral part of these Standalone Financial Statements

This is the Standalone Balance Sheet referred to in our report of even date.

For Price Waterhouse Chartered Accountants LLP

Firm Registration No. 012754N/N500016

Amit Peswani

Partner

Membership No. 501213

**For and on behalf of the Board of Directors of Tarsons Products Limited
(Formerly known as TARSONS PRODUCTS PRIVATE LIMITED)**

Sanjive Sehgal

Chairman &
Managing Director
DIN: 00787232

Rohan Sehgal

Whole-Time Director
DIN: 06963013

Santosh Kumar Agarwal

Chief Financial Officer &
Company Secretary

Place : Gurugram

Date : 27th May, 2022

Place : Kolkata

Date : 27th May, 2022

Standalone Statement of Profit and Loss

For the year ended 31st March, 2022

(All amounts in Rupees millions, unless otherwise stated)

Particulars	Notes	For the year ended 31st March, 2022	For the year Ended 31st March, 2021
Revenue from Operations	20	3,007.94	2,289.11
Other Income	21	84.67	53.80
Total Income		3,092.61	2,342.91
EXPENSES			
Cost of Materials Consumed	22	695.91	448.79
Purchases of Stock in Trade	23	105.23	115.03
Changes in Inventories of Finished Goods, Work-in-Progress, Traded Goods and Scrap	24	(172.12)	51.23
Employee Benefits Expenses	25	314.08	244.36
Finance Costs	26	42.16	27.22
Depreciation and Amortization Expenses	27	219.61	136.62
Other Expenses	28	537.85	395.32
Total Expenses		1,742.72	1,418.57
Profit before tax		1,349.89	924.34
TAX EXPENSE:			
Current Tax	29	332.48	234.73
Deferred Tax	17	10.77	0.91
Total Tax Expense		343.25	235.64
Profit for the year		1,006.64	688.70
Other Comprehensive Income			
Items that will not be reclassified subsequently to Profit or Loss			
- Remeasurements of post-employment benefit obligations	31	2.75	(1.36)
- Income Tax on above	29	(0.69)	0.34
Total Other Comprehensive Income / (Loss), net of tax		2.06	(1.02)
Total Comprehensive Income for the year		1,008.70	687.68
Earnings per equity share (Nominal value of ₹ 2/share)			
Basic earning per share (In ₹)	34	19.46	13.43
Diluted earning per share (In ₹)	34	19.46	13.43

The accompanying notes are an integral part of these Standalone Financial Statements

This is the Standalone Statement of Profit and Loss referred to in our report of even date.

For Price Waterhouse Chartered Accountants LLP

Firm Registration No. 012754N/N500016

Amit Peswani

Partner

Membership No. 501213

Place : Gurugram

Date : 27th May, 2022

For and on behalf of the Board of Directors of Tarsons Products Limited

(Formerly known as TARSONS PRODUCTS PRIVATE LIMITED)

Sanjive Sehgal

Chairman &
Managing Director
DIN: 00787232

Rohan Sehgal

Whole-Time Director
DIN: 06963013

Santosh Kumar Agarwal

Chief Financial Officer &
Company Secretary

Place : Kolkata

Date : 27th May, 2022

Standalone Statement of Changes in Equity

For the year ended 31st March, 2022

(All amounts in Rupees millions, unless otherwise stated)

A. Equity Share capital

Particulars	Notes	Equity share capital	
		Number	Amount
Balance as at 1st April, 2020		200,241	2.00
Changes in Equity Share Capital during the year	12	(8,013)	(0.08)
Balance as at 31st March, 2021		192,228	1.92
Balance as at 1st April, 2021		192,228	1.92
Changes in Equity Share Capital during the year	12	53,014,053	104.49
Balance as at 31st March, 2022		53,206,281	106.41

B. Other Equity

Particulars	Notes	Reserves and surplus				Total
		Securities premium	Retained earnings	Amalgamation Reserve	Capital Redemption Reserve	
Balance as at 1st April, 2020		237.39	1,730.44	5.86	-	1,973.69
Profit for the year		-	688.70	-	-	688.70
Other Comprehensive Income / (Loss), net of tax		-	(1.02)	-	-	(1.02)
Total Comprehensive Income / (Loss), net of tax		237.39	2,418.12	5.86	-	2,661.37
Transferred to Capital Redemption Reserve	13	(0.08)	-	-	0.08	-
Transactions with owners in their capacity as owners:						
Buy back of Equity Shares	13	(219.91)	-	-	-	(219.91)
Balance as at 31st March, 2021		17.40	2,418.12	5.86	0.08	2,441.46
Balance as at 1st April, 2021		17.40	2,418.12	5.86	0.08	2,441.46
Profit for the year		-	1,006.64	-	-	1,006.64
Other Comprehensive Income / (Loss), net of tax		-	2.06	-	-	2.06
Total Comprehensive Income / (Loss), net of tax		17.40	3,426.82	5.86	0.08	3,450.16
Amount received on Issue of Equity Shares	13	1,492.48	-	-	-	1,492.48
Amount utilized for shares issue expenses	46	(50.79)	-	-	-	(50.79)
Bonus Shares issued for every 1 share during the year	13	-	(99.96)	-	-	(99.96)
Balance as at 31st March, 2022		1,459.09	3,326.86	5.86	0.08	4,791.89

The accompanying notes are an integral part of these Standalone Financial Statements

This is the Standalone Statement of Changes in Equity referred to in our report of even date.

For Price Waterhouse Chartered Accountants LLP
 Firm Registration No. 012754N/N500016

Amit Peswani
 Partner
 Membership No. 501213

Place : Gurugram
 Date : 27th May, 2022

For and on behalf of the Board of Directors of Tarsons Products Limited
(Formerly known as TARSONS PRODUCTS PRIVATE LIMITED)

Sanjive Sehgal
 Chairman &
 Managing Director
 DIN: 00787232

Rohan Sehgal
 Whole-Time Director
 DIN: 06963013

Santosh Kumar Agarwal
 Chief Financial Officer &
 Company Secretary

Place : Kolkata
 Date : 27th May, 2022

Standalone Cash Flow Statement

For the year ended 31st March, 2022

(All amounts in Rupees millions, unless otherwise stated)

Particulars	Notes	For the year ended 31st March, 2022	For the year Ended 31st March, 2021
Cash flow from operating activities			
Profit before tax		1,349.89	924.34
Adjustments for:			
Depreciation & Amortization Expense	27	219.61	136.62
Profit on Sale of Fixed Assets	21	(0.42)	(1.02)
Allowance for Expected Credit Loss including bad debts (net)	28	2.82	(0.95)
Provision for Doubtful Advances	28	-	0.67
Unrealized foreign exchange differences		(6.46)	-
Interest Income	21	(13.14)	(2.92)
Finance Cost	26	42.11	27.19
Interest on Lease Liability	26	0.05	0.03
Deferred Government Grant	21	(8.11)	(1.99)
Other non-cash expenses		0.18	-
Operating cash flow before working capital changes		1,586.53	1,081.97
Change [(increase)/ decrease] in operating assets			
Trade Receivable		(178.23)	(87.43)
Inventories		(357.01)	20.31
Other Financial Assets		(30.48)	(7.08)
Other Assets		47.88	(92.99)
Change [(increase)/ (decrease)] in operating liabilities			
Trade Payable		59.67	0.71
Other Financial Liabilities		11.22	7.95
Other Liabilities		26.50	(4.04)
Provisions		2.36	2.81
Cash generated from operations		1,168.44	922.21
Less: Direct Taxes Paid		333.77	240.66
Net cash generated from operating activities (A)		834.67	681.55
Cash flows from investing activities			
Payment for purchase of Property, Plant & Equipments and intangible assets		(1,319.69)	(618.84)
Upfront payment towards lease arrangement		-	(24.38)
Proceeds from Sale of Property, Plant & Equipments		0.99	1.59
Fixed Deposits Realized (original maturity more than 3 months)		1,739.40	626.90
Fixed Deposits Placed (original maturity more than 3 months)		(1,808.70)	(626.92)
Interest Received		8.55	2.54
Net cash used in investing activities (B)		(1,379.45)	(639.11)
Cash flows from financing activities			
Proceeds from issue of equity shares		1,497.01	-
Share Issue expenses		(40.35)	-
Proceeds from Long Term Borrowings		433.21	65.16
Repayment of Long Term Borrowings		(330.03)	(132.82)

Standalone Cash Flow Statement For the year ended 31st March, 2022 (Contd.)
(All amounts in Rupees millions, unless otherwise stated)

Particulars	Notes	For the year ended 31st March, 2022	For the year Ended 31st March, 2021
Payment of lease liabilities (including interest)		(0.03)	(0.02)
Payment towards buyback of equity shares		-	(219.99)
Proceeds from Working Capital Demand Loan		2,360.00	1,479.59
Payment of Working Capital Demand Loan		(2,581.47)	(1,414.54)
Finance Cost Paid		(42.59)	(49.61)
Net cash used in financing activities (C)		1,295.75	(272.23)
Net increase/(decrease) in cash and cash equivalents (A+B+C)		750.97	(229.79)
Cash and Cash Equivalents at the Beginning of the Year		23.32	253.11
Exchange (gain)/loss on translation of foreign currency Cash and Cash Equivalent		(0.13)	-
Cash and cash equivalents at end of the year		774.42	23.32
Non-cash investing and financing activities			
(a) Issue of bonus shares to existing shareholders		99.96	-
(a) Acquisition of Right-of-Use Assets with corresponding adjustment to Lease Liabilities		-	0.17
Reconciliation of cash and cash equivalents as per the cash flow statement			
Cash and cash equivalents as per above comprise of the following			
Cash on hand		0.37	0.13
Balances with banks -			
In Current Accounts		86.91	23.06
In Fixed Deposit Accounts (Original maturity less than 3 months)		687.14	0.13
Balances per statement of cash flows		774.42	23.32

Notes:

- Figures in brackets represent cash outflows.
- The above Standalone cashflow statement has been prepared under the 'Indirect Method' as set out in Ind AS 7, "Statement of Cash Flows" as notified under the Companies (Accounts) Rules, 2015.

The accompanying notes are an integral part of these Standalone Financial Statements

This is the Standalone Cash flow statement referred to in our report of even date.

For Price Waterhouse Chartered Accountants LLP
 Firm Registration No. 012754N/N500016

Amit Peswani
 Partner
 Membership No. 501213

Place : Gurugram
 Date : 27th May, 2022

**For and on behalf of the Board of Directors of Tarsons Products Limited
 (Formerly known as TARSONS PRODUCTS PRIVATE LIMITED)**

Sanjive Sehgal
 Chairman &
 Managing Director
 DIN: 00787232

Rohan Sehgal
 Whole-Time Director
 DIN: 06963013

Santosh Kumar Agarwal
 Chief Financial Officer &
 Company Secretary

Place : Kolkata
 Date : 27th May, 2022

Notes to the Standalone financial statements for the year ended 31st March, 2022 (All amounts in Rupees millions, unless otherwise stated)

1. CORPORATE INFORMATION

Tarsons Products Limited (here in referred to as “the Company” or “Tarsons”) is a Public limited Company domiciled in India, with its registered office situated at Martin Burn Business Park, Plot -3, BP Block, Sector V, Bidhannagar, Kolkata, West Bengal 700091. The Company has been incorporated under the provisions of Companies Act, 1956. The Company is engaged in manufacturing and selling of plastic laboratory products and certain scientific instruments. The Company caters to both domestic and international markets. The Company has one subsidiary Company named Inlabpro Pte. Limited established in Republic of Singapore. The Subsidiary Company has not started its commercial activities during the year. The subsidiary is having paid up capital of 1 USD, however the Company neither had transferred any money nor did any transaction with this subsidiary. The management of the Company has initiated process of winding up this subsidiary during the year in accordance with applicable laws of India and Republic of Singapore.

2. SIGNIFICANT ACCOUNTING POLICIES

This note provides basis of preparation and a list of the significant accounting policies adopted in the preparation of these Standalone financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

2.1 Basis of preparation

(i) Compliance with Ind AS

These Standalone financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of Companies Act, 2013, (the ‘Act’) and other relevant provisions of the Act.

The Standalone financial statements were authorized for issue by the Company’s Board of Directors on 27 May 2022.

(ii) Functional and presentation currency

The functional and presentational currency of the Company is Indian Rupee (₹). These Standalone financial statements are presented in Indian Rupees (₹). All amounts have been rounded-off to the nearest Million upto two decimal places, unless otherwise indicated.

(iii) Historical cost convention

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

- (a) certain financial assets and liabilities that is measured at fair value and
- (b) defined benefit plans – plan assets measured at fair value

(iv) New and amended standards adopted by the Company

The Company has applied the following amendments to Ind AS for the first time for their annual reporting period commencing 1st April, 2021:

- Extension of COVID-19 related concessions – amendments to Ind AS 116
- Interest rate benchmark reform – amendments to Ind AS 109, Financial Instruments, Ind AS 107, Financial Instruments: Disclosures, Ind AS 104, Insurance Contracts and Ind AS 116, Leases.

The amendments listed above did not have any impact on the amounts recognized in prior periods and are not expected to significantly affect the current or future periods.

(v) New amendments issued but not effective

The Ministry of Corporate Affairs has vide notification dated 23rd March, 2022 notified Companies (Indian Accounting Standards) Amendment Rules, 2022 which amends certain accounting standards, and are effective 1st April, 2022.

These amendments are not expected to have a material impact on the Company in the current or future reporting periods and on foreseeable future transactions.

Notes to the Standalone financial statements for the year ended 31st March, 2022 (Contd.) *(All amounts in Rupees millions, unless otherwise stated)*

(vi) Reclassifications consequent to amendments to Schedule III

The Ministry of Corporate Affairs amended the Schedule III to the Companies Act, 2013 on 24th March, 2021 to increase the transparency and provide additional disclosures to users of financial statements. These amendments are effective from 1st April, 2021.

Consequent to above, the Company has changed the classification/presentation of (i) current maturities of long-term borrowings in the current year.

The current maturities of long-term borrowings (including interest accrued) has now been included in the "Current borrowings" line item. Previously, current maturities of long-term borrowings and interest accrued were included in 'other financial liabilities' line item.

The Company has reclassified comparative amounts to conform with current year presentation as per the requirements of Ind AS 1. The impact of such classifications is summarised below:

Balance Sheet (extract)	31st March, 2021 (as previously reported)	Increase / (Decrease)	31st March, 2021 (restated)
Current Borrowings	230.77	71.03	301.80
Other Current Financial Liabilities	97.97	(71.03)	26.94

(vii) Use of estimates and judgements

The preparation of Standalone financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on a periodic basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

Assumptions and estimation uncertainties

This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed.

Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the Standalone financial statements.

The areas involving critical estimates or judgements are:

- Estimated useful life of property, plant and equipment – Management reviews its estimate of the useful lives of property, plant and equipment at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical and economy obsolescence that may change the utility of property, plant and equipment.
- Estimation of defined benefit obligation – Measurement of defined benefit obligation and related under plans require numerous assumptions and estimates that can have a significant impact on the recognized costs and obligation, such as future salary level, discount rate, attrition rate and mortality. Ref note 31.
- Impairment of trade receivable: The loss allowances for financial assets are based on assumptions about risk of default and expected loss rates. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation.
- Determination of lease term - In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated).

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances.

Notes to the Standalone financial statements for the year ended 31st March, 2022 (Contd.)
(All amounts in Rupees millions, unless otherwise stated)

2.2 Property, plant and equipment

(i) Recognition and measurement

Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with carrying amount.

(ii) Transition to Ind AS

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment recognized as at 1st April, 2019 measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment.

(iii) Depreciation methods, Estimated Useful Lives and Residual Value

Depreciation is calculated on cost of items of property, plant and equipment less their estimated residual values over their estimated useful lives using the written-down value method, and is generally recognized in the Standalone statement of profit and loss. Freehold land is not depreciated.

The estimated useful lives of items of property, plant and equipment for the current and comparative periods are as follows:

Asset	Useful Life
Building	30 to 60 Years
Plant and Machinery and mould	15 Years
Electricals Equipment and Fittings	10 Years
Computers	3 Years
Furniture & Fixtures	10 Years
Office Equipments	5 Years
Vehicles	8 Years

Depreciation method, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate. Based on technical evaluation and consequent advice, the management believes that its estimates of useful lives as given above best represent the period over which management expects to use these assets.

The residual values are considered by the Management as per the limits specified in Part A of Schedule II of the Companies Act, 2013.

Depreciation on additions (disposals) is provided on a pro-rata basis i.e. from (up to) the date on which asset is ready for use (disposed of).

2.3 Capital Work in Progress

Expenditure incurred on construction of assets which are not ready for their intended use are carried at cost less impairment (if any), under Capital work-in-progress. The cost includes the purchase cost of materials, including import duties and non-refundable taxes, interest on borrowings used to finance the construction of the asset and any directly attributable costs of bringing an assets ready for their intended use.

Notes to the Standalone financial statements for the year ended 31st March, 2022 (Contd.) *(All amounts in Rupees millions, unless otherwise stated)*

2.4 Intangible Assets and Intangible Assets under development

Intangible assets acquired are reported at cost less accumulated amortization and accumulated impairment losses. Amortization is charged on a written down basis over their estimated useful lives. The estimated useful life and amortization method are reviewed at the end of each annual reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

Cost associated with maintaining software programmes are recognized as an expense as incurred.

Development costs that are directly attributable to the design and testing of identifiable and unique software products controlled by the Company are recognized as intangible assets where the following criteria are met:

- it is technically feasible to complete the software so that it will be available for use
- management intends to complete the software and use or sell it
- there is an ability to use or sell the software
- it can be demonstrated how the software will generate probable future economic benefits
- adequate technical, financial and other resources to complete the development and to use or sell the software are available, and
- the expenditure attributable to the software during its development can be reliably measured.

capitalized development costs are recorded as intangible assets and amortized from the point at which the asset is available for use.

Expenditure incurred on development of an intangible assets which are not ready for their intended use are carried at cost less impairment (if any), under Intangible Assets under development.

Computer softwares are amortized over the useful life of 5 years.

2.5 Borrowing Costs

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalized during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

Other borrowing costs are expensed in the period in which they are incurred.

2.6 Leases

As a lessee

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable
- variable lease payment that are based on an index or a rate, initially measured using the index or rate as at the commencement date
- amounts expected to be payable by the Company under residual value guarantees
- the exercise price of a purchase option if the Company is reasonably certain to exercise that option, and
- payments of penalties for terminating the lease, if the lease term reflects the Company exercising that option.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability. The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the Company, the lessee's incremental borrowing rate is used, being the rate that

Notes to the Standalone financial statements for the year ended 31st March, 2022 (Contd.)
(All amounts in Rupees millions, unless otherwise stated)

the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

To determine the incremental borrowing rate, the Company:

- where possible, uses recent third-party financing received by the individual lessee as a starting point, adjusted to reflect changes in financing conditions since third party financing was received
- uses a build-up approach that starts with a risk-free interest rate adjusted for credit risk for leases held by Tarsons Products Limited, which does not have recent third party financing
- makes adjustments specific to the lease, e.g. term, country, currency and security.

If a readily observable amortising loan rate is available to the individual lessee (through recent financing or market data) which has a similar payment profile to the lease, then the Company entities use that rate as a starting point to determine the incremental borrowing rate.

The Company is exposed to potential future increases in variable lease payments based on an index or rate, which are not included in the lease liability until they take effect. When adjustments to lease payments based on an index or rate take effect, the lease liability is reassessed and adjusted against the right-of-use asset.

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Variable lease payments that depend on sales are recognized in profit or loss in the period in which the condition that triggers those payments occurs. Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability
- any lease payments made at or before the commencement date less any lease incentives received
- any initial direct costs
- restoration costs.

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the Company is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life.

Payments associated with short-term leases of equipment and all leases of low-value assets are recognized on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less. Low-value assets comprise IT equipment and small items of office furniture.

As a lessor

Lease income from operating leases where the Company is a lessor is recognized in income on a straight-line basis over the lease term. Initial direct costs incurred in obtaining an operating lease are added to the carrying amount of the underlying asset and recognized as expense over the lease term on the same basis as lease income. The respective leased assets are included in the balance sheet based on their nature.

2.7 Financial assets

(i) Classification

The Company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- those to be measured at amortized cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

Notes to the Standalone financial statements for the year ended 31st March, 2022 (Contd.) (All amounts in Rupees millions, unless otherwise stated)

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in equity instruments that are not held for trading, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at FVOCI.

The Company reclassifies debt investments when and only when its business model for managing those assets changes.

(ii) **Recognition**

Regular way purchases and sales of financial assets are recognized on trade-date, being the date on which the Company commits to purchase or sale the financial asset.

(iii) **Measurement**

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Debt instruments

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its debt instruments:

- **Amortized cost:** Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortized cost. A gain or loss on a debt investment that is subsequently measured at amortized cost is recognized in profit or loss when the asset is derecognized or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.
- **Fair value through other comprehensive income (FVOCI):** Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest and losses which are recognized in profit and loss. When the financial asset is derecognized, the cumulative gain or loss previously recognized in OCI is reclassified from equity to profit or loss. Interest income from these financial assets is included in other income using the effective interest rate method.
- **Fair value through profit or loss:** Assets that do not meet the criteria for amortized cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss is recognized in profit or loss and presented net in the statement of profit and loss in the period in which it arises. Interest income from these financial assets is included in other income.

Equity Instruments

The Company subsequently measures all equity investments at fair value. Where the Company's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment. Dividends from such investments are recognized in profit or loss as other income when the Company's right to receive payments is established.

Changes in the fair value of financial assets at fair value through profit or loss are recognized in other income in the statement of profit and loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

(iv) **Derecognition**

A financial asset is derecognized only when

- The Company has transferred the rights to receive cash flows from the financial asset or
- retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Notes to the Standalone financial statements for the year ended 31st March, 2022 (Contd.)
(All amounts in Rupees millions, unless otherwise stated)

Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognized. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognized.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognized if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognized to the extent of continuing involvement in the financial asset.

(v) Dividend

Dividends are received from financial assets at fair value through profit or loss and at FVOCI. Dividends are recognized as other income in profit or loss when the right to receive payment is established. This applies even if they are paid out of pre-acquisition profits, unless the dividend clearly represents a recovery of part of the cost of the investment.

(vi) Interest Income

Interest income from financial assets at fair value through profit or loss is disclosed as interest income within other income. Interest income on financial assets at amortized cost and financial assets at FVOCI is calculated using the effective interest method is recognized in the statement of profit and loss as part of other income.

Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset except for financial assets that subsequently become credit-impaired. For credit-impaired financial assets the effective interest rate is applied to the net carrying amount of the financial asset (after deduction of the loss allowance).

(vii) Offsetting

Financial assets and liabilities are offset and the net amount is reported in the Standalone balance sheet where there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

2.8 Impairment

(a) Impairment of financial assets

The Company recognizes loss allowances for expected credit losses on:

- financial assets measured at amortized cost; and
- financial assets measured at FVOCI- debt investments.

At each reporting date, the Company assesses whether financial assets carried at amortized cost and debt securities at FVOCI are credit- impaired. A financial asset is 'credit- impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

The Company recognizes loss allowances using the expected credit loss (ECL) model for the financial assets which are measured at amortized cost. The Company does not have any financial assets which are carried at at fair value through profit or loss or at FVOCI. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all other financial assets (i.e. cash and bank balances and other financial assets) , expected credit losses are measured at an amount equal to the 12 month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized, is recognized as an impairment gain or loss in the statement of profit and loss.

Notes to the Standalone financial statements for the year ended 31st March, 2022 (Contd.) (All amounts in Rupees millions, unless otherwise stated)

(b) Impairment of non-financial assets

Assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are Companyed at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or Company's of assets (cash-generating units). Non financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

2.9 Measurement of fair values

A number of the Company's accounting policies and disclosures require measurement of fair values, for both financial and non-financial assets and liabilities.

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

2.10 Inventories

Inventories are measured at the lower of cost and net realisable value. The cost of inventories includes expenditure incurred in acquiring the inventories, production or conversion costs and other costs incurred in bringing them to their present location and condition. Cost is determined using the First-in-First out (FIFO) method in respect of Raw Materials. The cost comprises cost of purchase, cost of conversion and other costs including appropriate production overheads in the case of finished goods and work in progress, incurred in bringing such inventories to their present location and condition.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

The net realisable value of work-in-progress is determined with reference to the selling prices of related finished products.

Raw materials, components and other supplies held for use in the production of finished products are not written down below cost except in cases where material prices have declined and it is estimated that the cost of the finished products will exceed their net realisable value.

The comparison of cost and net realisable value is made on an item-by-item basis.

2.11 Foreign Currency Translation

Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognized in profit or loss.

Foreign exchange differences arising on foreign currency borrowings are presented in the Standalone statement of profit and loss. All other foreign exchange gains and losses are presented in the Standalone statement of profit and loss on a net basis within other income /(expense).

Notes to the Standalone financial statements for the year ended 31st March, 2022 (Contd.) (All amounts in Rupees millions, unless otherwise stated)

2.12 Revenue Recognition

Revenue from sale of goods is recognized at the point in time when control of the goods is transferred to the customer. The Company recognizes revenue from the sale of goods measured at the price specified in the contract, net of returns and allowances, trade discounts and volume rebates. Such provisions give rise to variable consideration, and are estimated at contract inception and updated thereafter. Revenue from value added services, namely freight and shipping insurance, is recognized as and when services are rendered, as per the terms agreed with the customers.

- a. A refund liability is recognized for expected volume discounts payable for sales made till the end of the reporting period.
- b. If a customer pays consideration before the Company transfers goods or services to the customer, an advance from customers (contract liability) is recognized when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognized as revenue when the Company performs under the contract.
- c. The Company does not have any significant financing element included in the sales made.

2.13 Employee Benefits

(i) Short-term employee benefits

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognized in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

(ii) Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. The Company makes specified monthly contributions towards Government administered provident fund scheme. Obligations for contributions to defined contribution plans are recognized as an employee benefit expense in profit or loss in the periods during which the related services are rendered by employees.

Prepaid contributions are recognized as an asset to the extent that a cash refund or a reduction in future payments is available.

(iii) Defined benefit plans

The Company provides for gratuity, a defined benefit retirement plan ("the Gratuity Plan") covering eligible employees. The Gratuity Plan provides a lump-sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment with the Company.

The liability or asset recognized in the Standalone balance sheet in respect of gratuity plan is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the defined benefit obligation denominated in ₹ is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the Standalone statement of profit and loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognized immediately in Standalone statement of profit and loss as past service cost.

Notes to the Standalone financial statements for the year ended 31st March, 2022 (Contd.) (All amounts in Rupees millions, unless otherwise stated)

(iv) **Compensated absences**

The Company also has liabilities for earned leave that are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. These obligations are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the appropriate market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognized in profit or loss. The obligations are presented as current liabilities in the Standalone balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

2.14 Income Tax

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

(i) **Current Tax**

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and considers whether it is probable that a taxation authority will accept an uncertain tax treatment. The Company measures its tax balances either based on the most likely amount or the expected value, depending on which method provides a better prediction of the resolution of the uncertainty.

(ii) **Deferred Tax**

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the Standalone financial statements. However, deferred tax liabilities are not recognized if they arise from the initial recognition of goodwill. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss). Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled.

Deferred tax assets are recognized for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilize those temporary differences and losses.

Deferred tax assets and liabilities are offset where there is a legally enforceable right to offset current tax assets and liabilities and where the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Current and deferred tax is recognized in profit or loss, except to the extent that it relates to items recognized in other comprehensive income or directly in equity. In this case, the tax is also recognized in other comprehensive income or directly in equity, respectively.

2.15 Provisions and Contingencies

(i) **Provisions**

Provisions are recognized when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognized for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognized even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Notes to the Standalone financial statements for the year ended 31st March, 2022 (Contd.)
(All amounts in Rupees millions, unless otherwise stated)

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognized as interest expense.

(ii) Contingencies

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

Contingent assets are not recognized but disclosed in the Standalone financial statements when an inflow of economic benefit is probable.

2.16 Trade receivables

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. Trade receivables are recognized initially at the amount of consideration that is unconditional unless they contain significant financing components, when they are recognized at fair value. The Company holds the trade receivables with the objective of collecting the contractual cash flows and therefore measures them subsequently at amortized cost using the effective interest method, less loss allowance.

2.17 Trade and other payables

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. The amounts are unsecured and are generally paid within 30 to 90 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognized initially at their fair value and subsequently measured at amortized cost using the effective interest method.

2.18 Borrowings and other financial liabilities

Borrowings are initially recognized at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortized cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognized in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognized as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalized as a prepayment for liquidity services and amortized over the period of the facility to which it relates.

Borrowings are removed from the Standalone balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognized in profit or loss.

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

2.19 Cash and Cash Equivalents

For the purpose of presentation in the Standalone statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Notes to the Standalone financial statements for the year ended 31st March, 2022 (Contd.) *(All amounts in Rupees millions, unless otherwise stated)*

2.20 Earnings Per Share

(i) Basic earnings per share

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the Company
- by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus element in equity shares issued during the year and excluding treasury share

(ii) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares

2.21 Segment Reporting

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

The Board of Directors of the Tarsons Products Limited has been identified as the Chief Operating Decision Maker (CODM) as defined by Ind AS 108, Operating Segments. All operating segments' operating results are reviewed regularly by the Company's Chief Operating Decision Maker (CODM) to make decisions about resources to be allocated to the segments and assess their performance. Refer note 37 for details on segment information presented.

2.22 Government Grant

Grants from the government are recognized at their fair value where there is a reasonable assurance that the grant will be received and the Company will comply with all attached conditions.

Government grants relating to income such as duty drawbacks and other export benefit entitlements are deferred and recognized in the profit or loss over the period necessary to match them with the costs that they are intended to compensate and presented within other income.

Government grants relating to the purchase of property, plant and equipment (Export Promotion Capital Goods) are included in non-current and current liabilities (as applicable) as deferred income and are credited to profit or loss on a straight-line basis over the expected lives of the related assets and presented within other income.

2.23 Contributed equity

Equity shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

The transaction costs incurred with respect to the proposed IPO of the Company is recognized as an asset to the extent considered recoverable from the selling shareholders. Remaining costs are allocated between new issue of shares and listing of existing equity shares. The costs attributable to listing of existing shares is recognized in profit or loss. The remaining costs attributable to new issuance of shares is recorded as a deduction from equity.

2.24 Rounding off amounts

All amounts disclosed in the Standalone financial statements and notes have been rounded off to the nearest Million rupees upto two decimal places as per the requirement of Schedule III, unless otherwise stated.

Notes to the Standalone financial statements for the year ended 31st March, 2022 (Contd.)
(All amounts in Rupees millions, unless otherwise stated)

3(a) PROPERTY, PLANT AND EQUIPMENT

Description	Gross Carrying amount			Accumulated depreciation			Carrying amount (net)
	As at 1st April, 2021	Additions	Deletions	As at 31st March, 2022	For the Year	Deletions	
Freehold Land (Refer Note (i) and (v) below)	253.68	217.49	-	471.17	-	-	471.17
Buildings (Refer Note (ii) below)	174.92	15.17	-	190.09	11.90	-	136.18
Plant & Machinery	506.31	304.60	-	810.91	86.78	-	541.35
Moulds	587.90	336.55	-	924.45	108.14	-	632.09
Furniture & Fixtures	13.02	8.27	-	21.29	3.11	-	14.12
Office Equipments	2.74	0.69	-	3.43	0.32	-	1.48
Computer	3.89	2.27	-	6.16	1.63	-	2.48
Vehicles	16.77	10.74	5.52	21.99	5.64	4.95	15.46
Total	1,559.23	895.78	5.52	2,449.49	217.52	4.95	1,814.33

Description	Gross Carrying amount			Accumulated depreciation			Carrying amount (net)
	As at 1st April, 2020	Additions	Deletions	As at 31st March, 2021	For the Year	Deletions	
Freehold Land (Refer Note (i) and (v) below)	135.50	118.18	-	253.68	-	-	253.68
Buildings (Refer Note (ii) below)	173.42	1.50	-	174.92	14.58	-	132.91
Plant & Machinery	399.48	106.92	0.09	506.31	55.24	-	323.53
Moulds	427.00	160.90	-	587.90	58.82	-	403.68
Furniture & Fixtures	12.27	0.75	-	13.02	2.82	-	8.96
Office Equipments	2.43	0.31	-	2.74	0.27	-	1.11
Computer	2.15	1.74	-	3.89	0.74	-	1.84
Vehicles	10.85	6.39	0.47	16.77	3.50	-	10.93
Total	1,163.10	396.69	0.56	1,559.23	135.97	-	1,136.64

Notes :

- Refer to Note 14 for information on Property, Plant & Equipment hypothecated as security by the Company.
- Title deeds of all the immovable properties comprising of land and building which are freehold, are held in the name of the Company.
- Aggregate amount of depreciation and amortization has been included under "Depreciation and Amortization expense" in the Standalone Statement of Profit and Loss (Refer Note 27).
- Refer Note 32 for disclosure of contractual commitments for the acquisition of Property, Plant and Equipments.
- In respect of the Company's land at Jangalpur on which the factory is located, the complete approval under the West Bengal Land Reforms Act, 1955, for conversion of use from agricultural to non agricultural purpose is yet to be received.

Notes to the Standalone financial statements for the year ended 31st March, 2022 (Contd.)
 (All amounts in Rupees millions, unless otherwise stated)

3(b) CAPITAL WORK-IN-PROGRESS

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Opening balance	215.00	192.93
Add: Addition during the year	1,003.23	418.76
Less: Transfer during the year	(895.78)	(396.69)
Closing Balance	322.45	215.00

CWIP aging schedule as at 31st March, 2022

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	269.46	1.84	-	-	271.30
Projects temporarily suspended #	-	-	29.04	22.11	51.15

Completion Schedule of projects temporarily suspended

Particulars	Amount in CWIP to be capitalized in				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Serological Pipette manufacturing facility	-	51.15	-	-	51.15

CWIP aging schedule as at 31st March, 2021

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	55.01	-	-	-	55.01
Projects temporarily suspended #	-	137.87	22.12	-	159.99

Completion Schedule of projects temporarily suspended

Particulars	Amount in CWIP to be capitalized in				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Petridish Automated System along with related moulds and injecting machine	-	108.84	-	-	108.84
Serological Pipette manufacturing facility	-	51.15	-	-	51.15

Notes to the Standalone financial statements for the year ended 31st March, 2022 (Contd.)
(All amounts in Rupees millions, unless otherwise stated)

3(c) INTANGIBLE ASSETS UNDER DEVELOPMENT

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Opening balance	5.83	-
Add: Addition during the year	2.19	5.83
Less: Transfer during the year	(8.02)	-
Closing balance	-	5.83

Intangible assets under development aging schedule as at 31st March, 2022

Particulars	Amount in intangible assets under development for a period of				Total*
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	-	-	-	-	-
Projects temporarily suspended*	-	-	-	-	-

Intangible assets under development aging schedule as at 31st March, 2021

Particulars	Amount in intangible assets under development for a period of				Total*
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	5.83	-	-	-	5.83
Projects temporarily suspended*	-	-	-	-	-

*There were no projects that were suspended at the end of each reporting period accordingly disclosure on expected date of completion of suspended project has not been given.

Notes to the Standalone financial statements for the year ended 31st March, 2022 (Contd.)
(All amounts in Rupees millions, unless otherwise stated)

3(d) INTANGIBLE ASSETS

Description	Gross Carrying amount			Accumulated depreciation			Carrying amount (net)
	As at 1st April, 2021	Additions	Deletions	As at 31st March, 2022	For the Year	Deletions	
Computer Software	-	8.01	-	8.01	1.37	-	6.64
Total	-	8.01	-	8.01	1.37	-	6.64

Description	Gross Carrying amount			Accumulated depreciation			Carrying amount (net)
	As at 1st April, 2020	Additions	Deletions	As at 31st March, 2021	For the Year	Deletions	
Computer Software	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-

Note:

- (i) Aggregate amount of depreciation and amortization has been included under "Depreciation and Amortization expense" in the Standalone Statement of Profit and Loss (Refer Note 27).

Notes to the Standalone financial statements for the year ended 31st March, 2022 (Contd.)
(All amounts in Rupees millions, unless otherwise stated)

4. OTHER FINANCIAL ASSETS

Particulars	As at 31st March, 2022	As at 31st March, 2021
Non-Current		
Security Deposits	58.49	28.20
Long Term Deposits with Banks with original maturity for period more than 12 months*	0.63	2.38
Total	59.12	30.58

*Held as margin money against Bank Guarantee

Particulars	As at 31st March, 2022	As at 31st March, 2021
Current		
Loan to Employees	0.58	0.39
Total	0.58	0.39

Notes

- (i) Loans granted to employees during the year had stipulated scheduled repayment of principal and are not carrying any interest. There were no loans/advances in nature of loans granted during the year to promoter/related parties.
- (ii) The terms and conditions under which loans were granted to employees are not prejudicial to the Company's interest as these are extended under the employee loans and advance policy of the Company which is applicable to all employees.
- (iii) There is no amount of loan to employees which is overdue for more than ninety days.
- (iv) There were no loans which fell during the year and were renewed/extended. Further, no fresh loans were granted to same employees to settle the existing overdue loans.

5. CURRENT TAX ASSETS

Particulars	As at 31st March, 2022	As at 31st March, 2021
Advance tax [Net of Provision of ₹ 1291.60 (31st March, 2021: ₹ 958.43)]	24.99	24.39
Total	24.99	24.39

6. OTHER NON-CURRENT ASSETS

Particulars	As at 31st March, 2022	As at 31st March, 2021
Non-Current		
Capital Advances	702.54	351.38
Total	702.54	351.38

Notes to the Standalone financial statements for the year ended 31st March, 2022 (Contd.)
 (All amounts in Rupees millions, unless otherwise stated)

7. INVENTORIES

Particulars	As at 31st March, 2022	As at 31st March, 2021
Raw Materials	306.88	137.40
Work-In-Progress	4.12	7.06
Finished Goods [including Goods-in-transit of Nil (31st March, 2021: ₹ 7.70)]	405.21	217.73
Stock in Trade	72.48	85.67
Packing Materials	29.00	16.48
Consumable Stores	4.18	1.53
Scrap	1.87	1.10
Total	823.74	466.97

(i) Refer Note 14 for information on inventories hypothecated as security by the Company.

8. TRADE RECEIVABLES

Particulars	As at 31st March, 2022	As at 31st March, 2021
Unsecured, considered good		
Trade receivables	656.17	472.01
Less: Allowance for expected credit losses	(4.39)	(1.64)
Total	651.78	470.37

Note:

- There are no outstanding receivables due from directors or other officers of the Company.
- Refer Note 30 for information about credit risk and market risk on receivables.
- Refer Note 14 for information on trade receivable hypothecated as security by the Company

Break up of security details

Particulars	As at 31st March, 2022	As at 31st March, 2021
Trade Receivables considered good - Secured	-	-
Trade Receivables considered good - Unsecured	656.17	472.01
Trade Receivables which have significant increase in Credit Risk	-	-
Trade Receivables - Credit Impaired	-	-
Total	656.17	472.01
Less: Allowance for expected credit losses	(4.39)	(1.64)
Total	651.78	470.37

The Company uses a provision matrix to determine impairment loss on portfolio of its trade receivable. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At regular intervals, the historically observed default rates are updated and changes in forward-looking estimates are analysed.

Movement in the expected credit loss allowance

Particulars	As at 31st March, 2022	As at 31st March, 2021
Balance at the beginning of the year	1.64	3.40
Movement in expected credit loss allowance on trade receivables calculated at lifetime expected credit losses	2.75	(1.76)
Provision at the end of the year	4.39	1.64

Notes to the Standalone financial statements for the year ended 31st March, 2022 (Contd.)
(All amounts in Rupees millions, unless otherwise stated)

Expected credit loss for trade receivables under simplified approach

Ageing	As at 31st March, 2022		
	Gross	Expected Credit loss	Net credit risk
Not due	545.06	-	545.06
0-30 days	78.19	1.02	77.17
31-60 days	20.90	0.64	20.26
61-90 days	8.11	0.56	7.55
91 - 120 days	0.19	0.05	0.14
121 - 180 days	1.66	0.47	1.19
181 - 240 days	0.44	0.24	0.20
241 - 360 days	1.62	1.41	0.21
greater than 360 days	0.00	0.00	0.00
Total	656.17	4.39	651.78

Ageing	As at 31st March, 2021		
	Gross	Expected Credit loss	Net credit risk
Not due	429.98	0.01	429.97
0-30 days	23.57	0.14	23.43
31-60 days	13.97	0.26	13.71
61-90 days	2.78	0.11	2.67
91 - 120 days	0.21	0.04	0.17
121 - 180 days	0.45	0.10	0.35
181 - 240 days	0.02	0.01	0.01
241 - 360 days	0.11	0.10	0.01
greater than 360 days	0.92	0.87	0.05
Total	472.01	1.64	470.37

Trade receivables ageing schedule as at 31st March, 2022

Particulars	Outstanding for following periods from due date of payment							Total
	Unbilled Dues	Not Due	Less than 6 months	6 months- 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed trade receivables - considered good	-	545.06	109.05	2.06	0.00	-	-	656.17
(ii) Undisputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-	-
(iii) Undisputed trade receivables - credit impaired	-	-	-	-	-	-	-	-
(iv) Disputed trade receivables - considered good	-	-	-	-	-	-	-	-
(v) Disputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-	-
(vi) Disputed trade receivables - credit impaired	-	-	-	-	-	-	-	-

Notes to the Standalone financial statements for the year ended 31st March, 2022 (Contd.)
(All amounts in Rupees millions, unless otherwise stated)

Trade receivables ageing schedule as at 31st March, 2021

Particulars	Outstanding for following periods from due date of payment							Total
	Unbilled Dues	Not Due	Less than 6 months	6 months-1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed trade receivables - considered good	-	429.98	40.98	0.13	0.92	-	-	472.01
(ii) Undisputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-	-
(iii) Undisputed trade receivables - credit impaired	-	-	-	-	-	-	-	-
(iv) Disputed trade receivables - considered good	-	-	-	-	-	-	-	-
(v) Disputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-	-
(vi) Disputed trade receivables - credit impaired	-	-	-	-	-	-	-	-

9. CASH AND CASH EQUIVALENTS

Particulars	As at 31st March, 2022	As at 31st March, 2021
Cash on hand	0.37	0.13
- in current accounts (Refer Note (i) below)	86.91	23.06
- in term deposit accounts with original maturity period not more than three months	687.14	0.13
Total	774.42	23.32

Notes

- (i) Balance with banks on current accounts includes balance of Initial Public Offer (IPO) proceeds of ₹ 51.44 (31st March, 2021: Nil) which will be utilized as stated in the prospectus for IPO.

10. BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

Particulars	As at 31st March, 2022	As at 31st March, 2021
Balances in term deposit accounts with original maturity period of more than three months and not more than twelve months*	83.77	8.13
Total	83.77	8.13

* Held as margin money against Bank Guarantee

Notes to the Standalone financial statements for the year ended 31st March, 2022 (Contd.)
(All amounts in Rupees millions, unless otherwise stated)

11. OTHER CURRENT ASSETS

Particulars	As at 31st March, 2022	As at 31st March, 2021
Advance to Suppliers for Goods & Services	55.04	97.19
Prepaid Expenses	4.73	9.85
Prepaid CSR expenses	19.80	33.12
Export Benefit Receivable	18.49	18.66
Advance with public bodies (Goods and Service Tax, excise duty etc.)	13.09	0.68
Other Advances	0.48	0.01
	111.63	159.51
Less: Provision for doubtful advances with public bodies	(0.67)	(0.67)
Total	110.96	158.84

12. EQUITY SHARE CAPITAL

Particulars	As at 31st March, 2022	As at 31st March, 2021
Authorized share capital		
100,000,000 (31st March, 2021: 1,150,000) Class A and Class B Equity Shares of ₹ 2 (31st March, 2021: ₹ 10) each [Refer Note (f) below]	200.00	11.50
Total	200.00	11.50

Particulars	As at 31st March, 2022	As at 31st March, 2021
Issued, subscribed and paid-up share capital		
53,206,281 (31st March, 2021 : 192,228) Class A Equity Shares of ₹ 2 (31st March, 2021: ₹ 10) each [Refer Note (f) below]	106.41	1.92
Total [A]	106.41	1.92

Number of shares have been disclosed in absolute terms

(a) Reconciliation of shares outstanding at the beginning and at the end of the reporting period

Particulars	As at 31st March, 2022		As at 31st March, 2021	
	Number	Amount	Number	Amount
Equity shares				
At the commencement of the year (Class A and Class B)	192,228	1.92	200,241	2.00
Shares split from Face Value of ₹ 10 to ₹ 2 each for every Class A share [Refer Note (f) below]	768,912	-	-	-
Bonus Shares issued for every 1 Class A share during the year	49,979,280	99.96	-	-
Fresh Issue of Equity Shares	2,265,861	4.53	-	-
Class B shares bought back	-	-	(8,013)	(0.08)
Total	53,206,281	106.41	192,228	1.92

Notes to the Standalone financial statements for the year ended 31st March, 2022 (Contd.)
 (All amounts in Rupees millions, unless otherwise stated)

(b) Rights, Preferences and Restrictions

Equity Shares

The Holding Company has two class of equity shares having a par value of ₹10 per share. Class A shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Holding Company after distribution of all preferential amounts, in proportion to their shareholding.

'Class B' 8,013 equity shares of ₹10 each were issued and allotted to Clear Vision Investment Holding Pte. Limited on 18 March 2020 pursuant to conversion of 2,200,000 Compulsorily Convertible Debentures with the condition that if the Holding Company fails to complete a buyback within 30 days of serving the exercise notice, Clear Vision Investment Holding Pte Limited shall be entitled to exercise its voting right on such shares. Class B equity shares have been bought back by the Holding Company during the year ended 31st March, 2021.

(c) Particulars of shareholders holding more than 5% shares of Equity Shares

Name of the shareholder	As at 31st March, 2022		As at 31st March, 2021	
	Number of shares held	% holding	Number of shares held	% holding
Sanjive Sehgal	1,43,54,248	26.98	56,101	29.18
Rohan Sehgal	1,08,00,347	20.30	41,936	21.82
Clear Vision Investment Holdings Pte Limited	1,24,60,615	23.42	94,191	49.00
Total	3,76,15,210	70.70	1,92,228	100.00

(d) Promoters shareholding

Shareholding of promoters as on 31st March, 2022

Promoter name	Number of shares	% of total shares	% change during the period
Sanjive Sehgal	1,43,54,248	26.98	(0.08)
Rohan Sehgal	1,08,00,347	20.30	(0.07)
Total	2,51,54,595	47.28	

Class A Shareholding of promoters as on 31st March, 2021

Promoter name	Number of shares	% of total shares	% change during the period
Sanjive Sehgal	56,101	29.18	-
Rohan Sehgal	41,936	21.82	-
Total	98,037	51.00	

- (e) A bonus issue was made to the shareholders of the Holding Company as of the record date 25th June, 2021 in the ratio of 52:1, pursuant to Board and Shareholders' resolutions passed on 14th June, 2021 and 16th June, 2021, respectively.
- (f) The equity shares of the Holding Company were sub-divided from equity shares of face value of ₹ 10 each into equity shares of face value of ₹ 2 each, pursuant to Board and Shareholders' resolutions passed on 14th June, 2021 and 16th June, 2021 respectively. The record date for the aforementioned subdivision was 25th June, 2021.
- (g) The Holding Company has bought back 8,013 Class B equity shares during the year ended 31st March, 2021.

Notes to the Standalone financial statements for the year ended 31st March, 2022 (Contd.)
(All amounts in Rupees millions, unless otherwise stated)

13. OTHER EQUITY

Particulars		As at 31st March, 2022	As at 31st March, 2021
Securities premium (i)		1,459.09	17.40
Amalgamation Reserve (ii)		5.86	5.86
Capital Redemption Reserve (iii)		0.08	0.08
Retained earnings (iv)		3,326.86	2,418.12
Total other equity		4,791.89	2,441.46

(i) Securities premium

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Opening balance	17.40	237.39
Add: Amount received on Issue of Equity Shares	1,492.48	-
Less: Amount utilized for shares issue expenses (Refer Note 44)	(50.79)	-
Less: Used in buy back of Equity Shares	-	(219.91)
Less: Transferred to Capital Redemption Reserve	-	(0.08)
Closing balance	1,459.09	17.40

(ii) Amalgamation Reserve

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Amalgamation Reserve	5.86	5.86
Closing balance	5.86	5.86

(iii) Capital Redemption Reserve

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Opening balance	0.08	-
Add: On buy back of equity shares	-	0.08
Closing balance	0.08	0.08

(iv) Retained earnings

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Opening balance	2,418.12	1,730.44
Add: Profit during the year	1,006.64	688.70
Add: Remeasurement of Post employment defined benefit liability (net of tax)	2.06	(1.02)
Less: Bonus Shares issued for every 1 shares during the year	(99.96)	0.00
Closing balance	3,326.86	2,418.12
Total other equity	4,791.89	2,441.46

Notes to the Standalone financial statements for the year ended 31st March, 2022 (Contd.)
 (All amounts in Rupees millions, unless otherwise stated)

Nature and purpose of reserves

(i) Securities premium:

Amounts received on issue of shares in excess of the par value has been classified as securities premium (net of utilization). The Security premium is utilized in accordance with the provisions of the Companies Act, 2013.

(ii) Amalgamation Reserve:

Amalgamation reserve has been recorded by the Company to give effect to the scheme of amalgamation approved by Hon'ble High Court of Calcutta for amalgamation of G.R.Packsys Private Limited (Transferor Company) with the Company (Transferee Company) with effect from 1st April, 2012.

(iii) Capital Redemption Reserve:

Capital Redemption Reserve has arisen on buy back of equity shares pursuant to the provisions of the Companies Act, 2013. The capital redemption reserve account may be applied by the Company, in paying up unissued shares of the Company to the members as fully paid bonus shares.

(iv) Retained earnings:

The cumulative gain or loss arising from the operations which is retained by the Company is recognized and accumulated under the heading "Retained Earnings". At the end of the year, the profit after tax and Other comprehensive income is transferred from the Standalone Statement of Profit and Loss to retained earnings. Other comprehensive income comprises actuarial gains and losses on defined benefit obligation.

14. BORROWINGS

Particulars	As at 31st March, 2022	As at 31st March, 2021
Non-Current		
Secured		
Term Loans from:		
Banks		
Rupee Loan [Refer note (b) below]	206.19	104.26
Less: Current Maturities of Long Term Debts [Refer Note 2.1 (vi)]	(112.67)	(71.03)
Total	93.52	33.23
Interest accrued	0.07	0.49
Total	93.45	32.74

Particulars	As at 31st March, 2022	As at 31st March, 2021
Current		
Secured		
Cash Credit Loan [Refer note (c) below]	10.05	60.05
Current Maturities of Long Term Debts [Refer Note 2.1 (vi)]	112.67	71.03
Working Capital Loans repayable on Demand [Refer note (c) below]	-	170.71
Unsecured		
Payable to shareholder for fractional shares	-	0.01
Total	122.72	301.80

Notes to the Standalone financial statements for the year ended 31st March, 2022 (Contd.)
(All amounts in Rupees millions, unless otherwise stated)

(a) Net debt reconciliation

This section sets out an analysis of net debt and the movements in net debt for each of the periods presented:

Particulars	As at 31st March, 2022	As at 31st March, 2021
Cash and cash equivalents	774.42	23.32
Current borrowings	(122.72)	(301.80)
Non-current borrowings	(93.45)	(32.74)
Lease liabilities	(0.48)	(0.47)
Net Cash & Cash Equivalent/ (debt)	557.77	(311.69)

Particulars	Other assets		Liabilities from financing activities	
	Cash and cash equivalents	Non-current borrowings and Current borrowings	Lease liabilities	Total
Net debt as at 31st March, 2020	253.11	(359.57)	(0.29)	(106.75)
Cash inflows/(outflows)	(229.79)	2.61	0.02	(227.16)
New leases	-	-	(0.17)	(0.17)
Finance Cost	-	(27.19)	(0.03)	(27.22)
Interest paid	-	49.61	-	49.61
Net debt as at 31st March, 2021	23.32	(334.54)	(0.47)	(311.69)
Cash inflows/(outflows)	750.97	117.89	0.03	868.89
Foreign exchange adjustments	(0.13)	-	-	(0.13)
New leases	-	-	-	-
Finance Cost	-	(42.11)	(0.05)	(42.15)
Interest paid	-	42.59	-	42.59
Net debt as at 31st March, 2022	774.42	(216.17)	(0.48)	557.77

(b) Repayment schedule of borrowings and assets pledged as security as at 31st March, 2022 and 31st March, 2021

Name of Bank/ Financial Institution	Loan Amount	Repayment Schedule	No of Installments	Interest Rate	Installment Amount	Security
HDFC Bank - Term loan	₹ Nil (31st March, 2021: ₹ 7.29)	Quarterly	Total - 24 (Outstanding Nil)	1Y MCLR + 130bps	Equal amount of principal installments - ₹ 1.04	Term loan from banks are secured by way of first pari passu hypothecation charge created over the:

Notes to the Standalone financial statements for the year ended 31st March, 2022 (Contd.)
 (All amounts in Rupees millions, unless otherwise stated)

Name of Bank/ Financial Institution	Loan Amount	Repayment Schedule	No of Installments	Interest Rate	Installment Amount	Security	
HDFC Bank - Term loan	₹ Nil (31st March, 2021: ₹ 10.00)	Quarterly	Total - 20 (Outstanding Nil)	1Y MCLR + 130bps	Equal amount of principal installments - ₹ 1.25	(i) Entire current assets and movable fixed assets of the Company, both present and future, except exclusively financed by other Banks/ Financial Institutions. (ii) Factory land and buildings at Domjur, Kasba, Sankrail and Office Building at Jasmine Tower, Kolkata.	
HDFC Bank - Term loan	₹ Nil (31st March, 2021: ₹ 7.96)	Quarterly	Total - 22 (Outstanding Nil)	1Y MCLR + 130bps	Equal amount of principal installments - ₹ 1.14		
HDFC Bank - Term loan	₹ Nil (31st March, 2021: ₹ 16.00)	Quarterly	Total - 20 (Outstanding Nil)	1Y MCLR + 130bps	Equal amount of principal installments - ₹ 2.00		
HDFC Bank - Term loan	₹ Nil (31st March, 2021: ₹ 4.00)	Quarterly	Total - 20 (Outstanding Nil)	1Y MCLR + 130bps	Equal amount of principal installments - ₹ 0.50		
HDFC Bank - Term loan	₹ Nil (31st March, 2021: ₹ 4.00)	Quarterly	Total - 20 (Outstanding Nil)	1Y MCLR + 130bps	Equal amount of principal installments - ₹ 0.50		
HDFC Bank - Term loan	₹ Nil (31st March, 2021: ₹ 10.00)	Quarterly	Total - 20 (Outstanding Nil)	1Y MCLR + 130bps	Equal amount of principal installments - ₹ 1.25		
Axis Bank -Term Loan	₹ Nil (31st March, 2021: ₹ 39.78)	Quarterly	Total - 7 (Outstanding Nil)	1Y MCLR + 0.35 bps	(i) Equal amount of principal installments - ₹ 6.72, (ii) Last amount of principal installment ₹ 19.14		
Axis Bank -Term Loan	₹ 194.24 (31st March, 2021: ₹ Nil)	Quarterly	Total - 10 (Outstanding 8)	Repo + 220 bps	(i) Equal amount of principal installments - ₹27.50 (ii) Last amount of principal installment - ₹ 2.50		
Axis Bank -Car Loan	₹ 7.73 (31st March, 2021: ₹ Nil)	Monthly	Total - 60 (Outstanding 52)	7.45%	Equated Monthly Installments (EMI) - ₹ 0.18		Secured against hypothecation of vehicles.
HDFC Bank - Car Loan	₹4.22 (31st March, 2021: ₹ 5.23)	Monthly	Total - 60 (Outstanding 42)	7.50%	Equated Monthly Installments (EMI) - ₹ 0.11		Secured against hypothecation of vehicles.

(c) Repayment schedule of current borrowings and assets pledged as security as at 31st March, 2022 and 31st March, 2021

Cash Credit and Working Capital Demand Loans facilities are secured by way of pari passu first hypothecation charge created over the:

- Entire current assets and movable fixed assets of the Company, both present and future, except exclusively financed by other Banks/Financial Institutions.
- Factory land and buildings at Domjur, Kasba, Sankrail and Office Building at Jasmine Tower, Kolkata.

(d) The term loans have been applied for the purpose for which they were obtained.

Notes to the Standalone financial statements for the year ended 31st March, 2022 (Contd.)
(All amounts in Rupees millions, unless otherwise stated)

15. TRADE PAYABLES

Particulars	As at 31st March, 2022	As at 31st March, 2021
Current		
Total outstanding dues of micro enterprises and small enterprises*	10.07	3.33
Total outstanding dues of creditors other than micro enterprises and small enterprises	119.45	56.42
Total trade payables	129.52	59.75

*Refer Note 36

(i) There are no trade payable to related parties.

Trade payables aging schedule as at 31st March, 2022

Particulars	Outstanding for following periods from due date of payment					Total
	Unbilled	Not Due	Less than 1 year	1-2 years	2-3 years	
(i) Undisputed dues - Micro, Small and Medium Enterprises	-	10.07	-	-	-	10.07
(ii) Undisputed dues - Others	12.84	86.78	19.38	0.36	0.09	119.45
(iii) Disputed dues - Micro, Small and Medium Enterprises	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-
Total	12.84	96.85	19.38	0.36	0.09	129.52

Trade payables aging schedule as at 31st March, 2021

Particulars	Outstanding for following periods from due date of payment					Total
	Unbilled	Not Due	Less than 1 year	1-2 years	2-3 years	
(i) Undisputed dues - Micro, Small and Medium Enterprises	-	3.33	-	-	-	3.33
(ii) Undisputed dues - Others	8.79	45.49	2.03	0.11	-	56.42
(iii) Disputed dues - Micro, Small and Medium Enterprises	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-
Total	8.79	48.82	2.03	0.11	-	59.75

Notes to the Standalone financial statements for the year ended 31st March, 2022 (Contd.)
(All amounts in Rupees millions, unless otherwise stated)

16. OTHER FINANCIAL LIABILITIES

Particulars	As at 31st March, 2022	As at 31st March, 2021
Non-Current		
Security deposit	1.03	0.53
Total	1.03	0.53
Particulars	As at 31st March, 2022	As at 31st March, 2021
Current		
Capital creditors	1.96	4.09
Interest Accrued on Borrowings	0.07	0.49
Payable to employees	33.09	22.36
Total	35.12	26.94

17. DEFERRED TAX LIABILITIES

Particulars	As at 31st March, 2022	As at 31st March, 2021
Deferred tax liabilities		
Property plant & Equipment	45.12	36.16
Right of use asset	0.98	0.14
Intangible assets	0.46	-
Borrowings	0.21	0.29
Total deferred tax liabilities	46.77	36.59
Deferred tax assets		
Lease liabilities	0.12	0.12
Trade Receivables	1.10	0.88
Provision for Gratuity	1.98	2.79
Total deferred tax assets	3.20	3.79
Net deferred tax liabilities/ (Asset)	43.57	32.80

Notes to the Standalone financial statements for the year ended 31st March, 2022 (Contd.)
(All amounts in Rupees millions, unless otherwise stated)

Deferred tax assets/liabilities:

Movement of deferred tax assets / liabilities presented in the Standalone balance sheet

For the year ended 31st March 2022	As at 1st April, 2021	Recognized in profit or loss	Recognized in OCI	As at 31st March, 2022
Deferred tax liability on:				
Property plant & Equipment	36.16	8.96	-	45.12
Right of use asset	0.14	0.84	-	0.98
Intangible assets	-	0.46	-	0.46
Borrowing	0.29	(0.08)	-	0.21
Gross deferred tax liabilities	36.59	10.18	-	46.77
Deferred tax assets on:				
Lease liabilities	0.12	0.00	-	0.12
Trade Receivables	0.88	0.22	-	1.10
Provision for Gratuity	2.79	(0.81)	-	1.98
Gross deferred tax assets	3.79	(0.59)	-	3.20
Net deferred tax liabilities/ (assets)	32.80	10.77	-	43.57

For the year ended 31st March, 2021	As at 1st April, 2020	Recognized in profit or loss	Recognized in OCI	As at 31st March, 2021
Deferred tax liability on:				
Property plant & Equipment	33.99	2.17	-	36.16
Right of use asset	0.09	0.05	-	0.14
Borrowing	0.81	(0.52)	-	0.29
Gross deferred tax liabilities	34.89	1.70	-	36.59
Deferred tax assets on:				
Lease liabilities	0.07	0.05	-	0.12
Trade Receivables	1.33	(0.44)	-	0.88
Provision for Gratuity	1.60	1.18	(0.34)	2.79
Gross deferred tax assets	3.00	0.79	(0.34)	3.79
Net deferred tax liabilities/ (assets)	31.89	0.91	0.34	32.80

18. PROVISIONS

Particulars	As at 31st March, 2022	As at 31st March, 2021
Current		
Provision for employee benefits		
Employee benefit obligation*	7.84	11.07
Provisions for compensated absences	7.08	4.24
Total	14.92	15.31

*Refer Note 31

Notes to the Standalone financial statements for the year ended 31st March, 2022 (Contd.)
(All amounts in Rupees millions, unless otherwise stated)

19. OTHER LIABILITIES

Particulars	As at 31st March, 2022	As at 31st March, 2021
Non-Current		
Deferred Government Grant	56.32	31.62
Total	56.32	31.62
Current		
Statutory Dues including Provident Fund and Tax Deducted at Source	22.58	7.76
Advances from Customers (Contract liabilities)	14.15	2.46
Deferred Government Grant	10.10	3.93
Total	46.83	14.15

20. REVENUE FROM OPERATIONS

Particulars	For the year ended 31st March, 2022	For the year Ended 31st March, 2021
Sale of Products	2,991.90	2,279.09
Other Operating Revenues:		
Sale of Scrap	16.04	10.02
	3,007.94	2,289.11

PARTICULARS OF SALE OF PRODUCTS

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Manufactured Goods		
- Plastic Products	2,647.95	2,007.35
- Instruments & Equipments	91.27	78.15
	2,739.22	2,085.50
Traded Goods		
- Plastic Products	216.07	149.00
- Instruments & Equipments	36.61	44.59
	252.68	193.59
	2,991.90	2,279.09

Notes:

- Refer Note 37 for disaggregation of revenue by geographical region.
- The contract liabilities of ₹ 2.46 (31st March, 2021: ₹ 3.34) are recognized as revenue during the year.
- Reconciliation of revenue recognized with contract price:

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Contracted price	3,007.43	2,288.60
Adjustments:		
Refund liabilities and discounts	15.53	9.51
Revenue from Contracts with Customers	2,991.90	2,279.09

Notes to the Standalone financial statements for the year ended 31st March, 2022 (Contd.)
(All amounts in Rupees millions, unless otherwise stated)

21. OTHER INCOME

Particulars	For the year ended 31st March, 2022	For the year Ended 31st March, 2021
Foreign Exchange Fluctuation (Net)	36.19	21.06
Interest Income on Financial Assets at amortized Cost	13.14	2.92
Profit on Sale of Property, plant and equipment	0.42	1.02
Export Benefit Entitlements	26.09	24.06
Miscellaneous Income	0.72	2.75
Deferred Government Grant [Refer Note (i) below]	8.11	1.99
	84.67	53.80

Note

- (i) Government grants are related to investments of the Company in property, plant and equipment. There are no unfulfilled conditions or other contingencies attached to these grants. The Company also benefits from incentive received from the Government on export of goods such as duty drawbacks and other export benefit entitlements.

22. COST OF MATERIALS CONSUMED

Particulars	For the year ended 31st March, 2022	For the year Ended 31st March, 2021
Plastic Granules & Components		
Inventories at the beginning of the Year	137.40	113.57
Add: Purchases during the Year	865.39	472.62
Less: Inventories at the end of the Year	(306.88)	(137.40)
	695.91	448.79

23. PURCHASES OF STOCK IN TRADE

Particulars	For the year ended 31st March, 2022	For the year Ended 31st March, 2021
Plastic Products and Instruments	105.23	115.03
	105.23	115.03

24. CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS, TRADED GOODS AND SCRAP

Particulars	For the year ended 31st March, 2022	For the year Ended 31st March, 2021
Inventories at the Beginning of the Year		
Finished Goods	217.73	283.18
Work-in-progress	7.06	4.54
Stock in Trade	85.67	73.67
Scrap	1.10	1.40
Total (A)	311.56	362.79
Inventories at the End of the Year		
Finished goods	405.21	217.73
Work-in-progress	4.12	7.06
Stock in Trade	72.48	85.67
Scrap	1.87	1.10
Total (B)	483.68	311.56
(Increase) / Decrease in Inventories (A-B)	(172.12)	51.23

Notes to the Standalone financial statements for the year ended 31st March, 2022 (Contd.)
(All amounts in Rupees millions, unless otherwise stated)

25. EMPLOYEE BENEFIT EXPENSE

Particulars	For the year ended 31st March, 2022	For the year Ended 31st March, 2021
Salaries, Wages and Bonus etc.	294.83	229.15
Contribution to Provident and Other Funds	17.03	14.25
Staff Welfare Expenses	2.22	0.96
	314.08	244.36

26. FINANCE COSTS

Particulars	For the year ended 31st March, 2022	For the year Ended 31st March, 2021
(a) Interest Expenses		
i) On Borrowings	39.22	26.92
ii) On Others	0.48	0.26
(b) Other Borrowing Costs	2.41	0.01
(c) Interest on lease liabilities	0.05	0.03
	42.16	27.22

27. DEPRECIATION AND AMORTIZATION EXPENSE

Particulars	For the year ended 31st March, 2022	For the year Ended 31st March, 2021
Depreciation on property, plant and equipment [Refer Note 3(a)]	217.52	135.97
Amortization of intangible assets [Refer Note 3(d)]	1.37	-
Depreciation on Right-of-use assets (Refer Note 39)	0.72	0.65
	219.61	136.62

Notes to the Standalone financial statements for the year ended 31st March, 2022 (Contd.)
(All amounts in Rupees millions, unless otherwise stated)

28. OTHER EXPENSES

Particulars	For the year ended 31st March, 2022	For the year Ended 31st March, 2021
Consumption of Packing Materials	161.00	112.19
Consumption of Consumable Stores	10.62	15.56
Assembly and Sterilization Charges	36.08	29.67
Power and Fuel	98.29	73.11
Freight & Forwarding	57.85	40.12
Sales Promotion Expenses	20.45	20.70
Auditors' Remuneration [Refer Note 28(a) and 28(b)]	4.80	1.46
Insurance [Refer Note 28(b)]	10.31	9.44
Rent	3.86	1.79
Rates and Taxes	1.88	1.51
Repairs		
To Plant & Machinery	34.45	27.64
To Moulds	11.48	2.14
To Buildings	4.40	9.04
To Others	2.47	3.45
Travelling and Conveyance [Refer Note 28(b)]	12.13	6.19
Donation	0.06	1.08
Professional Fees [Refer Note 28(b)]	11.58	10.26
IPO expenses [Refer Note 28(b)]	8.45	-
Expenditure Towards CSR Activities (Refer Note 38)	13.32	9.78
Allowance for Expected Credit Loss including bad debts (net)	2.75	(1.76)
Miscellaneous Expenses [Refer Note 28(b)]	31.62	21.95
	537.85	395.32

28(a) REMUNERATION TO AUDITORS

Particulars	31st March, 2022	31st March, 2021
Statutory Audit	2.00	1.40
Limited Review	0.53	-
IPO Related Service [Including ₹ 1.66 pertaining to Company's share of IPO related expenses]	10.65	-
Other Services	0.55	-
Out of Pocket Expenses (including relating to IPO related services)	0.75	0.06
	14.48	1.46
Less: Recovered from Selling Shareholders	(9.68)	-
	4.80	1.46

Notes to the Standalone financial statements for the year ended 31st March, 2022 (Contd.)
(All amounts in Rupees millions, unless otherwise stated)

28(b) IPO EXPENSES

Particulars	31st March, 2022	31st March, 2021
Auditors' Remuneration for IPO related services (including ₹ 0.69 relating to Out of Pocket Expenses and ₹ 1.74 relating to taxes)	13.08	-
Insurance	1.50	-
Travelling and Conveyance	0.44	-
Professional Fees	241.65	-
Miscellaneous Expenses	179.85	-
Less: Recovered from Selling Shareholders (Refer Note 44)	(375.62)	-
Less: Adjusted with equity (Refer Note 44)	(50.79)	-
	10.11	-

29. INCOME TAX EXPENSE

A. Income tax expense recognized in statement of profit or loss statement

Particulars	For the year ended 31st March, 2022	For the year Ended 31st March, 2021
Current tax		
In respect of Current Year	332.48	234.73
Deferred tax		
In respect of Current Year	10.77	0.91
Income tax expense recognized in statement of Profit and Loss	343.25	235.64

B. Income tax recognized in other comprehensive income

Particulars	For the year ended 31st March, 2022	For the year Ended 31st March, 2021
Income tax on remeasurement of the net defined benefit liability/asset	0.69	(0.34)
	0.69	(0.34)

C. Reconciliation of effective tax rate

Particulars	For the year ended 31st March, 2022	For the year Ended 31st March, 2021
Profit before income tax expense	1,349.89	924.34
Tax at Indian tax rate of 25.168%	339.74	232.64
(i) Tax effects of amounts which are not deductible (taxable) in calculating taxable income:		
(ii) Others	(0.42)	0.20
Income tax expense	343.25	235.64

Notes to the Standalone financial statements for the year ended 31st March, 2022 (Contd.)
(All amounts in Rupees millions, unless otherwise stated)

30. FINANCIAL INSTRUMENTS - FAIR VALUES AND RISK MANAGEMENT

A. Accounting classifications and fair values

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities

Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices)

Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs)

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy

As at 31st March, 2022

Particulars	Carrying value			
	FVTPL	FVOCI	Amortized costs	Total carrying amount
Financial assets				
Trade receivables	-	-	651.78	651.78
Cash and cash equivalents	-	-	774.42	774.42
Other bank balances	-	-	83.77	83.77
Other financial assets	-	-	59.70	59.70
	-	-	1,569.67	1,569.67
Financial liabilities				
Borrowings	-	-	216.17	216.17
Trade payables	-	-	129.52	129.52
Lease liabilities	-	-	0.48	0.48
Other financial liabilities	-	-	36.15	36.15
	-	-	382.32	382.32

As at 31st March, 2021

Particulars	Carrying value			
	FVTPL	FVOCI	Amortized costs	Total carrying amount
Financial assets				
Trade receivables	-	-	470.37	470.37
Cash and cash equivalents	-	-	23.32	23.32
Other bank balances	-	-	8.13	8.13
Other financial assets	-	-	30.97	30.97
	-	-	532.79	532.79
Financial liabilities				
Borrowings	-	-	334.53	334.53
Trade payables	-	-	59.75	59.75
Lease Liabilities	-	-	0.47	0.47
Other financial liabilities	-	-	27.47	27.47
	-	-	422.22	422.22

The Company has not separately disclosed the fair values for financial assets and liabilities other than borrowings measured at amortized cost because their carrying amounts are a reasonable approximation of the fair values.

Assets and liabilities which are measured at amortized cost for which fair values are disclosed as on 31st March, 2022:

Particulars	Fair value			
	Level 1	Level 2	Level 3	Total
Borrowings	-	-	206.19	206.19
	-	-	206.19	206.19

Notes to the Standalone financial statements for the year ended 31st March, 2022 (Contd.)
(All amounts in Rupees millions, unless otherwise stated)

30. FINANCIAL INSTRUMENTS - FAIR VALUES AND RISK MANAGEMENT (CONTD.)

Assets and liabilities which are measured at amortized cost for which fair values are disclosed as on 31st March, 2021:

Particulars	Fair value			
	Level 1	Level 2	Level 3	Total
Borrowings	-	-	104.26	104.26
	-	-	104.26	104.26

B. Measurement of fair values

Valuation technique used to determine fair values:

Discounted cash flow valuation technique has been used to value financial instruments, as applicable.

C. Financial risk management

The Company has exposure to the following risks arising from financial instruments:

- Credit risk(C)(ii) ;
- Liquidity risk(C)(iii) ; and
- Market risk (C)(iv)

i. Risk management framework

The Company's Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Board of Directors has constituted the risk management committee, which is responsible for developing and monitoring the Company's risk management policies. The committee reports to the Board of Directors on its activities.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

ii. Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers. Credit risk arises from cash held with banks and financial institutions, as well as credit exposure to customers, including outstanding accounts receivable. The maximum exposure to credit risk is equal to the carrying value of the financial assets. The objective of managing counterparty credit risk is to prevent losses in financial assets. The Company assesses the credit quality of the counterparties, taking into account their financial position, past experience and other factors.

Trade receivables

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the customer, including the default risk of the industry and country in which the customer operates, also has an influence on credit risk assessment. The Company assesses the credit quality of the customer, taking into account its financial position, past experience and other factors.

None of the customer accounted for more than 10% of the receivable as at 31st March, 2022 and 31st March, 2021.

Cash and cash equivalents and Security deposits

Credit risk on cash and cash equivalents is limited as the Company generally invests in deposits with banks and financial institutions with high credit ratings assigned by domestic credit rating agencies. The Company periodically monitors the recoverability and credit risks of its other financial assets including security deposits. The Company evaluates 12-month expected credit losses for all the financial assets and the risk assessed is insignificant for the Company.

Notes to the Standalone financial statements for the year ended 31st March, 2022 (Contd.)
(All amounts in Rupees millions, unless otherwise stated)

30. FINANCIAL INSTRUMENTS - FAIR VALUES AND RISK MANAGEMENT (CONTD.)

iii. Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The Company's principal sources of liquidity are cash and cash equivalents, and the cash flow that is generated from operations. The Company has managed its liquidity and working capital requirements through cash generated from operations and through intermittent short term and long term borrowings.

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts disclosed in the table are the contractual undiscounted cash flows.

31st March, 2022	Less than 1 year	1-2 years	More than 2 years
Borrowings	122.72	87.05	6.40
Trade payables	129.52	-	-
Lease liabilities	0.03	0.03	23.50
Other financial liabilities	35.12	-	1.03
	287.39	87.08	30.93

31st March, 2021	Less than 1 year	1-2 years	More than 2 years
Borrowings	301.80	29.62	3.13
Trade payables	59.74	-	-
Lease liabilities	0.03	0.03	23.53
Other financial liabilities	26.94	-	0.53
	388.51	29.65	27.19

'The Company had access to the following undrawn borrowing facilities at the end of the reporting period:

Particulars	As at 31st March, 2022	As at 31st March, 2021
-Expiring within one year (other facilities)	879.95	189.19
-Non fund based	519.56	9.20
-Expiring beyond one year (bank loans)	335.55	-

iv. Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises of three types of risks: interest rate risk, price risk and currency risk. Financial instruments affected by market risk includes trade receivable/payable, other financial assets and liabilities. The Company is not exposed to any significant market risks.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to risk of change in market interest rates relates primarily to its debt interest obligations. Its borrowings are at floating rates and its future cash flows will fluctuate because of changes in market interest rates.

Interest Rate Risk Exposure

The exposure of the Company's borrowings to interest rate changes at the end of the reporting period are as follows:

Particulars	As at 31st March, 2022	As at 31st March, 2021
Variable rate borrowings	204.22	329.31

Notes to the Standalone financial statements for the year ended 31st March, 2022 (Contd.)
(All amounts in Rupees millions, unless otherwise stated)

30. FINANCIAL INSTRUMENTS - FAIR VALUES AND RISK MANAGEMENT (CONTD.)

Sensitivity Analysis

Profit or loss is sensitive to higher / lower interest expense from borrowings as a result of changes in interest rates:

Particulars	For the year ended 31st March, 2022		For the year Ended 31st March, 2021	
	Impact on Profit before Tax	Impact on post tax Equity	Impact on Profit before Tax	Impact on post tax Equity
Interest Rates - Increase by 50 basis points (50 bps)	(1.02)	(0.76)	(1.65)	(1.23)
Interest Rates - Decrease by 50 basis points (50 bps)	1.02	0.76	1.65	1.23

Currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company operates in international markets and therefore is exposed to foreign currency risk arising from foreign currency transactions. The exposure relates primarily to the Company's operating activities (when the revenue or expense is denominated in foreign currency) and borrowings in foreign currencies, if any. The foreign exchange loss is recognized in Statement of Profit and Loss.

The Company's exposure to foreign currency risk at the end of the reporting period:

Particulars	As at 31st March, 2022			As at 31st March, 2021	
	INR Equivalent of			INR Equivalent of	
	USD	EURO	CHF	USD	EURO
Trade Receivables	224.52	76.84	-	139.38	34.02
Cash & Cash Equivalents	20.02	12.69	-	10.69	9.30
	244.54	89.53	-	150.07	43.32
Trade Payables	15.72	0.93	1.13	12.98	1.14
	15.72	0.93	1.13	12.98	1.14

Sensitivity Analysis

The sensitivity of profit or loss to changes in the exchange rates:

Particulars	For the year ended 31st March, 2022		For the year Ended 31st March, 2021	
	Impact on Profit before Tax	Impact on post tax Equity	Impact on Profit before Tax	Impact on post tax Equity
USD Sensitivity				
INR/USD- Increase by 10%	22.88	17.12	13.71	10.26
INR/USD- Decrease by 10%	(22.88)	(17.12)	(13.71)	(10.26)
EUR Sensitivity				
INR/EUR- Increase by 10%	8.86	6.63	4.22	3.16
INR/EUR- Decrease by 10%	(8.86)	(6.63)	(4.22)	(3.16)
CHF Sensitivity				
INR/CHF- Increase by 10%	(0.11)	(0.08)	-	-
INR/CHF- Decrease by 10%	0.11	0.08	-	-

Notes to the Standalone financial statements for the year ended 31st March, 2022 (Contd.)
(All amounts in Rupees millions, unless otherwise stated)

30. FINANCIAL INSTRUMENTS - FAIR VALUES AND RISK MANAGEMENT (CONTD.)

v. Capital Management

The Company's objectives when managing capital are to:

- safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and
- Maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

Consistent with others in the industry, the Company monitors capital on the basis of the following Net Debt-Equity ratio:

Net debt (total borrowings and lease liabilities net of cash and cash equivalents) divided by Total 'equity' (as shown in the balance sheet).

The Net Debt- Equity ratios were as follows:

Particulars	As at 31st March, 2022	As at 31st March, 2021
Equity	4,898.30	2,443.38
Net Debt/(Cash & Cash Equivalents) (Refer Note 14)	(557.77)	311.69
Net Debt/Equity Ratio	(0.11)	0.13

31. EMPLOYEE BENEFIT OBLIGATIONS

(i) Post-employment obligations

Gratuity

The Company provides for gratuity, a defined benefit retirement plan covering eligible employees. As per scheme, the Gratuity Trust fund managed by the Life Insurance Corporation of India, makes payment to vested employees on retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's eligible salary (half month's salary) depending upon the tenure of service subject to a revised maximum limit of amount payable under Payment of Gratuity Act, 1972. Liabilities with regard to the Gratuity plan are determined by actuarial valuation as set out in Note 2.13 based upon which the Company makes contribution to the Gratuity fund.

The amounts recognized in the Standalone balance sheet and the movements in the net defined benefit obligation over the year are as follows:

Particulars	Present value of obligation	Fair value of plan assets	Total
Liability/(assets) as at 31st March, 2020	24.64	16.96	7.68
Current service cost	2.87	-	2.87
Total service cost	2.87	-	2.87
Interest expense on Defined Benefit Obligation	1.64	-	1.64
Interest income on plan assets	-	1.17	(1.17)
Total net interest	1.64	1.17	0.47
Total amount recognized in profit or loss	4.51	1.17	3.34
Remeasurements			
(Gain)/loss from change in demographic assumptions	-	-	-
(Gain)/loss from change in financial assumptions	-	-	-
Experience (gains)/losses	1.23	-	1.23
Return on Plan Assets (Greater) / Less than Discount rate	-	(0.13)	0.13
Total amount recognized in other comprehensive income	1.23	(0.13)	1.36
Employer contribution	-	1.31	(1.31)
Benefit payouts from plan	(0.37)	(0.37)	-
Liability/(assets) As at 31st March, 2021	30.01	18.94	11.07

Notes to the Standalone financial statements for the year ended 31st March, 2022 (Contd.)
(All amounts in Rupees millions, unless otherwise stated)

31. EMPLOYEE BENEFIT OBLIGATIONS (CONTD.)

Particulars	Present value of obligation	Fair value of plan assets	Total
Current service cost	3.58	-	3.58
Total service cost	3.58	-	3.58
Interest expense on Defined Benefit Obligation	1.99	-	1.99
Interest income on plan assets	-	1.40	(1.40)
Total net interest	1.99	1.40	0.59
Total amount recognized in profit or loss	5.57	1.40	4.17
Remeasurements			
(Gain)/loss from change in demographic assumptions	-	-	-
(Gain)/loss from change in financial assumptions	(0.92)	-	(0.92)
Experience (gains)/losses	(1.98)	-	(1.98)
Return on Plan Assets (Greater) / Less than Discount rate	-	(0.15)	0.15
Total amount recognized in other comprehensive income	(2.90)	(0.15)	(2.75)
Employer contribution	-	4.65	(4.65)
Benefit payouts from plan	(0.64)	(0.64)	0.00
Liability/(assets) As at 31st March, 2022	32.04	24.20	7.84

	As at 31st March, 2022	As at 31st March, 2021
Disclosed under Note 18: Provisions	7.84	11.07

The net liability presented above related to funded and unfunded plans are as follows:

Particulars	As at 31st March, 2022	As at 31st March, 2021
Present value of funded obligations	32.04	30.01
Fair value of plan assets	24.20	18.94
Net Defined Benefit Liability / (Asset)	7.84	11.07

Major categories of plan assets

Particulars	As at 31st March, 2022	As at 31st March, 2021
Pooled assets with an insurance Company (Life Insurance Corporation of India) - conventional products	100%	100%

Significant actuarial assumptions

Particulars	As at 31st March, 2022	As at 31st March, 2021
Discount rate	7.00%	6.70%
Salary escalation	8.00%	8.00%
Withdrawal rate	5.00%	5.00%
Weighted average duration of Defined Benefit Obligation (Years)	9 years	10 years
Mortality	IALM (2006-08) Ultimate	IALM (2006-08) Ultimate

Notes: IALM represents Indian assured lives mortality.

Notes to the Standalone financial statements for the year ended 31st March, 2022 (Contd.)
(All amounts in Rupees millions, unless otherwise stated)

31. EMPLOYEE BENEFIT OBLIGATIONS (CONTD.)

Sensitivity analysis

As at 31st March, 2022	% impact on Defined Benefit Obligation	Increase/(Decrease) in Defined Benefit Obligation liability
Discount rate +100 basis points	-9.00%	(2.77)
Discount rate -100 basis points	10.00%	3.26
Salary escalation rate +100 basis points	10.00%	3.20
Salary escalation rate -100 basis points	-9.00%	(2.77)

As at 31st March, 2021	% impact on DBO	Increase/(Decrease) in DBO liability
Discount rate +100 basis points	-8.00%	(2.50)
Discount rate -100 basis points	10.00%	2.95
Salary escalation rate +100 basis points	9.00%	2.80
Salary escalation rate -100 basis points	-8.00%	(2.42)

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognized in the Standalone balance sheet.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior year.

The following payments are expected contribution to the defined benefit plans in the future years:

Particulars	As at 31st March, 2022	As at 31st March, 2021
Expected contribution for the next annual reporting period	3.43	5.02

The expected maturity profile of undiscounted gratuity obligations:

Particulars	As at 31st March, 2022	As at 31st March, 2021
Within 1 year	3.43	5.02
1-2 year	2.02	1.50
2-3 year	3.25	2.32
3-4 year	2.56	3.16
4-5 year	3.08	2.51
6-10 years	24.84	20.60

Notes to the Standalone financial statements for the year ended 31st March, 2022 (Contd.) *(All amounts in Rupees millions, unless otherwise stated)*

31. EMPLOYEE BENEFIT OBLIGATIONS (CONTD.)

Risk Exposure

The Gratuity scheme is a final salary Defined Benefit Plan that provides for a lump sum payment made on exit either by way of retirement, death, disability or voluntary withdrawal. The benefits are defined on the basis of final salary and the period of service and paid as lump sum at exit. The Plan design means the risks commonly affecting the liabilities and the financial results are expected to be:

(a) Interest Rate Risk

The defined benefit obligation calculated uses a discount rate based on government bonds. If bond yields fall, the defined benefit obligation will tend to increase.

(b) Salary inflation risk

Higher than expected increases in salary will increase the defined benefit obligation.

(c) Demographic risk

This is the risk of variability of returns due to unsystematic nature of decrements that include mortality, withdrawal, disability and retirement. The effect of these decrements on the defined benefit obligation is not straight forward and depends upon the combination of salary increase, discount rate and vesting criteria. It is important not to overstate withdrawals because in the financial analysis the retirement benefit of a short career employee typically costs less per year as compared to a long service employee.

(ii) Defined Contribution Plan

The Company has certain Defined Contribution Plans viz. Provident Fund and Employees' State Insurance. Contributions are made to provident fund for employees. The contributions are made to registered provident fund administered by the government. The obligation of the Company is limited to the amount contributed and it has no further contractual nor any constructive obligation. The expense recognized during the year towards defined contribution plan is ₹ 9.93 (Previous year: ₹ 8.65). The Company has also contributed ₹ 2.73 (Previous year: ₹ 2.25) towards Employees' State Insurance Scheme which has been recognized as an expense and included under 'Contribution to provident and other fund' (Note 25).

32. CONTINGENT LIABILITIES AND COMMITMENTS

Capital and other commitments

Particulars	As at 31st March, 2022	As at 31st March, 2021
Estimated amount of contracts remaining to be executed on Capital Account and not provided for [Net of Advances of ₹ 702.54 (31st March, 2021: ₹ 351.38)]	1,294.48	357.99

33. The Hon'ble Supreme Court of India in its judgment in the matter of Vivekananda Vidyamandir & Others Vs The Regional Provident Fund Commissioner (II) West Bengal laid principles in relation to non-exclusion of certain allowances from the definition of "basic wages" of the relevant employees for for the purposes of determining contribution to provident fund under the Employees' Provident Funds & Miscellaneous Provisions Act, 1952. Based on initial assessment performed by the Company, the order did not result in any material impact on these Standalone financial statements. The Company will continue to assess the impact of further developments relating to retrospective application of the Supreme Court's judgement taking into account the additional guidance as and when issued by the statutory authorities and deal with it accordingly.

Notes to the Standalone financial statements for the year ended 31st March, 2022 (Contd.)
(All amounts in Rupees millions, unless otherwise stated)

34. EARNINGS PER SHARE (EPS)

The following table sets forth the computation of basic and diluted earnings per share:

Earnings	For the year ended 31st March, 2022	For the year Ended 31st March, 2021
Profit for the year attributable to equity shareholders for calculation of basic EPS	1,006.64	688.70
Effect of dilutive potential equity shares	-	-
Profit for the year attributable to equity shareholders for calculation of diluted EPS	1,006.64	688.70
Shares		
Weighted average number of equity shares outstanding during the year for calculation of basic EPS	51.74	51.28
Effect of dilutive potential equity shares	-	-
Weighted average number of equity shares for calculation of diluted EPS	51.74	51.28
Basic earnings per share	19.46	13.43
Diluted earnings per share	19.46	13.43

35. RELATED PARTY DISCLOSURES

A. Names of related parties and description of relationship

(i) Where control exist:

Subsidiary

INLABPRO Pte. Limited (Republic of Singapore)

(ii) Other Related Parties with whom transactions have taken place during the year:

Key Management Personnel:

Mr. Sanjive Sehgal	Chairman and Managing Director
Mr. Rohan Sehgal	Whole-time Director
Mr. Ashok Kumar Duggar	Non-Executive Director (With effect from 26th July, 2018 till 26th July, 2021)
Mr. Suresh Prabhala	Non-Executive Nominee Director (With effect from 26th July, 2018 till 26th July, 2021)
Mr. Gaurav Pawan Kumar Podar	Non-Executive Nominee Director (with effect from 10th June, 2019)
Mr. Viresh Oberoi	Non-Executive Independent Director (with effect from 20th November, 2018)
Mr. Girish Paman Vanvari	Non-Executive Independent Director (with effect from 10th May, 2021)
Mrs. Sucharita Basu De	Non-Executive Independent Director (with effect from 10th May, 2021)

Investors in respect of which the Company is a joint arrangement (with effect from 5th July, 2018 till 29th July, 2021):

Clear Vision Investment Holdings Pte Limited, Singapore
Mr. Sanjive Sehgal
Mr. Rohan Sehgal

Notes to the Standalone financial statements for the year ended 31st March, 2022 (Contd.)
 (All amounts in Rupees millions, unless otherwise stated)

35. RELATED PARTY DISCLOSURES (CONTD.)

Investor in respect of which the Company is an Associate (w.e.f 29th July, 2021)

Clear Vision Investment Holdings Pte Limited

Individual having significant influence over the Company (w.e.f 29th July, 2021)

Mr. Sanjive Sehgal and Mr. Rohan Sehgal

Enterprise over which key management personal exercise significant influence:

M/s Ashok Kumar Duggar & Associates (With effect from 26th July, 2018 till 26th July, 2021)

M/s A.K.Duggar & Co (With effect from 26th July, 2018 till 26th July, 2021)

B. The following transactions were carried out with the related parties in the ordinary course of business:

Particulars	For the year ended 31st March, 2022	For the year Ended 31st March, 2021
Mr. Sanjive Sehgal		
Post employment benefits	-	-
Short-term employee benefits	42.50	39.60
Issue of 14,574,820 Bonus Equity Shares [Refer Note 12(e)]	-	-
Mr. Rohan Sehgal		
Post employment benefits	-	0.01
Short-term employee benefits	37.50	19.80
Issue of 10,900,500 Bonus Equity Shares [Refer Note 12(e)]	-	-
Mr. Viresh Oberai		
Director Sitting Fees	1.16	0.30
Mr. Girish Paman Vanvari		
Director Sitting Fees	1.07	-
Mrs. Sucharita Basu De		
Director Sitting Fees	1.07	-
Mr. Viresh Oberai		
Director Commission	-	0.50
Clear Vision Investment Holdings Pte Limited, Republic of Singapore		
Equity shares bought back	-	219.99
Payment towards fractional shares	0.01	-
Issue of 24,489,660 Bonus Equity Shares [Refer Note 12(e)]	-	-
A.K Duggar & Co.		
Profession Service Charges	0.90	2.70
Ashok Kumar Duggar & Associates		
Profession Service Charges	-	1.20

Notes to the Standalone financial statements for the year ended 31st March, 2022 (Contd.)
(All amounts in Rupees millions, unless otherwise stated)

35. RELATED PARTY DISCLOSURES (CONTD.)

C. Outstanding Balances (Receivable)/ Payable

Particulars	As at 31st March, 2022	As at 31st March, 2021
Clear Vision Investment Holdings Pte Limited, Republic of Singapore		
Payable to Shareholder for fractional shares	-	0.01

- (i) All outstanding balances are unsecured and repayable in cash.
- (ii) All transactions were made at normal commercial terms and conditions and at market rates.
- (iii) Borrowing facilities availed from banks are secured by personal guarantee of Mr. Sanjive Sehgal and Mr. Rohan Sehgal during the previous year. Refer Note 14.

36. DUES TO MICRO, SMALL AND MEDIUM ENTERPRISES

The Ministry of Micro, Small and Medium Enterprises has issued on Office Memorandum dated 26th August, 2008 which recommends that the Micro and Small Enterprises should mention in their correspondence with its customers the Entrepreneurs Memorandum Number as allocated after filing of the Memorandum. Accordingly, the disclosure in respect of the amounts payable to such enterprises as at 31st March, 2022 has been made in the standalone financial statements based on information received and available with the Company.

Particulars	As at 31st March, 2022	As at 31st March, 2021
i) The principal amount and interest due thereon remaining unpaid to any supplier as at the end of the accounting year.	10.07	3.33
ii) The amount of interest paid by the Company along with the payment made to the supplier beyond the appointed day during the year.	-	-
iii) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest under this Act.	-	-
iv) Amount of interest accrued and remaining unpaid at the end of the accounting year.	-	-
v) The amount of further interest remaining due and payable even in the succeeding years, till actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure.	-	-

Notes to the Standalone financial statements for the year ended 31st March, 2022 (Contd.)

(All amounts in Rupees millions, unless otherwise stated)

37. SEGMENT REPORTING

The Company is primarily engaged in the business of manufacturing and selling of plastic laboratory products and certain scientific instruments, which represents a single business. The Company does not distinguish revenues, costs and expenses between segments in its internal reporting, and reports costs and expenses by nature as a whole. The Board of Directors of the Company has been identified as the Chief Operating Decision Maker (CODM) as defined by Ind AS 108, Operating Segments. The CODM reviews the standalone financial statements when making decisions about allocating resources and assessing performance of the Company as a whole and hence, the Company has only one reportable segment. The Company operates and manages its business as a single segment. The Company sells its products in overseas markets however, in absence of any single significant market, CODM reviews geographical operations as "Within India" and "Outside India". The information in respect of these is given below:

The Company is domiciled in India. The amount of revenue from external customers broken down by the location of the customers is shown in the table below:

Particulars	For the year ended 31st March, 2022	For the year Ended 31st March, 2021
India	1,998.98	1,523.18
Outside India	992.92	755.91
Total	2,991.90	2,279.09

The total non-current assets other than financial instruments broken down by location of assets is shown below

Particulars	For the year ended 31st March, 2022	For the year Ended 31st March, 2021
India	2,937.89	1,800.90
Outside India	-	-
Total	2,937.89	1,800.90

38. CORPORATE SOCIAL RESPONSIBILITY

As per Section 135 of the Companies Act, 2013, a Company, meeting the applicability threshold, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on Corporate Social Responsibility (CSR) activities. The areas for CSR activities are eradication of hunger and malnutrition, promoting education, art and culture, healthcare, destitute care and rehabilitation, environment sustainability, disaster relief, COVID-19 relief and rural development projects. The funds were primarily allocated to a corpus and utilized through the year on these activities which are specified in Schedule VII of the Companies Act, 2013.

Particulars	For the year ended 31st March, 2022	For the year Ended 31st March, 2021
Expenditure Related to Corporate Social Responsibility as per Section 135 of the Companies Act, 2013 read with Schedule VII there of:		
(a) Gross Amount Required to be Spent by the Company during the year	13.32	9.78
(b) Amount Spent during the year on:		
(i) Construction/ Acquisition of any Asset		
(ii) On purposes other than (i) above		
- Amount set-off from Prepaid CSR of preceding financial year	13.32	-
- In Cash	-	9.78
- Yet to be paid in Cash	-	-

Notes to the Standalone financial statements for the year ended 31st March, 2022 (Contd.)
(All amounts in Rupees millions, unless otherwise stated)

38. CORPORATE SOCIAL RESPONSIBILITY (CONTD.)

Details of ongoing CSR projects under section 135 (6) of the Act

Particulars	For the year ended 31st March, 2022	For the year Ended 31st March, 2021
Opening Balance		
With the Company	-	-
In separate CSR Unspent account	-	-
	-	-
Amount required to be spent during the year	-	-
Amount spent during the year		
From the Company's bank account	-	-
From separate CSR Unspent account	-	-
	-	-
Closing Balance		
With the Company	-	-
In separate CSR Unspent account	-	-
	-	-

Details of CSR expenditure under section 135(5) of the Act in respect of other than ongoing projects

Particulars	For the year ended 31st March, 2022	For the year Ended 31st March, 2021
Opening Balance unspent	-	-
Amount deposited in a specified fund of Schedule VII of the Act within 6 months	-	-
Amount required to be spent during the year	13.32	9.78
Amount spent during the year	-	42.90
Amount set-off from Prepaid CSR of preceding financial year	13.32	-
Closing Balance unspent	-	-

Details of excess CSR expenditure under section 135(5) of the Act

Particulars	For the year ended 31st March, 2022	For the year Ended 31st March, 2021
Opening Balance excess spent	33.12	-
Amount required to be spent during the year	13.32	9.78
Amount spent during the year	-	42.90
Amount set-off from the preceding financial year	13.32	-
Closing Balance excess spent	19.80	33.12

Notes to the Standalone financial statements for the year ended 31st March, 2022 (Contd.) (All amounts in Rupees millions, unless otherwise stated)

39. LEASES

The following is the movement of ROU assets for the year 31st March, 2022:

Description	Gross Carrying amount			Accumulated depreciation		Carrying amount (net)		
	As at 1st April, 2021	Additions	Disposals/ Terminations	As at 31st March, 2022	As at 1st April, 2021		For the Year 31st March, 2022	
Land	4.36	-	-	4.36	0.12	0.05	0.17	4.19
Building	64.52	-	-	64.52	1.10	0.67	1.77	62.75
Total	68.88	-	-	68.88	1.22	0.72	1.94	66.94

The following is the movement of ROU assets for the year 31st March, 2021:

Description	Gross Carrying amount			Accumulated depreciation		Carrying amount (net)		
	As at 1st April, 2020	Additions	Disposals/ Terminations	As at 31st March, 2021	As at 1st April, 2020		For the Year 31st March, 2021	
Land	4.36	-	-	4.36	0.06	0.06	0.12	4.24
Building	40.14	24.38	-	64.52	0.51	0.59	1.10	63.42
Total	44.50	24.38	-	68.88	0.57	0.65	1.22	67.66

The break-up of Current and non-Current lease liabilities is as follows :

Particulars	As at 31st March, 2022	As at 31st March, 2021
Non-Current	0.45	0.44
Current	0.03	0.03
	0.48	0.47

The following is the movement of lease liabilities:

Particulars	For the year ended 31st March, 2022	For the year Ended 31st March, 2021
Balance at the beginning	0.47	0.29
Additions	-	0.17
Finance cost accrued during the year	0.05	0.03
Payments of Lease liabilities	(0.03)	(0.02)
Balance at the end	0.48	0.47

Amount recognized in statement of profit and loss

Particulars	For the year ended 31st March, 2022	For the year Ended 31st March, 2021
(i) Depreciation expense on Right-of -use of Assets (Note 27)	0.72	0.65
(ii) Interest expense on lease liabilities (Note 26)	0.05	0.03
(iii) Expense relating to short term leases (Note 28)	3.86	1.79
(iv) Expense relating to low value leases	-	-

Notes to the Standalone financial statements for the year ended 31st March, 2022 (Contd.)
(All amounts in Rupees millions, unless otherwise stated)

40. RATIO ANALYSIS AND ITS ELEMENTS

Ratio

Particulars	31st March, 2022	31st March, 2021	% change from 31st March, 2021 to 31st March, 2022	Reasons for variance of more than 25% in above ratios
Current ratio (no of times)	7.00	2.70	159.52%	The change in ratio is due to increase in net current assets due to IPO proceeds received during the year.
Debt-Equity Ratio (no of times)	0.04	0.14	-67.77%	The change in ratio is due to increase in equity on account of proceeds received from IPO amounting to ₹ 1497.01 and reduction in borrowings due to repayment made from IPO proceeds received during the year.
Debt Service Coverage ratio (no of times)	5.83	2.53	130.36%	The change in ratio is due to increase in earnings and reduction in borrowings due to repayment made from IPO proceeds received during the year.
Return on Equity Ratio (%)	27.42%	31.17%	-12.02%	-
Inventory Turnover ratio (no of times)	4.66	4.80	-2.85%	-
Trade Receivable Turnover Ratio (no of times)	5.36	5.37	-0.19%	-
Trade Payable Turnover Ratio (no of times)	15.77	16.41	-3.92%	-
Net Capital Turnover Ratio (no of times)	2.14	3.04	-29.57%	The change in ratio is due to increase in Turnover during the year and increase in average working capital due to IPO proceeds received during the year.
Net Profit Ratio (%)	33.47%	30.09%	11.23%	-
Return on Capital Employed (%)	32.70%	34.64%	-5.58%	-
Return on Investment (%)	25.58%	32.15%	-20.45%	-

Notes to the Standalone financial statements for the year ended 31st March, 2022 (Contd.)
(All amounts in Rupees millions, unless otherwise stated)

40. RATIO ANALYSIS AND ITS ELEMENTS (CONTD.)

Elements of Ratio

Ratios	Numerator	Denominator	31st March, 2022		31st March, 2021	
			Numerator	Denominator	Numerator	Denominator
Current ratio (no of times)	Current Assets	Current Liabilities	2,445.25	349.14	1,128.02	417.99
debt to equity (no of times)	Debt (Borrowing) + Lease Liabilities + Interest Accrued on Borrowings	Total Equity	216.73	4,898.30	335.48	2,443.38
Debt Service Coverage ratio (no of times)	Earning for debt service = Profit for the year + Finance cost + Depreciation + Allowance for Expected Credit Loss (net) + Provision for Doubtful Advances +/- Profit/Loss on sale of assets +/- Deferred Government Grant	Debt (Borrowing) + Lease Liabilities + Interest Accrued on Borrowings	1,262.63	216.73	848.44	335.48
Return on Equity (%)	Profit for the year	Average Total Equity	1,006.64	3,670.84	688.70	2,209.53
Inventory Turnover ratio (no of times)	Revenue from operations	Average Inventory	3,007.94	645.35	2,289.11	477.12
Trade Receivable Turnover Ratio (no of times)	Revenue from operations	Average Trade Receivable	3,007.94	561.07	2,289.11	426.18
Trade Payable Turnover Ratio (no of times)	Total credit Purchases	Average Trade Payable for supplies and services	1,492.40	94.63	974.95	59.40
Net Capital Turnover Ratio (no of times)	Revenue from operations	Average Working Capital = Current Assets - Current Liabilities	3,007.94	1,403.07	2,289.11	752.04
Net Profit (%)	Profit for the year	Revenue from operations	1,006.64	3,007.94	688.70	2,289.11
Return on Capital Employed (%)	Profit Before Tax + Finance cost	Equity + Debt (Borrowings) - Cash and Cash Equivalents	1,392.05	4,256.84	951.57	2,747.42
Return on Investment (%)	Profit Before Tax + Finance cost	Total assets	1,392.05	5,442.26	951.57	2,959.50

Notes to the Standalone financial statements for the year ended 31st March, 2022 (Contd.)
(All amounts in Rupees millions, unless otherwise stated)

- 41.** The Board of Directors of the Company, in its meeting held on 10th May, 2021, approved the resolution to initiate the conversion of the Company from a private limited Company to a public Company in view of its plans to approach the capital markets and have its shares listed on the stock exchange. The requisite approvals have been obtained under the Companies Act, 2013 and the Company was converted to a public limited Company on 14th June, 2021.
- 42.** The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post employment received Indian Parliament approval and Presidential assent in September 2020. The Code has been published in the Gazette of India and subsequently on 13th November, 2020 draft rules were published and invited for stakeholders' suggestions. However, the date on which the Code will come into effect has not been notified. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.

43. RECONCILIATION OF QUARTERLY BANK RETURN

Bank	Quarter	Nature of Current Assets/ Liabilities where differences were observed	Amount as per books of account	Amount disclosed as per quarterly return/ statement	Amount of difference	Amount of difference
Axis Bank/ HDFC Bank	30th June 2021	Current assets	1,411.90	1,402.40	(9.50)	Note 1
		Current liabilities	759.03	695.70	(63.33)	
		Revenue from Operations	688.73	688.70	(0.03)	
	30th September, 2021	Current assets	1,815.17	1,828.20	13.03	
		Current liabilities	903.61	905.50	1.89	
		Revenue from Operations	1,445.37	1,445.30	(0.07)	
	31st December, 2021	Current assets	2,865.81	2,871.10	5.29	
		Current liabilities	810.90	808.70	(2.20)	
		Revenue from Operations	2,148.80	2,148.80	0.00	
	31st March, 2022	Current assets	2,445.25	2,446.70	1.45	
		Current liabilities	349.14	348.30	(0.84)	
		Revenue from Operations	2,991.90	2,991.90	-	
	30th June, 2020	Current assets	983.86	1,074.20	90.34	
		Current liabilities	435.05	403.90	(31.15)	
		Revenue from Operations	419.08	436.10	17.02	
	30th September, 2020	Current assets	1,116.91	1,196.40	79.49	
		Current liabilities	489.36	490.50	1.14	
		Revenue from Operations	1,007.54	1,016.70	9.16	
	31st December, 2020	Current assets	1,091.80	1,183.20	91.40	
		Current liabilities	431.81	459.30	27.49	
		Revenue from Operations	1,606.11	1,623.40	17.29	
	31st March, 2021	Current assets	1,124.80	1,156.40	31.60	
		Current liabilities	417.99	414.80	(3.19)	
		Revenue from Operations	2,279.09	2,324.00	44.91	

Note 1

The Bank returns were prepared and filed before the completion of all financial statement closure activities including Ind AS related adjustments/ reclassifications as applicable, which led to these differences between the final books of accounts and the bank return based on provisional books of accounts.

Notes to the Standalone financial statements for the year ended 31st March, 2022 (Contd.)
(All amounts in Rupees millions, unless otherwise stated)

44. During the year ended 31st March, 2022, the Company has completed its initial public offer (IPO) of 15,465,861 equity shares of face value of ₹ 2 each at an issue price of ₹ 662 per share aggregating to ₹ 10,234.74, comprising fresh issue of 2,265,861 shares aggregating to ₹ 1,496.34 and offer for sale of 13,200,000 shares by selling shareholders aggregating to ₹ 8,738.40. The equity shares of the Company were listed on National Stock Exchange of India Limited (NSE) and BSE Limited (BSE) on 26th November, 2021.

The Company has incurred ₹ 436.52 as IPO related expenses and allocated such expenses between the Company ₹ 60.90 (₹ 71.14 inclusive of GST) and selling shareholders ₹ 375.62. Such amounts were allocated based on agreement between the Company and selling shareholders and in proportion to the total proceeds of the IPO. Out of Company's share of expenses of ₹ 60.90 (₹ 71.14 inclusive of GST) ₹ 50.79 has been adjusted to securities premium.

45. The Company has received an amount of ₹ 1,497.01 from proceeds out of fresh issue of equity shares. The utilization of net IPO Proceeds is summarized as below:

Objects of the issue	Amount received	Utilised up to 31st March, 2022	Unutilised as on 31st March, 2022
Repayment/prepayment of all or certain of borrowings	785.40	779.87	5.53
Funding a part of the capital expenditure for the new manufacturing facility at Panchla, West Bengal	620.00	-	620.00
General corporate purposes	16.21	0.18	16.03
Offer related expenses in relation to fresh issue	74.73	40.35	34.38
Amount received on account of lower subscription of Employee Reserved Shares	0.67	-	0.67
Total	1,497.01	820.40	676.61

The Company plans to modify the utilization of IPO proceeds post approval from the Audit Committee and the board of directors as follows:

Objects of the issue	Unutilised as on 31st March, 2022	Proposed utilization
Repayment/prepayment of all or certain of borrowings	5.53	The unutilized amount will be used for payment of other loans of the same lenders.
Offer related expenses in relation to fresh issue	34.38	The Company expects to utilize amount of ₹ 30.79 from this money and the remaining expected unutilized amount of ₹ 3.59 will be added to the General Corporate Purposes.
Amount received on account of lower subscription of Employee Reserved Shares	0.67	The unutilized amount will be added to the General Corporate Purposes.
General corporate purposes	16.03	The General Corporate Purpose will be increased by amount aggregating to ₹ 4.26.

Notes to the Standalone financial statements for the year ended 31st March, 2022 (Contd.)
(All amounts in Rupees millions, unless otherwise stated)

- 46.** (i) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or
 - provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.
- (ii) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
- 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
- (iii) No proceedings have been initiated on or are pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.
- (iv) None of the companies in the Company have been declared wilful defaulter by any bank or financial institution or other lender in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India.
- (v) The Company has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the current or previous year.
- (vi) The Company has not recorded any transactions which are not in the books of accounts and has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.
- (vii) The Company has not traded or invested in Crypto currency or Virtual Currency during the current and previous financial year.
- (viii) The Company has no transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of the Companies Act, 1956.
- (ix) The Company has not entered into any scheme of arrangement which has an accounting impact on current and previous year.
- (x) No funds raised on short-term basis have been used for long-term purposes by the Company.
- (xi) The Company has complied with the number of layers prescribed under the Companies Act, 2013
- (xii) There are no charges or satisfaction which are yet to be registered with the Registrar of Companies beyond the statutory period.
- 47.** Previous year's figures have been regrouped/ reclassified wherever necessary to correspond with the current year's classification/ disclosure.

This is the Notes to Accounts referred to in our report of even date.

For Price Waterhouse Chartered Accountants LLP
Firm Registration No. 012754N/N500016

Amit Peswani
Partner
Membership No. 501213

Place : Gurugram
Date : 27th May, 2022

**For and on behalf of the Board of Directors of Tarsons Products Limited
(Formerly known as TARSONS PRODUCTS PRIVATE LIMITED)**

Sanjive Sehgal
Chairman &
Managing Director
DIN: 00787232

Rohan Sehgal
Whole-Time Director
DIN: 06963013

Santosh Kumar Agarwal
Chief Financial Officer &
Company Secretary

Place : Kolkata
Date : 27th May, 2022

Independent Auditor's Report

To the Members of Tarsons Products Limited (Formerly Tarsons Products Private Limited)

REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Opinion

1. We have audited the accompanying consolidated financial statements of Tarsons Products Limited (Formerly Tarsons Products Private Limited) (hereinafter referred to as the "Holding Company") and its subsidiary (Holding Company and its subsidiary together referred to as "the Group") (refer Note 43 to the attached consolidated financial statements), which comprise the Consolidated Balance Sheet as at 31st March, 2022, and the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31st March, 2022, of consolidated total comprehensive income (comprising of profit and other comprehensive income), consolidated changes in equity and its consolidated cash flows for the year then ended.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the "Auditor's Responsibilities for the Audit of the Consolidated Financial Statements" section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in India in terms of the Code of Ethics issued by the Institute of Chartered Accountants of India and the relevant provisions of the Act, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained, other than the unaudited financial statements as certified by the management and referred to in paragraph 14 of the Other Matters section below, is sufficient and appropriate to provide a basis for our opinion.

Key audit matter

4. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined the matter described below to be the key audit matter for Holding Company to be communicated in our audit report.

Key Audit Matter	How our audit addressed the key audit matter
<p>Revenue recognition as per Ind AS 115</p> <p>Refer to Note-2.13 (Significant Accounting Policies) and Note 20 (Revenue from Operations) of the consolidated financial statements</p> <p>The Holding Company's revenue for the year ended 31st March, 2022 is Rs 3,007.94 millions.</p> <p>The Holding Company recognises revenue from sale of products in accordance with the accounting principles prescribed under Ind AS 115, Revenue from contracts with customers. Revenue is recognised when the company satisfies a performance obligation by transferring control of the products being sold to the customer. The control in respect of sale of products is transferred when the products are</p>	<p>Our audit procedures included the following:</p> <ol style="list-style-type: none"> a) We evaluated the design and tested operating effectiveness of the relevant controls with respect to revenue recognition. b) We assessed the appropriateness of the revenue recognition accounting policy in line with Ind AS 115. c) We performed substantive testing of revenue transactions on a sample basis, recorded during the year by testing the underlying documents which included contracts with the customers, goods dispatch notes, shipping documents (e.g., lorry receipts, bill of lading, Airway bill etc.) and customer acknowledgments, as applicable.

Independent Auditor's Report (Contd.)

Key Audit Matter	How our audit addressed the key audit matter
<p>delivered to the customers in accordance with the terms of contract with the customer i.e., either when the goods are shipped or delivered to the specific location. Revenue is measured at the fair value of consideration received or receivable, net of trade discounts, volume rebates, and taxes or duties collected.</p> <p>We identified revenue recognition as a key audit matter as revenue is significant to the consolidated financial statements owing to its large volume and results in greater audit effort to address the matter.</p>	<p>d) We assessed the different types of delivery terms agreed by the Holding Company with its customers to evaluate the point of time when control of the products being sold is transferred to the customer either through shipment of goods or through delivery of goods to specific location and determine whether performance obligation specified in the underlying contracts is satisfied.</p> <p>e) We tested, on a sample basis, specific revenue transactions recorded, before and after the financial year end date, by testing the underlying shipping documents and customer acknowledgements, as applicable.</p> <p>f) We examined, on a sample basis, credit notes issued after the year end, wherever applicable to determine whether the revenue has been recognised in the appropriate financial period.</p> <p>g) We have tested a sample of revenue adjustment manual journal entries recorded by the Holding Company to identify unusual items, if any.</p> <p>Based on the above procedures performed, no significant exception was noted by us in the revenue recognised by the Holding Company during the year.</p>

Other Information

5. The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board's Report along with its Annexures in the Company's Annual Report but does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

6. The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows, and changes in equity of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance

Independent Auditor's Report (Contd.)

of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

7. In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.
8. The respective Board of Directors of the companies included in the Group are responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

9. Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.
10. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:
 - Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
 - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding company has adequate internal financial controls with reference to consolidated financial statements in place and the operating effectiveness of such controls.
 - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
 - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
 - Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
 - Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

Independent Auditor's Report (Contd.)

11. We communicate with those charged with governance of the Holding Company, 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.
12. 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.
13. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

14. We did not audit the financial statements of Inlabpro Pte. Ltd., a subsidiary, whose financial statements reflect total assets of Rs 0.00 million and net assets of Rs 0.00 million as at 31st March, 2022, total revenue of Rs. Nil, total comprehensive income (comprising of profit and other comprehensive income) of Rs Nil and net cash flows amounting to Rs Nil for the year ended on that date, as considered in the consolidated financial statements. These financial statements are unaudited and have been furnished to us by the Management, and our opinion on the consolidated financial statements insofar as it relates to the amounts and disclosures included in respect of this subsidiary and our report in terms of sub-section (3) of Section 143 of the Act including report on Other Information insofar as it relates to the aforesaid subsidiary, is based solely on such unaudited financial statements. In our opinion and according to the information and explanations given to us by the Management, these financial statements are not material to the Group.

Report on Other Legal and Regulatory Requirements

15. As required by paragraph 3(xxi) of the Companies (Auditor's Report) Order, 2020 ("CARO 2020"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we report that there are no qualifications or adverse remarks included in the CARO 2020 report in respect of the standalone financial statements of the Holding Company which are included in these Consolidated Financial Statements except for the comment given in para (ii)(b) of the CARO 2020 report on the standalone financial statements, as reproduced below :

"During the year, the Company has been sanctioned working capital limits in excess of Rs. 5 crores, in aggregate, from banks on the basis of security of current assets. The Company has filed quarterly returns or statements with such banks, which are not in agreement with the unaudited books of account as set out below. (Also refer Note 43 to the Standalone Financial Statements.)

Name of the Bank	Aggregate working capital limits sanctioned (₹ in millions)	Nature of Current Assets/ Liabilities where differences were observed	Quarter ended	Amount disclosed as per quarterly return/ statement (₹ in millions)	Amount as per books of account (₹ in millions)	Difference (₹ in millions)	Reasons for difference
HDFC Bank and Axis Bank	210 from each of the banks	Current Assets	30th June, 2020	1,074.20	983.86	90.34	Note 1
		Current Liabilities		403.90	435.05	(31.15)	
		Revenue from Operations		436.10	419.08	17.02	
	210 from each of the banks	Current Assets	30th September, 2020	1,196.40	1,116.91	79.49	Note 1
		Current Liabilities		490.50	489.36	1.14	
		Revenue from Operations		1,016.70	1,007.54	9.16	

Independent Auditor's Report (Contd.)

Name of the Bank	Aggregate working capital limits sanctioned (₹ in millions)	Nature of Current Assets/ Liabilities where differences were observed	Quarter ended	Amount disclosed as per quarterly return/ statement (₹ in millions)	Amount as per books of account (₹ in millions)	Difference (₹ in millions)	Reasons for difference
210 from each of the banks		Current Assets	31st December, 2020	1,183.20	1,091.80	91.40	Note 1
		Current Liabilities		459.30	431.81	27.49	
		Revenue from Operations		1,623.40	1,606.11	17.29	
210 from each of the banks		Current Assets	31st March, 2021	1,156.40	1,124.80	31.60	Note 1
		Current Liabilities		414.80	417.99	(3.19)	
		Revenue from Operations		2,324.00	2,279.09	44.91	
310 from each of the banks		Current Assets	30th June, 2021	1,402.40	1,411.90	(9.50)	Note 1
		Current Liabilities		695.70	759.03	(63.33)	
		Revenue from Operations		688.70	688.73	(0.03)	
310 from each of the banks		Current Assets	30th September, 2021	1,828.20	1,815.17	13.03	Note 1
		Current Liabilities		905.50	903.61	1.89	
		Revenue from Operations		1,445.30	1,445.37	(0.07)	
310 from each of the banks		Current Assets	31st December, 2021	2,871.10	2,865.81	5.29	Note 1
		Current Liabilities		808.70	810.90	(2.20)	
310 from each of the banks		Current Assets	31st March, 2022	2,446.70	2,445.25	1.45	Note 1
		Current Liabilities		348.30	349.14	(0.84)	

Note 1 -The Bank returns were prepared and filed before the completion of all financial statement closure activities including Ind AS related adjustments/ reclassifications as applicable, which led to these differences between the final books of accounts and the bank return based on provisional books of accounts.

In our opinion, and according to the information and explanations given to us, CARO 2020 is not applicable to the subsidiary company included in these Consolidated Financial Statements, hence, this report does not contain a statement on the matter specified in paragraph 3(xxii) of CARO 2020 in relation to the subsidiary company.

16. As required by Section 143(3) of the Act, we report, to the extent applicable, that:

- We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
- In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books.
- The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including other comprehensive income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of account and records maintained for the purpose of preparation of the consolidated financial statements.
- In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act.
- On the basis of the written representations received from the directors of the Holding Company taken on record by the Board of Directors of the Holding Company, none of the directors of the Holding Company is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164(2) of the Act. There are no subsidiary company incorporated into India included in the Group.

Independent Auditor's Report (Contd.)

- (f) With respect to the adequacy of internal financial controls with reference to consolidated financial statements of the Group 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 Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. There were no pending litigations which would impact the consolidated financial position of the Group.
 - ii. The Group was not required to recognise a provision as at 31st March, 2022 under the applicable law or accounting standards, as it does not have any material foreseeable losses on long-term contract. The Group did not have any derivative contracts as at 31st March, 2022.
 - iii. During the year ended 31st March, 2022, there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company.
 - iv. (a) The Managements of the Holding Company has represented to us that, to the best of their knowledge and belief, as disclosed in the notes to the accounts, 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 Holding Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries (Refer Note 48 (i) to the consolidated financial statements);
 - (b) The Managements of the Holding Company has represented to us that, to the best of their knowledge and belief, as disclosed in the notes to the accounts, no funds (which are material either individually or in the aggregate) have been received by the Holding Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries (Refer Note 48 (ii) to the consolidated financial statements); and
 - (c) Based on the audit procedures, that has been considered reasonable and appropriate in the circumstances, performed by us 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) contain any material misstatement.
 - v. The Holding Company has not declared or paid any dividend during the year. There are no subsidiary company incorporated into India included in the Group.
17. The Holding Company has paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act. There are no subsidiary company incorporated into India included in the Group to which provisions of Section 197 shall apply.

For **Price Waterhouse Chartered Accountants LLP**
Firm Registration Number: 012754N/N500016

Amit Peswani

Partner

Membership Number 501213
UDIN: 22501213AJRWNJ2523

Place: Gurugram
Date: 27th May, 2022

Annexure A to Independent Auditor's Report

Referred to in paragraph 16(f) of the Independent Auditor's Report of even date to the members of Tarsons Products Limited (Formerly Tarsons Products Private Limited) on the consolidated financial statements as of and for the year ended 31st March, 2022

REPORT ON THE INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO CONSOLIDATED FINANCIAL STATEMENTS UNDER CLAUSE (I) OF SUB-SECTION 3 OF SECTION 143 OF THE ACT

1. In conjunction with our audit of the consolidated financial statements of Tarsons Products Limited (hereinafter referred to as "the Holding Company") and its subsidiary (Holding Company and its subsidiary together referred to as "the Group") (refer Note 43 to the attached Consolidated Financial Statements) as of and for the year ended 31st March, 2022, we have audited the internal financial controls with reference to consolidated financial statements of the Holding Company, as of that date. Reporting under clause (i) of sub section 3 of Section 143 of the Act in respect of the adequacy of the internal financial controls with reference to financial statements is not applicable to the one foreign subsidiary.

Management's Responsibility for Internal Financial Controls

2. The Board of Directors of the Holding Company, is responsible for establishing and maintaining internal financial controls based on internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ("the Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Holding Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

3. Our responsibility is to express an opinion on the Holding Company's internal financial controls with reference to consolidated financial statements based on our audit. We conducted our audit in accordance with the Guidance Note issued by the ICAI and the Standards on Auditing deemed to be prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to consolidated financial statements was established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Holding Company's internal financial controls system with reference to consolidated financial statements.

Meaning of Internal Financial Controls with reference to consolidated financial statements

6. A company's internal financial control with reference to consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to consolidated financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance

Annexure A to Independent Auditor's Report (Contd.)

that transactions are recorded as necessary to permit preparation of consolidated financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the consolidated financial statements.

Inherent Limitations of Internal Financial Controls with reference to consolidated financial statements

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

Opinion

8. In our opinion, the Holding Company, has in all material respects, an adequate internal financial controls system with reference to consolidated financial statements and such internal financial controls with reference to consolidated financial statements were operating effectively as at 31st March, 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For **Price Waterhouse Chartered Accountants LLP**
Firm Registration Number: 012754N/N500016

Amit Peswani
Partner

Place: Gurugram
Date: 27th May, 2022

Membership Number 501213
UDIN: 22501213AJRWNJ2523

Consolidated Balance Sheet

As at 31st March, 2022

(All amounts in Rupees millions, unless otherwise stated)

Particulars	Notes	As at 31st March, 2022	As at 31st March, 2021
ASSETS			
Non-Current Assets			
Property, Plant and Equipment	3(a)	1,814.33	1,136.64
Right-of-use Assets	39	66.94	67.66
Capital Work-in-Progress	3(b)	322.45	215.00
Intangible assets under development	3(c)	-	5.83
Intangible assets	3(d)	6.64	-
Financial Assets			
i. Other Financial Assets	4	59.12	30.58
Current Tax assets	5	24.99	24.39
Other Non-Current Assets	6	702.54	351.38
Total Non-Current Assets		2,997.01	1,831.48
Current Assets			
Inventories	7	823.74	466.97
Financial Assets			
i. Trade Receivables	8	651.78	470.37
ii. Cash and Cash Equivalents	9	774.42	23.32
iii. Bank Balances other than Cash and Cash Equivalents	10	83.77	8.13
iv. Other Financial Assets	4	0.58	0.39
Other Current Assets	11	110.96	158.84
Total Current Assets		2,445.25	1,128.02
TOTAL ASSETS		5,442.26	2,959.50
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	12	106.41	1.92
Other Equity	13	4,791.89	2,441.46
Total Equity		4,898.30	2,443.38
Liabilities			
Non-Current Liabilities			
Financial Liabilities			
i. Borrowings	14	93.45	32.74
ii. Lease Liabilities	39	0.45	0.44
iii. Other Financial Liabilities	16	1.03	0.53
Deferred Tax Liabilities (Net)	17	43.57	32.80
Other Non-Current Liabilities	19	56.32	31.62
Total Non-Current Liabilities		194.82	98.13
Current Liabilities			
Financial Liabilities			
i. Borrowings	14	122.72	301.80
ii. Lease Liabilities	39	0.03	0.03
iii. Trade Payables	15		
(A) Total Outstanding Dues to Micro Enterprises and Small Enterprises		10.07	3.33
(B) Total Outstanding Dues to Creditors other than Micro Enterprises and Small Enterprises		119.45	56.42
iv. Other Financial Liabilities	16	35.12	26.94
Provisions	18	14.92	15.31
Other Current Liabilities	19	46.83	14.15
Total Current Liabilities		349.14	417.99
Total Liabilities		543.96	516.12
TOTAL EQUITY AND LIABILITIES		5,442.26	2,959.50

Significant accounting policies

2

The accompanying notes are an integral part of these Consolidated Financial Statements

This is the consolidated Balance Sheet referred to in our report of even date.

For Price Waterhouse Chartered Accountants LLP

Firm Registration No. 012754N/N500016

Amit Peswani

Partner

Membership No. 501213

**For and on behalf of the Board of Directors of Tarsons Products Limited
(Formerly known as TARSONS PRODUCTS PRIVATE LIMITED)**

Sanjive Sehgal

Chairman &

Managing Director

DIN: 00787232

Rohan Sehgal

Whole-Time Director

DIN: 06963013

Santosh Kumar Agarwal

Chief Financial Officer &

Company Secretary

Place : Gurugram

Date : 27th May, 2022

Place : Kolkata

Date : 27th May, 2022

Consolidated Statement of Profit and Loss

For the year ended 31st March, 2022

(All amounts in Rupees millions, unless otherwise stated)

Particulars	Notes	For the year ended 31st March, 2022	For the year Ended 31st March, 2021
INCOME			
Revenue from Operations	20	3,007.94	2,289.11
Other Income	21	84.67	53.80
Total Income		3,092.61	2,342.91
EXPENSES			
Cost of Materials Consumed	22	695.91	448.79
Purchases of Stock in Trade	23	105.23	115.03
Changes in Inventories of Finished Goods, Work-in-Progress, Traded Goods and Scrap	24	(172.12)	51.23
Employee Benefits Expenses	25	314.08	244.36
Finance Costs	26	42.16	27.22
Depreciation and Amortization Expenses	27	219.61	136.62
Other Expenses	28	537.85	395.32
Total Expenses		1,742.72	1,418.57
Profit before tax		1,349.89	924.34
TAX EXPENSE			
Current Tax	29	332.48	234.73
Deferred Tax	17	10.77	0.91
Total Tax Expense		343.25	235.64
Profit for the year		1,006.64	688.70
Other Comprehensive Income			
Items that will not be reclassified subsequently to Profit or Loss			
- Remeasurements of post-employment benefit obligations	31	2.75	(1.36)
- Income Tax on above	29	(0.69)	0.34
Total Other Comprehensive Income / (Loss), Net of Tax (VI)		2.06	(1.02)
VII. Total Comprehensive Income for the year (Net of Tax) (V + VI)		1,008.70	687.68
VIII. Earnings Per Equity Share (Nominal value of ₹ 2/share)			
Basic earning per share (In ₹)	34	19.46	13.43
Diluted earning per share (In ₹)	34	19.46	13.43

The accompanying notes are an integral part of these Consolidated Financial Statements

This is the consolidated Statement of Profit and Loss referred to in our report of even date.

For Price Waterhouse Chartered Accountants LLP

Firm Registration No. 012754N/N500016

Amit Peswani

Partner

Membership No. 501213

Place : Gurugram

Date : 27th May, 2022

**For and on behalf of the Board of Directors of Tarsons Products Limited
(Formerly known as TARSONS PRODUCTS PRIVATE LIMITED)**

Sanjive Sehgal

Chairman &
Managing Director
DIN: 00787232

Rohan Sehgal

Whole-Time Director
DIN: 06963013

Santosh Kumar Agarwal

Chief Financial Officer &
Company Secretary

Place : Kolkata

Date : 27th May, 2022

Consolidated Statement of Changes in Equity

For the year ended 31st March, 2022

(All amounts in Rupees millions, unless otherwise stated)

A. Equity Share capital

Particulars	Notes	Equity share capital	
		Number	Amount
Balance as at 1st April, 2020		2,00,241	2.00
Changes in Equity Share Capital during the year	12	(8,013)	(0.08)
Balance as at 31st March, 2021		1,92,228	1.92
Balance as at 1st April, 2021		1,92,228	1.92
Changes in Equity Share Capital during the year	12	5,30,14,053	104.49
Balance as at 31st March, 2022		5,32,06,281	106.41

B. Other Equity

Particulars	Notes	Reserves and surplus				Total
		Securities premium	Retained earnings	Amalgamation Reserve	Capital Redemption Reserve	
Balance as at 1st April, 2020		237.39	1,730.44	5.86	-	1,973.69
Profit for the year		-	688.70	-	-	688.70
Other Comprehensive Income / (Loss), net of tax		-	(1.02)	-	-	(1.02)
Total Comprehensive Income / (Loss), net of tax		237.39	2,418.12	5.86	-	2,661.37
Transferred to Capital Redemption Reserve	13	(0.08)	-	-	0.08	-
Transactions with owners in their capacity as owners:						
Buy back of Equity Shares	13	(219.91)	-	-	-	(219.91)
Balance as at 31st March, 2021		17.40	2,418.12	5.86	0.08	2,441.46
Balance as at 1st April, 2021		17.40	2,418.12	5.86	0.08	2,441.46
Profit for the year		-	1,006.64	-	-	1,006.64
Other Comprehensive Income / (Loss), net of tax		-	2.06	-	-	2.06
Total Comprehensive Income / (Loss), net of tax		17.40	3,426.82	5.86	0.08	3,450.16
Amount received on Issue of Equity Shares	13	1,492.48	-	-	-	1,492.48
Amount utilised for shares issue expenses	46	(50.79)	-	-	-	(50.79)
Bonus Shares issued for every 1 share during the year	13	-	(99.96)	-	-	(99.96)
Balance as at 31st March, 2022		1,459.09	3,326.86	5.86	0.08	4,791.89

The accompanying notes are an integral part of these Consolidated Financial Statements

This is the Consolidated Statement of Changes in Equity referred to in our report of even date.

For Price Waterhouse Chartered Accountants LLP
 Firm Registration No. 012754N/N500016

Amit Peswani
 Partner
 Membership No. 501213

Place : Gurugram
 Date : 27th May, 2022

For and on behalf of the Board of Directors of Tarsons Products Limited
(Formerly known as TARSONS PRODUCTS PRIVATE LIMITED)

Sanjive Sehgal
 Chairman &
 Managing Director
 DIN: 00787232

Rohan Sehgal
 Whole-Time Director
 DIN: 06963013

Santosh Kumar Agarwal
 Chief Financial Officer &
 Company Secretary

Place : Kolkata
 Date : 27th May, 2022

Consolidated Cash Flow Statement

For the year ended 31st March, 2022

(All amounts in Rupees millions, unless otherwise stated)

Particulars	Notes	For the year ended 31st March, 2022	For the year Ended 31st March, 2021
Cash flow from operating activities			
Profit before tax		1,349.89	924.34
Adjustments for :			
Depreciation & Amortization Expense	27	219.61	136.62
Profit on Sale of Fixed Assets	21	(0.42)	(1.02)
Allowance for Expected Credit Loss including bad debts (net)	28	2.82	(0.95)
Provision for Doubtful Advances	28	-	0.67
Unrealized foreign exchange differences		(6.46)	-
Interest Income	21	(13.14)	(2.92)
Finance Cost	26	42.11	27.19
Interest on Lease Liability	26	0.05	0.03
Deferred Government Grant	21	(8.11)	(1.99)
Other non-cash expenses		0.18	-
Operating cash flow before working capital changes		1,586.53	1,081.97
Change [(increase)/ decrease] in operating assets			
Trade Receivable		(178.23)	(87.43)
Inventories		(357.01)	20.31
Other Financial Assets		(30.48)	(7.08)
Other Assets		47.88	(92.99)
Change [(increase/ (decrease)] in operating liabilities			
Trade Payable		59.67	0.71
Other Financial Liabilities		11.22	7.95
Other Liabilities		26.50	(4.04)
Provisions		2.36	2.81
Cash generated from operations		1,168.44	922.21
Less: Direct Taxes Paid		333.77	240.66
Net cash generated from operating activities (A)		834.67	681.55
Cash flows from investing activities			
Payment for purchase of Property, Plant & Equipments and intangible assets		(1,319.69)	(618.84)
Upfront payment towards lease arrangement		-	(24.38)
Proceeds from Sale of Property, Plant & Equipments		0.99	1.59
Fixed Deposits Realized (original maturity more than 3 months)		1,739.40	626.90
Fixed Deposits Placed (original maturity more than 3 months)		(1,808.70)	(626.92)
Interest Received		8.55	2.54
Net cash used in investing activities (B)		(1,379.45)	(639.11)
Cash flows from financing activities			
Proceeds from issue of equity shares		1,497.01	-
Share Issue expenses		(40.35)	-
Proceeds from Long Term Borrowings		433.21	65.16
Repayment of Long Term Borrowings		(330.03)	(132.82)
Payment of lease liabilities (including interest)		(0.03)	(0.02)

Consolidated Cash Flow Statement For the year ended 31st March, 2022 (Contd.)
(All amounts in Rupees millions, unless otherwise stated)

Particulars	Notes	For the year ended 31st March, 2022	For the year Ended 31st March, 2021
Payment towards buyback of equity shares		-	(219.99)
Proceeds from Working Capital Demand Loan		2,360.00	1,479.59
Payment of Working Capital Demand Loan		(2,581.47)	(1,414.54)
Finance Cost Paid		(42.59)	(49.61)
Net cash used in financing activities (C)		1,295.75	(272.23)
Net increase/(decrease) in cash and cash equivalents (A + B +C)		750.97	(229.79)
Cash and Cash Equivalents at the Beginning of the Year		23.32	253.11
Exchange (gain)/loss on translation of foreign currency Cash and Cash Equivalent		(0.13)	-
Cash and cash equivalents at end of the year		774.42	23.32
Reconciliation of cash and cash equivalents as per the cash flow statement			
Cash and cash equivalents as per above comprise of the following			
Cash on hand		0.37	0.13
Balances with banks -			
In Current Accounts		86.91	23.06
In Fixed Deposit Accounts (Original maturity less than 3 months)		687.14	0.13
Balances per statement of cash flows		774.42	23.32
Non-cash investing and financing activities			
(a) Issue of bonus shares to existing shareholders		99.96	-
(a) Acquisition of Right-of-Use Assets with corresponding adjustment to Lease Liabilities		-	0.17

Notes:

- Figures in brackets represent cash outflows.
- The above cashflow statement has been prepared under the 'Indirect Method' as set out in Ind AS 7, "Statement of Cash Flows" as notified under the Companies (Accounts) Rules, 2015.

The accompanying notes are an integral part of these Consolidated Financial Statements

This is the Consolidated Cash flow statement referred to in our report of even date.

For Price Waterhouse Chartered Accountants LLP
 Firm Registration No. 012754N/N500016

Amit Peswani
 Partner
 Membership No. 501213

Place : Gurugram
 Date : 27th May, 2022

**For and on behalf of the Board of Directors of Tarsons Products Limited
 (Formerly known as TARSONS PRODUCTS PRIVATE LIMITED)**

Sanjive Sehgal
 Chairman &
 Managing Director
 DIN: 00787232

Rohan Sehgal
 Whole-Time Director
 DIN: 06963013

Santosh Kumar Agarwal
 Chief Financial Officer &
 Company Secretary

Place : Kolkata
 Date : 27th May, 2022

Notes to the Consolidated financial statements for the year ended 31st March, 2022

(All amounts in Rupees millions, unless otherwise stated)

1. CORPORATE INFORMATION

Tarsons Products Limited (here in referred to as “the Holding Company” or “Tarsons”) is a Public limited company domiciled in India, with its registered office situated at Martin Burn Business Park, Plot -3, BP Block, Sector V, Bidhannagar, Kolkata, West Bengal 700091. The Holding Company has been incorporated under the provisions of Companies Act, 1956. The Holding Company is engaged in manufacturing and selling of plastic laboratory products and certain scientific instruments. The Holding Company caters to both domestic and international markets. The Holding Company has one subsidiary company named Inlabpro Pte. Ltd. established in Republic of Singapore. The Subsidiary company has not started its commercial activities during the year. The subsidiary is having paid up capital of 1 USD, however the Holding Company neither had transferred any money nor did any transaction with this subsidiary. The management of the Holding Company has initiated process of winding up this subsidiary during the year in accordance with applicable laws of India and Republic of Singapore. The consolidated financial statements as of and for the year ended 31st March, 2022 present the financial position of the company and the subsidiary. The Holding Company and its subsidiary are together referred to as the “Group”.

2. SIGNIFICANT ACCOUNTING POLICIES

This note provides basis of preparation and a list of the significant accounting policies adopted in the preparation of these consolidated financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

2.1 Basis of preparation

(i) Compliance with Ind AS

These consolidated financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of Companies Act, 2013, (the ‘Act’) and other relevant provisions of the Act.

The consolidated financial statements were authorised for issue by the Holding Company’s Board of Directors on 27th May, 2022.

(ii) Functional and presentation currency

The functional and presentational currency of the group is Indian Rupee (INR). The functional currency of the subsidiary company is SGD which has been converted in Indian Rupee (INR) for the consolidation purpose. These Consolidated financial statements are presented in Indian Rupees (INR). All amounts have been rounded-off to the nearest millions upto two decimal places, unless otherwise indicated.

(iii) Historical cost convention

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

- (a) certain financial assets and liabilities that is measured at fair value and
- (b) defined benefit plans – plan assets measured at fair value

(iv) New and amended standards adopted by the group

The group has applied the following amendments to Ind AS for the first time for their annual reporting period commencing 1st April, 2021:

- Extension of COVID-19 related concessions – amendments to Ind AS 116
- Interest rate benchmark reform – amendments to Ind AS 109, Financial Instruments, Ind AS 107, Financial Instruments: Disclosures, Ind AS 104, Insurance Contracts and Ind AS 116, Leases.

The amendments listed above did not have any impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

(v) New amendments issued but not effective

The Ministry of Corporate Affairs has vide notification dated 23 March 2022 notified Companies (Indian Accounting Standards) Amendment Rules, 2022 which amends certain accounting standards, and are effective 1st April, 2022.

Notes to the Consolidated financial statements for the year ended 31st March, 2022 (Contd.)
(All amounts in Rupees millions, unless otherwise stated)

These amendments are not expected to have a material impact on the group in the current or future reporting periods and on foreseeable future transactions.

(vi) Reclassifications consequent to amendments to Schedule III

The Ministry of Corporate Affairs amended the Schedule III to the Companies Act, 2013 on 24 March 2021 to increase the transparency and provide additional disclosures to users of financial statements. These amendments are effective from 1st April, 2021.

Consequent to above, the group has changed the classification/presentation of (i) current maturities of long-term borrowings in the current year.

The current maturities of long-term borrowings (including interest accrued) has now been included in the "Current borrowings" line item. Previously, current maturities of long-term borrowings and interest accrued were included in 'other financial liabilities' line item.

The group has reclassified comparative amounts to conform with current year presentation as per the requirements of Ind AS 1. The impact of such classifications is summarised below:

Balance Sheet (extract)	31st March, 2021 (as previously reported)	Increase / (Decrease)	31st March, 2021 (restated)
Current Borrowings	230.77	71.03	301.80
Other Current Financial Liabilities	97.97	(71.03)	26.94

(vii) Use of estimates and judgements

The preparation of consolidated financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on a periodic basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

Assumptions and estimation uncertainties

This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed.

Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the consolidated financial statements.

The areas involving critical estimates or judgements are:

- Estimated useful life of property, plant and equipment – Management reviews its estimate of the useful lives of property, plant and equipment at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical and economy obsolescence that may change the utility of property, plant and equipment.
- Estimation of defined benefit obligation – Measurement of defined benefit obligation and related under plans require numerous assumptions and estimates that can have a significant impact on the recognized costs and obligation, such as future salary level, discount rate, attrition rate and mortality. Ref note 31.
- Impairment of trade receivable: The loss allowances for financial assets are based on assumptions about risk of default and expected loss rates. The Group uses judgement in making these assumptions and selecting the inputs to the impairment calculation.
- Determination of lease term - In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated).

Notes to the Consolidated financial statements for the year ended 31st March, 2022 (Contd.) (All amounts in Rupees millions, unless otherwise stated)

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Group and that are believed to be reasonable under the circumstances.

2.2 Principles of consolidation and equity accounting

(i) Subsidiaries

Subsidiaries are all entities (including structured entities) over which the group has control. The group controls an entity where the group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the group. They are deconsolidated from the date that control ceases.

The acquisition method of accounting is used to account for business combinations by the group.

The group combines the standalone financial statements of the parent and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses. Intercompany transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the group.

Non-controlling interests in the results and equity of subsidiaries, as applicable are shown separately in the consolidated statement of profit and loss, consolidated statement of changes in equity and consolidated balance sheet respectively.

2.3 Property, plant and equipment

(i) Recognition and measurement

Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with carrying amount.

(ii) Transition to Ind AS

On transition to Ind AS, the Group has elected to continue with the carrying value of all of its property, plant and equipment recognised as at 1st April, 2019 measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment.

(iii) Depreciation methods, Estimated Useful Lives and Residual Value

Depreciation is calculated on cost of items of property, plant and equipment less their estimated residual values over their estimated useful lives using the written-down value method, and is generally recognised in the consolidated statement of profit and loss. Freehold land is not depreciated.

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The estimated useful lives of items of property, plant and equipment for the current and comparative periods are as follows:

Asset	Useful Life
Building	30 to 60 Years
Plant and Machinery and mould	15 Years
Electricals Equipment and Fittings	10 Years
Computers	3 Years
Furniture & Fixtures	10 Years
Office Equipments	5 Years
Vehicles	8 Years

Depreciation method, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate. Based on technical evaluation and consequent advice, the management believes that its estimates of useful lives as given above best represent the period over which management expects to use these assets.

The residual values are considered by the Management as per the limits specified in Part A of Schedule II of the Companies Act, 2013.

Depreciation on additions (disposals) is provided on a pro-rata basis i.e. from (up to) the date on which asset is ready for use (disposed of).

2.4 Capital Work in Progress

Expenditure incurred on construction of assets which are not ready for their intended use are carried at cost less impairment (if any), under Capital work-in-progress. The cost includes the purchase cost of materials, including import duties and non-refundable taxes, interest on borrowings used to finance the construction of the asset and any directly attributable costs of bringing an assets ready for their intended use.

2.5 Intangible Assets and Intangible Assets under development

Intangible assets acquired are reported at cost less accumulated amortization and accumulated impairment losses. Amortization is charged on a written down basis over their estimated useful lives. The estimated useful life and amortization method are reviewed at the end of each annual reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

Cost associated with maintaining software programmes are recognised as an expense as incurred.

Development costs that are directly attributable to the design and testing of identifiable and unique software products controlled by the Group are recognised as intangible assets where the following criteria are met:

- it is technically feasible to complete the software so that it will be available for use
- management intends to complete the software and use or sell it
- there is an ability to use or sell the software
- it can be demonstrated how the software will generate probable future economic benefits
- adequate technical, financial and other resources to complete the development and to use or sell the software are available, and
- the expenditure attributable to the software during its development can be reliably measured.

Capitalised development costs are recorded as intangible assets and amortised from the point at which the asset is available for use.

Expenditure incurred on development of an intangible assets which are not ready for their intended use are carried at cost less impairment (if any), under Intangible Assets under development.

Computer softwares are amortized over the useful life of 5 years.

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2.6 Borrowing Costs

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

Other borrowing costs are expensed in the period in which they are incurred.

2.7 Leases

As a lessee

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable
- variable lease payment that are based on an index or a rate, initially measured using the index or rate as at the commencement date
- amounts expected to be payable by the group under residual value guarantees
- the exercise price of a purchase option if the group is reasonably certain to exercise that option, and
- payments of penalties for terminating the lease, if the lease term reflects the group exercising that option.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability. The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the group, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

To determine the incremental borrowing rate, the group:

- where possible, uses recent third-party financing received by the individual lessee as a starting point, adjusted to reflect changes in financing conditions since third party financing was received
- uses a build-up approach that starts with a risk-free interest rate adjusted for credit risk for leases held by Tarsons Products Limited, which does not have recent third party financing
- makes adjustments specific to the lease, e.g. term, country, currency and security.

If a readily observable amortising loan rate is available to the individual lessee (through recent financing or market data) which has a similar payment profile to the lease, then the group entities use that rate as a starting point to determine the incremental borrowing rate.

The group is exposed to potential future increases in variable lease payments based on an index or rate, which are not included in the lease liability until they take effect. When adjustments to lease payments based on an index or rate take effect, the lease liability is reassessed and adjusted against the right-of-use asset.

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Variable lease payments that depend on sales are recognised in profit or loss in the period in which the condition that triggers those payments occurs. Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability
- any lease payments made at or before the commencement date less any lease incentives received
- any initial direct costs
- restoration costs.

Notes to the Consolidated financial statements for the year ended 31st March, 2022 (Contd.) *(All amounts in Rupees millions, unless otherwise stated)*

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the group is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life.

Payments associated with short-term leases of equipment and all leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less. Low-value assets comprise IT equipment and small items of office furniture.

As a lessor

Lease income from operating leases where the group is a lessor is recognised in income on a straight-line basis over the lease term. Initial direct costs incurred in obtaining an operating lease are added to the carrying amount of the underlying asset and recognised as expense over the lease term on the same basis as lease income. The respective leased assets are included in the balance sheet based on their nature.

2.8 Financial assets

(i) Classification

The Group classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- those to be measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in equity instruments that are not held for trading, this will depend on whether the Group has made an irrevocable election at the time of initial recognition to account for the equity investment at FVOCI.

The Group reclassifies debt investments when and only when its business model for managing those assets changes.

(ii) Recognition

Regular way purchases and sales of financial assets are recognised on trade-date, being the date on which the group commits to purchase or sale the financial asset.

(iii) Measurement

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Debt instruments

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Group classifies its debt instruments:

- **Amortised cost:** Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.
- **Fair value through other comprehensive income (FVOCI):** Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest and losses which are recognised in profit and loss. When the financial asset is derecognised, the cumulative gain or loss

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previously recognised in OCI is reclassified from equity to profit or loss. Interest income from these financial assets is included in other income using the effective interest rate method.

- Fair value through profit or loss: Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss is recognised in profit or loss and presented net in the statement of profit and loss in the period in which it arises. Interest income from these financial assets is included in other income.

Equity Instruments

The group subsequently measures all equity investments at fair value. Where the group's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment. Dividends from such investments are recognised in profit or loss as other income when the group's right to receive payments is established.

Changes in the fair value of financial assets at fair value through profit or loss are recognised in other income in the statement of profit and loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

(iv) Derecognition

A financial asset is derecognised only when

- The Group has transferred the rights to receive cash flows from the financial asset or
- retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Group evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Group has not retained control of the financial asset. Where the Group retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

(v) Dividend

Dividends are received from financial assets at fair value through profit or loss and at FVOCI. Dividends are recognised as other income in profit or loss when the right to receive payment is established. This applies even if they are paid out of pre-acquisition profits, unless the dividend clearly represents a recovery of part of the cost of the investment.

(vi) Interest Income

Interest income from financial assets at fair value through profit or loss is disclosed as interest income within other income. Interest income on financial assets at amortised cost and financial assets at FVOCI is calculated using the effective interest method is recognised in the statement of profit and loss as part of other income.

Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset except for financial assets that subsequently become credit-impaired. For credit-impaired financial assets the effective interest rate is applied to the net carrying amount of the financial asset (after deduction of the loss allowance).

(vii) Offsetting

Financial assets and liabilities are offset and the net amount is reported in the consolidated balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Group or the counterparty.

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2.9 Impairment

(a) Impairment of financial assets

The Group recognises loss allowances for expected credit losses on:

- financial assets measured at amortised cost; and
- financial assets measured at FVOCI- debt investments.

At each reporting date, the Group assesses whether financial assets carried at amortised cost and debt securities at FVOCI are credit- impaired. A financial asset is 'credit- impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

The Group recognises loss allowances using the expected credit loss (ECL) model for the financial assets which are measured at amortised cost. The Group does not have any financial assets which are carried at at fair value through profit or loss or at FVOCI. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all other financial assets (i.e. cash and bank balances and other financial assets) , expected credit losses are measured at an amount equal to the 12 month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised, is recognised as an impairment gain or loss in the statement of profit and loss.

(b) Impairment of non-financial assets

Assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

2.10 Measurement of fair values

A number of the Group's accounting policies and disclosures require measurement of fair values, for both financial and non-financial assets and liabilities.

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

When measuring the fair value of an asset or a liability, the Group uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

2.11 Inventories

Inventories are measured at the lower of cost and net realisable value. The cost of inventories includes expenditure incurred in acquiring the inventories, production or conversion costs and other costs incurred in bringing them to their present location and condition. Cost is determined using the First-in-First out (FIFO) method in respect of Raw Materials. The cost comprises cost of purchase, cost of conversion and other costs including appropriate production overheads in the case of finished goods and work in progress, incurred in bringing such inventories to their present location and condition.

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Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

The net realisable value of work-in-progress is determined with reference to the selling prices of related finished products.

Raw materials, components and other supplies held for use in the production of finished products are not written down below cost except in cases where material prices have declined and it is estimated that the cost of the finished products will exceed their net realisable value.

The comparison of cost and net realisable value is made on an item-by-item basis.

2.12 Foreign Currency Translation

Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in profit or loss.

Foreign exchange differences arising on foreign currency borrowings are presented in the consolidated statement of profit and loss. All other foreign exchange gains and losses are presented in the consolidated statement of profit and loss on a net basis within other income /(expense).

2.13 Revenue Recognition

Revenue from sale of goods is recognised at the point in time when control of the goods is transferred to the customer. The Group recognizes revenue from the sale of goods measured at the price specified in the contract, net of returns and allowances, trade discounts and volume rebates. Such provisions give rise to variable consideration, and are estimated at contract inception and updated thereafter. Revenue from value added services, namely freight and shipping insurance, is recognised as and when services are rendered, as per the terms agreed with the customers.

- a. A refund liability is recognised for expected volume discounts payable for sales made till the end of the reporting period.
- b. If a customer pays consideration before the Group transfers goods or services to the customer, an advance from customers (contract liability) is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Group performs under the contract.
- c. The Group does not have any significant financing element included in the sales made.

2.14 Employee Benefits

(i) Short-term employee benefits

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

(ii) Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. The Group makes specified monthly contributions towards Government administered provident fund scheme. Obligations for contributions to defined contribution plans are recognised as an employee benefit expense in profit or loss in the periods during which the related services are rendered by employees.

Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available.

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(iii) Defined benefit plans

The Group provides for gratuity, a defined benefit retirement plan ("the Gratuity Plan") covering eligible employees. The Gratuity Plan provides a lump-sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment with the group.

The liability or asset recognised in the consolidated balance sheet in respect of gratuity plan is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the defined benefit obligation denominated in INR is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the consolidated statement of profit and loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in consolidated statement of profit and loss as past service cost.

(iv) Compensated absences

The Group also has liabilities for earned leave that are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. These obligations are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the appropriate market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss. The obligations are presented as current liabilities in the consolidated balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

2.15 Income Tax

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

(i) Current Tax

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and considers whether it is probable that a taxation authority will accept an uncertain tax treatment. The Group measures its tax balances either based on the most likely amount or the expected value, depending on which method provides a better prediction of the resolution of the uncertainty.

(ii) Deferred Tax

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss). Deferred income tax

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is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets and liabilities are offset where there is a legally enforceable right to offset current tax assets and liabilities and where the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity 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 and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

2.16 Provisions and Contingencies

(i) Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

(ii) Contingencies

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

Contingent assets are not recognised but disclosed in the consolidated financial statements when an inflow of economic benefit is probable.

2.17 Trade receivables

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. Trade receivables are recognised initially at the amount of consideration that is unconditional unless they contain significant financing components, when they are recognised at fair value. The Group holds the trade receivables with the objective of collecting the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method, less loss allowance.

2.18 Trade and other payables

These amounts represent liabilities for goods and services provided to the Group prior to the end of financial year which are unpaid. The amounts are unsecured and are generally paid within 30 to 90 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

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2.19 Borrowings and other financial liabilities

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are removed from the consolidated balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

2.20 Cash and Cash Equivalents

For the purpose of presentation in the consolidated statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

2.21 Earnings Per Share

(i) Basic earnings per share

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the Group
- by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus element in equity shares issued during the year and excluding treasury share

(ii) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares

2.22 Segment Reporting

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

The Board of Directors of the Tarsons Products Limited has been identified as the Chief Operating Decision Maker (CODM) as defined by Ind AS 108, Operating Segments. All operating segments' operating results are reviewed regularly by the Group's Chief Operating Decision Maker (CODM) to make decisions about resources to be allocated to the segments and assess their performance. Refer note 37 for details on segment information presented.

Notes to the Consolidated financial statements for the year ended 31st March, 2022 (Contd.) (All amounts in Rupees millions, unless otherwise stated)

2.23 Government Grant

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Group will comply with all attached conditions.

Government grants relating to income such as duty drawbacks and other export benefit entitlements are deferred and recognised in the profit or loss over the period necessary to match them with the costs that they are intended to compensate and presented within other income.

Government grants relating to the purchase of property, plant and equipment (Export Promotion Capital Goods) are included in non-current and current liabilities (as applicable) as deferred income and are credited to profit or loss on a straight-line basis over the expected lives of the related assets and presented within other income.

2.24 Contributed equity

Equity shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

The transaction costs incurred with respect to the proposed IPO of the Holding Company is recognised as an asset to the extent considered recoverable from the selling shareholders. Remaining costs are allocated between new issue of shares and listing of existing equity shares. The costs attributable to listing of existing shares is recognised in profit or loss. The remaining costs attributable to new issuance of shares is recorded as a deduction from equity.

2.25 Rounding off amounts

All amounts disclosed in the consolidated financial statements and notes have been rounded off to the nearest million rupees upto two decimal places as per the requirement of Schedule III, unless otherwise stated.

Notes to the Consolidated financial statements for the year ended 31st March, 2022 (Contd.)
(All amounts in Rupees millions, unless otherwise stated)

3(a) PROPERTY, PLANT AND EQUIPMENT

Particulars	Gross Carrying amount				Accumulated depreciation				Carrying amount (net)
	As at 1st April, 2021	Additions	Deletions	As at 31st March, 2022	As at 1st April, 2021	For the Year	Deletions	As at 31st March, 2022	
Freehold Land (Refer Note (i) and (v) below)	253.68	217.49	-	471.17	-	-	-	-	471.17
Buildings (Refer Note (ii) below)	174.92	15.17	-	190.09	42.01	11.90	-	53.91	136.18
Plant & Machinery	506.31	304.60	-	810.91	182.78	86.78	-	269.56	541.35
Moulds	587.90	336.55	-	924.45	184.22	108.14	-	292.36	632.09
Furniture & Fixtures	13.02	8.27	-	21.29	4.06	3.11	-	7.17	14.12
Office Equipments	2.74	0.69	-	3.43	1.63	0.32	-	1.95	1.48
Computer	3.89	2.27	-	6.16	2.05	1.63	-	3.68	2.48
Vehicles	16.77	10.74	5.52	21.99	5.84	5.64	4.95	6.53	15.46
Total	1,559.23	895.78	5.52	2,449.49	422.59	217.52	4.95	635.16	1,814.33

Particulars	Gross Carrying amount				Accumulated depreciation				Carrying amount (net)
	As at 1st April, 2020	Additions	Deletions	As at 31st March, 2021	As at 1st April, 2020	For the Year	Deletions	As at 31st March, 2021	
Freehold Land (Refer Note (i) and (v) below)	135.50	118.18	-	253.68	-	-	-	-	253.68
Buildings (Refer Note (ii) below)	173.42	1.50	-	174.92	27.43	14.58	-	42.01	132.91
Plant & Machinery	399.48	106.92	0.09	506.31	127.54	55.24	-	182.78	323.53
Moulds	427.00	160.90	-	587.90	125.40	58.82	-	184.22	403.68
Furniture & Fixtures	12.27	0.75	-	13.02	1.24	2.82	-	4.06	8.96
Office Equipments	2.43	0.31	-	2.74	1.36	0.27	-	1.63	1.11
Computer	2.15	1.74	-	3.89	1.31	0.74	-	2.05	1.84
Vehicles	10.85	6.39	0.47	16.77	2.34	3.50	-	5.84	10.93
Total	1,163.11	396.69	0.56	1,559.23	286.62	135.97	-	422.59	1,136.64

Notes :

- Refer to Note 14 for information on Property, Plant & Equipment hypothecated as security by the Group.
- Title deeds of all the immovable properties comprising of land and building which are freehold, are held in the name of the Group.
- Aggregate amount of depreciation and amortisation has been included under "Depreciation and Amortisation expense" in the Consolidated Statement of Profit and Loss (Refer Note 27).
- Refer Note 32 for disclosure of contractual commitments for the acquisition of Property, Plant and Equipments.
- In respect of the Group's land at Jangalpur on which the factory is located, the complete approval under the West Bengal Land Reforms Act, 1955, for conversion of use from agricultural to non agricultural purpose is yet to be received.

Notes to the Consolidated financial statements for the year ended 31st March, 2022 (Contd.)
(All amounts in Rupees millions, unless otherwise stated)

3(b) CAPITAL WORK-IN-PROGRESS

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Opening balance	215.00	192.93
Add: Addition during the year	1,003.23	418.76
Less: Transfer during the year	(895.78)	(396.69)
Closing Balance	322.45	215.00

CWIP aging schedule as at 31st March, 2022

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	269.46	1.84	-	-	271.30
Projects temporarily suspended #	-	-	29.04	22.11	51.15

Completion Schedule of projects temporarily suspended

Particulars	Amount in CWIP to be capitalized in				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Serological Pipette manufacturing facility	-	51.15	-	-	51.15

CWIP aging schedule as at 31st March, 2021

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	55.01	-	-	-	55.01
Projects temporarily suspended #	-	137.87	22.12	-	159.99

Completion Schedule of projects temporarily suspended

Particulars	Amount in CWIP to be capitalized in				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Petridish Automated System along with related moulds and injecting machine	-	108.84	-	-	108.84
Serological Pipette manufacturing facility	-	51.15	-	-	51.15

Notes to the Consolidated financial statements for the year ended 31st March, 2022 (Contd.)
(All amounts in Rupees millions, unless otherwise stated)

3(c) INTANGIBLE ASSETS UNDER DEVELOPMENT

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Opening balance	5.83	-
Add: Addition during the year	2.19	5.83
Less: Transfer during the year	(8.02)	-
Closing balance	-	5.83

Intangible assets under development aging schedule as at 31st March, 2022

Particulars	Amount in intangible assets under development for a period of				Total*
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	-	-	-	-	-
Projects temporarily suspended*	-	-	-	-	-

Intangible assets under development aging schedule as at 31st March, 2021

Particulars	Amount in intangible assets under development for a period of				Total*
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	5.83	-	-	-	5.83
Projects temporarily suspended*	-	-	-	-	-

*There were no projects that were suspended at the end of each reporting period accordingly disclosure on expected date of completion of suspended project has not been given.

Notes to the Consolidated financial statements for the year ended 31st March, 2022 (Contd.)
(All amounts in Rupees millions, unless otherwise stated)

3(d) INTANGIBLE ASSETS

Description	Gross Carrying amount			Accumulated depreciation			Carrying amount (net)	
	As at 1st April, 2021	Additions	Deletions	As at 31st March, 2022	For the Year	Deletions	As at 31st March, 2022	As at 31st March, 2022
Computer Software	-	8.01	-	8.01	1.37	-	1.37	6.64
Total	-	8.01	-	8.01	1.37	-	1.37	6.64

Description	Gross Carrying amount			Accumulated depreciation			Carrying amount (net)	
	As at 1st April, 2020	Additions	Deletions	As at 31st March, 2021	For the Year	Deletions	As at 31st March, 2021	As at 31st March, 2021
Computer Software	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	-

Note:

- (i) Aggregate amount of depreciation and amortisation has been included under "Depreciation and Amortisation expense" in the Consolidated Statement of Profit and Loss (Refer Note 27).

Notes to the Consolidated financial statements for the year ended 31st March, 2022 (Contd.)
 (All amounts in Rupees millions, unless otherwise stated)

4. OTHER FINANCIAL ASSETS

Particulars	As at 31st March, 2022	As at 31st March, 2021
Non-Current		
Security Deposits	58.49	28.20
Long Term Deposits with Banks with original maturity for period more than 12 months*	0.63	2.38
Total	59.12	30.58

*Held as margin money against Bank Guarantee

Particulars	As at 31st March, 2022	As at 31st March, 2021
Current		
Loan to Employees	0.58	0.39
Total	0.58	0.39

Notes

- (i) Loans granted to employees during the year had stipulated scheduled repayment of principal and are not carrying any interest. There were no loans/advances in nature of loans granted during the year to promoter/related parties.
- (ii) The terms and conditions under which loans were granted to employees are not prejudicial to the Group's interest as these are extended under the employee loans and advance policy of the Group which is applicable to all employees.
- (iii) There is no amount of loan to employees which is overdue for more than ninety days.
- (iv) There were no loans which fell during the year and were renewed/extended. Further, no fresh loans were granted to same employees to settle the existing overdue loans.

5. CURRENT TAX ASSETS

Particulars	As at 31st March, 2022	As at 31st March, 2021
Advance tax [Net of Provision of ₹ 1291.60 (31st March, 2021: ₹ 958.43)]	24.99	24.39
Total	24.99	24.39

6. OTHER NON-CURRENT ASSETS

Particulars	As at 31st March, 2022	As at 31st March, 2021
Non-Current		
Capital Advances	702.54	351.38
Total	702.54	351.38

Notes to the Consolidated financial statements for the year ended 31st March, 2022 (Contd.)
(All amounts in Rupees millions, unless otherwise stated)

7. INVENTORIES

Particulars	As at 31st March, 2022	As at 31st March, 2021
Raw Materials	306.88	137.40
Work-In-Progress	4.12	7.06
Finished Goods [including Goods-in-transit of Nil (31st March, 2021: ₹ 7.70)]	405.21	217.73
Stock in Trade	72.48	85.67
Packing Materials	29.00	16.48
Consumable Stores	4.18	1.53
Scrap	1.87	1.10
Total	823.74	466.97

(i) Refer Note 14 for information on inventories hypothecated as security by the Group.

8. TRADE RECEIVABLES

Particulars	As at 31st March, 2022	As at 31st March, 2021
Unsecured, considered good		
Trade receivables	656.17	472.01
Less: Allowance for expected credit losses	(4.39)	(1.64)
Total	651.78	470.37

Note:

- There are no outstanding receivables due from directors or other officers of the Group.
- Refer Note 30 for information about credit risk and market risk on receivables.
- Refer Note 14 for information on trade receivable hypothecated as security by the Group

Break up of security details

Particulars	As at 31st March, 2022	As at 31st March, 2021
Trade Receivables considered good - Secured	-	-
Trade Receivables considered good - Unsecured	656.17	472.01
Trade Receivables which have significant increase in Credit Risk	-	-
Trade Receivables - Credit Impaired	-	-
Total	656.17	472.01
Less: Allowance for expected credit losses	(4.39)	(1.64)
Total	651.78	470.37

The Group uses a provision matrix to determine impairment loss on portfolio of its trade receivable. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At regular intervals, the historically observed default rates are updated and changes in forward-looking estimates are analyzed.

Movement in the expected credit loss allowance

Particulars	As at 31st March, 2022	As at 31st March, 2021
Balance at the beginning of the year	1.64	3.40
Movement in expected credit loss allowance on trade receivables calculated at lifetime expected credit losses	2.75	(1.76)
Provision at the end of the year	4.39	1.64

Notes to the Consolidated financial statements for the year ended 31st March, 2022 (Contd.)
 (All amounts in Rupees millions, unless otherwise stated)

Expected credit loss for trade receivables under simplified approach

Ageing	As at 31st March, 2022		
	Gross	Expected Credit loss	Net credit risk
Not due	545.06	-	545.06
0-30 days	78.19	1.02	77.17
31-60 days	20.90	0.64	20.26
61-90 days	8.11	0.56	7.55
91 - 120 days	0.19	0.05	0.14
121 - 180 days	1.66	0.47	1.19
181 - 240 days	0.44	0.24	0.20
241 - 360 days	1.62	1.41	0.21
greater than 360 days	0.00	0.00	0.00
Total	656.17	4.39	651.78

Ageing	As at 31st March, 2021		
	Gross	Expected Credit loss	Net credit risk
Not due	429.98	0.01	429.97
0-30 days	23.57	0.14	23.43
31-60 days	13.97	0.26	13.71
61-90 days	2.78	0.11	2.67
91 - 120 days	0.21	0.04	0.17
121 - 180 days	0.45	0.10	0.35
181 - 240 days	0.02	0.01	0.01
241 - 360 days	0.11	0.10	0.01
greater than 360 days	0.92	0.87	0.05
Total	472.01	1.64	470.37

Trade receivables ageing schedule as at 31st March, 2022

Particulars	Outstanding for following periods from due date of payment							Total
	Unbilled Dues	Not Due	Less than 6 months	6 months- 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed trade receivables - considered good	-	545.06	109.05	2.06	0.00	-	-	656.17
(ii) Undisputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-	-
(iii) Undisputed trade receivables - credit impaired	-	-	-	-	-	-	-	-
(iv) Disputed trade receivables - considered good	-	-	-	-	-	-	-	-
(v) Disputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-	-
(vi) Disputed trade receivables - credit impaired	-	-	-	-	-	-	-	-

Notes to the Consolidated financial statements for the year ended 31st March, 2022 (Contd.)
(All amounts in Rupees millions, unless otherwise stated)

Trade receivables ageing schedule as at 31st March, 2021

Particulars	Outstanding for following periods from due date of payment							Total
	Unbilled Dues	Not Due	Less than 6 months	6 months-1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed trade receivables - considered good	-	429.98	40.98	0.13	0.92	-	-	472.01
(ii) Undisputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-	-
(iii) Undisputed trade receivables - credit impaired	-	-	-	-	-	-	-	-
(iv) Disputed trade receivables - considered good	-	-	-	-	-	-	-	-
(v) Disputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-	-
(vi) Disputed trade receivables - credit impaired	-	-	-	-	-	-	-	-

9. CASH AND CASH EQUIVALENTS

Particulars	As at 31st March, 2022	As at 31st March, 2021
Cash on hand	0.37	0.13
Balances with banks		
- in current accounts (Refer Note (i) below)	86.91	23.06
- in term deposit accounts with original maturity period not more than three months	687.14	0.13
Total	774.42	23.32

Notes

- (i) Balance with banks on current accounts includes balance of Initial Public Offer (IPO) proceeds of ₹ 51.44 (31st March, 2021: Nil) which will be utilised as stated in the prospectus for IPO.

10. BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

Particulars	As at 31st March, 2022	As at 31st March, 2021
Balances in term deposit accounts with original maturity period of more than three months and not more than twelve months*	83.77	8.13
Total	83.77	8.13

* Held as margin money against Bank Guarantee

Notes to the Consolidated financial statements for the year ended 31st March, 2022 (Contd.)
 (All amounts in Rupees millions, unless otherwise stated)

11. OTHER CURRENT ASSETS

Particulars	As at	
	31st March, 2022	31st March, 2021
Advance to Suppliers for Goods & Services	55.04	97.19
Prepaid Expenses	4.73	9.85
Prepaid CSR expenses	19.80	33.12
Export Benefit Receivable	18.49	18.66
Advance with public bodies (Goods and Service Tax, excise duty etc.)	13.09	0.68
Other Advances	0.48	0.01
	111.63	159.51
Less: Provision for doubtful advances with public bodies	(0.67)	(0.67)
Total	110.96	158.84

12. EQUITY SHARE CAPITAL

Particulars	As at	
	31st March, 2022	31st March, 2021
Authorized share capital		
100,000,000 (31st March, 2021: 1,150,000) Class A and Class B Equity Shares of ₹ 2 (31st March, 2021: ₹ 10) each [Refer Note (f) below]	200.00	11.50
Total	200.00	11.50

Particulars	As at	
	31st March, 2022	31st March, 2021
Issued, subscribed and paid-up share capital		
53,206,281 (31st March, 2021 : 192,228) Class A Equity Shares of ₹ 2 (31st March, 2021: ₹ 10) each [Refer Note (f) below]	106.41	1.92
Total [A]	106.41	1.92

Number of shares have been disclosed in absolute terms

(a) Reconciliation of shares outstanding at the beginning and at the end of the reporting period

Particulars	As at 31st March, 2022		As at 31st March, 2021	
	Number	Amount	Number	Amount
Equity shares				
At the commencement of the year (Class A and Class B)	192,228	1.92	200,241	2.00
Shares split from Face Value of ₹ 10 to ₹ 2 each for every Class A share [Refer Note (f) below]	768,912	-	-	-
Bonus Shares issued for every 1 Class A share during the year	49,979,280	99.96	-	-
Fresh Issue of Equity Shares	2,265,861	4.53	-	-
Class B shares bought back	-	-	(8,013.00)	(0.08)
Total	53,206,281	106.41	192,228	1.92

Notes to the Consolidated financial statements for the year ended 31st March, 2022 (Contd.)
(All amounts in Rupees millions, unless otherwise stated)

(b) Rights, Preferences and Restrictions

Equity Shares

The Holding Company has two class of equity shares having a par value of ₹10 per share. Class A shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Holding Company after distribution of all preferential amounts, in proportion to their shareholding.

'Class B' 8013 equity shares of ₹10 each were issued and allotted to Clear Vision Investment Holding Pte. Limited on 18th March, 2020 pursuant to conversion of 2,200,000 Compulsorily Convertible Debentures with the condition that if the Holding Company fails to complete a buyback within 30 days of serving the exercise notice, Clear Vision Investment Holding Pte Limited shall be entitled to exercise its voting right on such shares. Class B equity shares have been bought back by the Holding Company during the year ended 31st March, 2021.

(c) Particulars of shareholders holding more than 5% shares of Equity Shares

Name of the shareholder	As at 31st March, 2022		As at 31st March, 2021	
	Number of shares held	% holding	Number of shares held	% holding
Sanjive Sehgal	14,354,248	26.98	56,101	29.18
Rohan Sehgal	10,800,347	20.30	41,936	21.82
Clear Vision Investment Holdings Pte Limited	12,460,615	23.42	94,191	49.00
Total	37,615,210	70.70	192,228	100.00

(d) Promoters shareholding

Shareholding of promoters as on 31st March, 2022

Promoter name	Number of shares	% of total shares	% change during the period
Sanjive Sehgal	14,354,248	26.98	(0.08)
Rohan Sehgal	10,800,347	20.30	(0.07)
Total	25,154,595	47.28	

Class A Shareholding of promoters as on 31st March, 2021

Promoter name	Number of shares	% of total shares	% change during the period
Sanjive Sehgal	56,101	29.18	-
Rohan Sehgal	41,936	21.82	-
Total	98,037	51.00	

- (e) A bonus issue was made to the shareholders of the Holding Company as of the record date 25th June, 2021, in the ratio of 52:1, pursuant to our Board and Shareholders' resolutions passed on 14th June, 2021 and 16th June, 2021, respectively.
- (f) The equity shares of the Company were sub-divided from equity shares of face value of ₹ 10 each into equity shares of face value of ₹ 2 each, pursuant to our Board and Shareholders' resolutions passed on 14th June, 2021 and 16th June, 2021, respectively. The record date for the aforementioned subdivision was 25th June, 2021.
- (g) The Holding Company has bought back 8,013 Class B equity shares during the year ended 31st March, 2021.

Notes to the Consolidated financial statements for the year ended 31st March, 2022 (Contd.)
 (All amounts in Rupees millions, unless otherwise stated)

13. OTHER EQUITY

Particulars		As at 31st March, 2022	As at 31st March, 2021
Securities premium (i)		1,459.09	17.40
Amalgamation Reserve (ii)		5.86	5.86
Capital Redemption Reserve (iii)		0.08	0.08
Retained earnings (iv)		3,326.86	2,418.12
Total other equity		4,791.89	2,441.46

(i) Securities premium

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Opening balance	17.40	237.39
Add: Amount received on fresh Issue of Equity Shares	1492.48	-
Less: Amount utilised for shares issue expenses (Refer Note 46)	(50.79)	-
Less: Used in buy back of Equity Shares	-	(219.91)
Less: Transferred to Capital Redemption Reserve	-	(0.08)
Closing balance	1,459.09	17.40

(ii) Amalgamation Reserve

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Amalgamation Reserve	5.86	5.86
Closing balance	5.86	5.86

(iii) Capital Redemption Reserve

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Opening balance	0.08	-
Add: On buy back of equity shares	-	0.08
Closing balance	0.08	0.08

(iv) Retained earnings

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Opening balance	2,418.12	1,730.44
Add: Profit during the year	1,006.64	688.70
Add: Remeasurement of Post employment defined benefit liability (net of tax)	2.06	(1.02)
Less: Bonus Shares issued for every 1 shares during the year	(99.96)	0.00
Closing balance	3,326.86	2,418.12
Total other equity	4,791.89	2,441.46

Notes to the Consolidated financial statements for the year ended 31st March, 2022 (Contd.)
(All amounts in Rupees millions, unless otherwise stated)

Nature and purpose of reserves

(i) Securities premium:

Amounts received on issue of shares in excess of the par value has been classified as securities premium, (net of utilisation). The Security premium is utilised in accordance with the provisions of the Companies Act, 2013.

(ii) Amalgamation Reserve:

Amalgamation reserve has been recorded by the group to give effect to the scheme of amalgamation approved by Hon'ble High Court of Calcutta for amalgamation of G.R.Packsys Private Limited (Transferor Company) with the Holding Company (Transferee Company) with effect from 1st April, 2012.

(iii) Capital Redemption Reserve:

Capital Redemption Reserve has arisen on buy back of equity shares pursuant to the provisions of the Companies Act, 2013. The capital redemption reserve account may be applied by the Holding Company, in paying up unissued shares of the Holding Company to the members as fully paid bonus shares.

(iv) Retained earnings:

The cumulative gain or loss arising from the operations which is retained by the Group is recognized and accumulated under the heading "Retained Earnings". At the end of the year, the profit after tax and Other comprehensive income is transferred from the Statement of Profit and Loss to retained earnings. Other comprehensive income comprises actuarial gains and losses on defined benefit obligation.

14. BORROWINGS

Particulars	As at 31st March, 2022	As at 31st March, 2021
Non-Current		
Secured		
Term Loans from:		
Banks		
Rupee Loan [Refer note (b) below]	206.19	104.26
Less: Current Maturities of Long Term Debts [Refer Note 2.1 (vi)]	(112.67)	(71.03)
Total	93.52	33.23
Interest accrued	0.07	0.49
Total	93.45	32.74
Particulars	As at 31st March, 2022	As at 31st March, 2021
Current		
Secured		
Cash Credit Loan [Refer note (c) below]	10.05	60.05
Current Maturities of Long Term Debts [Refer Note 2.1 (vi)]	112.67	71.03
Working Capital Loans repayable on Demand [Refer note (c) below]	-	170.71
Unsecured		
Payable to shareholder for fractional shares	-	0.01
Total	122.72	301.80

Notes to the Consolidated financial statements for the year ended 31st March, 2022 (Contd.)
 (All amounts in Rupees millions, unless otherwise stated)

(a) **Net debt reconciliation**

This section sets out an analysis of net debt and the movements in net debt for each of the periods presented:

Particulars	As at 31st March, 2022	As at 31st March, 2021
Cash and cash equivalents	774.42	23.32
Current borrowings	(122.72)	(301.80)
Non-current borrowings	(93.45)	(32.74)
Lease liabilities	(0.48)	(0.47)
Net Cash & Cash Equivalent/ (debt)	557.77	(311.69)

Particulars	Other assets		Liabilities from financing activities	
	Cash and cash equivalents	Non-current borrowings and Current borrowings	Lease liabilities	Total
Net debt as at 31st March, 2020	253.11	(359.57)	(0.29)	(106.75)
Cash inflows/(outflows)	(229.79)	2.61	0.02	(227.16)
Foreign exchange adjustments	-	-	-	-
New leases	-	-	(0.17)	(0.17)
Finance Cost	-	(27.19)	(0.03)	(27.22)
Interest paid	-	49.61	-	49.61
Net debt as at 31st March, 2021	23.32	(334.54)	(0.47)	(311.69)
Cash inflows/(outflows)	750.97	117.89	0.03	868.89
Foreign exchange adjustments	0.13	-	-	0.13
New leases	-	-	-	-
Finance Cost	-	(42.11)	(0.05)	(42.15)
Interest paid	-	42.59	-	42.59
Net debt as at 31st March, 2022	774.42	(216.17)	(0.48)	557.77

(b) **Repayment schedule of borrowings and assets pledged as security as at 31st March, 2022 and 31st March, 2021**

Name of Bank/ Financial Institution	Loan Amount	Repayment Schedule	No of Installments	Interest Rate	Installment Amount	Security
HDFC Bank - Term loan	₹ Nil (31st March, 2021: ₹ 7.29)	Quarterly	Total - 24 (Outstanding Nil)	1Y MCLR + 130bps	Equal amount of principal installments - ₹ 1.04	Term loan from banks are secured by way of first pari passu hypothecation charge created over the:

Notes to the Consolidated financial statements for the year ended 31st March, 2022 (Contd.)
(All amounts in Rupees millions, unless otherwise stated)

Name of Bank/ Financial Institution	Loan Amount	Repayment Schedule	No of Installments	Interest Rate	Installment Amount	Security
HDFC Bank - Term loan	₹ Nil (31st March, 2021: ₹ 10.00)	Quarterly	Total - 20 (Outstanding Nil)	1Y MCLR + 130bps	Equal amount of principal installments - ₹ 1.25	(i) Entire current assets and movable fixed assets of the Group, both present and future, except exclusively financed by other Banks/ Financial Institutions. (ii) Factory land and buildings at Domjur, Kasba, Sankrail and Office Building at Jasmine Tower, Kolkata.
HDFC Bank - Term loan	₹ Nil (31st March, 2021: ₹ 7.96)	Quarterly	Total - 22 (Outstanding Nil)	1Y MCLR + 130bps	Equal amount of principal installments - ₹ 1.14	
HDFC Bank - Term loan	₹ Nil (31st March, 2021: ₹ 16.00)	Quarterly	Total - 20 (Outstanding Nil)	1Y MCLR + 130bps	Equal amount of principal installments - ₹ 2.00	
HDFC Bank - Term loan	₹ Nil (31st March, 2021: ₹ 4.00)	Quarterly	Total - 20 (Outstanding Nil)	1Y MCLR + 130bps	Equal amount of principal installments - ₹ 0.50	
HDFC Bank - Term loan	₹ Nil (31st March, 2021: ₹ 4.00)	Quarterly	Total - 20 (Outstanding Nil)	1Y MCLR + 130bps	Equal amount of principal installments - ₹ 0.50	
HDFC Bank - Term loan	₹ Nil (31st March, 2021: ₹ 10.00)	Quarterly	Total - 20 (Outstanding Nil)	1Y MCLR + 130bps	Equal amount of principal installments - ₹ 1.25	
Axis Bank -Term Loan	₹ Nil (31st March, 2021: ₹ 39.78)	Quarterly	Total - 7 (Outstanding Nil)	1Y MCLR + 0.35 bps	(i) Equal amount of principal installments - ₹ 6.72, (ii) Last amount of principal installment ₹ 19.14	
Axis Bank -Term Loan	₹ 194.24 (31st March, 2021: ₹ Nil)	Quarterly	Total - 10 (Outstanding 8)	Repo + 220 bps	(i) Equal amount of principal installments - ₹27.50 (ii) Last amount of principal installment - ₹ 2.50	
Axis Bank -Car Loan	₹ 7.73 (31st March, 2021: ₹ Nil)	Monthly	Total - 60 (Outstanding 52)	7.45%	Equated Monthly Installments (EMI) - ₹ 0.18	Secured against hypothecation of vehicles.
HDFC Bank - Car Loan	₹4.22 (31st March, 2021: ₹ 5.23)	Monthly	Total - 60 (Outstanding 42)	7.50%	Equated Monthly Installments (EMI) - ₹ 0.11	Secured against hypothecation of vehicles.

(c) Repayment schedule of current borrowings and assets pledged as security as at 31st March, 2022 and 31st March, 2021

Cash Credit and Working Capital Demand Loans facilities are secured by way of pari passu first hypothecation charge created over the:

- Entire current assets and movable fixed assets of the Holding Company, both present and future, except exclusively financed by other Banks/Financial Institutions.
- Factory land and buildings at Domjur, Kasba, Sankrail and Office Building at Jasmine Tower, Kolkata.

(d) The term loans have been applied for the purpose for which they were obtained.

Notes to the Consolidated financial statements for the year ended 31st March, 2022 (Contd.)
(All amounts in Rupees millions, unless otherwise stated)

15. TRADE PAYABLES

Particulars	As at 31st March, 2022	As at 31st March, 2021
Current		
Total outstanding dues of micro enterprises and small enterprises*	10.07	3.33
Total outstanding dues of creditors other than micro enterprises and small enterprises	119.45	56.42
Total trade payables	129.52	59.75

*Refer Note 36

(i) There are no trade payable to related parties.

Trade payables aging schedule as at 31st March, 2022

Particulars	Outstanding for following periods from due date of payment					Total
	Unbilled	Not Due	Less than 1 year	1-2 years	2-3 years	
(i) Undisputed dues - Micro, Small and Medium Enterprises	-	10.07	-	-	-	10.07
(ii) Undisputed dues - Others	12.84	86.78	19.38	0.36	0.09	119.45
(iii) Disputed dues - Micro, Small and Medium Enterprises	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-
Total	12.84	96.85	19.38	0.36	0.09	129.52

Trade payables aging schedule as at 31st March, , 2021

Particulars	Outstanding for following periods from due date of payment					Total
	Unbilled	Not Due	Less than 1 year	1-2 years	2-3 years	
(i) Undisputed dues - Micro, Small and Medium Enterprises	-	3.33	-	-	-	3.33
(ii) Undisputed dues - Others	8.79	45.49	2.03	0.11	-	56.42
(iii) Disputed dues - Micro, Small and Medium Enterprises	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-
Total	8.79	48.82	2.03	0.11	-	59.75

Notes to the Consolidated financial statements for the year ended 31st March, 2022 (Contd.)
(All amounts in Rupees millions, unless otherwise stated)

16. OTHER FINANCIAL LIABILITIES

Particulars	As at 31st March, 2022	As at 31st March, 2021
Non-Current		
Security deposit	1.03	0.53
Total	1.03	0.53
Particulars	As at 31st March, 2022	As at 31st March, 2021
Current		
Capital creditors	1.96	4.09
Interest Accrued on Borrowings	0.07	0.49
Payable to employees	33.09	22.36
Total	35.12	26.94

17. DEFERRED TAX LIABILITIES

Particulars	As at 31st March, 2022	As at 31st March, 2021
Deferred tax liabilities		
Property plant & Equipment	45.12	36.16
Right of use asset	0.98	0.14
Intangible assets	0.46	-
Borrowings	0.21	0.29
Total deferred tax liabilities	46.77	36.59
Deferred tax assets		
Lease liabilities	0.12	0.12
Trade Receivables	1.10	0.88
Provision for Gratuity	1.98	2.79
Total deferred tax assets	3.20	3.79
Net deferred tax liabilities/ (Asset)	43.57	32.80

Notes to the Consolidated financial statements for the year ended 31st March, 2022 (Contd.)
(All amounts in Rupees millions, unless otherwise stated)

Deferred tax assets/liabilities:

Movement of deferred tax assets / liabilities presented in the consolidated balance sheet

For the period ended 31st March 2022	As at 1st April, 2021	recognized in profit or loss	recognized in OCI	As at 31st March, 2022
Deferred tax liability on:				
Property plant & Equipment	36.16	8.96	-	45.12
Right of use asset	0.14	0.84	-	0.98
Intangible assets	-	0.46	-	0.46
Borrowing	0.29	(0.08)	-	0.21
Gross deferred tax liabilities	36.59	10.18	-	46.77
Deferred tax assets on:				
Lease liabilities	0.12	-	-	0.12
Trade Receivables	0.88	0.22	-	1.10
Provision for Gratuity	2.79	(0.81)	-	1.98
Gross deferred tax assets	3.79	(0.59)	-	3.20
Net deferred tax liabilities/ (assets)	32.80	10.77	-	43.57
For the year ended 31st March, 2021				
For the year ended 31st March, 2021	As at 1st April, 2020	recognized in profit or loss	recognized in OCI	As at 31st March, 2021
Deferred tax liability on:				
Property plant & Equipment	33.99	2.17	-	36.16
Right of use asset	0.09	0.05	-	0.14
Borrowing	0.81	(0.52)	-	0.29
Deferred tax assets on:	34.89	1.70	-	36.59
Lease liabilities	0.07	0.05	-	0.12
Trade Receivables	1.33	(0.44)	-	0.88
Provision for Gratuity	1.60	1.18	(0.34)	2.79
Gross deferred tax assets	3.00	0.79	(0.34)	3.79
Net deferred tax liabilities/ (assets)	31.89	0.91	0.34	32.80

18. PROVISIONS

Particulars	As at 31st March, 2022	As at 31st March, 2021
Current		
Provision for employee benefits		
Employee benefit obligation*	7.84	11.07
Provisions for compensated absences	7.08	4.24
Total	14.92	15.31

*Refer Note 31

Notes to the Consolidated financial statements for the year ended 31st March, 2022 (Contd.)
(All amounts in Rupees millions, unless otherwise stated)

19. OTHER LIABILITIES

Particulars	As at 31st March, 2022	As at 31st March, 2021
Non-Current		
Deferred Government Grant	56.32	31.62
Total	56.32	31.62
Current		
Statutory Dues including Provident Fund and Tax Deducted at Source	22.58	7.76
Advances from Customers (Contract liabilities)	14.15	2.46
Deferred Government Grant	10.10	3.93
Total	46.83	14.15

20. REVENUE FROM OPERATIONS

Particulars	For the year ended 31st March, 2022	For the year Ended 31st March, 2021
Sale of Products	2,991.90	2,279.09
Other Operating Revenues:		
Sale of Scrap	16.04	10.02
	3,007.94	2,289.11

Particulars of sale of products

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Manufactured Goods		
- Plastic Products	2,647.95	2,007.35
- Instruments & Equipments	91.27	78.15
	2,739.22	2,085.50
Traded Goods		
- Plastic Products	216.07	149.00
- Instruments & Equipments	36.61	44.59
	252.68	193.59
	2,991.90	2,279.09

Notes:

1. Refer Note 37 for disaggregation of revenue by geographical region.
2. The contract liabilities of ₹ 2.46 (31st March, 2021: ₹ 3.34) are recognized as revenue during the year.
3. Reconciliation of revenue recognized with contract price:

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Contracted price	3,007.43	2,288.60
Adjustments:		
Refund liabilities and discounts	15.53	9.51
Revenue from Contracts with Customers	2,991.90	2,279.09

Notes to the Consolidated financial statements for the year ended 31st March, 2022 (Contd.)
(All amounts in Rupees millions, unless otherwise stated)

21. OTHER INCOME

Particulars	For the year ended 31st March, 2022	For the year Ended 31st March, 2021
Foreign Exchange Fluctuation (Net)	36.19	21.06
Interest Income on Financial Assets at amortized Cost	13.14	2.92
Profit on Sale of Property, plant and equipment	0.42	1.02
Export Benefit Entitlements	26.09	24.06
Miscellaneous Income	0.72	2.75
Deferred Government Grant [Refer Note (i) below]	8.11	1.99
	84.67	53.80

Note

- (i) Government grants are related to investments of the group in property, plant and equipment. There are no unfulfilled conditions or other contingencies attached to these grants. The group also benefits from incentive received from the Government on export of goods such as duty drawbacks and other export benefit entitlements.

22. COST OF MATERIALS CONSUMED

Particulars	For the year ended 31st March, 2022	For the year Ended 31st March, 2021
Plastic Granules & Components		
Inventories at the beginning of the Year	137.40	113.57
Add: Purchases during the Year	865.39	472.62
Less: Inventories at the end of the Year	(306.88)	(137.40)
	695.91	448.79

23. PURCHASES OF STOCK IN TRADE

Particulars	For the year ended 31st March, 2022	For the year Ended 31st March, 2021
Plastic Products and Instruments	105.23	115.03
	105.23	115.03

24. CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS, TRADED GOODS AND SCRAP

Particulars	For the year ended 31st March, 2022	For the year Ended 31st March, 2021
Inventories at the Beginning of the Year		
Finished Goods	217.73	283.18
Work-in-progress	7.06	4.54
Stock in Trade	85.67	73.67
Scrap	1.10	1.40
Total (A)	311.56	362.79
Inventories at the End of the Year		
Finished goods	405.21	217.73
Work-in-progress	4.12	7.06
Stock in Trade	72.48	85.67
Scrap	1.87	1.10
Total (B)	483.68	311.56
(Increase) / Decrease in Inventories (A-B)	(172.12)	51.23

Notes to the Consolidated financial statements for the year ended 31st March, 2022 (Contd.)
(All amounts in Rupees millions, unless otherwise stated)

25. EMPLOYEE BENEFIT EXPENSE

Particulars	For the year ended 31st March, 2022	For the year Ended 31st March, 2021
Salaries, Wages and Bonus etc.	294.83	229.15
Contribution to Provident and Other Funds	17.03	14.25
Staff Welfare Expenses	2.22	0.96
	314.08	244.36

26. FINANCE COSTS

Particulars	For the year ended 31st March, 2022	For the year Ended 31st March, 2021
(a) Interest Expenses		
i) On Borrowings	39.22	26.92
ii) On Others	0.48	0.26
(b) Other Borrowing Costs	2.41	0.01
(c) Interest on lease liabilities	0.05	0.03
	42.16	27.22

27. DEPRECIATION AND AMORTIZATION EXPENSE

Particulars	For the year ended 31st March, 2022	For the year Ended 31st March, 2021
Depreciation on property, plant and equipment [Refer Note 3(a)]	217.52	135.97
Amortisation of intangible assets [Refer Note 3(d)]	1.37	-
Depreciation on Right-of-use assets (Refer Note 39)	0.72	0.65
	219.61	136.62

Notes to the Consolidated financial statements for the year ended 31st March, 2022 (Contd.)
 (All amounts in Rupees millions, unless otherwise stated)

28. OTHER EXPENSES

Particulars	For the year ended 31st March, 2022	For the year Ended 31st March, 2021
Consumption of Packing Materials	161.00	112.19
Consumption of Consumable Stores	10.62	15.56
Assembly and Sterilization Charges	36.08	29.67
Power and Fuel	98.29	73.11
Freight & Forwarding	57.85	40.12
Sales Promotion Expenses	20.45	20.70
Auditors' Remuneration [Refer Note 28(a) and 28(b)]	4.80	1.46
Insurance [Refer Note 28(b)]	10.31	9.44
Rent	3.86	1.79
Rates and Taxes	1.88	1.51
Repairs		
To Plant & Machinery	34.45	27.64
To Moulds	11.48	2.14
To Buildings	4.40	9.04
To Others	2.47	3.45
Travelling and Conveyance [Refer Note 28(b)]	12.13	6.19
Donation	0.06	1.08
Professional Fees [Refer Note 28(b)]	11.58	10.26
IPO expenses [Refer Note 28(b)]	8.45	-
Expenditure Towards CSR Activities (Refer Note 38)	13.32	9.78
Allowance for Expected Credit Loss including bad debts (net)	2.75	(1.76)
Miscellaneous Expenses [Refer Note 28(b)]	31.62	21.95
	537.85	395.32

28(a) REMUNERATION TO AUDITORS

Particulars	31st March, 2022	31st March, 2021
Statutory Audit	2.00	1.40
Limited Review	0.53	-
IPO Related Service [Including ₹ 1.66 pertaining to Holding Company's share of IPO related expenses]	10.65	-
Other Services	0.55	-
Out of Pocket Expenses (including relating to IPO related services)	0.75	0.06
	14.48	1.46
Less: Recovered from Selling Shareholders	(9.68)	-
	4.80	1.46

Notes to the Consolidated financial statements for the year ended 31st March, 2022 (Contd.)
(All amounts in Rupees millions, unless otherwise stated)

28(b) IPO EXPENSES

Particulars	31st March, 2022	31st March, 2021
Auditors' Remuneration for IPO related services (including ₹ 0.69 relating to Out of Pocket Expenses and ₹ 1.74 relating to taxes)	13.08	-
Insurance	1.50	-
Travelling and Conveyance	0.44	-
Professional Fees	241.65	-
Miscellaneous Expenses	179.85	-
Less: Recovered from Selling Shareholders (Refer Note 46)	(375.62)	-
Less: Adjusted with equity (Refer Note 46)	(50.79)	-
	10.11	-

29. INCOME TAX EXPENSE

A. Income tax expense recognized in statement of profit or loss statement

Particulars	For the year ended 31st March, 2022	For the year Ended 31st March, 2021
Current tax		
In respect of Current Year	332.48	234.73
Deferred tax		
In respect of Current Year	10.77	0.91
Income tax expense recognised in statement of Profit and Loss	343.25	235.64

B. Income tax recognized in other comprehensive income

Particulars	For the year ended 31st March, 2022	For the year Ended 31st March, 2021
Income tax on remeasurement of the net defined benefit liability/asset	0.69	(0.34)
	0.69	(0.34)

C. Reconciliation of effective tax rate

Particulars	For the year ended 31st March, 2022	For the year Ended 31st March, 2021
Profit before income tax expense	1,349.89	924.34
Tax at Indian tax rate of 25.168%	339.74	232.64
(i) Tax effects of amounts which are not deductible (taxable) in calculating taxable income:		
(ii) Others	(0.42)	0.20
Income tax expense	343.25	235.64

Notes to the Consolidated financial statements for the year ended 31st March, 2022 (Contd.)
(All amounts in Rupees millions, unless otherwise stated)

30. FINANCIAL INSTRUMENTS - FAIR VALUES AND RISK MANAGEMENT

A. Accounting classifications and fair values

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities

Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices)

Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs)

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy

As at 31st March, 2022

Particulars	Carrying value			
	FVTPL	FVOCI	amortized costs	Total carrying amount
Financial assets				
Trade receivables	-	-	651.78	651.78
Cash and cash equivalents	-	-	774.42	774.42
Other bank balances	-	-	83.77	83.77
Other financial assets	-	-	59.70	59.70
	-	-	1,569.67	1,569.67
Financial liabilities				
Borrowings	-	-	216.17	216.17
Trade payables	-	-	129.52	129.52
Lease Liabilities	-	-	0.48	0.48
Other financial liabilities	-	-	36.15	36.15
	-	-	382.32	382.32

As at 31st March, 2021

Particulars	Carrying value			
	FVTPL	FVOCI	amortized costs	Total carrying amount
Financial assets				
Trade receivables	-	-	470.37	470.37
Cash and cash equivalents	-	-	23.32	23.32
Other bank balances	-	-	8.13	8.13
Other financial assets	-	-	30.97	30.97
	-	-	532.79	532.79
Financial liabilities				
Borrowings	-	-	334.53	334.53
Trade payables	-	-	59.75	59.75
Lease Liabilities	-	-	0.47	0.47
Other financial liabilities	-	-	27.47	27.47
	-	-	422.22	422.22

The Group has not separately disclosed the fair values for financial assets and liabilities other than borrowings measured at amortized cost because their carrying amounts are a reasonable approximation of the fair values.

Assets and liabilities which are measured at amortized cost for which fair values are disclosed as on 31st March 2022:

	Fair value			
	Level 1	Level 2	Level 3	Total
Borrowings	-	-	206.19	206.19
	-	-	206.19	206.19

Notes to the Consolidated financial statements for the year ended 31st March, 2022 (Contd.)
(All amounts in Rupees millions, unless otherwise stated)

30. FINANCIAL INSTRUMENTS - FAIR VALUES AND RISK MANAGEMENT (CONTD.)

Assets and liabilities which are measured at amortized cost for which fair values are disclosed as on 31st March, 2021:

	Fair value			Total
	Level 1	Level 2	Level 3	
Borrowings	-	-	104.26	104.26
	-	-	104.26	104.26

B. Measurement of fair values

Valuation technique used to determine fair values:

Discounted cash flow valuation technique has been used to value financial instruments, as applicable.

C. Financial risk management

The Group has exposure to the following risks arising from financial Instruments :

- Credit risk(C)(ii) ;
- Liquidity risk(C)(iii) ; and
- Market risk (C)(iv)

i. Risk management framework

The Holding Company's Board of Directors has overall responsibility for the establishment and oversight of the Group's risk management framework. The Board of Directors has constituted the risk management committee, which is responsible for developing and monitoring the Group's risk management policies. The committee reports to the Board of Directors on its activities.

The Group's risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities. The Group, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

ii. Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's receivables from customers. Credit risk arises from cash held with banks and financial institutions, as well as credit exposure to customers, including outstanding accounts receivable. The maximum exposure to credit risk is equal to the carrying value of the financial assets. The objective of managing counterparty credit risk is to prevent losses in financial assets. The Group assesses the credit quality of the counterparties, taking into account their financial position, past experience and other factors.

Trade receivables

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the customer, including the default risk of the industry and country in which the customer operates, also has an influence on credit risk assessment. The Group assesses the credit quality of the customer, taking into account its financial position, past experience and other factors.

None of the customer accounted for more than 10% of the receivable as at 31st March, 2022 and 31st March, 2021.

Cash and cash equivalents and Security deposits

Credit risk on cash and cash equivalents is limited as the Group generally invests in deposits with banks and financial institutions with high credit ratings assigned by domestic credit rating agencies. The Group periodically monitors the recoverability and credit risks of its other financial assets including security deposits. The Group evaluates 12-month expected credit losses for all the financial assets and the risk assessed is insignificant for the Group.

Notes to the Consolidated financial statements for the year ended 31st March, 2022 (Contd.)
 (All amounts in Rupees millions, unless otherwise stated)

30. FINANCIAL INSTRUMENTS - FAIR VALUES AND RISK MANAGEMENT (CONTD.)

iii. Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

The Group's principal sources of liquidity are cash and cash equivalents, and the cash flow that is generated from operations. The Group has managed its liquidity and working capital requirements through cash generated from operations and through intermittent short term and long term borrowings.

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts disclosed in the table are the contractual undiscounted cash flows.

31st March, 2022	Less than 1 year	1-2 years	More than 2 years
Borrowings	122.72	87.05	6.40
Trade payables	129.52	-	-
Lease liabilities	0.03	0.03	23.50
Other financial liabilities	35.12	-	1.03
	287.39	87.08	30.93

31st March, 2021	Less than 1 year	1-2 years	More than 2 years
Borrowings	301.80	29.62	3.13
Trade payables	59.74	-	-
Lease liabilities	0.03	0.03	23.53
Other financial liabilities	26.94	-	0.53
	388.51	29.65	27.19

The Group had access to the following undrawn borrowing facilities at the end of the reporting period:

Particulars	As at 31st March, 2022	As at 31st March, 2021
-Expiring within one year (other facilities)	879.95	189.19
-Non fund based	519.56	9.20
-Expiring beyond one year (bank loans)	335.55	-

iv. Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises of three types of risks: interest rate risk, price risk and currency risk. Financial instruments affected by market risk includes trade receivable/payable, other financial assets and liabilities. The Group is not exposed to any significant market risks.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to risk of change in market interest rates relates primarily to its debt interest obligations. Its borrowings are at floating rates and its future cash flows will fluctuate because of changes in market interest rates.

Interest Rate Risk Exposure

The exposure of the Group's borrowings to interest rate changes at the end of the reporting period are as follows:

Particulars	As at 31st March, 2022	As at 31st March, 2021
Variable rate borrowings	204.22	329.31

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(All amounts in Rupees millions, unless otherwise stated)

30. FINANCIAL INSTRUMENTS - FAIR VALUES AND RISK MANAGEMENT (CONTD.)

Sensitivity Analysis

Profit or loss is sensitive to higher / lower interest expense from borrowings as a result of changes in interest rates:

Particulars	For the year ended 31st March, 2022		For the year Ended 31st March, 2021	
	Impact on Profit before Tax	Impact on post tax Equity	Impact on Profit before Tax	Impact on post tax Equity
Interest Rates - Increase by 50 basis points (50 bps)	(1.02)	(0.76)	(1.65)	(1.23)
Interest Rates - Decrease by 50 basis points (50 bps)	1.02	0.76	1.65	1.23

Currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Group operates in international markets and therefore is exposed to foreign currency risk arising from foreign currency transactions. The exposure relates primarily to the Group's operating activities (when the revenue or expense is denominated in foreign currency) and borrowings in foreign currencies, if any. The foreign exchange loss is recognized in Statement of Profit and Loss.

The Group's exposure to foreign currency risk at the end of the reporting period:

Particulars	As at 31st March, 2022			As at 31st March, 2021	
	INR Equivalent of			INR Equivalent of	
	USD	EURO	CHF	USD	EURO
Trade Receivables	224.52	76.84	-	139.38	34.02
Cash & Cash Equivalents	20.02	12.69	-	10.69	9.30
	244.54	89.53	-	150.07	43.32
Trade Payables	15.72	0.93	1.13	12.98	1.14
	15.72	0.93	1.13	12.98	1.14

Sensitivity Analysis

The sensitivity of profit or loss to changes in the exchange rates:

Particulars	For the year ended 31st March, 2022		For the year Ended 31st March, 2021	
	Impact on Profit before Tax	Impact on post tax Equity	Impact on Profit before Tax	Impact on post tax Equity
USD Sensitivity				
INR/USD- Increase by 10%	22.88	17.12	13.71	10.26
INR/USD- Decrease by 10%	(22.88)	(17.12)	(13.71)	(10.26)
EUR Sensitivity				
INR/EUR- Increase by 10%	8.86	6.63	4.22	3.16
INR/EUR- Decrease by 10%	(8.86)	(6.63)	(4.22)	(3.16)
CHF Sensitivity				
INR/CHF- Increase by 10%	(0.11)	(0.08)	-	-
INR/CHF- Decrease by 10%	0.11	0.08	-	-

Notes to the Consolidated financial statements for the year ended 31st March, 2022 (Contd.)
 (All amounts in Rupees millions, unless otherwise stated)

30. FINANCIAL INSTRUMENTS - FAIR VALUES AND RISK MANAGEMENT (CONTD.)

v. Capital Management

The Group's objectives when managing capital are to:

- safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and
- Maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

Consistent with others in the industry, the Group monitors capital on the basis of the following Net Debt-Equity ratio:

Net debt (total borrowings and lease liabilities net of cash and cash equivalents) divided by Total 'equity' (as shown in the balance sheet).

The Net Debt- Equity ratios were as follows:

Particulars	As at 31st March, 2022	As at 31st March, 2021
Equity	4,898.30	2,443.38
Net Debt/(Cash & Cash Equivalents) (Refer Note 14)	(557.77)	311.69
Net Debt/Equity Ratio	(0.11)	0.13

31. EMPLOYEE BENEFIT OBLIGATIONS

(i) Post-employment obligations

Gratuity

The Holding Company provides for gratuity, a defined benefit retirement plan covering eligible employees. As per scheme, the Gratuity Trust fund managed by the Life Insurance Corporation of India, makes payment to vested employees on retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's eligible salary (half month's salary) depending upon the tenure of service subject to a revised maximum limit of amount payable under Payment of Gratuity Act, 1972. Liabilities with regard to the Gratuity plan are determined by actuarial valuation as set out in Note 2.14 based upon which, the Holding Company makes contribution to the Gratuity fund.

The amounts recognized in the consolidated balance sheet and the movements in the net defined benefit obligation over the year are as follows:

Particulars	Present value of obligation	Fair value of plan assets	Total
Liability/(assets) as at 31st March, 2020	24.64	16.96	7.68
Current service cost	2.87	-	2.87
Total service cost	2.87	-	2.87
Interest expense on Defined Benefit Obligation	1.64	-	1.64
Interest income on plan assets	-	1.17	(1.17)
Total net interest	1.64	1.17	0.47
Total amount recognized in profit or loss	4.51	1.17	3.34
Remeasurements			
(Gain)/loss from change in demographic assumptions	-	-	-
(Gain)/loss from change in financial assumptions	-	-	-
Experience (gains)/losses	1.23	-	1.23
Return on Plan Assets (Greater) / Less than Discount rate	-	(0.13)	0.13
Total amount recognized in other comprehensive income	1.23	(0.13)	1.36
Employer contribution	-	1.31	(1.31)
Benefit payouts from plan	(0.37)	(0.37)	-

Notes to the Consolidated financial statements for the year ended 31st March, 2022 (Contd.)
(All amounts in Rupees millions, unless otherwise stated)

31. EMPLOYEE BENEFIT OBLIGATIONS (CONTD.)

Particulars	Present value of obligation	Fair value of plan assets	Total
Liability/(assets) As at 31st March, 2021	30.01	18.94	11.07
Current service cost	3.58	-	3.58
Total service cost	3.58	-	3.58
Interest expense on Defined Benefit Obligation	1.99	-	1.99
Interest income on plan assets	-	1.40	(1.40)
Total net interest	1.99	1.40	0.59
Total amount recognized in profit or loss	5.57	1.40	4.17
Remeasurements			
(Gain)/loss from change in demographic assumptions	-	-	-
(Gain)/loss from change in financial assumptions	(0.92)	-	(0.92)
Experience (gains)/losses	(1.98)	-	(1.98)
Return on Plan Assets (Greater) / Less than Discount rate	-	(0.15)	0.15
Total amount recognized in other comprehensive income	(2.90)	(0.15)	(2.75)
Employer contribution	-	4.65	(4.65)
Benefit payouts from plan	(0.64)	(0.64)	0.00
Liability/(assets) As at 31st March, 2022	32.04	24.20	7.84

	As at 31st March, 2022	As at 31st March, 2021
Disclosed under Note 18: Provisions	7.84	11.07

The net liability presented above related to funded and unfunded plans are as follows:

Particulars	As at 31st March, 2022	As at 31st March, 2021
Present value of funded obligations	32.04	30.01
Fair value of plan assets	24.20	18.94
Net Defined Benefit Liability / (Asset)	7.84	11.07

Major categories of plan assets

Particulars	As at 31st March, 2022	As at 31st March, 2021
Pooled assets with an insurance Company (Life Insurance Corporation of India) - conventional products	100%	100%

Significant actuarial assumptions

Particulars	As at 31st March, 2022	As at 31st March, 2021
Discount rate	7.00%	6.70%
Salary escalation	8.00%	8.00%
Withdrawal rate	5.00%	5.00%
Weighted average duration of Defined Benefit Obligation (Years)	9 years	10 years
Mortality	IALM (2006-08) Ultimate	IALM (2006-08) Ultimate

Notes: IALM represents Indian assured lives mortality

Notes to the Consolidated financial statements for the year ended 31st March, 2022 (Contd.)
(All amounts in Rupees millions, unless otherwise stated)

31. EMPLOYEE BENEFIT OBLIGATIONS (CONTD.)

Sensitivity analysis

As at 31st March, 2022	% impact on DBO	Increase/(Decrease) in DBO liability
Discount rate +100 basis points	-9.00%	(2.77)
Discount rate -100 basis points	10.00%	3.26
Salary escalation rate +100 basis points	10.00%	3.20
Salary escalation rate -100 basis points	-9.00%	(2.77)

As at 31st March, 2021	% impact on DBO	Increase/(Decrease) in DBO liability
Discount rate +100 basis points	-8.00%	(2.50)
Discount rate -100 basis points	10.00%	2.95
Salary escalation rate +100 basis points	9.00%	2.80
Salary escalation rate -100 basis points	-8.00%	(2.42)

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognized in the consolidated balance sheet.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior year.

The following payments are expected contribution to the defined benefit plans in the future years:

Particulars	As at 31st March, 2022	As at 31st March, 2021
Expected contribution for the next annual reporting period	3.43	5.02

The expected maturity profile of undiscounted gratuity obligations:

Particulars	As at 31st March, 2022	As at 31st March, 2021
Within 1 year	3.43	5.02
1-2 year	2.02	1.50
2-3 year	3.25	2.32
3-4 year	2.56	3.16
4-5 year	3.08	2.51
6-10 years	24.84	20.60

Notes to the Consolidated financial statements for the year ended 31st March, 2022 (Contd.)
(All amounts in Rupees millions, unless otherwise stated)

31. EMPLOYEE BENEFIT OBLIGATIONS (CONTD.)

Risk Exposure

The Gratuity scheme is a final salary Defined Benefit Plan that provides for a lump sum payment made on exit either by way of retirement, death, disability or voluntary withdrawal. The benefits are defined on the basis of final salary and the period of service and paid as lump sum at exit. The Plan design means the risks commonly affecting the liabilities and the financial results are expected to be:

(a) Interest Rate Risk

The defined benefit obligation calculated uses a discount rate based on government bonds. If bond yields fall, the defined benefit obligation will tend to increase.

(b) Salary inflation risk

Higher than expected increases in salary will increase the defined benefit obligation.

(c) Demographic risk

This is the risk of variability of returns due to unsystematic nature of decrements that include mortality, withdrawal, disability and retirement. The effect of these decrements on the defined benefit obligation is not straight forward and depends upon the combination of salary increase, discount rate and vesting criteria. It is important not to overstate withdrawals because in the financial analysis the retirement benefit of a short career employee typically costs less per year as compared to a long service employee.

(ii) Defined Contribution Plan

The Holding Company has certain Defined Contribution Plans viz. Provident Fund and Employees' State Insurance. Contributions are made to provident fund for employees. The contributions are made to registered provident fund administered by the government. The obligation of the Group is limited to the amount contributed and it has no further contractual nor any constructive obligation. The expense recognized during the year towards defined contribution plan is ₹ 9.93 (Previous year: ₹ 8.65). The Group has also contributed ₹ 2.73 (Previous year: ₹ 2.25) towards Employees' State Insurance Scheme which has been recognized as an expense and included under 'Contribution to provident and other fund' (Note 25).

32. CONTINGENT LIABILITIES AND COMMITMENTS

Capital and other commitments

Particulars	As at 31st March, 2022	As at 31st March, 2021
Estimated amount of contracts remaining to be executed on Capital Account and not provided for [Net of Advances of ₹ 702.54 (31st March, 2021: ₹ 351.38)]	1,294.48	357.99

33. The Hon'ble Supreme Court of India in its judgment in the matter of Vivekananda Vidyamandir & Others Vs The Regional Provident Fund Commissioner (II) West Bengal laid principles in relation to non-exclusion of certain allowances from the definition of "basic wages" of the relevant employees for the purposes of determining contribution to provident fund under the Employees' Provident Funds & Miscellaneous Provisions Act, 1952. Based on initial assessment performed by the group, the order did not result in any material impact on these consolidated financial statements. The Group will continue to assess the impact of further developments relating to retrospective application of the Supreme Court's judgement taking into account the additional guidance as and when issued by the statutory authorities and deal with it accordingly.

Notes to the Consolidated financial statements for the year ended 31st March, 2022 (Contd.)
 (All amounts in Rupees millions, unless otherwise stated)

34. EARNINGS PER SHARE (EPS)

The following table sets forth the computation of basic and diluted earnings per share:

Earnings	For the year ended 31st March, 2022	For the year Ended 31st March, 2021
Profit for the year attributable to equity shareholders for calculation of basic EPS	1006.64	688.70
Effect of dilutive potential equity shares	-	-
Profit for the year attributable to equity shareholders for calculation of diluted EPS	1006.64	688.70
Shares		
Weighted average number of equity shares outstanding during the year for calculation of basic EPS	51.74	51.28
Effect of dilutive potential equity shares	-	-
Weighted average number of equity shares for calculation of diluted EPS	51.74	51.28
Basic earnings per share	19.46	13.43
Diluted earnings per share	19.46	13.43

35. RELATED PARTY DISCLOSURES

A. Names of related parties and description of relationship

(i) Where control exist:

Subsidiary

INLABPRO Pte. Limited (Republic of Singapore)

(ii) Other Related Parties with whom transactions have taken place during the year:

Key Management Personnel:

Mr. Sanjive Sehgal	Chairman and Managing Director
Mr. Rohan Sehgal	Whole-time Director
Mr. Ashok Kumar Duggar	Non-Executive Director (With effect from 26th July, 2018 till 26th July, 2021)
Mr. Suresh Prabhala	Non-Executive Nominee Director (With effect from 26th July, 2018 till 26th July, 2021)
Mr. Gaurav Pawan Kumar Podar	Non-Executive Nominee Director (with effect from 10th June, 2019)
Mr. Viresh Oberoi	Non-Executive Independent Director (with effect from 20th November, 2018)
Mr. Girish Paman Vanvari	Non-Executive Independent Director (with effect from 10th May, 2021)
Mrs. Sucharita Basu De	Non-Executive Independent Director (with effect from 10th May, 2021)

Investors in respect of which the Company is a joint arrangement (with effect from 5th July, 2018 till 29th July, 2021):

Clear Vision Investment Holdings Pte Limited, Singapore
 Mr. Sanjive Sehgal
 Mr. Rohan Sehgal

Notes to the Consolidated financial statements for the year ended 31st March, 2022 (Contd.)
(All amounts in Rupees millions, unless otherwise stated)

35. RELATED PARTY DISCLOSURES (CONTD.)

Investor in respect of which the Company is an Associate (w.e.f 29.07.2021)

Clear Vision Investment Holdings Pte Limited

Individual having significant influence over the Company (w.e.f 29.07.2021)

Mr. Sanjive Sehgal and Mr. Rohan Sehgal

Enterprise over which key management personal exercise significant influence:

M/s Ashok Kumar Duggar & Associates (with effect from 26th July, 2018 till 26th July, 2021)

M/s A.K.Duggar & Co (with effect from 26th July, 2018 till 26th July, 2021)

B. The following transactions were carried out with the related parties in the ordinary course of business:

Particulars	For the year ended 31st March, 2022	For the year Ended 31st March, 2021
Mr. Sanjive Sehgal		
Post employment benefits	-	-
Short-term employee benefits	42.50	39.60
Issue of 14,574,820 Bonus Equity Shares [Refer Note 12(e)]	-	-
Mr. Rohan Sehgal		
Post employment benefits	-	0.01
Short-term employee benefits	37.50	19.80
Issue of 10,900,500 Bonus Equity Shares [Refer Note 12(e)]	-	-
Mr. Viresh Oberai		
Director Sitting Fees	1.16	0.30
Mr. Girish Paman Vanvari		
Director Sitting Fees	1.07	-
Mrs. Sucharita Basu De		
Director Sitting Fees	1.07	-
Mr. Viresh Oberai		
Director Commission	-	0.50
Clear Vision Investment Holdings Pte Limited, Republic of Singapore		
Equity shares bought back	-	219.99
Payment towards fractional shares	0.01	-
Issue of 24,489,660 Bonus Equity Shares [Refer Note 12(e)]	-	-
A.K Duggar & Co.		
Profession Service Charges	0.90	2.70
Ashok Kumar Duggar & Associates		
Profession Service Charges	-	1.20

Notes to the Consolidated financial statements for the year ended 31st March, 2022 (Contd.)
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35. RELATED PARTY DISCLOSURES (CONTD.)

C. Outstanding Balances (Receivable)/ Payable

Particulars	As at 31st March, 2022	As at 31st March, 2021
Clear Vision Investment Holdings Pte Limited, Republic of Singapore		
Payable to Shareholder for fractional shares	-	0.01

- (i) All outstanding balances are unsecured and repayable in cash.
- (ii) All transactions were made at normal commercial terms and conditions and at market rates.
- (iii) Borrowing facilities availed from banks are secured by personal guarantee of Mr. Sanjive Sehgal and Mr. Rohan Sehgal during the previous year. Refer Note 14.

36. DUES TO MICRO, SMALL AND MEDIUM ENTERPRISES

The Ministry of Micro, Small and Medium Enterprises has issued on Office Memorandum dated 26th August, 2008 which recommends that the Micro and Small Enterprises should mention in their correspondence with its customers the Entrepreneurs Memorandum Number as allocated after filing of the Memorandum. Accordingly, the disclosure in respect of the amounts payable to such enterprises as at 31st March, 2022 has been made in the consolidated financial statements based on information received and available with the group.

Particulars	As at 31st March, 2022	As at 31st March, 2021
i) The principal amount and interest due thereon remaining unpaid to any supplier as at the end of the accounting year.	10.07	3.33
ii) The amount of interest paid by the group along with the payment made to the supplier beyond the appointed day during the year	-	-
iii) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest under this Act	-	-
iv) Amount of interest accrued and remaining unpaid at the end of the accounting year.	-	-
v) The amount of further interest remaining due and payable even in the succeeding years, till actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure.	-	-

Notes to the Consolidated financial statements for the year ended 31st March, 2022 (Contd.)
(All amounts in Rupees millions, unless otherwise stated)

37. SEGMENT REPORTING

The Group is primarily engaged in the business of manufacturing and selling of plastic laboratory products and certain scientific instruments, which represents a single business. The Group does not distinguish revenues, costs and expenses between segments in its internal reporting, and reports costs and expenses by nature as a whole. The Board of Directors of the Holding Company has been identified as the Chief Operating Decision Maker (CODM) as defined by Ind AS 108, Operating Segments. The CODM reviews the consolidated financial statements when making decisions about allocating resources and assessing performance of the Group as a whole and hence, the Company has only one reportable segment. The Group operates and manages its business as a single segment. The Group sells its products in overseas markets however, in absence of any single significant market, CODM reviews geographical operations as "Within India" and "Outside India". The information in respect of these is given below:

The Group is domiciled in India. The amount of revenue from external customers broken down by the location of the customers is shown in the table below:

Particulars	For the year ended 31st March, 2022	For the year Ended 31st March, 2021
India	1,998.98	1,523.18
Outside India	992.92	755.91
Total	2,991.90	2,279.09

The total non-current assets other than financial instruments broken down by location of assets is shown below

Particulars	For the year ended 31st March, 2022	For the year Ended 31st March, 2021
India	2,937.90	1,800.90
Outside India	-	-
Total	2,937.90	1,800.90

38. CORPORATE SOCIAL RESPONSIBILITY

As per Section 135 of the Companies Act, 2013, A Holding Company, meeting the applicability threshold, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on Corporate Social Responsibility (CSR) activities. The areas for CSR activities are eradication of hunger and malnutrition, promoting education, art and culture, healthcare, destitute care and rehabilitation, environment sustainability, disaster relief, COVID-19 relief and rural development projects. The funds were primarily allocated to a corpus and utilized through the year on these activities which are specified in Schedule VII of the Companies Act, 2013.

Particulars	For the year ended 31st March, 2022	For the year Ended 31st March, 2021
Expenditure Related to Corporate Social Responsibility as per Section 135 of the Companies Act, 2013 read with Schedule VII there of:		
(a) Gross Amount Required to be Spent by the Holding Company during the year	13.32	9.78
(b) Amount Spent during the year on:		
(i) Construction/ Acquisition of any Asset		
(ii) On purposes other than (i) above		
- Amount set-off from Prepaid CSR of preceding financial year	13.32	-
- In Cash	-	9.78
- Yet to be paid in Cash	-	-

Notes to the Consolidated financial statements for the year ended 31st March, 2022 (Contd.)
 (All amounts in Rupees millions, unless otherwise stated)

38. CORPORATE SOCIAL RESPONSIBILITY (CONTD.)

Details of ongoing CSR projects under section 135 (6) of the Act

Particulars	For the year ended 31st March, 2022	For the year Ended 31st March, 2021
Opening Balance		
With the Holding Company	-	-
In separate CSR Unspent account	-	-
	-	-
Amount required to be spent during the period	-	-
Amount spent during the period		
From the Holding Company's bank account	-	-
From separate CSR Unspent account	-	-
	-	-
Closing Balance		
With the Holding Company	-	-
In separate CSR Unspent account	-	-
	-	-

Details of CSR expenditure under section 135(5) of the Act in respect of other than ongoing projects

Particulars	For the year ended 31st March, 2022	For the year Ended 31st March, 2021
Opening Balance unspent	-	-
Amount deposited in a specified fund of Schedule VII of the Act within 6 months	-	-
Amount required to be spent during the year	13.32	9.78
Amount spent during the year	-	42.90
Amount set-off from Prepaid CSR of preceding financial year	13.32	-
Closing Balance unspent	-	-

Details of excess CSR expenditure under section 135(5) of the Act

Particulars	For the year ended 31st March, 2022	For the year Ended 31st March, 2021
Opening Balance excess spent	33.12	-
Amount required to be spent during the year	13.32	9.78
Amount spent during the year	-	42.90
Amount set-off from the preceding financial year	13.32	-
Closing Balance excess spent	19.80	33.12

Notes to the Consolidated financial statements for the year ended 31st March, 2022 (Contd.)
(All amounts in Rupees millions, unless otherwise stated)

39. LEASES

The following is the movement of ROU assets for the period 31st March, 2022:

Description	Gross Carrying amount			Accumulated depreciation		Carrying amount (net)	
	As at 1st April, 2021	As at 31st March, 2022	As at 1st April, 2021	For the Year 31st March, 2022	As at 31st March, 2022	As at 31st March, 2022	As at 31st March, 2022
Land	4.36	4.36	0.12	0.05	0.17	4.19	4.19
Building	64.52	64.52	1.10	0.67	1.77	62.75	62.75
Total	68.88	68.88	1.22	0.72	1.94	66.94	66.94

The following is the movement of ROU assets for the year 31st March, 2021:

Description	Gross Carrying amount			Accumulated depreciation		Carrying amount (net)	
	As at 1st April, 2020	As at 31st March, 2021	As at 1st April, 2020	For the Year 31st March, 2021	As at 31st March, 2021	As at 31st March, 2021	As at 31st March, 2021
Land	4.36	4.36	0.06	0.06	0.12	4.24	4.24
Building	40.14	64.52	0.51	0.59	1.10	63.42	63.42
Total	44.50	68.88	0.57	0.65	1.22	67.66	67.66

The break-up of Current and non-Current lease liabilities is as follows :

Particulars	As at 31st March, 2022	As at 31st March, 2021
Non-Current	0.45	0.44
Current	0.03	0.03
	0.48	0.47

The following is the movement of lease liabilities:

Particulars	For the year ended 31st March, 2022	For the year Ended 31st March, 2021
Balance at the beginning	0.47	0.29
Additions	0.00	0.17
Finance cost accrued during the year	0.05	0.03
Payments of Lease liabilities	(0.03)	(0.02)
Balance at the end	0.48	0.47

Amount recognized in statement of profit and loss

Particulars	For the year ended 31st March, 2022	For the year Ended 31st March, 2021
(i) Depreciation expense on Right-of -use of Assets (Note 27)	0.72	0.65
(ii) Interest expense on lease liabilities (Note 26)	0.05	0.03
(iii) Expense relating to short term leases (Note 28)	3.86	1.79
(iv) Expense relating to low value leases	-	-

Notes to the Consolidated financial statements for the year ended 31st March, 2022 (Contd.)
 (All amounts in Rupees millions, unless otherwise stated)

40. RATIO ANALYSIS AND ITS ELEMENTS

Ratio

Particulars	31st March, 2022	31st March, 2021	% change from 31st March, 2021 to 31st March, 2022	Reasons for variance of more than 25% in above ratios
Current ratio (no of times)	7.00	2.70	159.52%	The change in ratio is due to increase in net current assets due to IPO proceeds received during the year.
Debt-Equity Ratio (no of times)	0.04	0.14	-67.77%	The change in ratio is due to increase in equity on account of proceeds received from IPO amounting to ₹ 1497.01 and reduction in borrowings due to repayment made from IPO proceeds received during the year.
Debt Service Coverage ratio (no of times)	5.83	2.53	130.36%	The change in ratio is due to increase in earnings and reduction in borrowings due to repayment made from IPO proceeds received during the year.
Return on Equity Ratio (%)	27.42%	31.17%	-12.02%	NA
Inventory Turnover ratio (no of times)	4.66	4.80	-2.85%	NA
Trade Receivable Turnover Ratio (no of times)	5.36	5.37	-0.19%	NA
Trade Payable Turnover Ratio (no of times)	15.77	16.41	-3.92%	NA
Net Capital Turnover Ratio (no of times)	2.14	3.04	-29.57%	The change in ratio is due to increase in Turnover during the year and increase in average working capital due to IPO proceeds received during the year.
Net Profit Ratio (%)	33.47%	30.09%	11.23%	NA
Return on Capital Employed (%)	32.70%	34.64%	-5.58%	NA
Return on Investment (%)	25.58%	32.15%	-20.45%	NA

Notes to the Consolidated financial statements for the year ended 31st March, 2022 (Contd.)
(All amounts in Rupees millions, unless otherwise stated)

40. RATIO ANALYSIS AND ITS ELEMENTS (CONTD.)

Elements of Ratio

Ratios	Numerator	Denominator	31st March, 2022		31st March, 2021	
			Numerator	Denominator	Numerator	Denominator
Current ratio (no of times)	Current Assets	Current Liabilities	2,445.25	349.14	1,128.02	417.99
Debt to equity (no of times)	Debt (Borrowing) + Lease Liabilities + Interest Accrued on Borrowings	Total Equity	216.73	4,898.30	335.48	2,443.38
Debt Service Coverage ratio (no of times)	Earning for debt service = Profit for the year + Finance cost + Depreciation + Allowance for Expected Credit Loss (net) + Provision for Doubtful Advances +/- Profit/Loss on sale of assets +/- Deferred Government Grant	Debt (Borrowing) + Lease Liabilities + Interest Accrued on Borrowings	1,262.63	216.73	848.44	335.48
Return on Equity (%)	Profit for the year	Average Total Equity	1,006.64	3,670.84	688.70	2,209.53
Inventory Turnover ratio (no of times)	Revenue from operations	Average Inventory	3,007.94	645.35	2,289.11	477.12
Trade Receivable Turnover Ratio (no of times)	Revenue from operations	Average Trade Receivable	3,007.94	561.07	2,289.11	426.18
Trade Payable Turnover Ratio (no of times)	Total credit Purchases	Average Trade Payable for supplies and services	1,492.40	94.63	974.95	59.40
Net Capital Turnover Ratio (no of times)	Revenue from operations	Average Working Capital = Current Assets - Current Liabilities	3,007.94	1,403.07	2,289.11	752.04
Net Profit (%)	Profit for the year	Revenue from operations	1,006.64	3,007.94	688.70	2,289.11
Return on Capital Employed (%)	Profit Before Tax + Finance cost	Equity + Debt (Borrowings) - Cash and Cash Equivalents	1,392.05	4,256.84	951.57	2,747.42
Return on Investment (%)	Profit Before Tax + Finance cost	Total assets	1,392.05	5,442.26	951.57	2,959.50

Notes to the Consolidated financial statements for the year ended 31st March, 2022 (Contd.)
 (All amounts in Rupees millions, unless otherwise stated)

41. The Board of Directors of the Holding Company, in its meeting held on 10th May, 2021, approved the resolution to initiate the conversion of the Company from a private limited Company to a public Company in view of its plans to approach the capital markets and have its shares listed on the stock exchange. The requisite approvals have been obtained under the Companies Act, 2013 and the Company was converted to a public limited Company on 14th June, 2021.
42. The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post employment received Indian Parliament approval and Presidential assent in September 2020. The Code has been published in the Gazette of India and subsequently on 13 November 2020 draft rules were published and invited for stakeholders' suggestions. However, the date on which the Code will come into effect has not been notified. The group will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.

43. INTERESTS IN OTHER ENTITIES

(a) Subsidiaries

The group's subsidiaries at 31st March, 2022 are set out below. Unless otherwise stated, they have share capital consisting solely of equity shares that are held directly by the group, and the proportion of ownership interests held equals the voting rights held by the group.

Name of entity	Place of business/ country of incorporation	Ownership interest held by the group as on 31st March, 2022 (%)	Ownership interest held by Non-controlling interests as on 31st March, 2022 (%)	Principal Activities
INLABPRO Pte. Limited	Singapore (Republic of Singapore)	100%	0	Not in Operation

44. Statement of net assets and profit or loss attributable to owners and non-controlling interests as on 31st March, 2022 and 31st March, 2021

Particulars	Reporting currency	31st March, 2022		31st March, 2021		31st March, 2022		31st March, 2021	
		As % of consol- idated net assets	Amount	As % of consol- idated profit or loss	Amount	As % of consol- idated other compre- hensive income	Amount	As % of consol- idated total compre- hensive income	Amount
Parent									
Tarsons Products Limited	INR								
31st March, 2022		100.00%	4,898.30	100.00%	1,006.64	100.00%	2.06	100.00%	1,008.70
31st March, 2021		100.00%	2,443.38	100.00%	688.70	100.00%	(1.02)	100.00%	687.68
Subsidiaries- Foreign									
INLABPRO Pte. Limited	USD								
31st March, 2022		0.00%	-	0.00%	-	0.00%	-	0.00%	-
31st March, 2021		0.00%	-	0.00%	-	0.00%	-	0.00%	-
Adjustment due to consolidation		0.00%	-0.00	0.00%	-	0.00%	-	0.00%	-
Total									
31st March, 2022		100.00%	4,898.30	100.00%	1,006.64	100.00%	2.06	0.00%	1,008.70
31st March, 2021		100.00%	2,443.38	100.00%	688.70	100.00%	-1.02	100.00%	687.68

Notes to the Consolidated financial statements for the year ended 31st March, 2022 (Contd.)
(All amounts in Rupees millions, unless otherwise stated)

45. RECONCILIATION OF QUARTERLY BANK RETURN

Bank	Quarter	Nature of Current Assets/ Liabilities where differences were observed	Amount as per books of account	Amount disclosed as per quarterly return/ statement	Amount of difference	Amount of difference
Axis Bank/ HDFC Bank	30th June 2021	Current assets	1,411.90	1,402.40	(9.50)	Note 1
		Current liabilities	759.03	695.70	(63.33)	
		Revenue from Operations	688.73	688.70	(0.03)	
	30th September, 2021	Current assets	1,815.17	1,828.20	13.03	
		Current liabilities	903.61	905.50	1.89	
		Revenue from Operations	1,445.37	1,445.30	(0.07)	
	31st December, 2021	Current assets	2,865.81	2,871.10	5.29	
		Current liabilities	810.90	808.70	(2.20)	
		Revenue from Operations	2,148.80	2,148.80	0.00	
	31st March, 2022	Current assets	2,445.25	2,446.70	1.45	
		Current liabilities	349.14	348.30	(0.84)	
		Revenue from Operations	2,991.90	2,991.90	-	
	30th June, 2020	Current assets	983.86	1,074.20	90.34	
		Current liabilities	435.05	403.90	(31.15)	
		Revenue from Operations	419.08	436.10	17.02	
	30th September, 2020	Current assets	1,116.91	1,196.40	79.49	
		Current liabilities	489.36	490.50	1.14	
		Revenue from Operations	1,007.54	1,016.70	9.16	
	31st December, 2020	Current assets	1,091.80	1,183.20	91.40	
		Current liabilities	431.81	459.30	27.49	
		Revenue from Operations	1,606.11	1,623.40	17.29	
	31st March, 2021	Current assets	1,124.80	1,156.40	31.60	
		Current liabilities	417.99	414.80	(3.19)	
		Revenue from Operations	2,279.09	2,324.00	44.91	

Note 1

The Bank returns were prepared and filed before the completion of all financial statement closure activities including Ind AS related adjustments/ reclassifications as applicable, which led to these differences between the final books of accounts and the bank return based on provisional books of accounts.

Notes to the Consolidated financial statements for the year ended 31st March, 2022 (Contd.)
(All amounts in Rupees millions, unless otherwise stated)

46. During the year ended 31st March, 2022, the Company has completed its initial public offer (IPO) of 15,465,861 equity shares of face value of ₹ 2 each at an issue price of ₹ 662 per share aggregating to ₹ 10,234.74, comprising fresh issue of 2,265,861 shares aggregating to ₹ 1,496.34 and offer for sale of 13,200,000 shares by selling shareholders aggregating to ₹ 8,738.40. The equity shares of the Holding Company were listed on National Stock Exchange of India Limited (NSE) and BSE Limited (BSE) on 26th November, 2021.

The Holding Company has incurred ₹ 436.52 as IPO related expenses and allocated such expenses between the Holding Company ₹ 60.90 (₹ 71.14 inclusive of GST) and selling shareholders ₹ 375.62. Such amounts were allocated based on agreement between the Company and selling shareholders and in proportion to the total proceeds of the IPO. Out of Holding Company's share of expenses of ₹ 60.90, (₹ 71.14 inclusive of GST) ₹ 50.79 has been adjusted to securities premium.

47. The Holding Company has received an amount of ₹ 1,497.01 from proceeds out of fresh issue of equity shares. The utilization of net IPO Proceeds is summarized as below:

Objects of the issue	Amount received	Utilised up to 31st March, 2022	Unutilised as on 31st March, 2022
Repayment/prepayment of all or certain of borrowings	785.40	779.87	5.53
Funding a part of the capital expenditure for the new manufacturing facility at Panchla, West Bengal	620.00	-	620.00
General corporate purposes	16.21	0.18	16.03
Offer related expenses in relation to fresh issue	74.73	40.35	34.38
Amount received on account of lower subscription of Employee Reserved Shares	0.67	-	0.67
Total	1,497.01	820.40	676.61

The Holding Company plans to modify the utilization of IPO proceeds post approval from the Audit Committee and the board of directors as follows:

Objects of the issue	Unutilised as on 31st March, 2022	Proposed utilization
Repayment/prepayment of all or certain of borrowings	5.53	The unutilized amount will be used for payment of other loans of the same lenders.
Offer related expenses in relation to fresh issue	34.38	The Company expects to utilise amount of ₹ 30.79 from this money and the remaining expected unutilized amount of ₹ 3.59 will be added to the General Corporate Purposes.
Amount received on account of lower subscription of Employee Reserved Shares	0.67	The unutilized amount will be added to the General Corporate Purposes.
General corporate purposes	16.03	The General Corporate Purpose will be increased by amount aggregating to ₹ 4.26.

48. (i) The group has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the group (Ultimate Beneficiaries) or
 - provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.

Notes to the Consolidated financial statements for the year ended 31st March, 2022 (Contd.)
(All amounts in Rupees millions, unless otherwise stated)

- (ii) The group has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the group shall:
 - a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
 - b. provide any guarantee, security or the like on behalf of the ultimate beneficiaries.
- (iii) No proceedings have been initiated on or are pending against the group for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.
- (iv) None of the companies in the group have been declared wilful defaulter by any bank or financial institution or other lender in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India.
- (v) The group has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the current or previous year.
- (vi) The group has not recorded any transactions which are not in the books of accounts and has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.
- (vii) The group has not traded or invested in Crypto currency or Virtual Currency during the current and previous financial year.
- (viii) The group has no transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of the Companies Act, 1956.
- (ix) The group has not entered into any scheme of arrangement which has an accounting impact on current and previous year.
- (x) No funds raised on short-term basis have been used for long-term purposes by the Company.
- (xi) The group has complied with the number of layers prescribed under the Companies Act, 2013.
- (xii) There are no charges or satisfaction which are yet to be registered with the Registrar of Companies beyond the statutory period.

49. Previous year's figures have been regrouped/ reclassified wherever necessary to correspond with the current year's classification/ disclosure.

This is the Notes to Accounts referred to in our report of even date.

For Price Waterhouse Chartered Accountants LLP

Firm Registration No. 012754N/N500016

Amit Peswani

Partner

Membership No. 501213

Place : Gurugram

Date : 27th May, 2022

**For and on behalf of the Board of Directors of Tarsons Products Limited
(Formerly known as TARSONS PRODUCTS PRIVATE LIMITED)**

Sanjive Sehgal

Chairman &
Managing Director
DIN: 00787232

Rohan Sehgal

Whole-Time Director
DIN: 06963013

Santosh Kumar Agarwal

Chief Financial Officer &
Company Secretary

Place : Kolkata

Date : 27th May, 2022



TARSONS PRODUCTS LIMITED

(Formerly known as Tarsons Products Private Limited)

CIN: L51109WB1983PLC036510

Registered Office: Martin Burn Business Park, Room No. 902, BP- 3,

Salt Lake, Sector- V, Kolkata-700091, West Bengal, India

Phone: 033-35220300, Email – info@tarsons.com

Website: www.tarsons.com

NOTICE

NOTICE is hereby given that the **39th (Thirty-Ninth)** Annual General Meeting (AGM) of the members of **TARSONS PRODUCTS LIMITED (Formerly known as Tarsons Products Private Limited)** ('the Company') will be held on **Friday, 29th July, 2022 at 12.00 P.M. (IST)** through Video Conferencing or Other Audio-Visual Means (VC/OAVM) to transact the following businesses:

ORDINARY BUSINESS:

- To receive, consider and adopt-
 - the audited standalone financial statements of the Company for the financial year ended 31st March 2022, together with the reports of the Board of Directors and the Auditors thereon; and
 - the audited consolidated financial statements of the Company for the financial year ended 31st March 2022, together with the Report of the Auditors thereon.
- To appoint a director in place of Mr. Sanjive Sehgal (DIN: 00787232), who retires by rotation and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS:

- To consider and if thought fit, to pass, with or without modification(s), the following resolution for approval of charges for service of documents through a particular mode as may be sought by the member as **Ordinary Resolution:**

"RESOLVED THAT pursuant to the provisions of Section 20 of the Companies Act, 2013 and other applicable provisions, if any, of the said Act and the Rules made thereunder, whereby a document may be served on any shareholder by the Company by sending it to him/her by post or by registered post or by speed post or by courier or by electronic or other mode as may be prescribed, the consent of the members be and is hereby accorded to the Board of Directors of the Company to serve document(s) on member(s) of the Company through any particular mode as may be requested by such member for delivery of any document(s) to him/her and to charge from such member in advance, the estimated actual expenses of delivery of the documents to him/her through the requested particular mode at least one week in advance of the dispatch of document by the Company and that no such request shall be entertained by the Company post the dispatch of such document by the Company to the shareholder.

RESOLVED FURTHER THAT the Board of Directors of the Company or the Company Secretary of the Company be and are hereby severally authorised to do all such acts, deeds, matters and things, and take all such steps as may be deemed necessary, proper or expedient to give effect to this resolution."

By order of the Board

For **Tarsons Products Limited**
(Formerly known as Tarsons Products Private Limited)

Sd/-

Santosh Kumar Agarwal

Company Secretary, Compliance Officer &
Chief Financial Officer
Membership No: 44836

Kolkata, 27th May, 2022

Registered Office:

Martin Burn Business Park, Room No. 902,
BP- 3, Salt Lake, Sector- V, Kolkata-700091,
West Bengal, India

NOTICE (Contd.)

NOTES:

- 1) In view of the COVID-19 pandemic and pursuant to General Circular No. 14/2020 dated 8th April, 2020, No. 17/2020 dated 13th April, 2020, No. 20/2020 dated 5th May, 2020 and No. 02/2021 dated 13th January, 2021 respectively issued by the Ministry of Corporate Affairs ("MCA") and Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated 12th May, 2020, and SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated 15th January, 2021 issued by Securities and Exchange Board of India (herein after collectively referred to as "Circulars"), Companies were permitted to send the Notice of AGM along with Annual Report only through electronic mode to those Members whose e-mail addresses were registered with the Company/Depositories as well as conducting the AGM through Video Conferencing (VC) or Other Audio Visual Means (OAVM).

MCA by Circular No. 2/2022 dated 5th May, 2022 and SEBI vide its Circular No. SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated 13th May, 2022 have extended the above exemptions till 31st December, 2022 and accordingly in compliance with the applicable provisions of the Companies Act, 2013 and rules made thereunder and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and the said Circulars, Notice of the 39th Annual General Meeting ("AGM" or the "Meeting") along with Annual Report for the Financial Year 2021-22 is being sent only through electronic mode to those Members whose e-mail addresses are registered with the Company/Depositories and 39th AGM of the Members will be held through VC/OAVM.
- 2) An Explanatory Statement pursuant to Section 102 of the Act and Rules framed thereunder, in respect of the Special Business under Item No. 3 forms part of this notice. The Board of Directors of the Company at its meeting held on 27th May, 2022 considered that the special business under Item No. 3 being considered unavoidable, be transacted at the 39th AGM of the Company.
- 3) M/s Price Waterhouse Chartered Accountants LLP, Chartered Accountants, (Firm Registration No. FRN012754N/N500016), have been appointed as the Statutory Auditors at the 35th Annual General Meeting of the Company for a period of five years. As per Companies (Amendment) Act, 2017 (Section 139 of the Companies Act, 2013), notified on 7th May, 2018, the requirement of ratification of appointment of the Statutory Auditor at every Annual General Meeting has been done away with. As such, resolution for ratification of appointment of Auditor is no longer required to be passed at the AGM.
- 4) The Company has engaged the services of National Securities Depository Limited (NSDL) for the purpose of holding 39th AGM of the Company through VC/OAVM.
- 5) The Company's Registrar and Transfer Agents for its Share Registry Work (Physical and Electronic) are KFIN Technologies Limited (formerly KFIN Technologies Private Limited) (RTA) having their office at Selenium Building, Tower- B, Plot No. 31 & 32, Financial District Nanakramguda, Serilingampally, Hyderabad, Telangana, India- 500032.
- 6) The Notice and the Annual Report for the financial year ended 31st March, 2022 shall also be available on the website of the Company viz., www.tarsons.com, on the website of the stock exchanges where equity shares of the Company are listed viz., www.bseindia.com and www.nseindia.com and the Notice shall also be available on the e-Voting website of NSDL viz., www.evoting.nsdl.com.
- 7) We urge Members to support our commitment to environmental protection by choosing to receive the Company's communication through e-mail. Members holding shares in dematerialized form, who have not registered their e-mail addresses are requested to register their e-mail addresses with their respective Depository Participants and Members holding shares in physical mode who have not yet registered/updated their e-mail address are requested to register the same with Company's Registrar M/s. KFIN Technologies Limited (KFIN).
- 8) 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 pursuant to the MCA Circulars through VC/OAVM, physical attendance of Members has been dispensed with and proxy form and Attendance Slip does not form part of the Notice. Similarly, the route map is not annexed to the Notice. The deemed venue for the AGM shall be the Registered Office of the Company.
- 9) In pursuance of Section 113 of the Act and Rules framed thereunder, the Institutional/Corporate members are entitled to appoint authorized representatives for the purpose of voting through remote e-Voting or for the purpose of attending and voting during the AGM. In this regard, the corporate members are requested to send a certified true copy of the board resolution (PDF/JPG format) together with attested specimen signature of authorized representative to the scrutinizer through email at vanita@mehta-mehta.com with a copy marked to evoting@nsdl.co.in. Institutional shareholders (i.e., other than individuals, HUF, NRI etc.) can also upload their Board Resolution/Power of Attorney/Authority Letter etc. by clicking on **"Upload Board Resolution/ Authority Letter"** displayed under **"e-Voting"** tab in their login.

NOTICE (Contd.)

- 10) Members attending the AGM through VC or OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
- 11) Necessary information of the Director seeking re-appointment at the AGM as required under Regulation 36(3) of the Listing Regulations and the Secretarial Standard on General Meetings (SS-2) issued by the Institute of Company Secretaries of India (ICSI) forms part of this notice.
- 12) Pursuant to the provisions of Section 91 of the Act read with Rule 10 of the Companies (Management and Administration) Rules, 2014 and pursuant to Regulation 42 of Listing Regulations, the Register of Members of the Company will remain closed from **Saturday, 23rd July, 2022 to Friday, 29th July, 2022** (both days inclusive) in connection with the Annual General Meeting.
- 13) 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 electronically at the AGM.
- 14) Members seeking any information with regard to the accounts or any other matter to be placed at the AGM are requested to write to the Company on or before 21st July, 2022 through email on investor@tarsons.com. The same will be replied by the Company suitably.

Members willing to express their views or ask questions during the AGM are required to register themselves as speakers by sending their requests from 15th July, 2022 to 21st July, 2022 at investor@tarsons.com from their registered e-mail addresses mentioning their names, folio numbers/demat account numbers, PAN details, mobile numbers and their questions. Only those Members who have registered themselves as speakers and have been selected will be allowed to express their views/ask questions during the AGM. The Chairman of the Meeting/the Company Secretary reserves the right to restrict the number of questions, time allotted and number of speakers to ensure smooth conduct of the AGM.

- 15) The Register of Directors and Key Managerial Personnel and their shareholding and the Register of Contracts and Arrangements in which Directors are interested maintained under the provisions of the Act and all the documents referred to in the accompanying Notice and Explanatory Statement will be available for inspection during the meeting in electronic mode, and the same shall be made available for inspection upon login at NSDL e-Voting system at <https://www.evoting.nsdl.com>. The said documents will also be available for inspection by Members at the Registered Office of the Company between 11 a.m. and 1 p.m. on all working days of the Company upto the date of the AGM. Members desirous of inspecting the same may also send their requests at investor@tarsons.com from their registered e-mail addresses mentioning their names and folio numbers/demat account numbers.
- 16) Pursuant to Section 72 of the Act, members holding shares in physical form are advised to file nomination with the Company's Registrar M/s. KFIN Technologies Limited and in respect of shares held in Electronic/Demat form, members may please contact their respective Depository Participants.
- 17) Pursuant to Regulation 40 of the Listing Regulations, the securities of listed companies can be transferred only in the dematerialized mode w.e.f. April 1, 2019, except in case of transmission or transposition of securities. However, an investor is not prohibited from holding the shares in physical mode even after April 1, 2019. However, any investor who is desirous of transferring shares (which are held in physical mode) can do so only after the shares are dematerialized.
- 18) Members are requested to intimate changes, if any, pertaining to their name, postal address, e-mail address, telephone/mobile numbers, Permanent Account Number (PAN), mandates, nominations, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc., -
 - a. **For shares held in electronic form:** to their Depository Participants (DPs)
 - b. **For shares held in physical form:** to the Company/Registrar and Transfer Agent in prescribed Form ISR-1 and other forms pursuant to SEBI Circular No. SEBI/HO/ MIRSD/MIRSD_RTAMB/P/CIR/2021/655 dated November 3, 2021.
- 19) SEBI has mandated the submission of PAN by every participant in the securities market. Members holding shares in the dematerialized form are, therefore, requested to submit their PAN details to their DPs.

NOTICE (Contd.)

20) PROCEDURE FOR ATTENDING THE AGM THROUGH VC/OAVM

- (i) Members will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system at <https://www.evoting.nsdl.com> by following the steps mentioned below for access to NSDL e-voting system. You are requested to click on VC/OAVM link placed under Join Meeting menu. The link for VC/OAVM will be available in shareholder/member login where the EVEN of Company will be displayed. 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 below to avoid last minute rush.
- (ii) Members can join the AGM through VC/OAVM mode 15 minutes before the scheduled time of the commencement of the Meeting by following the procedure mentioned above.

The facility of participation at the AGM through VC/OAVM will be made available for 1000 members on first come first serve 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 serve basis.

- (iii) Members, who need any assistance before or during the AGM, may contact on the helpline number or other contact details provided below.
- (iv) Members are encouraged to join the Meeting through Laptops and allow camera for better experience. Members connecting through Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to fluctuation/bandwidth issues in their respective networks. It is, therefore, recommended to use a good speed internet connection, preferably stable Wi-Fi or LAN Connection, to mitigate any kind of aforesaid glitches and to avoid any disturbance(s) during the AGM.
- (v) Members under the category of Institutional Investors are encouraged to attend the AGM and also vote through remote e-Voting or e-Voting during the AGM.

21) VOTING THROUGH ELECTRONIC MEANS

A. GENERAL INFORMATION

- (i) Pursuant to the provisions of Section 108 and other applicable provisions, if any, of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended from time to time, read together with MCA circulars and Regulation 44 of Listing Regulations, the Company has engaged the services of NSDL to provide remote e-voting services and e-voting facility during the AGM to all the eligible Members to enable them to cast their votes electronically in respect of the businesses to be transacted at the Meeting.
- (ii) A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the **cut-off date, i.e., Friday, 22nd July, 2022** shall be entitled to avail the facility of remote e-voting/e-voting at the Meeting. A person who is not a member as on the cut-off date should treat this notice for information purpose only.

The remote e-voting facility will be available during the following voting period:

Commencement of Remote E-voting	End of Remote E-voting
From 9.00 A.M. (IST) on Tuesday, 26 th July, 2022	Up to 5.00 P.M. (IST) on Thursday, 28 th July, 2022

The remote e-voting will not be allowed beyond the aforesaid date and time and the remote e-voting module shall be disabled upon expiry of aforesaid period. However, e-voting facility will be made available during the AGM for those shareholders who have not casted their votes through remote e-voting.

- (iii) Only those members, who are present in the meeting through VC/OAVM and have not casted their vote on resolutions through remote e-voting, shall be allowed to vote through e-voting system during the AGM. However, Members who would have cast their votes by remote e-Voting may attend the Meeting, but shall neither be allowed to change it subsequently nor cast votes again during the Meeting.

NOTICE (Contd.)

- (iv) The voting rights of Members shall be in proportion to their shares in the paid-up equity share capital of the Company as on the cut-off date.
- (v) The Board of Directors of the Company has appointed Ms. Vanita Kanoj, Practicing Company Secretary (Membership no- 44285 / CP-23620), failing her, Ms. Ashwini Mohit Inamdar, Practicing Company Secretary (Membership no- 9409 / CP-11226), partner of M/s. Mehta & Mehta, Practicing Company Secretaries, to act as Scrutinizer to scrutinize the process of remote e-voting and also e-voting during the meeting in a fair and transparent manner.
- (vi) The Scrutinizer shall after the conclusion of Annual General Meeting, first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of atleast two witnesses, not in the employment of the Company. The scrutinizer shall submit the consolidated scrutinizer's report, not later than 48 hours of conclusion of the Meeting, to the Chairman or any other person authorized by the Board. The results declared along with the consolidated scrutinizer's report shall be placed on the website of the Company www.tarsons.com and also be displayed on the Notice board of the Company at its registered office and on the website of NSDL viz., www.evoting.nsdl.com immediately after the results are declared. The results shall simultaneously be communicated to the Stock Exchanges.
- (vii) Subject to receipt of requisite number of votes, the Resolutions shall be deemed to be passed on the date of the Meeting i.e., 29th July, 2022.
- (viii) The recorded transcript of the proceedings of the AGM shall be available on the Company's website at www.tarsons.com

B. THE INSTRUCTIONS/PROCEDURE FOR REMOTE E-VOTING:

To vote electronically on NSDL e-Voting system, please follow the steps which are mentioned below:

Step 1: Access to NSDL e-Voting system;

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

DETAILS ON STEP 1 ARE GIVEN BELOW:

(i) Login method for e-voting and joining of meeting virtually by individual shareholders holding securities in demat mode:

In terms of SEBI Circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 9th December, 2020 on e-Voting facility provided by Listed Companies, individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility. The login method for individual shareholders holding securities in demat mode are mentioned below:

Type of shareholders	Login Method
a) Individual Shareholders holding securities in demat mode with NSDL.	1. Existing IDeAS user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. This will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on Company name or e-Voting service provider i.e., NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

NOTICE (Contd.)

Type of shareholders	Login Method
	<ol style="list-style-type: none"> 2. If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsd.com. Select "Register Online for IDeAS Portal" or click at https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp 3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsd.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e., your sixteen-digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on Company name or e-Voting service provider 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. 4. Shareholders/Members can also download NSDL Mobile App "NSDL Speede" for seamless voting experience.
<p>b) Individual Shareholders holding securities in demat mode with CDSL</p>	<ol style="list-style-type: none"> 1. 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 https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on New System Myeasi. 2. 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. 3. If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration 4. Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e., NSDL where the e-Voting is in progress.
<p>c) Individual Shareholders (holding securities in demat mode) login through their depository participants</p>	<p>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.</p>

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.

NOTICE (Contd.)

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

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

(ii) Login method for e-voting and joining of meeting virtually by shareholders other than individual shareholders holding securities in demat mode and shareholders holding securities in physical mode:

To Login to NSDL e-voting website:

- Open the web browser by typing the URL: <https://www.evoting.nsdl.com> either on a Personal Computer or on a Mobile.
- Click on icon "Login" available under "Shareholder/Member" section.
- A new screen will open. Enter your User Id, Password/OTP and also a verification code as shown on the screen.

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

- Your User Id details are given below:

Manner of holding shares, i.e., in Demat Account or in Physical Mode	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 Mode.	EVEN followed by Folio Number registered with the Company. For example, if Folio Number is 001*** and EVEN is 123456 then User Id is 123456001***

- Your Password details are given below:

- If you are already registered with NSDL for remote e-Voting then you can use your existing User Id and Password to login and cast your vote.
- If you are using NSDL e-Voting system for the first time, you are required 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 direct you to change your "Initial Password".
- Process to retrieve your "Initial Password" -
 - Trace the email sent to you from NSDL. Open the e-mail and thereafter open the PDF file attached. The Password to open the pdf file is your 8-digit Client Id of NSDL Demat Account or the last 8 digits of Client Id of CDSL Demat Account or Folio Number for shares held in Physical mode. The said PDF file contains your User Id and "Initial Password" for e-Voting purpose.
 - If your e-mail Id is not registered, please follow steps mentioned below under "Process for those shareholders whose e-mail ids are not registered".

NOTICE (Contd.)

- (f) If you are unable to retrieve or have not received the "Initial Password" or have forgotten your Password:
 - If you are holding shares in your demat account with NSDL or CDSL, click on icon "Forgot User Details/ Password" available on <https://www.evoting.nsdl.com>
 - If you are holding shares in physical mode, click on icon "Physical User Reset Password" available on www.evoting.nsdl.com
 - If you are still unable to get the Password by following aforesaid two options, you can send your request at evoting@nsdl.co.in mentioning your name, your DP Id and Client Id/Folio Number, your PAN and your registered postal address.
 - Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
- (g) Tick on Agree to "Terms and Conditions" by selecting on the check box.
- (h) Now click on icon "Login".
- (i) Home page of e-Voting will open.

Details on Step 2 are given below:

Process to cast your vote electronically and join General Meeting on NSDL e-Voting system:

- (a) After successful login at Step 1, you will be able to see the homepage of e-voting. Click on e-Voting. Then, click on "Active Voting Cycles".
- (b) After clicking on Active Voting Cycles, you will be able to see all the Companies "EVEN" in which you are holding shares and whose voting cycle is in active status.
- (c) Select "EVEN" of Tarsons Products Limited. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join General Meeting".
- (d) Now you are ready for e-Voting as the voting page opens.
- (e) 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 thereafter click on icon "Submit" and also "Confirm" when prompted.
- (f) Upon confirmation, the message "Vote cast successfully" will be displayed.
- (g) You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
- (h) Once you have confirmed after voting on the Resolution, you will not be allowed to modify your vote.

C. THE INSTRUCTIONS/PROCEDURE FOR E-VOTING AT THE AGM:

- (i) The procedure for e-Voting on the day of AGM is same as the instructions mentioned above for remote e-Voting.
- (ii) Only those Members, who will be present in the AGM through VC or OAVM facility and have not casted their votes on the Resolutions through remote e-Voting, shall be eligible to vote through e-Voting system in the AGM.
- (iii) 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.
- (iv) The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of AGM shall be the same person mentioned for remote e-Voting.

D. INSTRUCTIONS FOR MEMBERS WHOSE E-MAIL ID'S ARE NOT REGISTERED:

The process for those members whose e-mail id's are not registered with the depositories for procuring user id and password and registration of e-mail ids for e-voting for the businesses mentioned in the Notice convening the AGM are as follows:

- (i) In case shares are held in physical mode, please provide Folio Number, Name of Shareholder, Number of Equity Shares held, Scanned copy of Share Certificate (both side) alongwith self-attested scanned copy of PAN card

NOTICE (Contd.)

and self-attested scanned copy of any document (such as AADHAAR card/latest Electricity Bill/latest Telephone Bill/Driving License/Passport/Voter ID Card/Bank Passbook particulars) in support of the postal address of the Member as registered against their shareholding by e-mail to investor@tarsons.com.

- (ii) In case shares are held in demat mode, please provide Name, DP Id & Client Id, Client Master or copy of Consolidated Account Statement alongwith self-attested scanned copy of PAN and AADHAAR by e-mail to investor@tarsons.com. If you are an individual shareholder holding securities in demat mode, you are requested to refer to the login method explained at Step 1 (A) i.e., Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.
- (iii) Alternatively, Member may send an e-mail request to evoting@nsdl.co.in for obtaining User Id and Password by providing the details mentioned in Point (i) or (ii) as the case may be.
- (iv) 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.

E. OTHER IMPORTANT INSTRUCTIONS

- (i) It is strongly recommended not to share your Password with any other person and you must take utmost care to keep your Password confidential. Login to e-Voting website will be disabled upon five unsuccessful login attempts with incorrect details. In such an event, you will require to reset the Password by clicking on the icon "Forgot User Details/Password" or "Physical User Reset Password" option available on www.evoting.nsdl.com
- (ii) Any person holding shares in physical form and non-individual shareholders, who acquires shares in the Company and becomes a Member of the Company after sending of the Notice of the AGM and holding shares as on the cut-off date, i.e., 22nd July, 2022, may obtain the Login User Id and Password by sending a request at evoting@nsdl.co.in or investor@tarsons.com. However, if you are already registered with NSDL for e-Voting then you can use your existing User Id and Password for casting your votes. If you forgot your password, you can reset your password by clicking "Forgot User Details/Password" or "Physical User Reset Password" option available on www.evoting.nsdl.com or call on toll free no. 1800 1020 990 and 1800 22 44 30. In case of Individual Shareholders holding securities in demat mode who acquires shares of the Company and becomes a Member of the Company after sending of the Notice of the AGM and holding shares as on the cut-off date i.e., 22nd July, 2022, may follow steps mentioned in the Notice of the AGM under Step 1 above.
- (iii) 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 NSDL e-Voting website, i.e., www.evoting.nsdl.com or call on Toll Free No.: 1800 1020 990 and 1800 22 44 30 or contact Ms. Pallavi Mhatre, Manager of NSDL at e-mail id: evoting@nsdl.co.in.

EXPLANATORY STATEMENT OF MATERIAL FACTS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013:

As required by Section 102 of the Act, the following Explanatory Statement sets out all material facts relating to the business mentioned under Item No. 3 of the accompanying Notice dated 27th May, 2022.

Item No. 3

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.

The Board recommends the resolution set out in item No. 3 of this Notice for the approval of the members of the Company by way of an Ordinary Resolution.

None of the directors, key managerial personnel of the Company or their relatives are interested in the Resolution at Item No. 3 of the Notice.

NOTICE (Contd.)

DETAILS OF DIRECTORS SEEKING APPOINTMENT/RE-APPOINTMENT AT THE AGM

[Pursuant to the requirements of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India]

Categories	Details of Director
Name/Category/Designation	Mr. Sanjive Sehgal, Chairman & Managing Director
Director Identification Number (DIN)	00787232
Date of Birth/Age	03.02.1961 (61 years)
Qualification	Bachelor's degree in Science (BSC) from St. Xavier's College, Kolkata
Original Date of Joining the Board	25 th July, 1983
Experience (approx.)	40 years approx.
Nature of expertise/Background Details/Job Profile & Suitability/Recognition & Awards	Mr. Sanjive Sehgal has an experience of over 40 years in production, marketing and distribution of plastic lab ware, plastic lab consumables and bench – top instruments and supply of plastic products to the healthcare pharmaceutical biotechnology and/or Research Institutes.
Terms & Conditions of appointment/re-appointment	To be re-appointed as Director liable to retire by rotation. Further, Mr. Sanjive Sehgal is appointed as Managing Director of the Company for a period of 5 years from 26 th July, 2018 to 25 th July, 2023. The other terms and conditions are governed as per the employment agreement entered into with the Company.
Details of remuneration sought to be paid/Remuneration last drawn	Rs. 42.50 million in the FY 2021-22.
Comparative remuneration profile, profile of the position and person	The remuneration proposed to be paid to him is fully justifiable and comparable to that prevailing in the industry.
Skills and capabilities required for the role and the manner in which the proposed person meets such requirements	Please refer to the Skills & Competency Matrix in the Corporate Governance Report forming part of the Annual Report of FY 2021-22.
Pecuniary relationship directly or indirectly with the Company	Mr. Sanjive Sehgal is the Managing Director of the Company and Father of Mr. Rohan Sehgal, Whole-Time Director of the Company.
Number of Board meeting attended during the year	13 out of 14
Disclosure of relationship with other directors/KMP	Mr. Sanjive Sehgal is the Managing Director of the Company and Father of Mr. Rohan Sehgal, Whole-Time Director of the Company.
Number of Equity Shares held in the Company	1,43,54,248 (26.98%)
Number of Equity Shares held in the Company for any other person on a beneficial basis	Nil
List of Directorship in other Companies as on 31 st March, 2022	Nil
List of Membership/Chairmanship of Committees of other Companies as on 31 st March, 2022	Nil
List of Companies from which resigned in the past three years	Nil

By order of the Board
For **Tarsons Products Limited**
(Formerly known as Tarsons Products Private Limited)

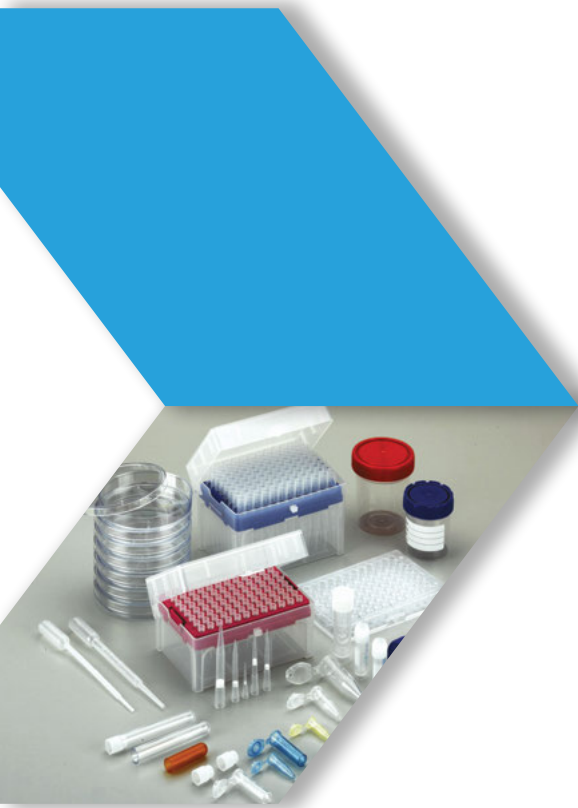
Sd/-

Santosh Kumar Agarwal

Company Secretary, Compliance Officer & Chief Financial Officer
Membership No: 44836

Kolkata, 27th May, 2022

Registered Office: Martin Burn Business Park, Room No. 902, BP- 3, Salt Lake, Sector- V, Kolkata-700091, West Bengal, India



Global Headquarter:

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BP-3, Saltlake, Sector-V, Kolkata-700091

Tel : + 91-033-35220300

Mail : info@tarsons.com