making you more competitive

August 23, 2021

DCS-CRD BSE Limited First Floor, New Trade Wing Rotunda Building, Phiroze Jeejeebhoy Towers Dalal Street, Fort Mumbai 400 023 Fax No.2272 3121/2037/2039 Stock Code: 543213	Listing Compliance National Stock Exchange of India Ltd. Exchange Plaza, 5th Floor Plot No.C/1, 'G'Block, Bandra- Kurla Complex Bandra East Mumbai 400 051 Fax No.2659 8237/8238 Stock Code: ROSSARI

Dear Sir/Madam,

Sub: Notice of 12th Annual General Meeting and Annual Report for the Financial Year 2020-21

Ref.: Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

The 12th Annual General Meeting ("AGM") of the Company will be held on Friday, September 17, 2021 at 11:00 A.M. IST through Video Conferencing/Other Audio-Visual Means ("VC / OAVM").

Pursuant to the General Circular No. 20/2020 dated May 5, 2020 read with General Circular No. 14/2020 dated April 8, 2020, General Circular No. 17/2020 dated April 13, 2020 and General Circular No. 02/2021 dated January 13 , 2021, issued by Ministry of Corporate Affairs and Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020 and Circular No. SEBI/HO/CFD/CMD2/CIR/P/2021 /11 dated January 15, 2021 issued by SEBI, due to COVID-19, the Notice convening the 12th AGM and the Annual Report of the Company for the Financial Year 2020-21 has been sent to all the Members of the Company whose e-mail addresses are registered with the Company or Depository Participant(s).

Pursuant to Regulation 34 and other applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find attached Annual Report for the Financial Year 2020-21 containing, inter alia, the Notice convening the 12th AGM of the Company.

The Annual Report is also available on the website of the Company at www.rossari.com.

The same may please be taken on record and suitably disseminated to all concerned.

Thanking you,

Yours Sincerely,
For Rossari Biotech Limited

ROSSARI BIOTECH LIMITED MUMBAI

Parul Gupta
Company Secretary & Compliance Officer
Membership No.: A38895

Encl.: as above

ROSSARI BIOTECH LIMITED

(An ISO 9001:2015 & 14001:2015 Certified Company)

Regd. Office : 201 A & B, Ackruti Corporate Park, Next to GE Gardens, LBS Marg, Kanjurmarg (W). Mumbai - 400078. India. **T** +91-22-6123 3800 **F** +91-22-2579 6982
Factory : Plot No. 10 & 11, Survey No. 90/1/10 & 90/1/111/1, Kumbharwadi, Village Naroli, Dadra & Nagar Haveli (U.T.), Silvassa - 396 235. India. **T** 0260 - 669 3000
E info@rossarimail.com **W** www.rossari.com
CIN: L24100MH2009PLC194818

TEXTILE | ANIMAL HEALTH & NUTRITION | POLYMER | PHARMA | HLS

NURTURING WELLNESS. SCALING SUSTAINABILITY.

ROSSARI BIOTECH LIMITED II ANNUAL REPORT 2020-21

22 Home, Personal Care and Performance Chemicals (HPPC)

24 Textile Specialty Chemicals (TSC)

28 Animal Health and Nutrition (AHN)

What's INSIDE...

NURTURING WELLNESS. SCALING SUSTAINABILITY.

'WHAT YOU FOCUS ON EXPANDS. WHAT YOU BELIEVE IN FLOURISHES.'

Being a part of a fast-evolving industry, Rossari Biotech Limited has pioneered the art of amalgamating innovation with sustainability. Our products have become the building blocks of pivotal solutions for our clients by offering safety, hygiene, and wellness to the end-user – thereby touching millions of lives everyday. Our efforts are focused on making a difference, ensuring safety and supporting wellness to various aspects of daily life while consciously contributing to a safer world. We bank upon our technology prowess, understanding of intelligent chemistry, industrial application knowledge and our concentration on eco-friendly methods to curate solutions that create value for all our stakeholders. Today, as one of the leading specialty chemicals manufacturers, the onus is on us to progress responsibly. In our opinion, what you focus on, continually expands and what you believe in, always flourishes. And so, as we proceed on this road of Nurturing Wellness, our sharp focus will always remain on Scaling Sustainability. This, for us, is the only way ahead!

Please find our online version at:
https://www.rossari.com/ir-annual-report/

OR
Simply scan the QR code below to view our previous years' report

Investor Information

Market Capitalisation as at March 31 2021 (BSE): **₹ 53,882 million**

CIN: **L24100MH2009PLC194818** Dividend Declared: **₹ 0.5 Per Share**

NSE Symbol: **ROSSARI** Bloomberg Code: **ROSSARI:IN** BSE Code: **543213**

AGM Date: **September 17 2021** AGM Mode: **Video Conferencing (VC)/Other Audio Visual Means (OAVM)**

INTRODUCTION

Rossari Biotech Limited AT A GLANCE

Who we are:

Rossari Biotech Limited ('Rossari' or 'we') started its journey in the year 1997 as a pioneer in the Indian specialty chemical space with a few products catering to textile industry. Today, after over two decades of rich experience, we are amongst the preferred specialty chemicals manufacturer for our customers with over 3,500 diversified products serving multiple industries across various divisions.

Co-founded by Mr. Edward Menezes and Mr. Sunil Chari, our focus on customer-centricity, cutting-edge technology, innovation, and operational efficiency drives our business constantly. With these tenets as our core, we have consistently endeavoured to provide intelligent and sustainable solutions for our customers and ultimately the end-consumers across the industries of Home, Personal Care and Performance Chemicals markets, Textiles, Poultry, Animal Health and Nutrition.

45+
CUMULATIVE YEARS OF EXPERIENCE IN THE SPECIALTY CHEMICALS INDUSTRY

₹ 7,093 million
REVENUE IN 2020-21

31.84%
5-YEAR REVENUE CAGR

3,500+
PRODUCTS

1,000+
CUSTOMERS

10+
NO. OF INDUSTRIES CATERED

200+
DISTRIBUTORS

What we do:

We are a speciality chemicals manufacturer in Home, Personal Care and Performance Chemicals (HPPC), Textile specialty chemicals (TSC) and Animal Health and Nutrition (AHN) divisions providing intelligent and sustainable solutions for customers across industries.

What drives us:

As a leading specialty chemicals manufacturer and exporter, our emphasis is on consciously providing eco-friendly and sustainable chemical solutions. We recognise the role we play in this space and focus on replacing harmful chemicals and reducing the overall impact by adapting customised sustainable processes. Propelled by our ethos of creating sustainable footprints, we deliver wellness solutions that maintain the highest environment, safety and quality standards.

How we do it:

We realise the critical role of innovation in our business. To meet the evolving needs of our customers and the industry's fast-changing requirements, our prowess in terms of technology, R&D and sustainable processes underpins our ability to cater to these diverse needs.

2
MANUFACTURING FACILITIES AT SILVASSA AND DAHEJ

2
R&D FACILITIES AT SILVASSA AND IIT, BOMBAY

2,52,500 MTPA
TOTAL INSTALLED CAPACITY

OUR VISION:

What Nurtures our Purpose

To be the leading and most reliable solution provider globally in its sectors of choice with a focus on sustainability

OUR MISSION:

What Nurtures our Company

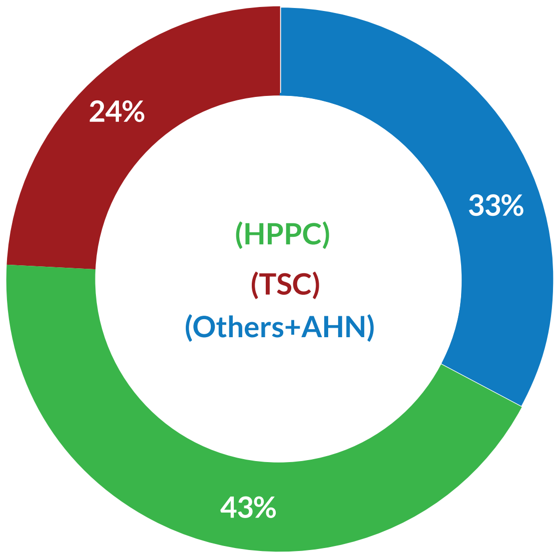
- To be entrepreneurial
- To develop leaders across the organisation
- To be customer-focussed through technology, innovation and operational efficiency
- To emphasise sustainable solutions
- To operate to the highest environmental, health, safety and quality standards
- To be a socially responsible organisation

OUR CORE VALUES:

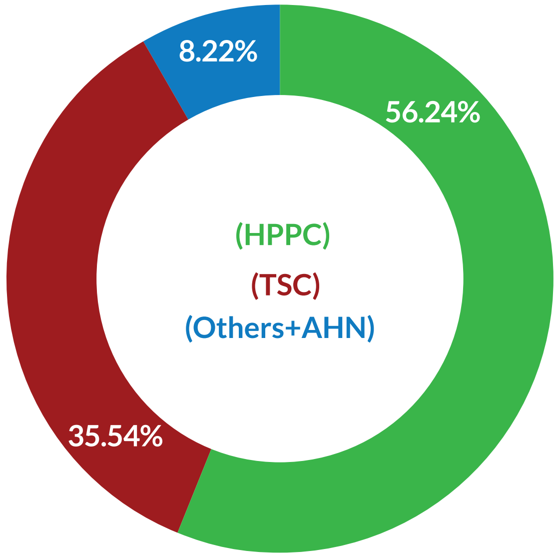
What Nurtures our People

- **R** - Respect
- **O** - Ownership
- **S** - Safety
- **S** - Sustainability
- **A** - Agility
- **R** - Reliability
- **I** - Innovation

INTRODUCTION



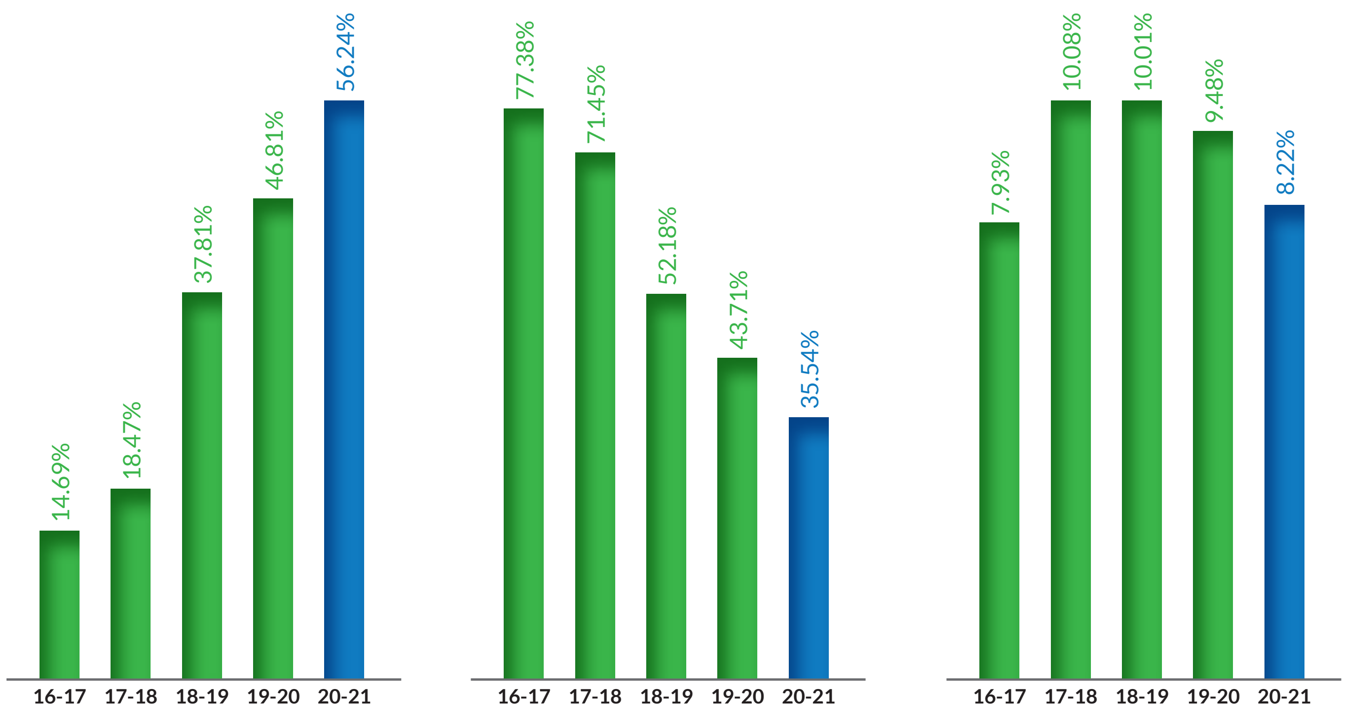
Segmentation of Global specialty chemicals Market by Industry, 2021



Revenue Mix in FY 2020-21

Home, personal care and performance chemicals | Textile Specialty Chemicals | Animal Health and Nutrition

Five year revenue divided into three business divisions



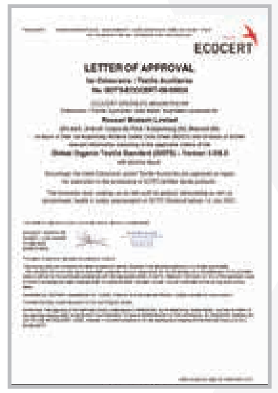
Home, Personal Care and Performance Chemicals

Textile Specialty Chemicals

Animal Health and Nutrition

Key Certifications

308+ PRODUCTS



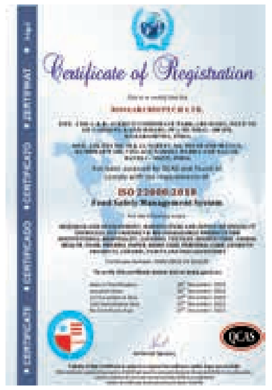
74+ PRODUCTS

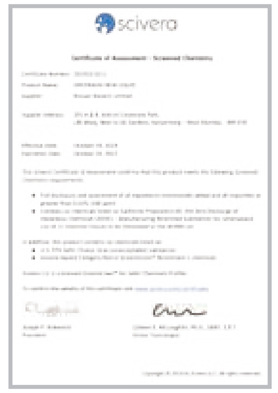
scivera

25+ PRODUCTS

EU Ecolabel
www.ecolabel.eu

8+ PRODUCTS





MILESTONES

Nurturing our Journey.
SCALING EXPERIENCE.

2003-2004

- Co-founded by Edward Menezes and Sunil Srinivasan Chari in 2003
- Acquired a 10-acre plot of land at Silvassa

2006-2008

- Established a large-scale manufacturing facility at Silvassa
- Awarded the status of 'One Star Export House' by the Government of India
- Received ISO certification 9001:2000 for plants at Silvassa and 14001:2004 in 2008
- Awarded as the 'Corp Excel 2008' National MSME from a list of 27,000 companies by RBL
- Diversified into Animal Health and Nutrition (AHN) and Construction Chemicals

2009-2011

- Received the 'Frost and Sullivan Award' for customer value enhancement of industrial enzymes
- Approved its textile auxiliaries range by the Global Organic Textile Standards
- Recognised as a leading innovator in the textile industry
- Commenced supply of Animal Health and Nutrition (AHN) products to Zoetis the world's largest producer of medicine and vaccines for pets and livestock

2013-2015

- Launched HPPC (Home, Personal Care and Performance Chemicals) division with initial focus on Laundry and Industrial Cleaning Chemicals
- Established a representative office to cater to the textile division in Dhaka, Bangladesh
- Formed a joint venture with the German company – Buzil-Werk Wagner
- Acquired 13 acres of land at Dahej GIDC (Bharuch, Gujarat)
- Commenced supplies to IFB for laundry detergent and dishwasher liquid brands

2016-2019

- Awarded the 'Jamnalal Bajaj Award for Fair Business Practices'
- Bestowed with the 'SME 100 Award' from the Axis Bank
- Received the 'Best Vendor Award' from Arvind Mills
- Bagged the 'Economic Times Award for Innovation and Sustainability'
- Entered an exclusive business partnership with Unilever
- Acquired Lozalo International – a prominent branded veterinary cosmetic products company
- Crossed the turnover of ₹ 500 crore

2020-2021

- Established a Centre of Excellence at IIT, Bombay, at Powai
- Commissioned the Dahej project
- Tied up with CSIA, Mumbai Airport, to place branded dispensers and supply sanitisers for the use of passengers
- Forayed into e-commerce by listing HPPC products on the platform of Amazon
- Fully operationalised Rossari Centre of Excellence, the Company's new state-of-the-art and certified R&D laboratory, strategically located on the IIT campus in Mumbai
- Successful IPO launch and Rossari listed publicly on NSE and BSE
- Became a Zero Debt Company
- Fully commissioned all phases of Greenfield manufacturing facility at Dahej, Gujarat
- Preferential issue of ₹ 300 crore to existing institutional investors buyers

Chairman's MESSAGE

MR. EDWARD MENEZES

PROMOTER & EXECUTIVE CHAIRMAN

> Sustainability is a core principle of our business framework. We pursue this initiative by way of our business processes, manufacturing capabilities and product development. Rossari is one of the frontrunners and specialists in India for producing environmentally benign substitutes that replace legacy and harmful products, thereby minimising carbon footprint.

Dear Shareholders,

It gives me immense pleasure to present our first annual report as a publicly listed organisation.

At the onset, I would like to take this opportunity to thank all the investors for their whole-hearted response to our Initial Public Offer, which comprised a fresh issue of 11,76,470 equity shares and an Offer for Sale of 1,05,00,000 equity shares, including anchor portion of 35,02,940 equity shares. Rossari raised ₹ 1,000 million through pre-placement of shares with institutional investors in February 2020. Further, the Company raised ₹ 500 million through the issue of fresh equity in July 2020. We have utilised the proceeds from this issue towards funding our working capital requirements, prepayment of loans and for general corporate purposes. I am happy to share that post our Initial Public Offer, Rossari is now a debt-free Company. Post our public listing, we have embarked upon a new phase in our journey and are very excited about the business and growth prospects, going forward.

Business Overview

Established in the year 2003, Rossari is one of the leading specialty chemicals manufacturing companies in India providing intelligent and sustainable solutions to customers across industries such as FMCG, Home and Personal Care, Industrial Cleaning, Textile specialty chemicals, Performance Chemicals, Animal Health and Nutrition and Pet Care businesses. Over the last two decades, the Company has developed a differentiated and tailor-made product portfolio for its three main businesses of Home, Personal Care and Performance chemicals (HPPC), Textile specialty Chemicals (TSC) and Animal Health and Nutrition (AHN). The Company's differentiated solutions are centred on four pillars of chemistries namely enzymes, silicones, acrylic and surfactants.

Being solution providers, Rossari's offerings contribute significantly to the product experience and enhance utility for our vast customer base of 1,000+ customers, including MNCs, domestic and local companies. Most of our product portfolio is environmental-friendly in nature and undergoes sustainable manufacturing processes. Today, the Company operates from two strategically located manufacturing facilities at Silvassa and Dahej, Gujarat, with a total production capacity of 2,52,500 MTPA. Both these facilities are highly automated, with flexible and fungible capacities across three business lines of HPPC, TSC and AHN. This enables us to manufacture any of product line within the four core chemistries at any point of time. Our plants are zero-liquid-discharge facilities, minimising carbon footprint of our manufacturing processes.

A combination of intelligent chemistry and R&D, since inception, has always held a position of prominence for Rossari. Our Company operates two R&D facilities at Silvassa and Mumbai. The R&D capabilities integrate all the three aspects of our products – synthesis research, formulation and development, and technical service to provide customisable, intelligent and cost-efficient solutions to customers in a shorter time frame. Based on our intelligent chemistry knowhow our R&D Team is relentlessly working to enhance existing product offerings. In-sync with this, our R&D team is constantly assessing various available and new opportunities to introduce product niches, with a strong push towards sustainability and environment-friendliness.

We pursue this initiative by way of our business processes, manufacturing capabilities and product development. Rossari is one of the frontrunners and specialists in India for producing environmentally benign substitutes that replace legacy and harmful products, thereby minimising carbon footprint. Our teams have been constantly focusing towards developing green, sustainable and cost-neutral products that accelerate growth and maximise customer benefits.

With deep customer engagements across industries, Rossari is essentially a customer-centric company providing tailor-made solutions backed by the elements of research, agility, sustainability and operational efficiency.

> With deep customer engagements across industries, Rossari is essentially a customer-centric company providing tailor-made solutions backed by the elements of research, agility, sustainability and operational efficiency.

FY 2020-21 – Resilient Performance

The fiscal year 2021 started amidst a tough operating environment with the spread of the COVID-19 pandemic leading to multiple lockdowns across domestic markets. This led to significant disruptions in production levels, supply chain, and distribution operations. While we delivered strong performance in our HPPC business led by accelerated momentum in hygiene products and anti-viral portfolio sales, broader operating constraints and slowdown in demand impacted performance of our TSC and AHN businesses during the first half of the fiscal. As the country moved to the un-lockdown phase in H2 FY 2020-21, we started seeing a healthy uptick in consumption and demand, which further strengthened through the course of the fiscal. Overall, we have reported a resilient performance in FY 2020-21, with revenues from operations at ₹ 7,093 million, up 18.2% year-on-year. Revenues from HPPC stood at ₹ 3,989 million contributing to 56.2% of revenue, followed by TSC business at ₹ 2,521 million contributing to 35.6% and AHN at ₹ 583 million, contributing 8.2% of total revenues. On the profitability front, EBITDA stood at ₹ 1,230 million, with margins at 17%. PAT during the year stood at ₹ 800 million as against ₹ 652 million in FY 2019-20.

From a balance sheet perspective, cash and bank balances during the fiscal stood at ₹ 1,078 million. Net cash flows from operating activities during the year stood healthy at ₹ 478 million. The Company utilised the Initial Public Offer proceeds towards funding its working capital requirements, prepayment of loans and for general corporate purposes.

On the whole, the Company has a dominant financial standing. Over the longer term, we will pursue all our defined strategic initiatives, while always maintaining a strong financial discipline.

Message to Shareholders

We look forward to your continuing support in our journey, which we believe will create sustainable value for decades to come. We remain optimistic about our future prospects given the huge potential of our diversified product portfolio, fungible and agile manufacturing establishments, and the ability to constantly innovate and launch diversified products for our customers. Rossari is well-poised to capitalise on the enormous growth potential of all the three key sectors it is present in – HPPC, TSC and AHN. All these three businesses are strong growth drivers for us and the outlook for each business remains positive in the medium-to-longer term.

> Rossari is well-poised to capitalise on the enormous growth potential of all the three key sectors it is present in – HPPC, TSC and AHN. All these three businesses are strong growth drivers for us and the outlook for each business remains positive in the medium-to-longer term.

Additionally, I am happy to share that the Board of Directors approved two strategic acquisitions. In June 2021, the Company acquired Unitop Chemicals Private Ltd to expand operations into untapped and promising categories within the specialty chemicals space. Unitop Chemicals is a leading supplier of Surfactants, Emulsifiers and specialty chemicals to a diversified customer base, including large domestic and international companies. The acquisition of Unitop Chemicals is a natural fit within our operations and brings with it immense synergies and complementary growth dimensions. This is a very strategic and value-accretive opportunity for Rossari and we are excited to drive faster growth, together, with larger revenues, greater technological capabilities, stronger spread of market presence and well-aligned operating segments.

Further, the acquisition of Tristar Intermediates in July 2021 brings together two high-potential companies within the specialty chemical space. The blend of capabilities will add scale, provide cross-selling opportunities, and accelerate growth for Rossari, while significantly enhancing value creation in the longer term. The synergistic acquisition provides Rossari with enhanced portfolio of products, stronger presence in new and untapped international markets and access to newer technologies.

Rossari plans to fund the investments through cash on balance sheet and doesn't intend to raise any debt for these acquisitions.

I would like to take this opportunity to thank our shareholders, valued customers and business associates for their continuing trust and support in us. I would also like to thank our employees for their whole-hearted support and dedication.

I would like to express my sincere gratitude to all the members of our Board for their continued insights and invaluable guidance as we explore new opportunities and move ahead with confidence.

Warm regards,

Mr. Edward Menezes

Promoter & Executive Chairman

In Conversation with

MR. SUNIL CHARI

PROMOTER & MANAGING DIRECTOR

> Fast-forward 23 years later, on the exact same day, on July 23 2020, Rossari was successfully listed on the stock-exchanges. Over our journey of these many years, the Company has grown exponentially and today, we are one of the leading specialty chemicals manufacturing companies in India with a very strong and well-entrenched network of customers in the domestic markets.

"It is with great pleasure that I present to you the Company's first Annual Report after its public listing in July 2020. I would like to take this opportunity to thank all our new investors for the faith they have shown in the Company. While the IPO got an overwhelming response from some of the marquee institutional investors, the way we see it, for us even a shareholder having one share is equally important. We are grateful for the continued trust and support of all the shareholders of the Company. On the whole, Rossari has enjoyed a stupendous public listing and this has only inspired us to further continue our work with greater zeal. We welcome all the new shareholders to become a part of Rossari's growth story."

01 How did Rossari Biotech's journey begin?

Having worked together in different Specialty chemical industries together, Mr. Menezes and I were looking to start our own entrepreneurship in the Indian specialty chemicals space. In the year 2003, with a then cumulative 30 years of experience in specialty chemicals industry, we both started a partnership firm in the name of 'Rossari Labtech' to provide solutions to local Indian industries. This was later renamed to Rossari Biotech and was converted into a Company in 2009. The idea of this business proposition dates back to 1997, when we had received our first-ever invoice on July 23, 1997.

Fast-forward 23 years later, on the exact same day, on July 23, 2020, Rossari was successfully listed on the stock-exchanges. Over our journey of these many years, the Company has grown exponentially and today, we are one of the leading specialty chemicals manufacturing companies in India with a very strong and well-entrenched network of customers in the domestic markets.

Right from the beginning, we had undertaken focused efforts towards developing a strong platform based on application development and formulations. Today, we provide intelligent and sustainable solutions to our customers across industries such as FMCG, Home and Personal Care, Industrial Cleaning, Textile specialty chemicals, Performance Chemicals, Animal Health and Nutrition and Pet Care businesses. Over the years, we have developed a differentiated product portfolio for our three main businesses of Home, Personal Care and Performance chemicals (HPPC), Textile specialty Chemicals (TSC) and Animal Health and Nutrition (AHN)

02 What are the key differentiators of Rossari's business model?

Since inception, we have positioned our business model on a path of differentiation. Our product offerings are centred on intelligent chemistry, which enables us to provide customisable and tailor-made solutions to our customers. This approach helps bring about a unique attribute and a value-add to the end-user product, thus enhancing its overall efficiency. Our customer-centric approach is at the heart of our business strategy.

Over the years, we have built our R&D capabilities around customer requirements and on the solid principles of environmental stewardship. We continue to strive towards developing offerings that are custom-made, environmental-friendly, and cost-neutral, thus expanding into newer market divisions and categories. Our goal is to be able to provide chemical solutions that help make the planet a better, safer and healthier place. We are among the specialists in the industry that replace legacy harmful products with environmentally benign chemical products and processes. Our focus on sustainability is an integral part of our growth plan.

Another key differentiator for us is our emphasis on R&D. During FY 2020-21, we commissioned Rossari Centre of Excellence, a new state-of-the-art certified R&D laboratory strategically located on the IIT campus in Mumbai. The facility is fully equipped with advanced testing and research equipment. Both our R&D facilities at Mumbai and Silvassa are core to our operations and enable us to keep pace with the upcoming opportunities, allowing us to build specialised products based on eco-friendly processes, while maximising product efficiency.

As we move forward, we are evaluating opportunities to introduce new business lines with distinguished offerings and unique product value, but which are centred on our four basic chemistries of acrylic, surfactants, silicones and enzymes. This will enable us to keep up with the constant technology evolutions happening in markets and will be another strong growth propeller for us, going forward.

MANAGEMENT MESSAGES

03 Environmental, Social and Governance (ESG) parameters are emerging as key parameters to assess the performance of various companies. What are the focus areas of the Company within this framework?

Our core values of Respect, Ownership, Safety, Sustainability, Reliability and Innovation reflect in all our actions. Our organisation's ethos propels us to deliver sustainable solutions and maintain the highest environmental, safety, code of conduct and product quality standards. Such initiatives have helped us earn recognition from renowned certifications and conformities.

Rossari adheres to sustainable manufacturing practices and embraces sustainability and eco-friendliness across its business operations. Both our manufacturing units at Silvassa and Dahej use state-of-the-art technologies, thereby ensuring cleaner and efficient operations. Water consciousness remains at the core of Rossari's sustainable manufacturing priorities. Both our plants have been certified - Zero Discharge of Hazardous Chemicals Level-3, which reflect a higher confidence that a chemical product meets the Zero Discharge of Hazardous Chemicals MRSL conformance Levels. In addition, Rossari continues to implement green initiatives like plantation of trees in corporate offices and manufacturing premises, developing and maintaining gardens near factory premises and maintaining green bodies around its plants.

Rossari has a concerted and outlined social responsibility agenda and we undertake activities that contribute to the betterment of our people and communities. During the year, we contributed ₹ 13.2 million towards various CSR activities. Our initiatives are oriented to benefit the environment, promote education of young children who are economically underprivileged, and towards building community infrastructure. We also actively make donations to people who need financial aid for healthcare needs. In the midst of the pandemic, as a responsible corporate citizen, we undertook decisive action to provide orphanages and others by distributing hygiene product kits, which includes hand sanitisers, disinfectants and other anti-viral products.

Our Company is committed to creating a healthy and safe environment for all its employees, promote internal talent and develop cross functional expertise.

Rossari's established Whistle-blower Policy encourages Directors and employees to bring to the Company's attention, instances of unethical behaviour, actual or suspected incidents of fraud or violation of the conduct. Our Board of Directors comprises an optimal mix of distinguished individuals from various industry backgrounds and consists of more than 50% of Independent Directors.

Overall, we have begun actively monitoring our ESG parameters and plan to assess the progress on a regular basis.

04 How do you feel about Rossari's performance in the fiscal year 2021?

We have delivered a resilient performance in the fiscal year 2021, despite unprecedented operating challenges due to the COVID-19 pandemic. On a full year basis, our HPPC division delivered excellent performance led by accelerated momentum in hygiene products and anti-viral portfolio sales. TSC and AHN divisions, which were affected in H1 FY 2020-21, saw gradual normalisation in demand and volumes towards the latter half of the fiscal. In Q4 FY 2020-21, all our three business lines have reported improved performance on a year-on-year basis. We are also witnessing healthy traction in engagements with several customers from the FMCG, Textile and AHN space.

On the operational front, globally, our industry witnessed pricing and availability issues in key raw materials during the second half of the fiscal. This did impact our gross margins to a certain extent. However, given our raw material sourcing framework and cost-management, we were able to manage this situation and deliver healthy EBITDA margins of 16.1% and 17.4% in Q4 and FY 2020-21 respectively. Going forward, we anticipate our EBITDA margins to remain within this range of 16-18%.

Despite unprecedented operating constraints in the year, it is encouraging how we, as an organisation, adapted and efficiently continued operations in the most uncertain of times. Even with the added workload of launching our Initial Public Offer, our teams have done a fantastic job in managing operations during the year. This makes us optimistic on the future growth prospects.

05 What were the various measures undertaken by Rossari to mitigate the impact of the COVID-19 pandemic?

In light of the COVID-19 pandemic and the subsequent disruptions in the macro-economic environment, we outlined several focus areas to minimise the impact on our business operations. First and foremost, we undertook all necessary and prescribed measures to ensure safety and well-being of our employees, business partners and communities. We also implemented necessary protocols to safeguard the interests of our customers and distributors to the best possible extent during the unprecedented times.

As per the relaxations provided by the Government of India for essential services particularly, for disinfectants and sanitisers, Rossari received the requisite permissions to operate its production facility at Silvassa even during the lockdown period in March 2020. We were one of the early movers to tap upon the growing demand for hygiene products and anti-viral portfolio sales, back in March 2020. With Buzil Rossari Private Limited, now a wholly owned subsidiary of Rossari, the Company was providing general house keeping solution. To cater to the growing industry demand during lockdown, we quickly scaled up our operations to include array of products in our infection control portfoilio, ayurvedic hand sanitisers to curb the spread of the virus to ensure that we met the need of the hour. This was made possible by our fungible and agile manufacturing facility that enabled us to swiftly address large volume requirements for these product categories. As the country moved to the unlock-down phase towards the end of May 2020, we also saw an encouraging pick-up in demand for our TSC and AHN businesses. With the help of our fungible manufacturing capacities, we were able to again even out manufacturing processes to cater to this uptick in consumption. Our performance during the year reflects the power of resilience, in terms of how we were able to swiftly adapt and capitalise on the changes in the environment.

Given the ongoing pandemic, the Company continues to undertake all necessary measures to ensure and maintain the highest standards of hygiene and social distancing norms at its plants and corporate office.

06 As FY 2020-21 was an unprecedented year, did you witness any challenges in raw material pricing and sourcing? Can you discuss your raw material sourcing strategy?

Rossari has a prudent raw material sourcing framework in place, which broadly insulates us from any supply side disruptions. We source more than 90% of our raw materials from the domestic market itself and so our dependence on imports is limited. Considering solution-based engagements with clients, Rossari does also pass-on major raw material-based price changes to customers.

Our processes have the capability to alternate between a set of raw materials, ensuring high-quality of formulations and delivering the same-performance metrics. In one such recent example, in the second half of fiscal year 2021, globally, our industry witnessed acute shortage in containers required for transportation of raw materials. Thus, in order to maintain adequate supplies during the period, we sourced some of the key raw materials domestically, which resulted in higher-than-normal raw material expenses. Currently, these global supply chain issues continue to persist but we believe these issues will broadly resolve in the near-term.

07 The Company has undertaken significant capacity expansion during the year. What is the capacity utilisation plan?

We have fully operationalised our Greenfield manufacturing facility at Dahej in March 2021. This is our second manufacturing plant, which is equipped with flexible and interchangeable capacities for our three business lines of HPPC, TSC and AHN. The facility is a state-of-the-art automated unit, thus bringing in notable cost-saving advantages and better efficiencies. The plant enjoys proximity to various ports such as the Hazira port, the upcoming deep-water and multi-cargo port of Dahej and another one coming up at Mundra. This will help provide a solid cost and logistical advantage to the Company.

The Greenfield facility has a total installed capacity 1,32,500 MTPA. This, along with our existing Silvassa capacity of 1,20,000 MTPA, together enhances the total capacity of Rossari by 2.1x to 2,52,500 MTPA. A strong upcoming pipeline of new product launches and new business lines within the four core chemistries should enable us to sustainably ramp-up utilisation levels at the Dahej unit over the next 3-4 years.

It is further encouraging that despite facing disruptions owing to COVID-19, our teams were able to make continued progress in launching the facility on schedule. In all, this is a significant milestone for our Company, which will provide strong impetus to our overall future growth plans.

08 One of the recent key highlights for Rossari was the acquisition of Unitop Chemicals Private Ltd (Unitop Chemicals) and Tristar Intermediates. What are your thoughts on these acquisitions?

The acquisition is strategic and value-accretive in nature. Unitop Chemicals has a strong track record of serving a diversified customer base across India and overseas. Their solutions are R&D-driven, customisable and application-driven in new and exciting categories of Agrochemicals and Oil and Gas divisions. Both Rossari and Unitop share the same customer-centric business approach and work culture. Importantly, Unitop Chemical's key expertise is centred on surfactants, which is one of Rossari's four core chemistries. In addition, Unitop Chemicals has three manufacturing sites in India with a total capacity of 86,000 MTPA and its key facility in Dahej is at close proximity to Rossari's existing facility. Unitop Chemicals operates a healthy balance sheet profile with zero net debt.

The acquisition is complementary and mutually-synergistic, thus fitting in within the ethos of Rossari's business model. Further, the acquisition and investment of capital to enable this initiative meet the parameters of operational and financial discipline outlined by our Board. It brings in multitude of synergies and complementary dimensions such as expanded product portfolio in adjoining areas of specialty chemical divisions, pooling together of related technologies, larger international exposure, better domestic market reach and increased end-user industry applications.

The Company is professionally-managed and we look forward to working together with Unitop Chemical's well-experienced and competent talent pool in a progressive future. The combination of Unitop Chemicals with Rossari will augment the quality and acceleration of our growth, going forward.

Tristar Intermediates is one of the prominent companies in India in the field of Preservatives, Aroma Chemicals, and Home & Personal Care Additives with high-tech distillation facilities. With a superior presence in Personal Care and Home Care segments, the company's expansive product range also has applications across diverse industries such as Pharmaceuticals, Textiles, Paints, Automotive, Agro-chemicals and others. Tristar Intermediates has manufacturing facilities at Sarigam (Vapi), Gujarat, India with a total capacity of 15,000 MTPA. The transaction brings together two high-potential companies within the specialty chemical space. The blend of capabilities will add scale, provide cross-selling opportunities, and accelerate growth for Rossari, while significantly enhancing value creation in the longer term. The synergistic acquisition provides Rossari with enhanced portfolio of products, stronger presence in new and untapped international markets and access to newer technologies.

09 What are your key priorities for fiscal year 2022?

India is emerging as a very strong player in the specialty chemicals domain. With rising affordability, improved economic activity, evolving aspirations towards a healthier and safe lifestyle in light of the pandemic amongst other factors are catalysing growth for the specialty chemicals industry in India.

Rossari is well-poised to capitalise on these significant growth opportunities, given its diversified range of product offerings, fungible and agile manufacturing establishments, and the ability to constantly innovate and launch diversified products for its growing customer base.

As we look ahead, we will continue to focus towards growing wallet share across existing customer base while tapping new customer divisions with an aim to consolidate our market position as a preferred supplier. Integrating the Unitop Chemicals acquisition will be another key focus area for us. The acquisition will help us diversify into untapped and high-potential categories of specialty chemical divisions, such as agro-chemicals and Oil and Gas, which will further drive growth for us.

Across our existing divisions, we are seeing a healthy offtake in hygiene products and anti-viral portfolio sales, driving improved traction in our HPPC division. Our TSC and AHN businesses are also witnessing gradual stabilisation in consumption patterns. Overall, all these three businesses are strong growth drivers for the Company and the outlook for each business remains positive in the medium-to-longer term.

LISTING
CEREMONY JULY 23 2020

Thank you investors for your overwhelming response to the IPO | July 23 2020, marked one of the milestone days for us in the Company's history. Rossari was listed on both the NSE and the BSE on this date in a virtual ceremony. Ours was the first successful virtual IPO launch on the bourses post the implementation of the lockdown in March 2020. We received an overwhelming response with the IPO being oversubscribed 80 times and the closing share price for the day being 75% higher than the IPO price on debut.

BUSINESS REVIEW

Wellness and Sustainability

OUR UNSHAKEABLE COMMITMENT ACROSS THE VALUE CHAIN

We started small, and our purpose made us grow bigger. In our journey of over 20 years, we have nurtured Wellness and progressed Sustainably to thrive consistently. We are on a green mission, and our advocacy of sustainable principles and prowess for wellness is deep-rooted in all our processes, policies, products, and practices.

At Rossari, Sustainability is our strategic priority and Wellness is the legacy of providing the right customised solutions. Both these imperatives are articulated around three elements:

Customer-centricity

Environment, health, safety, and quality standards

Social responsibility

All of these are weaved and backed through a solid ensemble of technology, innovation, and operational efficiency.

Customer-centricity is in our genes, and our urge for continuous improvement is what drives us. Therefore, we carefully observe, plan and implement to delight customers through experiences catering to their specific needs. Further, our robust range of wellness solutions helps us purvey the growing traction for health, hygiene, and wellness. On this route, we are competently backed by our use of intelligent chemistry, knowledge of science, new-age innovations, and operational efficiency. As a result, we bring the capabilities of wellness and sustainability closer and deliver enhanced, cost-effective, and value-added solutions to our customers.

Our agile approach, innovative processes, and spontaneity help us proactively explore the path forward. Our sincere endeavour is to make our products and wellness solutions more sustainable without compromising on their robustness. From our personal care range to disinfectants, wellness finishes for textiles, to animal health and nutrition, we contribute to every niche corner of the market with our safe and green solutions.

Ours is a Company with a green ethos and innovative mindset. We are environmentally responsible, and our goals, mission, and values are aligned with pursuing a healthy balance sheet, holistic value creation, and sustainable growth. We strive to minimise the environmental impact of our business by bringing safe and alternative solutions to harsh chemicals. We are the advocates of sustainable chemistry, and our products and processes bring enhanced value while meeting the goals of environmental protection.

Please read on to find out how we create positive footprints of sustainability while nurturing wellness on this journey.

Four Pillars of CHEMISTRY + Our Four LEVERS

Surfactants

Silicones

Acrylic chemistry

Enzymes

R&D capabilities

Agile and fungible manufacturing facilities

Digitisation and innovation

Intelligent application of knowledge

4+4 equal 44!

A solid foundation gives the stability to withstand and the ability to create exceptional value.

At Rossari, our internal drive is what propels us. Our four pillars of chemistry give us the strength to move forward and the confidence of believing in our potential. These four pillars provide security and help us navigate and shine through any challenge.

And as we move along the growth curve, we constantly strive to scale and do so in the right direction. In our journey, if Chemistry forms the pillar of our foundation, our capabilities are the four levers of growth. If the foundation is our root, our capabilities are the wings. Underpinned by robust R&D capabilities, agile and fungible manufacturing facilities, digitisation and innovation and intelligent application of knowledge, we combine the power of our four pillars with the force of our four levers. And the result is not the sum of 4+4. It is the greater and collective good, which when combined, amplifies the possibilities and adds sustainability to the outcome. **It makes our 4+4 equal 44!**

BUSINESS REVIEW

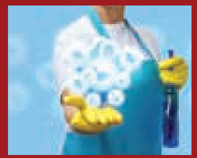
NURTURING FUNGIBILITY. SCALING SYNERGY.

Being present in the specialty chemical space – a fast-growing industry – makes it imperative for us to be versatile and adaptable. Our business processes' fungibility enables us to achieve synergy across our product portfolio while nurturing the diverse needs of our customers in a cost-efficient manner. The nucleus of our business lies in the four pillars of Chemistry – surfactants, silicones, acrylic chemistry and enzymes. The diversity of the industries we are present across spreads our overall exposure to risks and renders us our key strength.

Backed by our proficiency, core strength and knowledge of intelligent chemistry, we are present in several key industries across our three business divisions:

HOME, PERSONAL CARE, PERFORMANCE CHEMICALS (HPPC)

Industries where we create value


Home Care


Personal Care


Inks, Paint & Coatings


Pulp and Paper


Hospitality


Facility Management


Ceramics and Tiles


Water Treatment

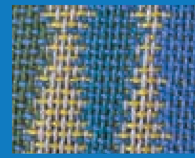

Food & Beverage


Cement and Construction Chemical

TEXTILE SPECIALTY CHEMICALS (TSC)

Industries where we create value


Textile Industry


Weaving Preparatory


Yarn and Thread Processing


Apparel Wet Processing


Textile Colouration


Fibre Manufacturing

ANIMAL HEALTH AND NUTRITION (AHN)

Industries where we create value


Poultry Feed Additives


Pet Care

OUR INTELLIGENT USE OF SCIENCE AND OUR CAPABILITIES TO CREATE SYNERGIES ACROSS OUR FOUR PILLARS OF CHEMISTRY HAS EARNED US MARKET DISTINCTION. WE HAVE CONTINUOUSLY ENHANCED OUR CAPABILITIES TO PRODUCE QUALITY PRODUCTS AND CATER TO THE DIVERSE DEMANDS OF OUR CUSTOMERS. READ ON AS WE TAKE YOU THROUGH OUR WELLNESS STORY.

BUSINESS REVIEW

HOME, PERSONAL CARE AND PERFORMANCE CHEMICALS (HPPC)

500+
PRODUCTS MANUFACTURED

₹ 3,990 million
REVENUE IN 2020-21

56%
OF TOTAL REVENUE

100+
CUSTOMERS

40+
DISTRIBUTORS OVER 9 STATES

PROPOSED INDUSTRY


Cement and Construction Chemical


Water Treatment Formulations


Specialty Formulation for Food and Beverage

OVERVIEW

HPPC forms the crown in our endeavour to create a trinity for wellness. Since our foray into the HPPC division in 2013, we have consistently been growing and strengthening our product basket by adding new products with new chemistry and specialty formulations. Today, we are the leading manufacturers of acrylic polymers in India and manufacture a sustainable range of products for all applications in the laundry and cleaning industry. This expertise in acrylic chemistry has been leveraged across other industries like paints, inks and coatings, ceramics and tiles and pulp and paper.

To further bring our innovations to the market we also established Rossari Personal Care where we design and manufacture unique formulations for our customers who want to take their brands to the next level in the personal care and cosmetics division. In the short span of a year we have helped our customers bring more than 100 products to the market in divisions ranging from skin and hair care to cosmetics.. The personal care industry is an engine of growth in India and we plan to tap into it both with our proprietary ingredients as well as unique formulations.

OUR WELLNESS-DRIVEN SOLUTIONS:

With a robust range of wellness solutions and the urge to provide customised products, our goal is to maintain the trinity of well-being:

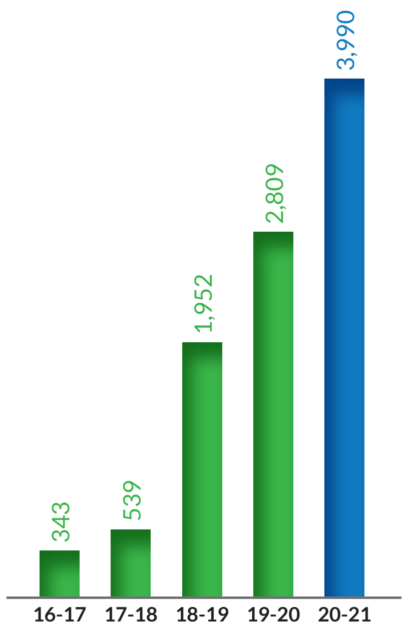
Test of Agility

Speed and Agility: Our Prototype

Agility is our imperative. Our end-to-end customised solutions to our customers cater to their demands with a quick turnaround and flexible manufacturing quantities. To this line, our new vertical in Skin Care and Beauty stands as a testimony to our speed and agility in promptly responding to our customers' needs.

Prompt and Precise:

Our close observation helped us understand how, under the current situation, our customers' beauty-related needs were gradually inclining towards more advanced and safer alternatives such as antibacterial and harmless solutions. Our constant intent is to provide our customers with innovative essentials as per their evolving needs. So we swiftly responded to address the personal hygiene and grooming related concerns of customers and came out with an entire range.



Revenue growth from HPPC in last 5 years
(₹ million)

BUSINESS REVIEW

TEXTILE SPECIALTY CHEMICALS (TSC)

1,900
PRODUCTS MANUFACTURED

₹ 2,521 million
REVENUE IN 2020-21

36%
OF TOTAL REVENUE

500+
CUSTOMERS

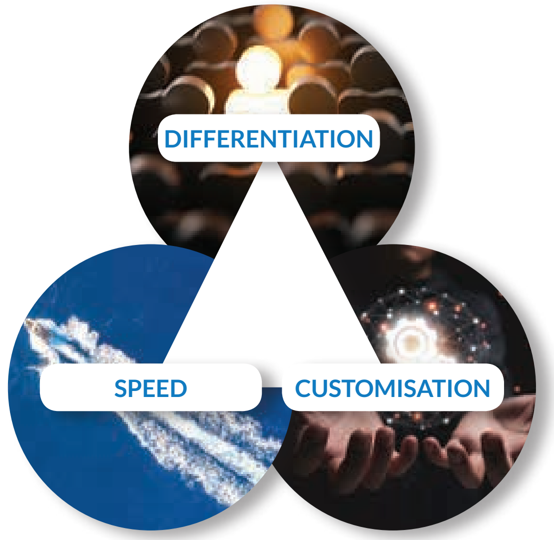
150+
DISTRIBUTORS

OVERVIEW

We started our journey as a manufacturer of specialty chemicals with the TSC division as our primary business. Since then, TSC Division has undergone massive structural changes. Being pioneers in customised green solutions, we focus on providing wellness products and intelligent solutions that range from softening to antimicrobial textile auxiliaries – creating smart textiles that boost health and wellness.

We are a renowned name in the industry today and have pioneered the new-age textile and garment manufacturing chemicals. With our modern innovations, we endeavour to provide textile solutions that perfectly combine wellness and sustainability. We offer a range of sustainable products for pre-treatment, dyeing, printing, finishing processes, and specialty chemicals. Our endeavour through our TSC division is to add to the products and create high-performance textile finishes, focussing on hygiene and wellness.

At TSC Division, the product design depends on:



SUSTAINABILITY IN THE PROCESS VALUE CHAIN:

STAGES	PROCESS	PRODUCT CATEGORIES
Spinning and Weaving	Conversion of cotton or any other fibre into yarn	Polymers, Softener
Pre-treatment	All impurities which cause adverse effects during dyeing and printing are removed	Enzymes Wetting and Detergent Sequestering Additives
Dyeing	Chemicals are applied to increase process safety, efficiency and reproducibility for production so as to achieve the desired optimum dyeing results	Dyes, Acids, Alkali Levelling, Detergent, Fixer
Printing	Pigments and inks are applied to impart the desired colour to textile	Dyes, Binder, Thickener, Fixer Detergent, Loop Accelerator
Finishing and Coating	To complete the fabric's appearance, giving it the final touch. Special effects such as wrinkle-free, easy-care, shrink resistance or a gloss effect are produced during this process	Softeners, Silicones, Polymers, Resins

OUR SUSTAINABILITY-DRIVEN SOLUTIONS:

- UV Protection finish
- Antistatic finish
- Hydrophobic finish

PROTECTIVE FINISHES

- Antimicrobial
- Antifungal
- Antiviral products

HEALTH HYGIENE PRODUCTS

- Greenacid series
- Greensoda series
- Greenhydro 400 Powder

SUSTAINABLE SOLUTIONS

In line with our sustainability and well-being goals, the value chain at our TSC division comprises customer-centric products that are affordable and ensure health and hygiene.

Rossari's Sustainable Timeline

- **2007 Greenacid Series** – Eco-Friendly Buffer
- **2009 Greensoda Series (liq.)** – Eco-Friendly Buffer
- **2010 Greensoda Series (pdr.)** – Eco-Friendly Buffer
- **2017 Greenboost** – Scouting-Free Scouring
- **2017 Greenbleach** – Bleaching at Neutral
- **2018 Greenhydro 400(pdr.)** – Eco-Friendly RC product
- **2018 Bioclay Paste** – All-in-one Solution
- **2019 Greenwash EC(liq.)** – Low Temperature soaping agent

We cater to the increasing demand for new performance finishes. Therefore, we emphasise and remain focused on manufacturing new-age solutions such as hydrophilic softeners, antimicrobial finishes, microencapsulated range, water repellents, and UV protective textile finishes.

Test of Sustainability

As explained earlier that at Rossari, environment health, safety and quality is our strategic priority. We are continuously striving towards creating sustainable footprint by replacing use of conventional harmful products with our sustainable range.

Greenboost Liquid is our innovative product which is a blend of bio-catalysts for effective scouring balancing aqueous solution's pH level in textile processing. Being the green replacement of toxic chemicals, it resolves environment problems.

Benefits in a nutshell:

- Alkali neutralisation
- Reduction of effluent load by avoiding caustic soda and reduces TDS
- Ensures even dyeing
- Saves time, energy, water
- Excellent application with medium to dark shades

This waste free manufacturing has resulted in conserving 400 lakhs to 600 lakhs litres of water

Test of Sustainability

It is our constant drive to provide our customers with cost-effective and eco-friendly solution. The textile industry involves use of acetic acid in wet processing. This not only has high cost of effluent treatment but also pose damage to environment.

Our **Greenacid Liquid** replaces acetic acid and is more efficient, compact, flexible, energy saving and yet cost neutral.

Test of Customer-Centricity

Our customer-focused goals with the synergy of technology, innovation and operational efficiency has earned us the laurels of leading textile specialty chemical manufacturers in India.

Terry towel processing is an energy intensive and involves use of wetting agents which damage environment. Being chancellors of Green ethos, we introduced Biogreen Process which is the green alternative to conventional terry towel processing.

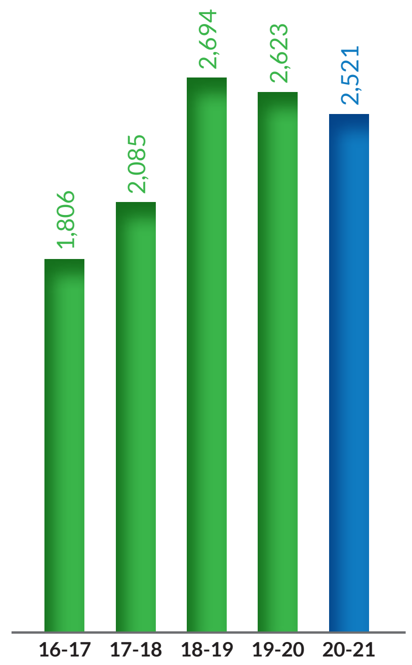
Test of Agility

As explained earlier we keep exploring new ways of providing effective, efficient, economical and sustainable ways to bring quality and robustness in our products and processes through our agile and innovative approach.

We understood the complexity and need to handle increased issue of warp breakage rate on the looms and as a result delaying weaving production and affecting quality.

Working towards our customer-centric focus, we have brought a cutting edge system of **Sizing**. As a result of our combination of innovative acumen and manufacturing expertise, this new initiative of **Sizing Chemistry** is ought to bring high performance sizing system that would fulfil the advanced textile specific demands.

This new eco-friendly concept has made us major suppliers of performance finishes for terry towel processing.



Revenue growth from TSC in last 5 years
(₹ million)

BUSINESS REVIEW

ANIMAL HEALTH AND NUTRITION (AHN)

250+
PRODUCTS MANUFACTURED

₹ 583 million
REVENUE IN 2020-21

8%
OF TOTAL REVENUE

700+
CUSTOMERS

50+
DISTRIBUTORS

OVERVIEW

We diversified into Animal Health and Nutrition division in 2011 after identifying the vast potential that the division promised. At AHN we build wellness solutions for animals and poultry, keeping their well-being and performance in mind while leveraging our core strengths that comprise synergy of four pillars of chemistry. We also entered the pet care division with products for weaning, infant and adult pets.

We forayed into the pet grooming products in 2019 by acquiring the brand Lozalo. Today, we enjoy a strong presence in AHN as one of the largest organised players in the Indian Compound Feed market. Our array of AHN products include animal feed supplements and other veterinary products comprising Pet Care, Poultry and Aqua feed. In addition, the division offers an array of premium quality products for poultry nutrition from vitamin–mineral formulations, toxin binders, individual and cocktail enzymes, liquid neutraceuticals, supplements or herbal preparations.

Our expertise and specialisations have helped us strengthen our foothold in feed enzyme formulations, which is the driving force behind the AHN business.

Rossari AHN division's brand Lozalo offers a comprehensive range of natural pet grooming products with right pH balance to suit pets dermal conditioning needs.

We constantly strive to develop innovative and result-oriented wellness solutions that lead to:

- Maintaining farm hygiene and disinfecting farm premises to prevent birds from developing bacterial and viral infections
- Regulating immune modulation of the gut through natural sources like essential oils and probiotics
- Supporting overall health and growth of birds by optimising nutrient digestion through enzyme application and preventing fermentation and growth of pathogenic bacteria in the gut region

Industries We Serve

POULTRY FEED

Product Application

- Enzymes
- Vitamin premix
- Trace minerals
- Toxin binders
- Acidifiers
- Liquid essential oil
- Liquid acidifiers
- Disinfectants
- Anticocci and AGP

Industries We Serve

PET GROOMING

Product Application

- Lozalo shampoo for dogs, cats and horses

Industries We Serve

PET TREATS AND FOOD

Product Application

- Hunger Fills Dog treats (chicken, milk, carrot)
- Sniffy Dog food

OUR FLAGSHIP WELLNESS SOLUTIONS:

Respite DX - Unique water soluble phytochemical concentrate of natural essential oils. It provides a natural solution to infectious and non-infectious respiratory problems and lower gut integrity.

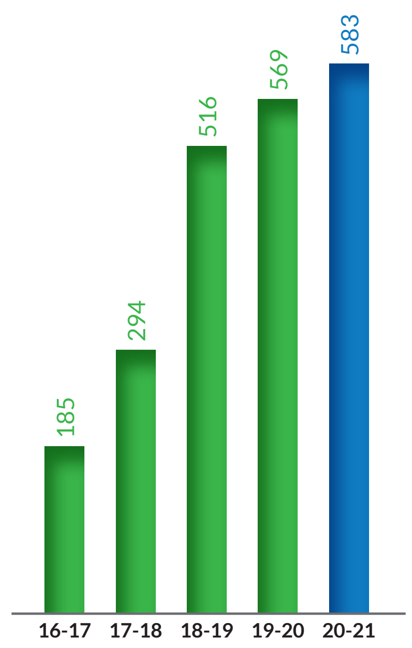
Maxizyme EX - This thermostable and granular cocktail enzyme of the bacterial source is suitable for both pellet and mash feed administration. The unique formulation of Maxizyme EX improves digestion and absorption of complex nutrients mediated by synergistic effects of probiotic and highly active cocktail enzymes. Hence, further potentiating enzyme efficacy in a cost-effective manner.

Protoxy Forte - This enables digestion of proteins and amino acids and helps absorb more valuable nutrients to the poultry birds for enhanced growth and performance.

Trimin Forte – Safe, reliable and complete solution to meet the mineral requirements of the present day poultry. It helps boost growth and development while improving metabolism.

Xylot EX - A highly thermostable micro-granulated xylanase enzyme feed additive that is scientifically developed for consistent and premium feed performance. With increased nutrition absorption and diffusion of pancreatic enzymes, XYLOT EX also helps in improving digestion by reducing digestive viscosity

Rosszyme Plus - This cocktail enzyme of fungal source in powder form enhances hen's ability to absorb total nutrients available in feed.



Revenue growth from AHN in last 5 years
(₹ million)

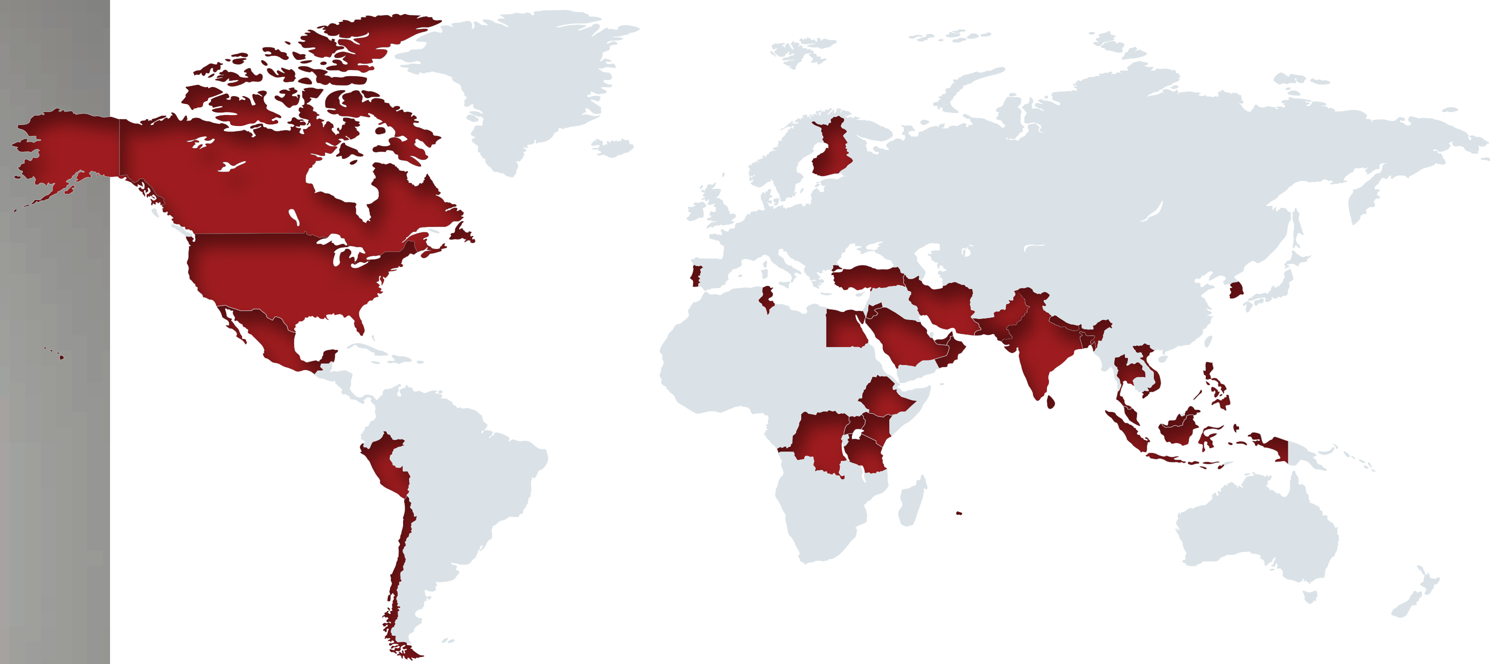
STRATEGIC REVIEW

NURTURING STABILITY. SCALING BOUNDARIES.

As a leading specialty manufacturing Indian company, our decades' rich experience and diversified product portfolio have allowed us to establish a strong global presence.

We meet the desired needs of our global clients across home, personal care and performance chemicals markets, textiles, poultry, animal health and nutrition.

All through these years, our focussed customer-centricity and consistent efforts to deliver wellness-driven offerings has helped us make our brand synonymous to respect and trust. This, in turn, has enabled us to build and grow our sustainable footprints across the globe successfully.



150+
DISTRIBUTORS PAN INDIA

2
ONSITE TECHNICAL SUPPORT LABORATORY

29
DISTRIBUTORS ACROSS 17 COUNTRIES

2
INTERNATIONAL OFFICES
(Ho Chi Minh City, Vietnam and Dhaka, Bangladesh)

This map is a generalised illustration only for the ease of the reader to understand the locations, and it is not intended to be used for reference purposes. The representation of political boundaries and the names of geographical features/states do not necessarily reflect the actual position. The Company or any of its directors, officers or employees, cannot be held responsible for any misuse or misinterpretation of any information or design thereof. The Company does not warrant or represent any kind in connection to its accuracy or completeness.

NURTURING CAPABILITIES. SCALING CAPACITIES.

An ideal business is all about creating and articulating a vision, passionately inhabiting it and relentlessly driving it to completion. Last year was difficult for most businesses. But even amid such adverse conditions, we kept pursuing our goal of capacity enhancement by nurturing our capabilities to scale up our capacities. We continued our progression towards efficiency and successfully operationalised all the phases of our greenfield manufacturing facility at Dahej, Gujarat.

As a conscientious company, along with our effort to continuously diversify our product portfolio while nurturing our capabilities, we have been a key contributor to the Zero Discharge of hazardous chemicals (ZDHC) practices. With substantial investment in ZDHC platforms, we have implemented the best environmental practices for green manufacturing at our production facilities.

THE DAHEJ MANUFACTURING FACILITY

This is a state-of-the-art automated unit that helps in bringing higher cost-efficiencies and economies of scale together. It is fungible across all our three business lines of HPPC, TSC and AHN and designed on lean manufacturing principles.

All our modern automated plants are equipped with cutting-edge technology and sufficient capacity to address the growing demand for specialty chemicals.

What differentiates our plants

- State-of-the-art facility
- Fully automated units
- Cutting-edge technology
- Fungible across three businesses
- Well capacitated
- Strategically located proximate to the Hazira Port
- Designed on principles of lean manufacturing

Benefits

- Higher cost efficiencies
- Economies of scale
- Helps meet growing consumer demand
- Cost and logistical advantage

1,32,500 MTPA
INSTALLED CAPACITY

14 Acres
LAND AREA

1,500 MT
STORAGE CAPACITY

STRATEGIC REVIEW

THE SILVASSA MANUFACTURING FACILITY

Our Silvassa facility is the primary manufacturing unit that enjoys flexible manufacturing capacities for powders, granules and liquids. Besides, it also offers a range of testing and packaging capabilities. It has an effluent treatment plant and storage capacity for acids, alkali, oil and surfactants.

Health and Safety measures

We have developed stringent Safety Management Systems at our manufacturing sites at Silvassa and Dahej, which are strictly controlled. This system includes safety steps such as process hazard analysis, standard operating procedures, quality assurance, emergency planning and response and compliance audit, among others.

1,20,000 MTPA
INSTALLED CAPACITY

8.6 Acres
LAND AREA

1,500 MT
STORAGE CAPACITY

Quality Standards and Certifications:

STRATEGIC REVIEW

NURTURING GREENOVATION. SCALING EXCELLENCE.

The prime idea behind Research and Development (R&D) is to continuously improve, innovate and expand the existing capacities to reach newer heights. We relentlessly nurture Greenovation to introduce green chemistry, along with innovation, and replace conventional industrial chemicals.

R&D at Rossari is the indispensable means to focus on achieving our mindful ends which is giving shape to our knowledge of intelligent chemistry and develop extraordinary products. Products which are customer centric in terms of impeccable quality and cost, products that are harmless to the environment and to the well-being of society and products that add value to make the end use exuberant.

22+
TEAM OF R&D PROFESSIONALS

18%+
REVENUE FROM NEW PRODUCTS

2
R&D CENTRES

339+
NEW PRODUCTS AND FORMULATIONS

R&D at Rossari is a continuous effort to excel and improve for the much better results incessantly and using the four pillars of chemistry develop niche products for the holistic well-being of our customers. Our Research is to create difficult-to-develop solutions that contribute to overall wellness and sustainability of people and processes.

Our focus is on expanding the reach of our knowledge of intelligent chemistry to integrate product synthesis research, formulation and development and technical service to provide customisable, intelligent and cost-efficient solutions to customers in a shorter time frame.

At Rossari, our new state-of-the-art certified R&D laboratory which is strategically located on the IIT Campus, Rossari Centre of Excellence, operationalised in fiscal year 2021 is fully equipped with advanced testing and research equipment. Our R&D Laboratory will act as the incubators of revolutionary ideas in our drive to achieve excellence leveraging on accelerated agility and enhancing customer experience.

Simply put, R&D, at Rossari, is one simple yet profound thought - comes with newer customer-centric solutions that exemplifies greenovation!

Research and Development (R&D) Facility Snapshot:

R&D FACILITY WITHIN SILVASSA MANUFACTURING FACILITY
CENTRE OF EXCELLENCE – R&D LABORATORY, IIT BOMBAY

Focus areas
- Synthesis research
- Formulation and development
- Technical service
- Distributed Control System for high level of automation and repeatability

Recognised by
- Department of Scientific and Industrial Research, Government of India
- Global Organic Textile Standards
- American National Standards Institute certified

Eco-friendly solutions
- Focused on manufacturing a wide range of eco-friendly sustainable products, including Greenacid, Greensoda, Bioclay (a clay-based product), Greenhydro 400 Pdr, Greenboost which are both eco-friendly and competitively priced
- Eco-friendly sustainable solutions which help customers reduce their carbon footprint and the overall impact on the environment in a cost efficient manner

R&D SUPPORT LABORATORY, SURAT

Catalyse faster commercialisation of innovations

STRATEGIC REVIEW

NURTURING STRENGTHS. DRIVING COMPETITIVENESS.

Over the years, we have continually worked and put significant effort and time into fortifying our competitive strengths. These strengths give us a competitive edge and drive us to excel and aim even higher as a leading new-age specialty chemicals manufacturer.

Zero
DEBT BALANCE SHEET

among the top
350
COMPANIES IN INDIA

3
ACQUISITIONS

20+
NEW WELLNESS OFFERINGS

PROVEN TRACK RECORD OF ROBUST FINANCIAL PERFORMANCE:

Our robust performance even amid a turbulent business environment stands proof to our resilience, preparedness and prudence. Our total revenue and PAT ₹ 5,159 million and ₹ 455 million in FY 2018-19 to ₹ 7,093 million and ₹ 800 million in FY 2020-21 respectively, along with EBITDA margin at 17.41% and PAT margin at 11.28% for FY 2020-21 reflect our excellence in performance over the years.

INORGANIC GROWTH THROUGH STRATEGIC ACQUISITIONS:

We have a strong market position as a manufacturer of specialty chemicals. We believe in order to consolidate market position further, achieve synergy in operational efficiency, strengthen product portfolio, enhance knowledge and skills, widen reach, it is imperative to make investment or acquisitions in the same business line that would be complementary to the Company. With the growth momentum and ecosystem already in place through strategic planning and investment in capital the Company intends to drive faster growth, augment capabilities creating incremental value for stakeholders.

EXPERIENCED PROMOTERS WITH STRONG MANAGEMENT TEAM:

Our team, headed by professional and proficient promoters cumulatively offers over 45 years of experience in the specialty chemicals industry. The strong domain knowledge of our key managerial personnel, backed by the advisory board's guidance, collectively brings over 80 years of experience to the Board.

EXTENSIVE MANUFACTURING AND TECHNICAL CAPABILITIES:

Our extensive manufacturing and technical capabilities enable us to deliver world-class products to our customers and also diversify across our two facilities at Silvassa and Dahej.

STRONG R&D CAPABILITIES WITH FOCUS ON INTELLIGENT AND SUSTAINABLE SOLUTIONS:

Our R&D capabilities help us provide customised, innovative and intelligent solutions to customers in a shorter time frame. Our focus on providing eco-friendly and cost-efficient sustainable solutions adds to our competitive advantage in the market.

DIVERSIFIED PRODUCT PORTFOLIO:

Our presence across various industries helps us widen and scale our reach beneficially. We provide intelligent and sustainable chemical solutions for customers across FMCG, home care, industrial cleaning, personal care, textile specialty chemicals, performance chemicals, the animal health and nutrition and pet care businesses. Such diversification also helps us spread risk while multiplying opportunities.

WIDE SALES AND DISTRIBUTION NETWORK:

We have an extensive and dedicated distribution network for individual businesses which help us reach and address wider geographies. Thus resulting into better sales for us.

Largest textile specialty chemical manufacturer in India: We provide specialty chemicals solutions for the entire value-chain of the textile industry, focusing on eco-friendly, sustainable, and innovative products. Such a wide presence across the industry underpins our strong presence as the largest textile specialty chemical manufacturer.

NURTURING AGILITY. SCALING RESILIENCE.

We leverage our core value of agility to bring innovative solutions for the future. With our resilience and speed in offering customised offerings to our customers alongwith flexible manufacturing quantities we have brought efficiencies, effectiveness and economic gains with a quick turnaround time.

2 times
CAPACITY EXPANSION

10+
NEW PRODUCTS IN INFECTION CONTROL PORTFOLIO

₹230 million
HAND SANITISERS SOLD IN FY 2020-21

24/7
FUNCTIONING THROUGH THE PANDEMIC

RAMPING UP PRODUCTION CAPACITY:

While the world came to a standstill, Team Rossari continued working consistently. We were determined to serve our customers and contribute to society in these tough times of COVID-19 pandemic. And so, our manufacturing units worked 24x7 to meet the growing demands of the market.

ENHANCING PRODUCT PORTFOLIO TO MEET DEMAND:

Our dedicated workforce, agility, and adaptability enabled us to follow and regulate safety norms and empowered us to continue smooth production. As a result, we could strike the right balance between speed and quality that the situation demanded. We will continue maintaining our product excellence as we grow by fortifying our product portfolio and adding more products across all three divisions of our business.

ADDED PRODUCTS UNDER INFECTION CONTROL PORTFOLIO:

We shifted focus from a general housekeeping solution to launching a full-fledged infection portfolio comprising 10-12 key products. We successfully launched Ayurveda hand sanitisers as per the demand. Our readiness to formulate various disinfectant range helped partners and businesses promptly respond to the high demand for sanitisers witnessed during the ongoing pandemic. We also launched some cutting-edge products under the infection control portfolio to curb virus spread.

DIGITAL TRANSFORMATION:

Being a part of the dynamic and constantly changing business, it is imperative to be technologically relevant and to renew, reform and readjust to digital transformation. Seizing on the opportunity created by the pandemic, we were fast to adopt the change across the fabric of the organisation and bring it in the culture and practice invariably.

The transition to digital metamorphosis in the operations of the business had been long and enduring. Launch of our successful IPO in starting FY 2020-21 is in itself a testament of our digital presence. We were the first Indian Company to have virtual IPO. Digital marketing played a crucial role in Pre IPO road shows and brand building.

The Company continued building on its digital infrastructure and now has a versatile digital presence on various social media platforms for marketing, micro blogging to tap on prospective customers and remain competitive in the economic environment.

We at Rossari are also aggressively implementing the adoption of technology at all the levels of the organisation. From high-end use at the manufacturing facilities both at Silvassa and Dahej to automating operational functions of Human resource, Production, Sales, Marketing among others. Other initiatives included:

- Created video library which has major applications process and safety tips
- Conducted regular webinars for knowledge sharing
- Accelerated content marketing through blogs and social media presence
- Provided access of documents through the portal

NURTURING RESOURCES. SCALING GROWTH.

We have always believed in putting our people first. They are our greatest asset and biggest strength. As a people-centric company, our team forms the bedrock of our growth, achievements and future. We believe, when our team is motivated and empowered, we can experience the most tangible growth with single-minded determination. We realise the importance of nurturing our teams in terms of upskilling and care.

6+
TRAINING PROGRAMMES CONDUCTED

986+
NO. OF PARTICIPANTS

19+
HOURS

1,402+
TOTAL MAN HOURS

NURTURING WELLNESS AT WORKPLACE

When a prepared mind meets the right opportunity, success is guaranteed. As a Company, we are guided by this core thought. Hence, we have embedded health and wellness as a part of our organisational fabric.

We have extended our 'Workplace Wellness' initiatives over the past decade to encompass the creation of a 'culture of health'. We have pioneered more updated ways of working to create a flexible environment within our office and the homes of our employees. Through a series of wellness-induced initiatives, we show our value to openness and adaptability, help build resilience, and elevate the skills and performance of our people.

SCALING AN ETHICAL WORK CULTURE

Rossari encourages natural curiosity as a way to learn and get better. In addition, we actively promote gender diversity, offering equal opportunities and responsibilities to our team.

Our team enjoys flexible working hours, and our attendance policy is in line with our target of creating a conducive working environment. Our human resource policy is supportive, flexible, and prioritises our people's comfort aligning with our company objectives.

NURTURING HOLISTIC DEVELOPMENT

We believe engaged employees form the lifeblood of a successful business. Therefore, to help our team de-stress, encourage team bonding and promote wellness amongst our people, we organised the following activities during the year:

- Yoga session to promote physical and mental well-being
- Dance movement therapy conducted to combine the powers of meditation, dance and music into one. The idea was to help our employees consciously rediscover the joy of 'being' rather than 'doing'.

NURTURING LEARNING AND DEVELOPMENT

Ours is a highly dynamic industry with fast-evolving changes. We recognise the need of regularly upskilling our team, which is essential to pace up with the demands of our business. With this thought in mind, we organised several activities and undertook initiatives to help our team grow in their respective learning curves.

- Analysed our team and, based on the assessment, organised quarterly training sessions for different departments addressing the team's behavioural/functional/general requirements
- Conducted a session on 'Understanding Risk Management', which was headed by our Independent Director, Mr. Robin Banerjee
- Organised a consultative selling skills training/ engagement session for the sales team members across various businesses
- Held various personal grooming and development training sessions to promote overall development
- Arranged an interactive masterclass session on innovation and disruption by Mr. Aseem Dhru, our Independent Director
- Conducted monthly sessions, headed by the Rossari Innovation Cell's team heads and key members to brainstorm on innovative ideas

NURTURING SELF-MOTIVATION

For any organisation, recognition is a powerful tool as it helps identify and acknowledge employees' contributions. Additionally, it also helps create a culture of high performance by appreciating the efforts and hard work of the employees. To boost the motivation of our team and to recognise their hard work, we announced two specific awards to be accorded to an employee and a team based on their evaluation and KRA scores:

- STAR Employee of the Quarter and
- STAR Team of the Quarter

PERFORMANCE REVIEW

NURTURING PERFORMANCE. SCALING PROGRESS.

Performance Highlights

₹7,093.45 million
TOTAL REVENUE

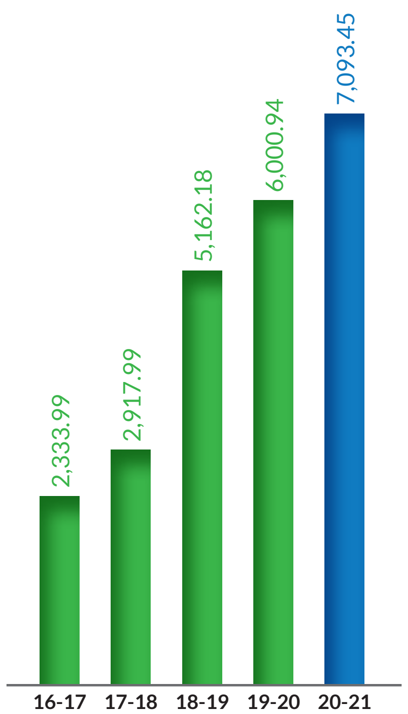
₹1,230.58 million
EBITDA

₹800.46 million
PAT

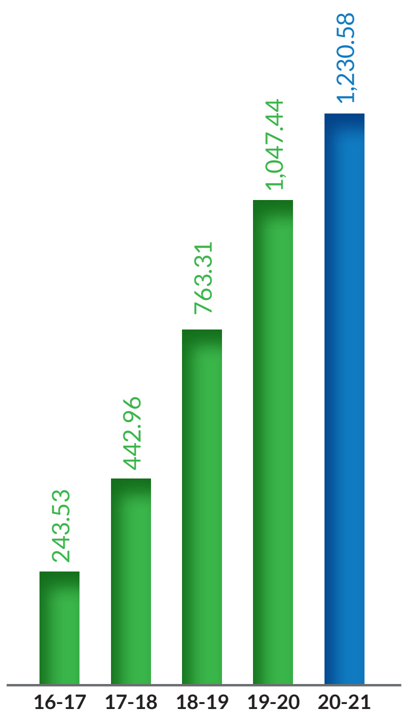
24.53%
RoCE

19.59%
RoE

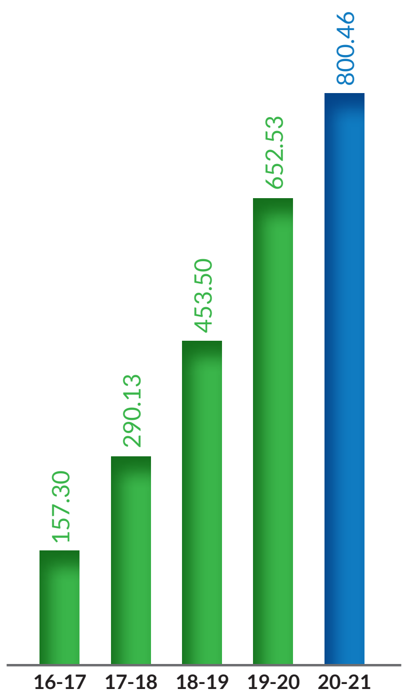
Financial Performance



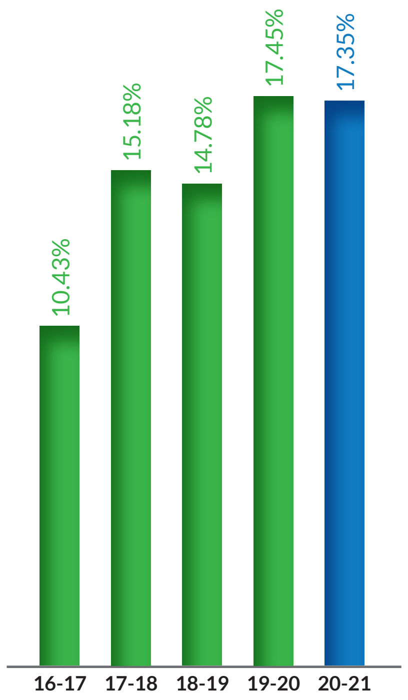
Revenues (₹ in million)



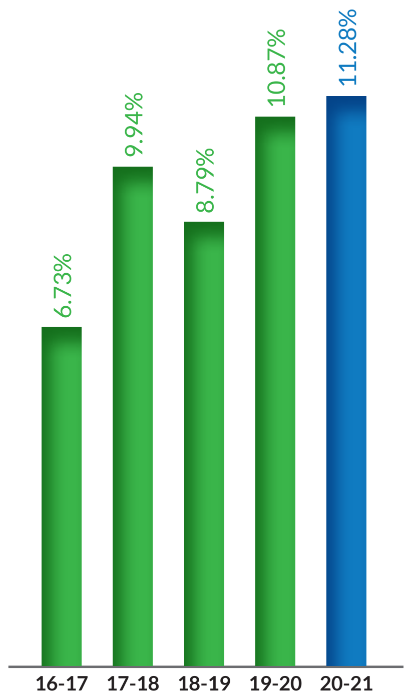
EBITDA (₹ in million)



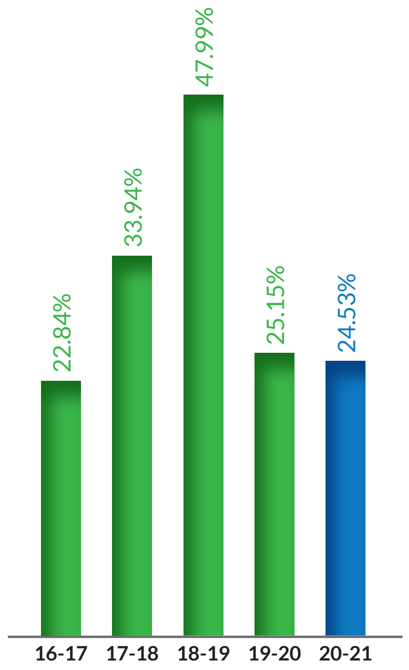
PAT (₹ in million)



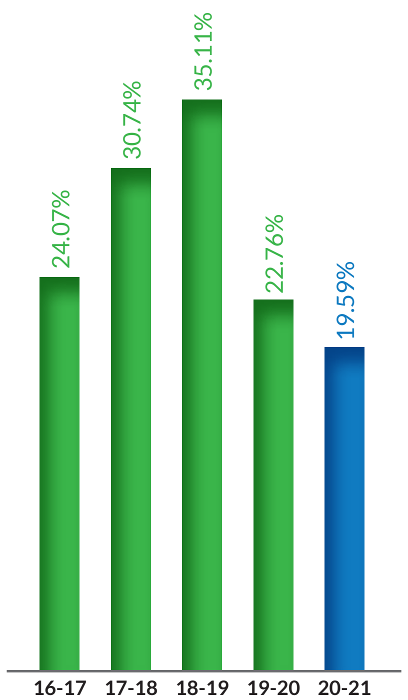
EBITDA Margin (%)



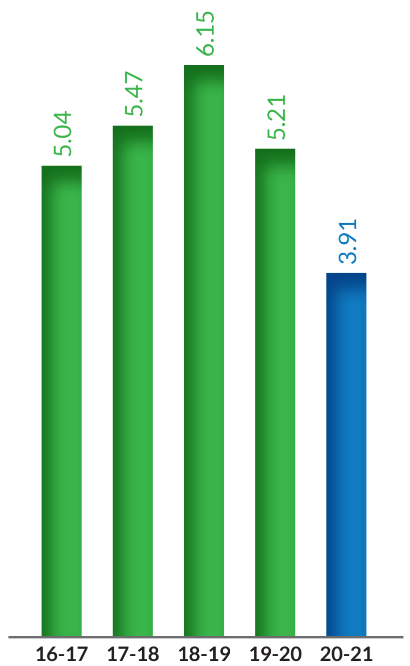
PAT Margin (%)



RoCE (%)



RoNW (%)



Fixed Asset Turnover (Days)

EBITDA: Earnings before interest, taxes, depreciation and amortisation

PBT: Profit before Tax

PAT: Profit after Tax

RoCE: Return on Capital Employed

RoNW: Return on Net worth

ENVIRONMENT, SOCIAL AND GOVERNANCE

ENVIRONMENT, SOCIAL AND GOVERNANCE

ENVIRONMENT

Sustainability is at the core of our business processes and a strategic priority. It underpins what we do, how we do and for whom we do. Our business practices, manufacturing operations, and societal impact considerations are strong evidence of our commitment to sustainability.

Our continuous approach to reducing carbon emissions, freshwater consumption, pollution control, and our relentless efforts of "greenovation" to introduce green chemistry and enhance human health and the environment drives us towards addressing environmental challenges for a sustainable world.

Being an ethically responsible company, we continually endeavour to take necessary measures to prevent, minimise and remediate any waste or pollutants to seep out into the ecosystem. We ensure minimal generation of harmful emissions or waste during our manufacturing process. By taking extra precautions, we control Water, Air, Noise and other hazardous waste from polluting the environment. In addition, constant checks at plants and agile procedures like stack monitoring data assure less carbon footprint of generation GHG.

We are committed to discovering green solutions that effectively contribute to the green foundations like ZDHC (Zero Discharge for Hazardous Chemicals) and GOTS (Global Organic Textile Standards). Our sustainable manufacturing practices and safety standards go through timely reviews. These processes help us identify and mitigate any loopholes that might hamper our output or supply.

OUR KEY SUSTAINABILITY FOCUS AREAS:

Energy Conservation:

- Installed acoustic enclosures to curb noise pollution where there is more than 70 dB sound level, i.e., DG sets at both facilities in Silvassa and Dahej
- Utilised solar renewable source of energy at Silvassa plant for the plant premises. Solar energy systems include collectors to convert solar radiation to heat in a fluid, energy storage units designed to accumulate energy when it is available and deliver it when needed, means to deliver the energy from the storage to a load, and necessary pumps, controls, etc. 50 KWP solar energy is merged with main power supply to the transformer having capacity of 1,600 KVA
- Used renewable energy at Dahej plant. A 600 KVA solar panel is installed on the roof top of the plant building, designed to accommodate up to 1MW solar power installation. The plant is designed in a manner that it gets sufficient daylight in production and other areas. Moreover, production processes have been designed to utilise gravity feed for material from one stage to two stage, it can save electricity power

Promoting low carbon economy:

- We ensure carbon abatement and absolute carbon reduction and are striving for carbon neutrality
- No harmful emission or pollutants are involved during the manufacturing process at both Silvassa and Dahej manufacturing facilities
- Zero Discharge of Hazardous Chemicals (ZDHC) in both the facilities leading the textile industry towards sustainable chemistry and best environmental practices. Both the facilities have been certified as ZDHC level-3 getting the organisation closer to awareness and implementation of sustainability
- The stack monitoring data represent low carbon footprint of GHG generation at production sites

Water Management:

- Wastewater generated from production plant has low chemical oxygen demand (COD) and total dissolved solids (TDS), and at the same time it is non-toxic. It has some concentration of biochemical oxygen demand (BOD) which is treated in Effluent Treatment Plant
- We have conducted Water Audit through Government body National Productivity Council (NPC). The freshwater extraction from ground is 63% of the permissible limit and is mostly used in Production Personal care department, production main building and laboratory, Production HUL plant, domestic, canteen, fire hydrant utilities like cooling tower make-up among others

Circular Economy –

The Company endeavours to remain in the industry benchmark in managing solid waste and creating value using 3R (Reduce, Reuse and Recycle) principles of the Circular Economy. Waste generated is collected, sealed and stored in the designated area with access control and disposed of safely. Approximately 16,000 empty HDPE drums/ containers have been recycled and used at Silvassa and Dahej plant, so far.

Biodiversity –

Rossari works with several organisations to enhance its performance in biodiversity conservation. We strive to significantly reduce our impact on the ecosystem and biodiversity.

The Dahej facility planted around 2,200 trees in six months. The Silvassa facility planted approx. 110 trees in gram panchayat Kacheri, 140 trees have been planted and are being maintained within the plant premises for the last 5 to 6 years at Silvassa facility. Silvassa facility has also developed a garden locally.

ENVIRONMENT, SOCIAL AND GOVERNANCE

SOCIAL

Being socially responsible and part of a global community, we pursue a holistic and inclusive growth for all, our clients, associates, stakeholders and society. We actively engage with the communities in our regions of operation to create sustainable social and economic development. Thus, we not only care but actively participate and contribute to the betterment of society.

Throughout the pandemic lockdown, team Rossari remained active and distributed sanitisers and disinfectants across cities and states to numerous NGOs, schools, and other organisations, whilst taking adequate protective measures and practising social distancing.

Considering sanitisation as the primary measure to prevent the raging Covid-19 pandemic, we stood firm to promote sanitation and safety to society. As a result, we successfully donated 6,000 Litres of sanitisers and disinfectants in our fight against combating the spread of the virus.

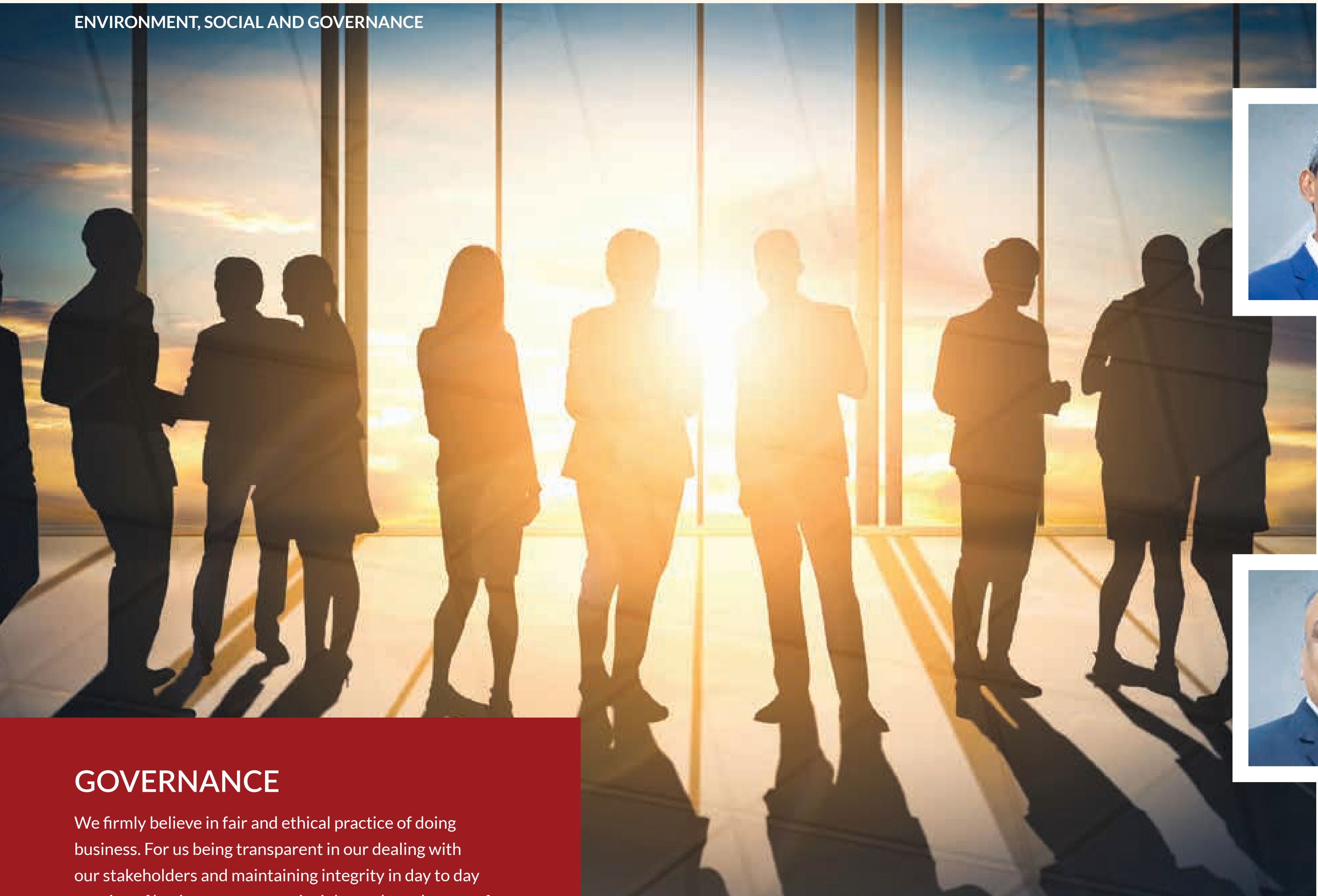
By upscaling our production capabilities, we significantly supported society. We met the global shortage by providing robust solutions like disinfectants and cleaning agents to ensure people's health and hygiene needs.

The ethos of customer-centricity is deeply embedded in our organisation. With our knowledge of chemistry and innovation, we understand the need of our customers by offering customised value-added products that can build trust and credibility. To us, happy and satisfied customers mean better business in improved productivity and a greater sense of purpose.

We strive to continuously expand our product portfolio with continuous development and create sustainable long-term relationship with our stakeholders that fosters longevity and value creation.

Considering animal wellness as an integral part of our Company ethos, AHN business associated with Eagle 9 Pet Clinic to contribute to the welfare of furry pets. Anti-Rabies drive was carried out and stood in strong support to promote free rabies vaccination and medical check-up for pets and stray animals in Kanjurmarg, Mumbai.

ENVIRONMENT, SOCIAL AND GOVERNANCE



GOVERNANCE

We firmly believe in fair and ethical practice of doing business. For us being transparent in our dealing with our stakeholders and maintaining integrity in day to day running of business are core principles and touchstone of a successful enterprise.

Strong Value System

At Rossari we remain steadfast to our core principles of integrity and values. We are a zero-litigation company applying good corporate governance to underpin long-term performance and maximise stakeholder value.

Experienced Promoters with strong management team having domain knowledge

We have an experienced management team led by our founders and Promoters. We also have an advisory board which provides overall industry and business guidance to our Board of Directors. We believe that the experience and relationships that our management team has, have enabled us to extend our operating capabilities, improved the technical quality of our products and facilitated our growth in the specialties chemical industry. We also believe that we have a strong second line of management and an experienced pool of Key Managerial Personnel.

M

Mr. Edward Menezes - Executive Chairman and Co-Founder

Mr. Edward Menezes is the Executive Chairman and founder of our Company. He has been a member of our Board since incorporation of our Company. He was also a partner of Rossari Biotech prior to the conversion into our Company. He holds a Bachelor's degree in science (chemistry major) from K. J. Somaiya College of Science, University of Bombay and a Bachelor's degree of science (technology) in textile chemistry from University Department of Chemical Technology (UDCT), University of Bombay. He also holds a Master's degree in marketing management from Prin. L. N. Welingkar Institute of Management Development & Research, Mumbai. Edward Menezes was also awarded 'UAA Distinguished Alumnus Technology Day Award, 2013' by UDCT and the Institute of Chemical Engineering. He was previously associated with Clariant India Limited (erstwhile Sandoz India Limited). He has over 26 years of experience in the specialty chemicals industry and has more than 10 years of experience in different roles within our Company and has been actively involved in the day-to-day running of our Company.

Mr. Menezes, is Member of Corporate Social Responsibility Committee and Management Committee of our Company.

C M M

Mr. Sunil Srinivasan Chari - Managing Director and Co-Founder

Mr. Sunil Chari is the Managing Director and founder of our Company. He has been a member of our Board since incorporation of our Company. He was also a partner of Rossari Biotech prior to the conversion into our Company. He holds a Bachelor's degree in arts from the Kakatiya University. He also holds a diploma in technical and applied chemistry from Victoria Jubilee Technical Institute (VJTI). He has over 21 years of experience in the specialty chemicals industry. He has more than 10 years of experience in different roles within our Company and has been actively involved in the day-to-day running of our Company.

Mr. Chari, is Chairperson of Risk Management Committee and Management Committee and also a Member of Audit Committee and Stakeholders Relationship Committee, of our Company.

C

Mr. Aseem Dhru - Independent Director

Mr. Aseem Dhru is an Independent Director of our Company. He was appointed on the Board of our Company on November 12 2019. He holds a Bachelor's degree in commerce from H. L. Commerce College, Gujarat University. He is an associate member of the Institute of Chartered Accountants of India and the Institute of Cost and Works Accountants of India. He was previously associated with HDFC Bank Limited as a group head and was a director on the board of HDB Financial Services Limited and HDFC Securities Limited. He is currently the Chief Executive Officer and Managing Director on the board of SBFC Finance Private Limited.

Mr. Dhru, is Chairperson of Audit Committee of our Company.

Audit Committee | Stakeholders' Relationship Committee | Nomination Remuneration Committee

Risk Management Committee | Corporate Social Responsibility Committee | C-Chairperson | M-Member

Mr. Goutam Bhattacharya - Independent Director

Mr. Goutam Bhattacharya is an Independent Director of our Company. He was appointed on the Board of our Company on December 6 2018. He is a post graduate in management from the Indian Institute of Management, Ahmedabad. He was previously associated with Pulcra Chemicals India Private Limited as the Managing Director. He started his career with BASF India Ltd. and has over 50 years of experience in the specialty chemicals industry.

Mr. Bhattacharya is Chairperson of Stakeholders Relationship Committee and Member of Audit Committee, Risk Management Committee, Corporate Social Responsibility ("CSR") Committee and Management Committee of our Company.

Ms. Meher Castelino - Independent Director

Ms. Meher Castelino is an Independent Director of our Company. She joined the Board of our Company on July 4 2018. She has completed her basic education from Lawrence School Lovedale, University of Cambridge. Ms. Meher Castelino is Internationally Renowned Fashion Journalist. She was the First Femina Miss India, 1964 from India. She is also author of 3 Books namely Manstyle, Fashion Kaleidoscope and Fashion Musings. At present, Ms. Meher Castelino is the director of VIP Clothing Limited and has been associated with them since 2015.

Ms. Castelino, is Chairperson of Corporate Social Responsibility Committee, Member of Nomination and Remuneration Committee and Stakeholders Relationship Committee of our Company.

Mr. Robin Banerjee - Independent Director

Mr. Robin Banerjee is an Independent Director of our Company. He was appointed on the Board of the Company on November 12 2019. He holds a Master's degree of commerce from University of Calcutta.

Mr. Banerjee is a fellow member of the Institute of Chartered Accountants of India, the Institute of Company Secretaries of India and the Institute of Cost & Management Accountants of India. He has been previously associated, amongst others, with Hindustan Unilever, Arcelor Mittal Germany, Thomas Cook India, Suzlon Energy and currently with Caprihans India Limited

Mr. Banerjee, is the Chairperson of Nomination and Remuneration Committee and Member of Risk Management Committee of our Company.

Maj Gen Sharabh Pachory VSM (Retd.) - Independent Director

Maj Gen Sharabh Pachory, VSM (Retd.) is an Independent Director of our Company. He was appointed on the Board of our Company on November 12 2019. He is a retired Major General from the Indian Army. He holds a Bachelor's degree in Science from University of Jabalpur and a Master's degree of Science in Defence and Strategic Studies from University of Madras. He has also completed a Senior Defence Management Course, Advanced capsule on Strategic Management and Decision Making from the College of Defence Management, Secunderabad. He also participated in an Independent Director's Training Programme for senior officers of Armed Forces conducted by Management Development Institute, Gurugram, and also holds a certificate from All India Management Association for completion of an advance course on Strategic Management. Maj Gen Pachory has also completed online proficiency assessment test for Independent Director's Databank conducted by Indian Institute of Corporate Affairs under the aegis of Ministry of Corporate Affairs, Govt of India. As a senior retired Defence Officer who served from 1982 to 2018, he has over 35 years of experience in the fields of Defence Administration, Planning and Strategy.

Maj Gen Sharabh Pachory VSM (Retd.) is also a Member of Nomination and Remuneration Committee of our Company.

CORPORATE INFORMATION

Board of Directors

Edward Menezes
Executive Chairman

Sunil Chari
Managing Director

Aseem Dhru
Independent Director

Goutam Bhattacharya
Independent Director

Meher Castelino
Independent Director

Robin Banerjee
Independent Director

Maj Gen Sharabh Pachory VSM (Retd.)
Independent Director

Manasi Nisal
Chief Financial Officer

Parul Gupta
Company Secretary & Compliance Officer

Statutory Auditors

Deloitte Haskins & Sells LLP
Chartered Accountants

Bankers

HDFC Bank Limited
The Hongkong and Shanghai Banking Corporation Limited
Axis Bank Limited
State Bank of India

Registrar and Transfer Agent

Link Intime (India) Private Limited
C 101, 247 Park, Lal Bahadur Shastri Marg,
Vikhroli (West), Mumbai – 400 083, India

Registered & Corporate Office

201 A & B, Akruti Corporate Park,
Next to G. E. Gardens, LBS Marg,
Kanjurmarg West, Mumbai - 400 078, India
Tel: +91 22 6123 3800
Website: www.rossari.com
CIN: L24100MH2009PLC194818

Our Facilities

Silvassa Plant
Plot No. 10 & 11, Survey No. 90/1/10 & 90/1/11/1,
Khumbarwadi, Village Naroli, Silvassa – 396 235,
U. T. of Dadra & Nagar, India.

Dahej Plant
Plot No: D3/24/3, Opposite ATC Tyre Phase III,
G.I.D.C. Dahej, Village Galanda, Taluka Vagra,
Bharuch-Gujarat-392 130, India

Board's Report

Your Directors have pleasure in presenting the Twelfth Annual Report and the Audited Financial Statements for the Financial Year ended March 31, 2021.

HIGHLIGHTS OF FINANCIALS

Financial performance of your Company for the year ended March 31, 2021 is summarised below:

₹ in Million

Particulars	Standalone		Consolidated	
	2020-21	2019-20	2020-21	2019-20
Revenue from Operations	6904.14	6,000.94	7093.45	6000.94
Other Income	102.09	36.31	91.90	37.24
Profit/loss before Depreciation, Finance Costs, Exceptional items and Tax Expense	1310.64	1,086.37	1322.48	1084.68
Less : Depreciation & amortisation	220.74	168.52	228.29	168.52
Profit /loss before Finance Costs, Exceptional items and Tax Expense	1089.90	917.85	1094.19	916.16
Less : Finance Costs	29.92	36.78	29.92	35.57
Profit /loss before Exceptional items and Tax Expense	1059.98	881.07	1064.27	880.59
Add/(Less) : Exceptional items	-	-	-	-
Profit before Tax Expenses and share of profit / loss of joint venture	1059.98	881.07	1064.27	880.59
Add: Share of profit /(loss) of joint venture	-	-	4.11	(2.18)
Profit before Tax Expenses	1059.98	881.07	1068.38	878.41
Less: Tax Expense (Current & Deferred)	268.96	225.85	267.92	225.88
Profit/loss after tax	791.02	655.22	800.46	652.53
Other Comprehensive Income / (Cost)	1.25	(2.25)	1.06	(2.25)
Total Comprehensive Income	792.27	652.97	801.52	650.28

BUSINESS OUTLOOK & FINANCIAL PERFORMANCE

The Company is one of the leading specialty chemicals manufacturing companies in India, providing customised solutions to specific industrial and production requirements of our customers primarily in the FMCG, apparel, poultry and animal feed industries through our diversified product portfolio.

Business of the Company is organised in three main product categories:

1. Textile specialty chemicals;
2. Animal health and nutrition products; and
3. Home, personal care and performance chemicals (HPPC).

The performance of your Company for the year on a standalone and consolidated basis is reflected by the following ratios:

Particulars	Standalone		Consolidated	
	2020-21	2019-20	2020-21	2019-20
EBITDA (% to Revenue from Operations)	17.50%	17.50%	17.35%	17.45%
PAT (% to Revenue from Operations)	11.46%	10.92%	11.28%	10.87%
ROACE (%)	25.00%	25.50%	24.52%	25.15%
RONW (%)	19.56%	23.11%	19.58%	22.76%
Earnings per Share (₹) Basic	15.34	13.48	15.56	13.42
Earnings per Share (₹) Diluted	15.25	13.28	15.47	13.23
Book Value per Share (₹)	77.88	55.85	78.72	56.48

Your Company had delivered a healthy performance during the Financial Year, registering a top-line growth of 18.21 % on consolidated basis. The HPPC business of the Company continues to record robust performance driven by healthy offtake witnessed in hygiene products and anti-viral portfolio sales. In addition, the business has witnessed improved traction in engagements with several customers leading to new client wins across categories.

During the Financial Year under review, the Company's new state-of-the-art certified R&D laboratory, Rossari Centre of Excellence was fully operationalised. Strategically located on the IIT campus in Mumbai, the R&D laboratory is fully equipped with advanced testing and research equipment. This facility alongside the existing R&D arm at Silvassa will enable the Company to identify and develop new niches in its product portfolio.

Your Company successfully achieved the full commissioning of its Greenfield manufacturing facility at Dahej, Gujarat. Another key focus area for us is towards leveraging upon our R&D capabilities to seed new business lines within our core chemistries. Accordingly, we have a strong upcoming pipeline of new products, with impetus on sustainability and environment friendliness.

CONSOLIDATED FINANCIAL STATEMENTS

The Consolidated Financial Statements of the Company have also been prepared in accordance with relevant Accounting Standards issued by the Institute of Chartered Accountants of India forming part of this Annual Report. In accordance with Section 136 of the Companies Act, 2013 ("the Act"), the Audited Financial Statements, including the Consolidated Financial Statements and related information of the Company and Audited Accounts of each of its subsidiaries are available on Company's website at www.rossari.com/financial-information/.

Pursuant to the provisions of Section 129 of the Act and the Companies (Accounts) Rules, 2014, the salient features of the financial statement of each of our subsidiaries are set out in the prescribed format AOC-1 which forms part of the Financial Statements section of this Annual Report.

SUBSIDARIES

During the Financial Year under review, the Company had the following subsidiaries namely:

Buzil Rossari Private Limited

Buzil Rossari Private Limited ("BRPL") became a wholly owned subsidiary of the Company w.e.f. August 31, 2020. BRPL achieved a revenue of ₹ 538.49 milllion as compared to ₹ 299.56 milllion in the previous year. Profit before tax is ₹ 29.99 milllion as against profit of ₹ 3.71 milllion of the previous year. The profit after tax stood at ₹ 28.91 milllion as compared to the profit of ₹ 2.94 milllion in the previous year.

Rossari Personal Care Products Private Limited

Rossari Personal Care Products Private Limited (Formerly known as Neutron Impex Private Limited) ("RPCPPL") Subsidiary of the Company achieved a revenue of ₹ 53.17 milllion as compared to ₹ 3.22 milllion in the previous year. Profit / (Loss) before tax is ₹ (6.25) milllion as against profit / (loss) of ₹ 0.49 milllion of the previous year. The profit /(loss) after tax stood at ₹ (6.25) milllion as compared to the profit / (loss) of ₹ (0.52) milllion in the previous year.

Further, pursuant to the provisions of Section 136 of the Act, the Financial Statements of subsidiary Companies are uploaded on the website of your Company i.e. www.rossari.com.

TRANSFER TO GENERAL RESERVE

During the year under review, your Company has not transferred any amount to General Reserve.

REGISTERED OFFICE

There was no change in the Registered Office of the Company during the Financial Year under review. The present address of the Registered Office is as follows:

201 A & B Akruti Corporate Park, LBS Marg, Next to G. E. Gardens, Kanjurmarg West, Mumbai, Maharashtra 400078.

DIVIDEND

Your Directors haverecommended a Final Dividend of 25% (i.e. ₹ 0.50) on Equity Shares of the Face Value of ₹ 2/- each for the year ended March 31, 2021. This dividend proposal is subject to approval of the Shareholders at the ensuing 12th Annual General Meeting ("AGM"). The Dividend is subject to the approval of Members at the AGM scheduled on September 17, 2021. In view of the changes made under the Income tax Act, 1961, by the Finance Act, 2020, dividends paid or distributed by the Company shall be taxable in the hands of the Shareholders, your Company shall, accordingly, make the payment of the Dividend after deduction of tax at source.

Your Company has also formulated a Dividend Distribution Policy pursuant to approval of Board of Directors at their meeting held on March 23, 2021. The said policy is available on the website of the Company at https://www.rossari.com/wp-content/uploads/2021/04/Dividend-Distribution-Policy.pdf and is set out in in **Annexure-I** and forms part of this report .

UNPAID / UNCLAIMED DIVIDEND

In terms of the provisions of Investor Education and Protection / Investor Education and Protection Fund (Awareness and Protection of Investors) Rules, 2001, there was no unpaid / unclaimed dividends to be transferred during the year of review to the Investor Education and Protection Fund.

SHARE CAPITAL

The paid-up equity share capital of the Company as on March 31, 2021 was ₹ 103.86 million divided into 5,19,29,390 Equity Shares of ₹ 2 each.

Further, as per the recommendation of the Board of Directors, Members of the Company at their meeting held on April 17, 2021 approved the issue and allotment of 30,12,046 Equity Shares by way of Preferential Allotment. The Board of Directors in accordance with Chapter V of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended, and other applicable laws, determined a floor price of ₹ 996 per Equity Share, aggregating to an issue size of ₹ 3,000 million. The issue and allotment of shares on preferential basis was completed on April 21, 2021.

INITIAL PUBLIC OFFER AND UTILIZATION OF PROCEEDS

The Initial Public Offer ("IPO") of the Company comprised of 1,16,76,470 equity shares of face value of ₹ 2 each ("equity shares") for cash at a price of ₹ 425 per equity share (including a share premium of ₹ 423 per equity share) (the "offer price") aggregating to ₹ 4,962.50 million comprising a fresh issue of 11,76,470 equity shares aggregating to ₹ 500.00 million (the "fresh issue") and an offer for sale of 10,500,000 equity shares (the "offered shares") aggregating to ₹ 4,462.50 million, comprising an offer for sale of 52,50,000 equity shares aggregating to ₹ 2,231.25 million by Mr. Edward Menezes and 52,50,000 equity shares aggregating to ₹ 2,231.25 million by Mr. Sunil Chari (the "promoter selling shareholders").

The Company has also raised an amount of ₹ 1000 million through Pre-IPO during February, 2020. Hence, the amount raised by the Company through IPO and Pre-IPO was ₹ 1500 million.

The net proceeds of the Fresh issue were to be utilised for Repayment/Prepayment of certain indebtedness availed by the Company, Funding working capital requirement and general corporate purposes. The proceeds received by the Company has been fully utilized for the purpose as set out in the prospectus and there was no deviation in utilization of the proceeds of IPO.

ROSSARI EMPLOYEE STOCK OPTION PLAN

The Members at their meeting held on December 02, 2019 had approved the "Rossari Employee Stock Option Plan – 2019" ("ESOP 2019") authorising grant of not exceeding 15,00,000 (Fifteen lakh) options to the eligible employees, in one or more tranches. Further, in terms of Regulation 12(1) of the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 ("SEBI SBEB Regulations"), the Board of Directors of the Company at their meeting held on January 23, 2021 had recommended for approval of the Members of the Company for ratification of Rossari Employee Stock Option Plan – 2019 for the employees of the Company and Employees of the Subsidiaries of the Company. The Members of the Company at their meeting held on April 17, 2021 ratified and approved the ESOP 2019.

The Nomination and Remuneration of the Committee has revised the ESOP grant price for the ESOP granted prior to Initial Public Offer from ₹ 475/- each to ₹ 425/- each. Details of the plan as required under Securities & Exchange Board of India (Share Based Employee Benefits) Regulations 2014 is set out in **Annexure-II** and forms part of this report and also available on the website of the Company at www.rossari.com. Further, details of ESOP 2019 are also given in the Notes to the Financial Statements, forming a part of this Annual Report.

PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Act are given in the Notes to the Financial Statements, forming a part of this Annual Report.

CORPORATE SOCIAL RESPONSIBILITY

Corporate Social Welfare Activities has been an integral part of the Company since its inception. Pursuant to Section 135 of the Act and relevant Rules the Board has constituted a CSR Committee.

The Company has also formulated CSR Policy, which is available on the Company's website www.rossari.com. A Report on CSR Activities undertaken by the Company is set out in **Annexure-III** and forms part of this Annual Report.

VIGIL MECHANISM / WHISTLE BLOWER POLICY

Rossari is committed to maintain the highest standard of honesty, openness and accountability and recognise that employees play an important role in growth and expansion of Rossari. They are the most valuable asset of our Company.

Company's Whistleblower Policy encourages Directors and employees to bring to the Company's attention to the instances of unethical behaviour, actual or suspected incidents of fraud or violation of the conduct.

It is the Company's Policy to ensure that no employee is victimised or harassed for bringing such incidents to the attention of the Company. The practice of the Whistleblower Policy is overseen by the Board of Directors and no employee has been denied access to the Audit Committee. The Whistleblower Policy is available on the Company's website at www.rossari.com.

POLICY ON REMUNERATION AND OTHER ASPECTS OF DIRECTORS AND KMPS

The Board of Directors on the recommendation of the Nomination & Remuneration Committee has framed a policy which inter alia lays down a framework in relation to remuneration of Directors, Key Managerial Personnel and Senior Management of your Company and criteria for selection and appointment of Board members.

The salient features of the Nomination and Remuneration Policy of the Company are set out in the Corporate Governnace Report section which forms a part of this Annual Report. The Policy is also available on Company's website at www.rossari.com.

BOARD OF DIRECTORS

Appointment

During the period under review no new Director was appointed in the Company.

Retirement by Rotation

Mr. Sunil Chari (DIN:00149083) will retire by rotation and being eligible, offers himself for re-appointment at the ensuing 12th Annual General Meeting of the Company.

A detailed profile(s) of Mr. Sunil Chari seeking appointment at the forthcoming AGM as required under Secretarial Standard on General Meetings is provided separately by way of an Annexure to the Notice of the AGM.

Number of Meetings of the Board

The Board had (7) meetings during the Financial Year under review. The maximum time gap between any two Board Meetings was not more than 120 days as required under Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"). Section 173 of the Act and Secretarial Standard on Meetings of the Board of Directors. Further details on meetings of the Board of Directors and other details are provided in the Corporate Governance Report section which forms part of this Annual Report.

Annual evaluation by the Board

Pursuant to the applicable provisions of the Act and Listing Regulations, the Board carried out an annual evaluation of its performance as well as of the working of its committees and individual Directors including Chairman of the Board. This exercise was carried out through a structured questionnaire prepared separately for the Board, Committees and individual Directors. The Chairman's and Managing Director's performance evaluation was carried out by Independent Directors at a separate meeting.

The Board's functioning was evaluated on various aspects, including inter alia, structure of Board, strategy, meetings of the Board, stakeholders value and responsibility, performance management, information management, governance and compliance, performance parameters. The Directors were evaluated on aspects such as strategic and functional, ethics and value, team player, self-development and other general criteria.

The Committees of the Board were evaluated on aspects such as mandate, composition and terms of reference of the Committees, reviews and decision making, core governance and compliance and overall as a whole.

The performance evaluations of the Independent Directors were carried out by the entire Board, excluding the Director being evaluated. The performance evaluation of the Chairman and the Non-Independent Directors were carried out by the Independent Directors who also reviewed the performance of the Board as a whole.

KEY MANAGERIAL PERSONNEL

During the Financial Year under review, there was no change in the Key Managerial Personnel.

DECLARATION BY INDEPENDENT DIRECTORS

The Independent Directors of the Company have submitted declaration of Independence confirming that they meet the criteria of independence under Section 149(6) of the Act and Listing Regulations.

The Board is of the opinion that all the Independent Directors appointed during the year possess integrity, have relevant expertise and experience and fulfil the conditions specified under the Act, and the Listing Regulations.

DIRECTORS' RESPONSIBILITY STATEMENT

To the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statements in terms of Section 134(3)(c) of the Act:

a. in the preparation of the annual financial statements for the year ended March 31, 2021, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;

b. such accounting policies as mentioned in the Notes to the Financial Statements have been selected and applied consistently and judgment and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2021 and of the profit of the Company for the year ended on that date;

c. proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

d. the annual financial statements have been prepared on a going concern basis;

e that proper internal financial controls were in place and that the financial controls were adequate and were operating effectively;

f. that systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

BOARD COMMITTEES

In order to strengthen its functioning of the Board, the Board of Directors has constituted the following Committees as per the requirement of Act and the Listing Regulations:

a) Audit Committee

b) Nomination & Remuneration Committee

c) Stakeholder's Relationship Committee

d) Corporate Social Responsibility Committee

e) Risk Management Committee

Details of the Committees along with their terms of references, composition and meetings held during the financial under review are provided in the Corporate Governance Report section which forms part of this Annual Report.

AUDITORS

A. Statutory Auditors

M/s. Deloitte Haskins & Sells LLP, Chartered Accountants (Firm Registration No. 117366W/W-100018), were appointed as Statutory Auditors of the Company at the 9th AGM held on September 29, 2018, for a period of 5 years from the hold the office from the conclusion of 9th AGM till the conclusion of 14th AGM of the Company to be held in the Year 2023.

The Report given by the Auditors on the Financial Statements of your Company is part of this Annual Report. There is no qualification, reservation, adverse remark or disclaimer given by the Auditors in their Report. The Statutory Auditors Report to the Members for the year under review does not contain any modified opinion or qualifications and the observations and comments given in the report of the Statutory Auditors read together with Notes to accounts are self-explanatory and hence do not call for any further explanation or comments under Section 134(f)(i) of the Act.

B. Secretarial Auditors

Pursuant to Section 204 of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of Directors of the Company on recommendation of Audit Committee appointed M/s. Roy Jacob & Co., Company Secretaries as Secretarial Auditor of the Company. The Secretarial Audit Report is set out in **Annexure-IV** and forms part of this Annual Report.

The Secretarial Compliance Report for the Financial Year ended March 31, 2021, in relation to compliance of all applicable SEBI Regulations/circulars/ guidelines issued thereunder, pursuant to requirement of Regulation 24A of Listing Regulations, is set out in **Annexure-IV(A)** to this report. The Secretarial Compliance Report has been voluntarily disclosed as part of Annual Report as good disclosure practice.

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

C. Cost Auditors

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

As per Section 148 of the Act read with Companies (Cost Records and Audit) Rules 2014, the Board of Directors of the Company based on recommendation of the Audit Committee has appointed M/s. R. Shetty & Associates, Cost Accountants (Registration No.:101455) to audit the cost accounts of the Company for the Financial Year 2021-22. In term of Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditor is required to be ratified by the members Accordingly, a resolution seeking ratification by the members for the remuneration is listed in the AGM Notice as Special Business.

The Cost Auditors have certified that their appointment is within the limits of Section 141(3)(g) of the Act and that they are not disqualified from appointment within the meaning of the said Act.

REPORTING OF FRAUDS

There was no instance of fraud during the year under review, which required the Auditors to report to the Audit Committee and /or Board under the Act and Rules made thereunder.

CORPORATE GOVERNANCE REPORT AND CERTIFICATE

In compliance with Regulation 34 read with Schedule V(C) of Listing Regulations, a report on Corporate Governance and the certificate as required under Schedule V(C) of Listing Regulations received from the Statutory Auditors of the Company, forms part of this Annual Report.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The Management Discussion and Analysis Report is presented in a separate section forming part of this Annual Report.

BUSINESS RESPONSIBILITY REPORT

The Business Responsibility Report of your Company for the Financial Year 2020-21 forms part of this Annual Report as required under Regulation 34(2)(f) of the Listing Regulations. The Board of Directors has adopted a Business Responsibility Policy which is available on Company's website at https://www.rossari.com/wp-content/uploads/2021/05/Business-Responsibility-Policy.pdf.

COMPLIANCE OF SECRETARIAL STANDARDS OF ICSI

In terms of Section 118(10) of the Act, the Company has complied with the Secretarial Standards issued by the Institute of Company Secretaries of India and approved by Central Government with respect to Meetings of the Board of Directors and General Meetings.

ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The disclosure of particulars with respect to Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo as required under Section 134(3)(m) of the Act read with Rule 8(3) of the Companies (Accounts) Rules, 2014 is annexed herewith as **Annexure-V** to this Director's Report.

ANNUAL RETURN

The Annual Return as provided under Section 92 of the Act is available on the website of the Company at www.rossari.com/ir-annual-report/.

PREVENTION OF SEXUAL HARASSMENT AT WORKPLACE

Your Company believes that Sexual Harassment can and must be eliminated through awareness and is committed to enforce the policy for providing protection against and to prevent sexual harassment at workplace to protect all its staff members interns, trainees and visitors at work places.

Your Company has a policy in place with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 named Policy for Prohibition, Prevention, and Redressal of Sexual Harassment at Workplace and the same is available on Company's website at www.rossari.com/corporate-governance/. Internal Complaints Committees ("ICC") have been set up to redress complaints received regarding sexual harassment and the Company has complied with provisions relating to the constitution of Internal Complaints Committee. During the Financial Year under review, no complaints with allegation of sexual harassment were filed with the Company.

RELATED PARTY TRANSACTIONS

The Board of Directors has adopted Policy on Materiality of Related Party Transactions and Dealings with Related Party Transaction and the said policy is available on Company's website at https://www.rossari.com/wp-content/uploads/2020/02/Policy-on-Materiality-of-Related-Party-Transactions-and-Dealing-with-Related-Party-Transactions.pdf.

The objective of the Policy is to ensure proper approval, disclosure and reporting of transactions as applicable, between the Company and any of its related parties. All contracts or arrangements with related parties entered into or modified during the Financial Year were at arm's length basis and in the ordinary course of the Company's business. All such contracts or arrangements were entered into only with prior approval of the Audit Committee, except transactions which qualify under omnibus approval as permitted under the law.

No material related party transactions were entered during the Financial Year by your Company. All related party transactions entered during the Financial Year were in ordinary course of the business and on arm's length basis. Accordingly, the disclosure of related party transactions as required under Section 134(3)(h) of the Act in Form AOC-2 is not applicable to your Company.

RISK MANAGMENT & INTERNAL FINANCIAL CONTROLS

The Company has a Risk Management Policy to identify, evaluate business risks and opportunities. This framework seeks to create transparency, minimise adverse impact on the business objectives and enhance the Company's competitive advantage. This framework is intended to assist in decision making process that will minimise potential losses, improve the management in the phase of uncertainty and the approach to new opportunities, thereby helping the Company to achieve its objectives.

A key factor in determining a Company's capacity to create sustainable value is the ability and willingness of the Company to take risks and manage them effectively and efficiently.

However, the Company is well aware of the above risks and as part of business strategy has put in a mechanism to ensure that they are mitigated with timely action. During the Financial Year under review the Board has also constituted Risk Management Committee to monitor and take action in events of risks.

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 and cover all offices, factories and key business areas. Your Company has adopted the procedures for ensuring the orderly and efficient conduct of business, including adherence to the Company's policies, safeguarding of its assets, prevention and detection of frauds and errors.

PARTICULARS OF EMPLOYEES

Disclosure required in respect of employees of the Company, in terms of provisions of Section 197(12) of the Act read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed herewith as **Annexure-VI** to this Directors' Report.

In terms of the provisions of Section 197(12) of the Act read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended, a statement showing the names and other particulars of the employees drawing remuneration in excess of the limits set out in the said rules are provided in the Annual Report which forms part of this Report. Having regard to the provisions of the first proviso to Section 136(1) of the Act, the Annual Report excluding the aforesaid information is being sent to the Members of the Company. The said information is available for inspection at the registered office of your Company up to the date of 12th AGM. If any Member is interested in inspecting the same, such Member may write to the Company Secretary in advance.

GENERAL DISCLOSURE

During the year under review:

a. the Company has not issued Equity Shares with differential rights as to dividend, voting or otherwise, pursuant to the provisions of Section 43 of the Act and Rules made thereunder.

b. the Company has not made any provisions of money or has not provided any loan to the employees of the Company for purchase of shares of the Company or its holding Company, pursuant to the provisions of Section 67 of the Act and Rules made thereunder.

c. the Company has not accepted any deposit from the public, pursuant to the Chapter V of the Act and Rules made thereunder.

d. the Company has not bought back its shares, pursuant to the provisions of Section 68 of the Act and Rules made thereunder.

e. there are no significant material orders passed by the Regulators/Courts which would impact the going concern status of the Company and its future operations.

f. there are no significant material changes and commitments affecting the financial position of the Company, which have occurred between the end of the Financial Year of the Company to which the financial statements relate and the date of this Report.

g. Neither the Managing Director nor the Whole-time Directors of the Company receive any remuneration or commission from any of its subsidiaries.

INDUSTRIAL RELATIONS

The industrial relations have been cordial at both the Manufacturing Units of the Company namely at Silvasa, Dadra and Nagar Haveli and newly functional manufacturing unit at Dahej, Gujrat.

ACKNOWLEDGEMENTS

Your Company express its appreciation for the sincere co-operation and assistance of Central and State Governments, authorities, bankers customers suppliers and business associates. Your Directors also wish to place on record their deep sense of appreciation for the committed services by your Company's employees. Your Directors acknowledge with gratitude, the encouragement and support extended by our valued shareholders.

The Directors deeply regret the loss of life caused due to the outbreak of COVID-19 and are grateful to every person who risked their life and safety to fight this pandemic.

For and on behalf of the Board of Directors

Edward Menezes
Executive Chairman
(DIN:00149205)

Date: July 30, 2021
Place: Mumbai

ANNEXURE – I

DIVIDEND DISTRIBUTION POLICY

1. INTRODUCTION

In accordance with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board of Directors of the Company, has adopted this Policy.

The objective of this Policy is to establish the parameters to be considered by the Board of Directors of the Company before declaring or recommending dividend.

The Policy shall not apply to:

- Issue of bonus shares by the Company.
- Buyback of securities.

The Policy is not an alternative to the decision of the Board for recommending dividend, which is made after taking into consideration all the relevant circumstances enumerated hereunder or other factors as may be decided as relevant by the Board.

2. DEFINITIONS

(i). "**Act**" shall mean the Companies Act, 2013 and rules made thereunder, as amended from time to time.

(ii). "**Applicable Laws**" shall mean the Companies Act, 2013 and Rules made there under, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015; as amended from time to time and such other act, rules or regulations which provides for the distribution of Dividend.

(iii). "**Board**" shall mean the Board of Directors of the Company.

(iv). "**Company**" shall mean Rossari Biotech Limited.

(v). "**Dividend**" includes any interim dividend.

(vi). "**Listing Regulations**" shall mean the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time.

(vii). "**Policy**" shall mean this dividend distribution policy.

(viii). "**Stock Exchange**" shall mean a recognised Stock Exchange on which the securities of the Company are listed.

3. PARAMETERS AND FACTORS FOR DECLARATION OF DIVIDEND

The dividend pay-out decision of the Board depends upon certain financial parameters and internal and external factors including:

Financial parameters and Internal Factors:

i. Financial performance of the Company for the year for which dividend is recommended;

ii. Operating cash flow of the Company;

iii. Working capital requirements;

iv. Capital expenditure requirements;

v. Past dividend payout ratio / trends;

vi. Such other factors and/or material events which the Company's Board may consider.

External Factors:

i. Statutory provisions and guidelines;

ii. Cost of financing;

iii. Any other factor that has a significant influence / impact on the Company's working / financial position of the Company.

4. CIRCUMSTANCES UNDER WHICH THE SHAREHOLDERS MAY OR MAY NOT EXPECT DIVIDEND

The decision regarding dividend pay-out is a crucial decision as it determines the amount of profit to be distributed among shareholders of the Company and the amount of profit to be retained in business. The decision seeks to balance the dual objectives of appropriately rewarding shareholders through dividends and retaining profits in order to maintain a healthy capital adequacy ratio to support future growth. The shareholders of the Company may not expect dividend in the following circumstances, subject to discretion of the Board of Directors:

i. Proposed expansion plans requiring higher capital allocation;

ii. Decision to undertake any acquisitions, amalgamation, merger, joint ventures, etc. which requires significant capital outflow;

iii. Requirement of higher working capital for the purpose of business of the Company;

iv. Proposal for buy-back of securities;

v. In the event of loss or inadequacy of profit.

vi. Such other matters as may be determined by the Board from time to time.

5. UTILIZATION OF THE RETAINED EARNING

The Company would utilise the retained earnings in a manner which is beneficial to the interest of the Company and its stakeholders including, but not limited to ensuring maintenance of a healthy level of minimum capital adequacy ratios, meeting the Company's future business growth / expansion and strategic plans or such other purpose the Board may deem fit from time to time in the interest of the Company and its stakeholders.

6. MANNER OF DIVIDEND PAYOUT

In case of final dividend:

i. Recommendation, if any, shall be done by the Board, usually in the Board meeting that considers and approves the annual financial statements, subject to approval of the shareholders of the Company.

ii. The dividend as recommended by the Board shall be approved/declared at the Annual General Meeting of the Company.

iii. The payment of dividends shall be made within the statutorily prescribed period from the date of declaration, to those shareholders who are entitled to receive the dividend on the record date/book closure period, as per the applicable law.

In case of interim dividend:

i. Interim dividend, if any, shall be declared by the Board.

ii. Before declaring interim dividend, the Board shall consider the financial position of the Company that allows the payment of such dividend.

iii. The payment of dividends shall be made within the statutorily prescribed period from the date of declaration to the shareholders entitled to receive the dividend on the record date, as per the applicable laws.

iv. In case no final dividend is declared, interim dividend paid during the year, if any, will be regarded as final dividend in the Annual General Meeting.

7. PARAMETERS ADOPTED IN RELATION TO VARIOUS CLASSES OF SHARES

The Company has issued only one class of equity shares with equal voting rights. Accordingly, all members are entitled to receive the same amount of dividend per equity share. The Policy shall be suitably modified upon the issue of equity shares of a different class.

8. POLICY REVIEW AND AMENDMENTS

The Board reserves the power to review and amend this Policy from time to time. All provisions of this Policy would be subject to revision / amendment in accordance with applicable laws as may be issued by relevant statutory, governmental and regulatory authorities, from time to time. In case of any amendment(s), clarification(s), circular(s) etc. issued by the relevant statutory, governmental and regulatory authorities are not consistent with the provisions laid down under this Policy, then such amendment(s), clarification(s), circular(s) etc. shall prevail upon the provisions hereunder and this Policy shall stand amended accordingly from the effective date as laid down under such amendment(s), clarification(s), circular(s) etc.

ANNEXURE -II

DETAILS OF STOCK OPTIONS AS ON MARCH 31, 2021

(Pursuant to Regulation 14 of the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014)

A. Relevant disclosures in terms of the 'Guidance note on accounting for employee share-based payments' issued by Institute of Chartered Accountants of India ("ICAI") or any other relevant accounting standards as prescribed from time to time Members may please refer to the audited financial statement for the year 2020-21.

B. Diluted Earnings Per Share (EPS) pursuant to issue of shares on exercise of options: Diluted EPS for the year ended March 31, 2021 is ₹ 15.25

C. Details related to Employees' Stock Option Scheme

Sr. No.	Description	Details
i)	The description including terms and conditions of ESOS is summarised as under:	
	a. Date of shareholders' approval	December 02, 2019 (Ratified by the Members post listing at the Extraordinary General Meeting held on April 17, 2021).
	b. Total Number of options approved under ESOS	15,00,000 Options
	c. Vesting Requirements	The options granted shall vest : • If employee continues to be in the employment of the Company and Holding Company/subsidiary Company(ies), if any. • Fulfils the performance targets. • The options would vest not earlier than one year and up to 10 years from the date of grant of options as may be decided by the Board (which includes Nomination and Remuneration Committee), at the time of each grant.
	d. Exercise Price or Pricing Formula	The Exercise Price shall be as decided by the Board, subject to a minimum of the face value per share per option. The Exercise Price, as determined by the Board will be appropriately specified in the relevant Letter of Grant given to the Grantee at the time of the Grant of Options.
	e. Maximum term of options granted	The options would vest not earlier than one year and up to 10 years from the date of grant of options as may be decided by the Board, at the time of each grant.
	f. Source of shares (primary, secondary or combination)	Primary
	g. Variation in terms of options	The Nomination and Remuneration Committee at its meeting held on July 22, 2020 approved the revision in grant price for 7,05,000 ESOP granted prior to initial public offer from ₹ 475/- to ₹ 425/- each.
ii)	Method used to account for ESOS	The fair value of the employee stock options has been measured using the Black-Scholes Option Pricing Model. Service and non-market performance conditions attached to the arrangements were not taken into account in measuring fair value.
iii)	Where the Company opts for expending of the options using the intrinsic value of the options, the difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognised if it had used the fair value of the options shall be disclosed. The impact of this difference on profits and on EPS of the Company shall be disclosed.	The Company is listed and has to comply with Indian Accounting Standards (Ind AS) notified under section 133 of the Companies Act, 2013, read together with the Companies (Indian Accounting Standards) Rules, 2015 (as amended), hence, the intrinsic value method is not applicable to the Company.

<table>
<tr><th>Sr. No.</th><th colspan="2">Description</th><th colspan="3">Details</th></tr>
<tr><td>iv)</td><td colspan="5">Option movement during the year:</td></tr>
<tr><td></td><td>a.</td><td>Number of options outstanding at the beginning of the period</td><td colspan="3">7,05,000</td></tr>
<tr><td></td><td>b.</td><td>Number of options granted during the year</td><td colspan="3">Nil</td></tr>
<tr><td></td><td>c.</td><td>Number of options forfeited/ lapsed/ expired during the year</td><td colspan="3">92,500</td></tr>
<tr><td></td><td>d.</td><td>Number of options vested during the year</td><td colspan="3">Nil</td></tr>
<tr><td></td><td>e.</td><td>Number of options exercised during the year</td><td colspan="3">Nil</td></tr>
<tr><td></td><td>f.</td><td>Number of shares arising as a result of exercise of options</td><td colspan="3">Nil</td></tr>
<tr><td></td><td>g.</td><td>Money realised by exercise of options (INR), if scheme is implemented directly by the Company</td><td colspan="3">Nil</td></tr>
<tr><td></td><td>h.</td><td>Loan repaid by the trust during the year from exercise price received</td><td colspan="3">Not Applicable</td></tr>
<tr><td></td><td>i.</td><td>Number of options outstanding at the end of the year</td><td colspan="3">6,12,500</td></tr>
<tr><td></td><td>j.</td><td>Number of options exercisable at the end of the year</td><td colspan="3">6,12,500</td></tr>
<tr><td rowspan="2">v)</td><td colspan="2" rowspan="2">Weighted average exercise prices and weighted average fair values of options disclosed separately for options whose exercise price either equals or exceeds or is less than the market price of the stock</td><td>Weighted average exercise price per option (₹)</td><td colspan="2">Weighted average fair value per option (₹)</td></tr>
<tr><td>425</td><td colspan="2">56.36 – 114.68</td></tr>
</table>

<table>
<tr><td>vi)</td><td colspan="5">Employee-wise details of options granted to</td></tr>
<tr><td></td><td>a.</td><td>Senior Managerial Personnel</td><td>Name</td><td>Designation</td><td>No. of Options Granted</td></tr>
<tr><td></td><td></td><td></td><td>Mr. Puneet Arora</td><td>Chief Executive Officer - Textile Chemicals Global</td><td>40,000</td></tr>
<tr><td></td><td></td><td></td><td>Mr. Prasad Gadkari</td><td>President Manufacturing</td><td>40,000</td></tr>
<tr><td></td><td></td><td></td><td>Ms. Manjiri Paranjpe</td><td>Vice President - Research and Development</td><td>40,000</td></tr>
<tr><td></td><td></td><td></td><td>Mr. Anish Kumar</td><td>Vice President - Animal Health Nutrition</td><td>20,000</td></tr>
<tr><td></td><td></td><td></td><td>Mr. Rajeev Jha</td><td>Vice President - Home Personal Care and Performance Chemicals</td><td>20,000</td></tr>
<tr><td></td><td></td><td></td><td>Ms. Manasi Nisal</td><td>Chief Financial Officer</td><td>15,000</td></tr>
<tr><td></td><td></td><td></td><td>Ms. Parul Gupta</td><td>Company Secretary</td><td>2,500</td></tr>
<tr><td></td><td>b.</td><td>Any other employee who receives a grant in any one year of option amounting to 5% or more of option granted during that year</td><td colspan="3">None</td></tr>
<tr><td></td><td>i.</td><td>Identified employees who were granted option, during any one year, equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of grant</td><td colspan="3">None</td></tr>
</table>

Sr. No.	Description	Details	
vii)	Description of the method and significant assumptions used during the year to estimate the fair value of options including the following information:		
	a. the weighted-average values of share price, exercise price, expected volatility, expected option life, expected dividends, the risk-free interest rate and any other inputs to the model	**Weighted Average Information**	
		Plan	Rossari Employee Stock Option Plan, 2019
		Grant Date	December 12, 2019 (Prior to Initial Public Offer)
		Risk Free Rate (%)	3.80% - 4.90%
		Expected Option Life (years)	1.99 years - 4.99 years
		Expected Volatility (%)	25%
		Dividend yield (%)	1%
		Stock price	₹ 425 each
		Exercise Price	₹ 425 each
		Option Fair Value	₹ 56.36 – ₹ 114.68
	b. the method used and the assumptions made to incorporate the effects of expected early exercise	Not Applicable	
	c. how expected volatility was determined, including an explanation of the extent to which expected volatility was based on historical volatility	The volatility input, measured in % per year, is how much you generally expect the underlying security to move during the life of the option. The measure of volatility used in Black-Scholes option pricing model is the annualised standard deviation of the continuously compounded rate of return on the stock over a period of time.	
	d. whether and how any other features of the option grant were incorporated into the measurement of fair value, such as a market condition	Stock Price	The stock price of the Company is the price as on date of grant as per fair valuation report (As the options were granted prior to the date of Listing).
		Risk Free Rate of Return	The Risk-free interest rate is the interest rate applicable for maturity equal to the expected life of the options based on zero coupon yields of government securities.
		Expected dividend yield	Expected dividend yield is considered as 1% based on historical data of the Company.

ANNEXURE - III

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY ACTIVITIES

[Pursuant to the Section 135 of the Companies Act, 2013 And Companies (Corporate Social Responsibility Policy) Rules, 2014]

1. A brief outline of the Company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs

   The Company believes to work for the communities in which it operates. In doing so, build a better, sustainable way of life for the weaker sections of society. The projects of the Company focus on Education and Human Life Upliftment. The Company undertakes its CSR activities directly as well through implementing Agencies for various purposes as per the CSR Policy of the Company.

2. The Composition of the CSR Committee

Sr. No.	Name of Director	Designation	Nature of Directorship	Number of meetings of CSR Committee during the year	
				Held	Attended
1.	Ms. Meher Castelino	Chairperson	Independent Director	1	1
2.	Mr. Goutam Bhattacharya	Member	Independent Director	1	1
3.	Mr. Edward Menezes	Member	Executive Chairman	1	1

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

   The CSR Policy, CSR Committee and CSR Projects are available on the website of the Company at www.rossari.com/corporate-governance/.

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

   The Company at present is not required to carry out impact assessment in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014.

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

Sr. No.	Financial Year	Amount available for set-off from preceding Financial Years (in ₹)	Amount required to be set-off for the Financial Year, if any (in ₹)
1.	Prior to 2020-2021	Nil	Nil
	Total	**Nil**	**Nil**

2. Average net profit of the Company as per section 135(5)

   ₹ 632.48 million

3. Prescribed CSR Expenditure

Sr. No.	Particulars	Amount (₹ in million)
a)	2% of average net profit of the Company as per section 135(5)	12.65
b)	Surplus arising out of the CSR projects or programmes or activities of the previous Financial Years.	Nil
c)	Amount required to be set off for the Financial Year, if any	Nil
d)	Total CSR obligation for the Financial Year (7a+7b-7c)	12.65

4. a) CSR amount spent or unspent for the Financial Year

Total Amount Spent for the Financial Year. (₹ in Million)	Amount Unspent (₹ in million)				
	Total Amount transferred to Unspent CSR Account as per Section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to Section 135(5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
13.24	Nil	Not Applicable	Not Applicable	Nil	Not Applicable

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)	
Name of the Project	Item from the List of activities in Schedule VII of 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
Distribution of Books & other education materials	Education	Yes	Maharashtra & Gujarat	Mumbai & Silvassa	9.31	Yes	-	Applicable w.e.f. 01.04.2021
Contribution for construction of school Building and other infrastructure		Yes	Maharashtra	Pune & Mumbai	1.33	No	Vidya Pratishthan & Tilaknagar Shikshan Prasarak Mandal	
Contribution for setting up homes, old age homes and support for orphans & handicap and other socially backward members of the society	Human Life Upliftment	No	Tamil Nadu	Coimbatore	0.10	No	The United Orphanage for The Disabled & Omkar Andh-Apang Samajik Sanstha	
		Yes	Maharashtra	Mumbai	2.50	No		
Total					**13.24**			

d) Amount spent in Administrative Overheads

Nil

e) Amount spent on Impact Assessment, if applicable

Nil

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

₹ 13.24 million

g) Excess amount for set off, if any

Sr. No.	Particulars	Amount (₹ in million)
(i)	2% of average net profit of the Company as per section 135(5)	12.65
(ii)	Total amount spent for the Financial Year	13.24
(iii)	Excess amount spent for the Financial Year [(ii)-(i)]	0.59
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous Financial Years if any	Nil
(v)	Amount available for set off in succeeding Financial Years [(iii)-(iv)]	0.59

5. (a) Details of Unspent CSR amount for the preceding three Financial Years

Nil

(b) Details of CSR amount spent in the Financial Year for ongoing projects of the preceding Financial Year(s)

Nil

6. 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

There was no creation or acquisition of capital asset through CSR spent in the Financial Year.

7. 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

The Company has spent more than what is prescribed under the CSR regulation. Hence not applicable.

For and on behalf of the CSR Committee

Sunil Chari
Managing Director
(DIN: 00149083)

Meher Castelino
Chairperson of CSR Committee
(DIN: 07121874)

Date: July 30, 2021
Place: Mumbai

ANNEXURE - IV

SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED MARCH 31, 2021

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

To,
The Members
ROSSARI BIOTECH LIMITED,

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **ROSSARI BIOTECH LIMITED** having the CIN L24100MH2009PLC194818 (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 our opinion thereon.

Based on my verification of the books, papers minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its offices, agents and authorised 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 March 31, 2021 complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers minute books, forms and returns filed and other records maintained by the Company for the Financial Year ended on 31st March, 2021 according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the rules made thereunder;

(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) 1. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') and which are applicable to the Company.

(a) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015.

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

(c) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015.

(d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018.

(e) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014.

(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.

2. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') are not applicable to the Company:

(a) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2018.

(b) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018.

(c) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008.

(vi) there are no other laws as may be specifically applicable to the Company on the basis of documents/ information produced to us.

Other Regulatory provisions/laws applicable to the Company are:-

(a) The Employees Provident Fund & Miscellaneous Provisions Act, 1952.

(b) The payment of Bonus Act, 1965.

(c) ESIC Act.

(d) The payment of Gratuity Act, 1972.

I have also examined compliance with the applicable clauses of Secretarial Standards issued by The Institute of Company Secretaries of India.

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

I further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors and Independent Directors There were no changes in the composition of the Board of Directors that took place during the period under review.

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 for meetings other than those held at shorter notice, 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.

As per the minutes, the decisions at the Board Meetings were taken unanimously.

I further report that as per the information & explanation given to us the Company is generally regular in depositing with the appropriate authorities undisputed statutory dues including Provident Fund, ESI, Income Tax, Wealth Tax, Service Tax, Value Added Tax and other statutory dues applicable to it.

I further report that I rely on statutory auditors reports in relation to the financial statements and accuracy of financial figures for Goods and Services Tax, Provident Fund etc. as disclosed under the financial statements of the Company.

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 states that:

1. Maintenance of Secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these Secretarial Records based on our Audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on the test basis to ensure that correct facts are reflected in the Secretarial records. I believe that the processes and practices I followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company. Due to the spread of contagious pandemic Covid-19 and consequent lockdown travel restrictions, I could not verify certain secretarial records physically.
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 the management. My examination was limited to the verification of documents/procedures on the test basis.
6. The secretarial audit report is neither an assurance as to the future viability of the Company nor the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For **Roy Jacob & Co.**
Company Secretaries

Roy Jacob
Proprietor
(C.P. No.8220), (FCS No.9017)
UDIN: F009017C000404821
P.R No.686/2020

Place: Mumbai
Date: June 01, 2021

ANNEXURE - IV (A)

SECRETARIAL COMPLIANCE REPORT FOR THE FINANCIAL YEAR ENDED MARCH 31, 2021

[Pursuant to requirements of Regulation 24A of the Listing Regulation]

We, Roy Jacob & Co, Company Secretaries, having our office at 207, Anjani Complex, Periera Hill Road off Andheri-Kurla Road, Nr. WEH Metro Station, Andheri-East, Mumbai- 400099 have examined:

a) all the documents and records made available to us and explanation provided by **ROSSARI BIOTECH LIMITED** ("the listed entity"),

b) the filings/ submissions made by the listed entity to the stock exchanges,

c) website of the listed entity,

d) any other document/ filing, as may be relevant, which has been relied upon to make this certification,

for the year ended 31/03/2021 ("Review Period") in respect of compliance with the provisions of :

a) the Securities and Exchange Board of India Act, 1992 ("SEBI Act") and the Regulations, circulars guidelines issued thereunder; and

b) the Securities Contracts (Regulation) Act, 1956 ("SCRA"), rules made thereunder and the Regulations, circulars guidelines issued thereunder by the Securities and Exchange Board of India ("SEBI");

The specific Regulations, whose provisions and the circulars/ guidelines issued thereunder, have been examined, include:

a) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;

b) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;

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

d) Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 (Not Applicable during the review period);

e) Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;

f) Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (Not Applicable during the review period);

g) Securities and Exchange Board of India (Issue and Listing of Non-Convertible and Redeemable Preference Shares) Regulations, 2013 (Not Applicable during the review period);

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

and based on the above examination, We hereby report that, during the Review Period:

a) The listed entity has complied with the provisions of the above Regulations and circulars/ guidelines issued thereunder.

b) The listed entity has maintained proper records under the provisions of the above Regulations and circulars/ guidelines issued thereunder in so far as it appears from my/our examination of those records.

c) There were no actions taken against the listed entity/ its promoters/ directors/ material subsidiaries either by SEBI or by Stock Exchanges (including under the Standard Operating Procedures issued by SEBI through various circulars) under the aforesaid Acts/ Regulations and circulars/ guidelines issued thereunder:

d) The reporting of actions by the listed entity to comply with the observations made in the previous report during the period under report (Not Applicable).

For **Roy Jacob & Co.**
Company Secretaries

Roy Jacob
Proprietor
(C.P. No.8220), (FCS No.9017)
UDIN: F009017C000092980
P.R No.686/2020

Place: Mumbai
Date: April 15, 2021

ANNEXURE - V

DISCLOSURE OF PARTICULARS WITH RESPECT TO CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

(Pursuant Section 134(3)(M) Of the Companies Act, 2013 Read with Rule 8(3) of the Companies (Accounts) Rules, 2014)

A. CONSERVATION OF ENERGY

All business units continued their efforts to improve energy usage efficiencies and increase the share of renewable energy. Various key performance indicators like specific energy consumption (energy consumed per unit of product), energy costs and renewable energy contributions were continuously tracked to monitor alignment with the Company's overall sustainability approach.

a) Steps taken for conservation of energy

1. Conversions of conventional lamps to LED lamps.
2. Induction of VFD for equipments.
3. Periodical cleaning of steam pipe line, cooling water line and reactor jackets/limpet for best cooling/heating efficiency. Thus, can reduce the total batch time in a considerable margin.

b) the steps taken by the Company for utilising alternate sources of energy

1. Installed solar panels as an alternate energy source. The total capacity of solar panels is 50 KW
2. Introduced Multi Effective Evaporator (MEE) in the place of Incinerator for evaporating effluent water after ETP treatment. Incinerator is a costly affair in the terms of fuel cost. LDO is using as the fuel for Incinerator, whereas in the MEE, the steam is using as heating medium. So that we can reduce the conventional fuel consumption drastically.
3. Implemented the steps to use electric operated material handling equipment in the place of Diesel/Petrol/Gas operated MHE's.

c) the capital investment on energy conservation equipment's

1. Replaced partially, the conventional street light with LED lamp with an approximate cost of 0.15 million
2. Replaced most of conventional plant and office lights with LED lamp. Also, started to switch over from the conventional lighting system to latest LED based system for all the new projects. A total of 34000 Watts of LED lights installed / replaced all over the plant with an investment of about 0.15 million.
3. Modified the panels of a large number of production equipment with VFD. As on date a total load of 375 KW is controlling through VFD. This load is distributed with various small and big equipment in the plant. The capital investment is calculated as 1.50 million.
4. Investments made to maintain power factor on"1". Replaced all the malfunctioning capacitors added new to the capacitor bank and modified the panel. Earlier the power factory was around 0.92 or 0.93 only, whereas now it is being maintained "1". Investment for the same was about 0.50 million.
5. Switched over the conventional type air compressor with highly efficient, screw type air compressor for entire plant. Total investment is about 0.85 million.
6. Replaced conventional chilling plant with highly efficient Screw Type Chilling Plant. The cost would be 0.60 million.
7. Insulated the roof top of production area of HUL for maintaining positive pressure inside the area with an investment of 0.60 million.

B. TECHOLOGY ABSORBTION

a) the efforts made towards technology absorption

1. Installation of MEE for removal of pollutants from the effluent in solid form to ensure the convenient disposal.
2. Good quality of thermal insulations to reduce the heat loss.

b) the benefits derived like product improvement, cost reduction, product development or import substitution

The formation of Gel in the product is loss of yield, so by proper automation the reaction condition was controlled and the yield was improved by 1%.

c) in case of imported technology (imported during the last three years reckoned from the beginning of the Financial Year)

The Company has not imported any technology during the period under review.

d) Expenditure incurred on Research and Development

(₹ in milllion)

Particulars	FY 2020-21	FY 2019-20
Revenue Expenditure	75.01	55.53
Capital Expenditure	7.90	44.13

C. FOREIGN EXCHANGE EARNINGS AND OUTGO

(₹ in milllion)

Particulars	FY 2020-21	FY 2019-20
Foreign Exchange Outflows (outgo)	1,335.91	937.49
Foreign Exchange Inflows (earnings)	645.19	625.86

For and on behalf of the Board of Directors

Edward Menezes
Executive Chairman
(DIN:00149205)

Date: July 30, 2021
Place: Mumbai

ANNEXURE - VI

STATEMENT OF DISCLOSURE OF REMUNERATION

(Pursuant to Section 197 of Companies Act, 2013 and Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014)

A. Disclosures with respect to the remuneration of Directors and employees as required under Section 197 of the Companies Act, 2013 and Rule 5 (1) Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

1. Ratio of the remuneration of each director to the median remuneration of the employees of the Company for the Financial Year and the percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the Financial Year.

Name of Director/ Key Managerial Personnel	Designation	Remuneration of Directors/ KMP for 2020 -21 (₹ in million)	% Increase in Remuneration in the year 2020-21	Ratio of Remuneration of each Director to Median remuneration of employee
Mr. Edward Menezes	Executive Chairman	9.00	Not Applicable	18.96
Mr. Sunil Chari	Managing Director	9.00	Not Applicable	18.96
Mr. Aseem Dhru	Independent Director	0.90	Not Applicable	1.90
Mr. Goutam Bhattacharya	Independent Director	1.05	Not Applicable	2.21
Ms. Meher Castelino	Independent Director	0.90	Not Applicable	1.90
Mr. Robin Banerjee	Independent Director	0.75	Not Applicable	1.58
Maj Gen Sharabh Pachory VSM (Retd.)	Independent Director	0.80	Not Applicable	1.69
Ms. Manasi Nisal	Chief Financial Officer	4.00	Not Applicable	8.43
Ms. Parul Gupta	Company Secretary	1.00	Not Applicable	2.11

Note 1 Independent Directors remuneration represents only sitting fees.

Note 2 The median remuneration has been worked out on the basis of CTC of the employees who were on the payroll for the entire Financial Year.

Note 3 In calculating the above remuneration ESOP value has not been considered.

2. The number of permanent employees on the rolls of Company.

   370 permanent employees were on the rolls of the Company as at March 31, 2021.

3. Average percentile increases already made in the salaries of employees other than the managerial personnel in the last Financial Year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration

   Average percentage increase of the salaries of the employee of the Company other than managerial personnel is 2.93 %. There was no increase in the remuneration of managerial personnel. The increase in remuneration of employees other than the managerial personnel is in line with the increase in remuneration of managerial personnel.

4. It is hereby affirmed that the remuneration paid is as per the Remuneration Policy for Directors Key Managerial Personnel and other employees.

For and on behalf of the Board of Directors

Edward Menezes
Executive Chairman
(DIN:00149205)

Date: July 30, 2021
Place: Mumbai

Corporate Governance Report

In accordance with the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and amendments thereto (the 'Listing Regulations'), given below are the corporate governance policies and practices of Rossari Biotech Limited (the 'Company' or 'Rossari' or 'RBL') for Financial Year 2020-21.

ROSSARI'S PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE

Rossari strongly believes in the philosophy that Corporate Governance should be done more through Principles than through Rules. Your Company is of the firm conviction that Good Corporate Governance, is about being proper and prosper. Our Corporate Governance is a reflection of the values we abide to in dealing with our stakeholders. For us Corporate Governance is to create and conduct sustainable business with highest standards of integrity, transparency and accountability towards our stakeholders while abiding with all the applicable laws not only in letter but in the true spirit of law. We believe in doing what is right and for us this is the only way to do business.

BOARD

Keeping with the commitment to the principle of integrity and transparency in business operations for good corporate governance, the Company's policy is to have an appropriate blend of independent and non-independent directors to maintain the independence of the Board and to separate the Board functions of governance and management.

The Board of Directors of the Company are eminent personalities from various fields, who bring in a wide range of skills and experience to the Board and they are entrusted with the ultimate responsibility of the management, general affairs, direction and performance of the Company.

A. Composition

The Company is in compliance with the provisions of Section 149 of the Companies Act, 2013 ("the Act") and Regulation 17 of the Listing Regulations with regard to the composition of the Board.

The Board of the Company comprises of 2 (Two) Executive Directors and 5 (Five) Independent Directors (including One Woman Director). The members of the Board are well qualified, experienced, competent and highly renowned persons from diverse fields including manufacturing, finance, economics, law, governance, etc.

All the Independent Directors have confirmed to the Board that they have met the criteria for Independence in terms of the definition of 'Independent Director' stipulated under Regulation 16 (1)(b) of the Listing Regulations and Section 149 of the Act. These confirmations have been placed before the Board. None of the Independent Directors hold office as an Independent Director in more than seven listed companies or three listed companies, if they are serving as whole time director or managing director in any other listed companies as stipulated under Regulation 17A of the Listing Regulations. Further, Executive Director of the Company is not serving as an Independent Director in any listed company.

All the Directors have made necessary disclosures regarding their directorships as required under Section 184 of the Act and on the Committee, positions held by them in other companies as stipulated under Regulation 26 of Listing Regulations. Further none of the Directors on the Board is a member of more than 10 committees and Chairman of more than 5 committees as specified in Regulation 26 of Listing Regulations.

The details of Directorships, relationship inter-se, shareholding in the Company, number of Directorships and Committee Chairperson/ Memberships held by the Directors of the Company in other public companies as on March 31, 2021 are as under:

Directors and Category	Relationship with other Directors	Total Number of Directorships, Committee, Chairpersonships and Memberships of public limited companies, as on 31st March, 2021			Directorships in other Listed entities alongwith the Category of Directorship	No. of shares held in the Company along with % to the paid-up share capital of the Company***
		Directorship*	Committee Chairperson**	Committee Member**		
Executive						
Edward Menezes Executive Chairman, Promoter (DIN : 00149205)	None	2	Nil	Nil	Nil	16228820# (31.25%)

Directors and Category	Relationship with other Directors	Total Number of Directorships, Committee, Chairpersonships and Memberships of public limited companies, as on 31st March, 2021			Directorships in other Listed entities alongwith the Category of Directorship	No. of shares held in the Company along with % to the paid-up share capital of the Company***
		Directorship*	Committee Chairperson**	Committee Member**		
Sunil Chari Managing Director, Promoter (DIN : 00149083)	None	2	Nil	2	Nil	16199230# (31.19%)
Non-Executive						
Aseem Dhru Independent Director (DIN: 01761455)	None	Nil	1	Nil	Nil	99 (0.0002%)
Goutam Bhattacharya Independent Director (DIN: 00917357)	None	Nil	1	1	Nil	Nil
Meher Castelino Independent Director (DIN: 07121874)	None	1	1	Nil	VIP Clothing Limited (Independent Director)	Nil
Robin Banerjee Independent Director (DIN: 00008893)	None	2	Nil	2	VIP Clothing Limited (Independent Director) Caprihans India Limited (Managing Director)	Nil
Maj Gen Sharabh Pachory VSM (Retd.) Independent Director (DIN: 08577249)	None	Nil	Nil	Nil	Nil	Nil

* The Directorships excludes directorship in Rossari Biotech Limited, also excludes private Company, foreign companies, companies incorporated under Section 8 of the Companies Act, 2013.

** For the purpose of considering the limit of Committee memberships and chairpersonships of a Director, only memberships of Audit Committee and Stakeholders Relationship Committee are considered including membership/chairpersonships of Rossari Biotech Limited.

*** As per the declarations made to the Company by the Directors.

\# The shares held by Mr. Edward Menezes and Mr. Sunil Chari includes the shares held by them in name of Menezes Family Trust and Chari Family Trust respectively.

Profile of Directors

A brief profile of each of the Directors as on March 31, 2021 is as below:

1. **Mr. Edward Menezes**

Mr. Edward Menezes is the Executive Chairman of our Company. He is a founder of our Company and has been a member of our Board since incorporation of our Company. He was also a partner of Rossari Biotech prior to the conversion into our Company. He holds a bachelor's degree in science (chemistry major) from K. J. Somaiya College of Science, University of Bombay and a bachelor's degree of science (technology) in textile chemistry from University Department of Chemical Technology (UDCT), University of Bombay. He also holds a master's degree in marketing management from Prin. L. N. Welingkar Institute of Management Development & Research, Mumbai. Edward Menezes was also awarded 'UAA Distinguished Alumnus technology day award, 2013' by UDCT and the Institute of Chemical Engineering. He was previously associated with Clariant India Limited (erstwhile Sandoz India Limited). He has over 26 years of experience in the specialty chemicals industry and has more than ten years of experience in different roles within our Company and has been actively involved in the day-to-day running of our Company.

Mr. Menezes, is Member of Corporate Social Responsibility Committee and Management Committee of the Company.

2. **Mr. Sunil Chari**

Mr. Sunil Chari is the Managing Director of our Company. He is a founder of our Company and has been a member of our Board since incorporation of our Company. He was also a partner of Rossari Biotech prior to the conversion into our Company. He holds a bachelor's degree in arts from the Kakatiya University. He also holds a diploma in technical and applied chemistry from Victoria Jubilee Technical Institute (VJTI). He has over 21 years of experience in the specialty chemicals industry. He has more than ten years of experience in different roles within our Company and has been actively involved in the day-to-day running of our Company.

Mr. Chari, is Chairperson of Risk Management Committee and Management Committee and also a Member of Audit Committee and Stakeholders Relationship Committee, of the Company.

3. **Mr. Aseem Dhru**

Mr. Aseem Dhru is an Independent Director of our Company. He was appointed on the Board of our Company on November 12, 2019. He holds a bachelor's degree in commerce from H. L. Commerce College, Gujarat University. He is an associate member of the Institute of Chartered Accountants of India and the Institute of Cost and Works Accountants of India. He was previously associated with HDFC Bank Limited as a group head and was a director on the board of HDB Financial Services Limited and HDFC Securities Limited. He is currently the chief executive officer and managing director on the board of SBFC Finance Private Limited.

Mr. Dhru, is Chairperson of Audit Committee of the Company.

4. **Mr. Goutam Bhattacharya**

Mr. Goutam Bhattacharya is an independent director of our Company. He was appointed on the Board of our Company on December 6, 2018. He is a post graduate in management from the Indian Institute of Management, Ahmedabad. He was previously associated with Pulcra Chemicals India Private Limited as the Managing Director. He started his career with BASF India Ltd. and has over 50 years of experience in the specialty chemicals industry.

Mr. Bhattacharya is Chairperson of Stakeholders Relationship Committee and Member of Audit Committee, Risk Management Committee, Corporate Social Responsibility ("CSR") Committee and Management Committee of the Company.

5. **Ms. Meher Castelino**

Ms. Meher Castelino is an independent director of our Company. She joined the Board of our Company on July 4, 2018. She has completed her basic education from Lawrence School Lovedale, University of Cambridge. Ms. Meher Castelino is Internationally Renowned Fashion Journalist. She was the First Femina Miss India, 1964 from India. She is also author of 3 Books namely Manstyle, Fashion Kaleidoscope and Fashion Musings. At present, Ms. Meher Castelino is the director of VIP Clothing Limited and has been associated with them since 2015.

Ms. Castelino, is Chairperson of Corporate Social Responsibility Committee, Member of Nomination and Remuneration Committee and Stakeholders Relationship Committee of the Company.

6. **Mr. Robin Banerjee**

Mr. Robin Banerjee is an Independent Director of our Company. He was appointed on the Board of the Company on November 12, 2019. He holds a master's degree of commerce from University of Calcutta. Mr. Banerjee is a fellow member of the Institute of Chartered Accountants of India, the Institute of

Company Secretaries of India and the Institute of Cost & Management Accountants of India. He has been previously associated, amongst others, with Hindustan Unilever, Arcelor Mittal Germany, Thomas Cook India, Suzlon Energy and currently with Caprihans India Limited

Mr. Banerjee, is the Chairperson of Nomination and Remuneration Committee and Member of Risk Management Committee of the Company.

7. Maj Gen Sharabh Pachory VSM (Retd.)

Maj Gen Sharabh Pachory, VSM (Retd.) is an Independent Director of our Company. He was appointed on the Board of our Company on November 12, 2019. He is a retired Major General from the Indian Army. He holds a bachelor's degree in Science from University of Jabalpur and a Master's Degree of Science in Defence and Strategic Studies from University of Madras. He has also completed a Senior Defence Management Course, Advanced capsule on Strategic Management and Decision Making from the College of Defence Management, Secunderabad. He also participated in an Independent Director's Training Programme for senior officers of Armed Forces conducted by Management Development Institute, Gurugram and also holds a certificate from All India Management Association for completion of an advance course on Strategic Management. Maj Gen Pachory has also completed on line proficiency assessment test for Independent Director's Databank conducted by Indian Institute of Corporate Affairs under the aegis of Ministry of Corporate Affairs, Govt of India. As a senior retired Defence Officer who served from 1982 to 2018, he has over 35 years of experience in the fields of Defence Administration, Planning and Strategy.

Maj Gen Sharabh Pachory VSM (Retd.) is also a Member of Nomination and Remuneration Committee of the Company.

B. Meetings of Board and Attendance of the Directors at Meetings of the Board and at the Annual General Meeting

The details of attendance of Directors at Board Meetings either in person or through video conference during the Financial Year 2020-21 and at the Annual General Meeting (AGM) of the Company are as reproduced below:

Name of the Director(s)	June 11, 2020	July 04, 2020	July 16, 2020	August 21, 2020	October 24, 2020	January 23, 2021	March 23, 2021	% of meeting attended during the year*	Attendance at the last AGM held on July 16, 2021
Edward Menezes	✓	✓	✓	✓	✓	✓	✓	100%	✓
Sunil Chari	✓	✓	✓	✓	✓	✓	✓	100%	✓
Aseem Dhru	✓	✓	✓	✓	✓	✓	✓	100%	✓
Goutam Bhattacharya	✓	✓	✓	✓	✓	✓	✓	100%	✓
Meher Castelino	✓	✓	✓	✓	✓	✓	✓	100%	✓
Robin Banerjee	✓	✓	×	✓	✓	✓	✓	86%	×
Maj Gen Sharabh Pachory VSM (Retd.)	✓	✓	✓	✓	✓	✓	✓	100%	✓

✓ : Present ×: Absent

* Rounded off to the nearest whole digit

C. Board Procedures & Flow of Information

A detailed Agenda as approved by the Chairman & Managing Director, setting out the business to be transacted at the Meeting(s), supported by detailed Notes and Presentations, if any, is sent to each Director well in advance to the date of the Board Meeting(s) and of the Committee Meeting(s). Where it is not practicable to circulate any document in advance or if the agenda is of a confidential nature, the same is tabled at the meeting. In special and exceptional circumstances, consideration of additional or supplementary items is taken up with the approval of the Chair. Senior Management Personnel are invited to the Board / Committee Meeting(s) to provide additional inputs for the items being discussed by the Board/Committees thereof as and when necessary.

The Board Meetings (including Committee Meetings) of the Company are scheduled in advance to facilitate the Directors to plan their schedule and to ensure meaningful participation in the meetings. However, in case of a special and urgent business need, the Board's approval is taken by passing resolution(s) by circulation, as permitted by law, which is noted in the subsequent Board meeting. In addition to above, the Company, in compliance with Regulation 17 (7) and Schedule II, Part A of the Listing Regulations, places before the Board all the required information from time to time.

The Company Secretary is responsible for convening of the Board and Committee Meetings and preparation of respective Agenda. The Company Secretary attends all the Meetings of the Board and its Committees, assures the Board on Compliance and Governance principles and ensures appropriate recording of minutes of the meetings.

The draft Minutes of the proceedings of the Meetings of the Board of Directors/Committee(s) are circulated to all the members of the Board or the Committee for their perusal within the stipulated time prescribed by Secretarial Standard on Meeting of the Board of Directors. Comments, if any, received from the Directors are incorporated in the Minutes in consultation with the Chairman & Managing Director. The Minutes are approved by the members of the Board/ Committee(s) prior to the next Meeting.

The Board of Directors of the Company have complete access to any information within the Company. At the Meetings, the Board is provided with all the relevant information on important matters affecting the working of the Company as well as all other relevant details that require deliberation by the members of the Board.

D. Matrix setting out the core skills/ expertise/competence of the Board of Directors

The Company is engaged in manufacturing of speciality chemicals and Company products cater to global brands in the FMCG sector and find applications in a host of consumer-centric products and home and personal care products, textile chemicals and pet cosmetic products.

The Board of your Company has identified the following Skills / Expertise / Competencies that are required in the context of the business of the Company:

1. Knowledge of Company's business and the industry in which the Company operates.
2. Finance, management and administration skills.
3. Technical / Professional knowledge in functional areas like Sales, marketing, administration, research, governance, strategy, operations etc.

Whereas all the Board members possess the skills identified, their core skills/expertise/ competencies identified by the Board of Directors as required in the context of the Company's aforesaid business for efficient functioning of the Board are as follows:

Key Board skills / competencies / expertise	Edward Menezes	Sunil Chari	Aseem Dhru	Goutam Bhattacharya	Meher Castelino	Robin Banerjee	Maj Gen Sharabh Pachory VSM (Retd.)
Knowledge of Company's business and the industry in which the Company operates	✓	✓	✓	✓	✓	✓	✓
Finance, management and administration skills.	✓	✓	✓	✓	✓	✓	✓
Technical / Professional knowledge in functional areas like Sales, marketing, administration, research, governance, strategy, operations etc.	✓	✓	✓	✓	✓	✓	✓

In the opinion of the Board, the Independent Directors fulfil the conditions specified in the Listing Regulations and are independent from the management.

E. Meetings of Independent Directors

One Meeting of Independent Directors was held during the Financial Year 2020-21. The Meeting was attended by all the Independent Directors.

Independent Directors Meeting was conducted in an informal and flexible manner to enable the Independent Directors to, inter alia, discuss matters pertaining to review of performance of the Board of Directors as a whole, Committees of the Board and the performance of the Executive Chairman and Managing Director of the Company, assess 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.

F. Familiarisation Programme for Independent Directors

As stipulated by Section 149 read with Schedule IV, part III of the Act and Regulation 25 of the Listing Regulations, the Company familiarises its Independent Directors on their roles, rights, responsibilities, nature of the industry in which the Company operates, business model of the Company, etc. Detailed familiarisation programme for Independent Directors is disclosed on the Company's website at www.rossari.com.

G. Annual Performance Evaluation of Board

Pursuant to the provisions of the Act, and Listing Regulations, the Board has carried out an annual evaluation of its own performance and that of its committees as well as performance of the Directors individually.

Feedback was sought by way of structured questionnaires covering various aspects in line with the Guidance Note on Board evaluation issued by the Securities and Exchange Board of India vide its circular dated January 5, 2017 and performance evaluation was carried out based on the responses received from the Directors. The Directors were satisfied with the evaluation results, which reflected the overall functioning of the Board and its Committees. The details of the policy on evaluation of Board's performance are available on the Company's website at https://www.rossari.com/wp-content/uploads/2020/02/Board-Performance-Evaluation-Policy.pdf

The Nomination and Remuneration Committee and the Board of Directors have prepared criteria for evaluation of the performance of Directors including Independent Directors. The said criteria comply with the Act and Listing Regulations.

H. Succession Planning

The Company has a Policy in place for ensuring orderly succession for appointments to the Board and senior management.

I. Code of Ethics (Code of Conduct)

The Company has adopted a Code of Ethics for the Directors, Key Managerial Personnel and Senior Management of the Company and the same is available on the website of the Company at https://www.rossari.com/wp-content/uploads/2020/02/Code-of-Eithics.pdf. The members of the Board and Senior Management of the Company have submitted their affirmation on compliance with the Code.

The Board also has adopted a Separate Code of Conduct for Independent Directors pursuant to the provisions of the Act and Listing Regulations and same is available on the website of the Company at https://www.rossari.com/wp-content/uploads/2020/02/Code-of-Conduct-for-Independent Directors.pdf

A declaration signed by the Managing Director that the Board of Directors and Senior Management Personnel have affirmed compliance with the Code during the Financial Year 2020-21 forms a part of this Report.

J. Insider Trading Code

As per the SEBI (Prohibition of Insider Trading) Regulations, 2015, the Company has adopted the Code of Conduct for Prevention of Insider Trading amended from time to time. All the Directors, employees and third parties such as auditors, consultants etc. who could have access to the unpublished price sensitive information of the Company are governed by this Code. The trading window is closed during the time of declaration of results and occurrence of any material events as per the Code. The Company Secretary is the Compliance Officer for monitoring adherence to the SEBI (Prohibition of Insider Trading) Regulations, 2015.

BOARD COMMITTEES

The Committees of the Board play an important role by managing the work of the Board, thereby strengthening the Board's governance role.

Majority of the members constituting the Committees are Independent Directors and each Committee is guided by its Terms of Reference, which provides for the composition, scope, powers & duties and responsibilities. The recommendations, observations and decisions of the Committees are placed before the Board for information and approval. During the year under review, all recommendations of the Committees were accepted by the Board. As of March 31, 2021, the Board had the following mandatory and non-mandatory Committees:

- Audit Committee
- Nomination and Remuneration Committee
- Stakeholders Relationship Committee
- Corporate Social Responsibility Committee
- Risk Management Committee
- Management Committee

A. Audit Committee

The Audit Committee met 4 (Four) times during Financial Year 2020-21. The maximum gap between any two meetings of the Audit Committee of the Company was not more than 120 days as specified under Regulation 18 of the Listing Regulations. As on March 31, 2021, the compositions of the Audit Committee conform to the requirements of Section 177 of the Act and Regulation 18 of the Listing Regulations. The Company Secretary act as the Secretary to the Committee.

The composition of the Audit Committee along with the details of the meetings held and attended by the members of the Committee during the Financial Year 2020- 21 is detailed below:

Name of the Director	Nature of membership	Meetings held during the Financial Year 2020-21			
		June 11, 2020	August 21, 2020	October 24, 2020	January 23, 2021
Aseem Dhru	Chairperson	✓	✓	✓	✓
Goutam Bhattacharya	Member	✓	✓	✓	✓
Sunil Chari	Member	✓	✓	✓	✓

✓ : Present ✗: Absent

Executive Chairman and Chief Financial Officer are permanent invitees to the Audit Committee Meetings. In addition, the representatives of Statutory Auditors & Internal Auditors and other Executives as are considered necessary, generally attend these Meetings.

The Chairperson of the Audit Committee was present at the 11th Annual General Meeting of the Company held on July 16, 2020.

Terms of Reference

The terms of reference of the Audit Committee are wide enough to cover the role specified for Audit Committee under Section 177 of the Companies Act, 2013 and Regulation 18 of the Listing Regulations. The same are constantly reviewed and appropriate changes are made from time to time for greater effectiveness of the Committee. The terms of reference of the Committee are as follows:

(a) Oversight of financial reporting process and the disclosure of financial information relating to the Company to ensure that the financial statements are correct, sufficient and credible.

(b) Recommendation for appointment, re-appointment, replacement, remuneration and terms of appointment of auditors of the Company and the fixation of the audit fee.

(c) Approval of payment to statutory auditors for any other services rendered by the statutory auditors.

(d) Reviewing, 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 clause (c) of sub-section 3 of Section 134 of the Companies Act 2013;
- 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; and
- Modified opinion(s) in the draft audit report.

(e) Reviewing, with the management, the quarterly, half-yearly and annual financial statements before submission to the Board for approval.

(f) Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilised for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.

(g) Reviewing and monitoring the auditor's independence and performance and effectiveness of audit process.

(h) Approval of any subsequent modification of transactions of the Company with related parties and omnibus approval for related party transactions proposed to be entered into by the Company, subject to the conditions as may be prescribed;

Explanation: The term "related party transactions" shall have the same meaning as provided in Regulation 2(1)(zc) of the SEBI Listing Regulations and/or the applicable Accounting Standards and/or the Companies Act 2013.

(i) Scrutiny of inter-corporate loans and investments.

(j) Valuation of undertakings or assets of the Company, wherever it is necessary.

(k) Evaluation of internal financial controls and risk management systems.

(l) Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems.

(m) Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.

(n) Discussion with internal auditors of any significant findings and follow up there on.

(o) Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.

(p) Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.

(q) Looking into the reasons for substantial defaults in the payment to depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.

(r) Recommending to the Board the appointment and removal of the external auditor, fixation of audit fees and approval for payment for any other services.

(s) Reviewing the functioning of the whistle blower mechanism.

(t) Overseeing the vigil mechanism established by the Company, with the chairman of the Audit Committee directly hearing grievances of victimisation of employees and directors, who used vigil mechanism to report genuine concerns in appropriate and exceptional cases.

(u) Approval of appointment of chief financial officer (i.e., the whole-time finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate.

(v) Reviewing the utilisation of loans and/or advances from/ investment by the holding Company in the subsidiary exceeding ₹ 1,00,00,00,000 or 10% of the asset size of the subsidiary, whichever is lower including existing loans/ advances/ investments existing as on the date of coming into force of this provision.

(w) Carrying out any other functions required to be carried out by the Audit Committee as contained in the SEBI Listing Regulations or any other applicable law, as and when amended from time to time.

Additionally, the Audit Committee shall mandatorily review the following information:

(a) management discussion and analysis of financial condition and results of operations;

(b) statement of significant related party transactions (as defined by the Audit Committee), submitted by management;

(c) management letters / letters of internal control weaknesses issued by the statutory auditors;

(d) internal audit reports relating to internal control weaknesses;

(e) the appointment, removal and terms of remuneration of the chief internal auditor; and

(f) statement of deviations in terms of the SEBI Listing Regulations:

- quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s); and
- annual statement of funds utilised for purposes other than those stated in the offer document/ prospectus/ notice.

B. Nomination and Remuneration Committee

The Nomination and Remuneration Committee met 2 (Two) times during the Financial Year 2020-21. All the members of the Committee are Independent Directors. As on March 31, 2021, the composition of the Nomination and Remuneration Committee is in conformity with the requirements of Section 178 of the Act and Regulation 19 of the Listing Regulations.

The composition of the Nomination and Remuneration Committee along with the details of the meetings held and attended by the members of the Committee during the Financial Year 2020- 21 is detailed below:

Name of the Director	Nature of membership	Meetings held during the Financial Year 2020-21	
		July 22, 2020	October 24, 2020
Robin Banerjee	Chairperson	✓	✓
Meher Castelino	Member	✓	✓
Maj Gen Sharabh Pachory VSM (Retd.)	Member	✓	✓

✓ : Present ✗: Absent

Terms of Reference

The terms of reference of the Nomination and Remuneration Committee are wide enough to cover the role specified under Section 178 of the Act 2013 and Regulation 19 of the Listing Regulations. The same are constantly reviewed and appropriate changes are made from time to time for greater effectiveness of the Committee. The terms of reference of the Committee are as follows:

(a) Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to the remuneration of the directors, key managerial personnel and other employees.

(b) Formulation of criteria for evaluation of performance of Independent Directors and the Board.

(c) Devising a policy on Board diversity.

(d) Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal and carrying out evaluation of every director's performance (including independent director).

(e) Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.

(f) Recommend to the Board, all remuneration, in whatever form, payable to senior management.

(g) Carrying out any other functions required to be carried out by the Nomination and Remuneration Committee as contained in the SEBI Listing Regulations or any other applicable law, as and when amended from time to time.

(h) The Nomination and Remuneration Committee, while formulating the Remuneration 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 objectives appropriate to the working of the Company and its goals.

In addition, the Nomination and Remuneration Committee has also been empowered to perform such functions as are required to be performed by the compensation committee/Nomination and Remuneration Committee under the SEBI (Share Based Employee Benefits) Regulations, 2014, including the following:

(a) administering the employee stock option plans of the Company as instituted from time to time, including the ESOP Scheme;

(b) determining the eligibility of employees to participate under the employee stock option plans;

(c) granting options to eligible employees and determining the date of grant under the employee stock option plans;

(d) determining the number of options to be granted to an employee under the employee stock option plans;

(e) determining the exercise price under the employee stock option plans;

(f) construing and interpreting the employee stock option plans and any agreements defining the rights and obligations of the Company and eligible employees under the employee stock option plans, and prescribing, amending and/or rescinding rules and regulations relating to the administration of the employee stock option plans.

(g) Frame suitable policies, procedures and systems to ensure that there is no violation of securities laws, as amended from time to time, or any other applicable law, including:

(i) the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended; and

(ii) the Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices Relating to the Securities Market) Regulations, 2003, by the trust, the Company and its employees, as applicable.

(h) perform such other activities as may be delegated by the Board or specified/ provided under the Companies Act or by the SEBI Listing Regulations or by any other applicable law or regulatory authority.

C. Stakeholders Relationship Committee

The Stakeholders Relationship Committee met once during the Financial Year 2020-21. Majority of the members of the Committee are Independent Directors. As on March 31, 2021, the composition of the Stakeholders Relationship Committee is in conformity with the requirements of Section 178 of the Act and Regulation 20 of the Listing Regulations.

The composition of the Stakeholders Relationship Committee along with the details of the meetings held and attended by the members of the Committee during the Financial Year 2020-21 is detailed below:

Name of the Director	Nature of membership	Meetings held during the Financial Year 2020-21
		January 23, 2021
Goutam Bhattacharya	Chairperson	✓
Meher Castelino	Member	✓
Sunil Chari	Member	✓

✓ : Present ✗: Absent

Ms. Parul Gupta, Company Secretary, is designated as the Compliance Officer. The Company has designated e-mail id cs@rossarimail.com for the purpose of registering complaints by shareholders/ investors/ security-holders electronically. This e-mail id is displayed on the Company's website at www.rossari.com

Terms of Reference

The scope and function of the Stakeholders Relationship Committee is in accordance with Section 178 of the Act and Regulation 20 of the Listing Regulations. The Committee, inter alia, is primarily responsible for considering and resolving grievances of security holders of the Company. The additional terms of reference of the Committee are as follows:

(a) Considering and looking into various aspects of interest of shareholders, debenture holders and other security holders.

(b) Redressal of grievances of the security holders of the Company, including complaints in respect of allotment of Equity Shares, transfer/ transmission of Equity Shares, non-receipt of share certificates, declared dividends, annual reports, balance sheets of the Company, general meetings, etc.

(c) Giving effect to allotment of Equity Shares, approval of transfer or transmission of Equity Shares, debentures or any other securities.

(d) Issue of duplicate certificates and new certificates on split/ consolidation/renewal, etc.

(e) Reviewing measures taken for effective exercise of voting rights by shareholders.

(f) Reviewing adherence to the service standards adopted by the Company in respect of various services being rendered by the registrar and share transfer agent.

(g) Reviewing the various measures and initiatives undertaken 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.

(h) Carrying out any other functions required to be carried out by the Stakeholders' Relationship Committee as contained in the SEBI Listing Regulations or any other applicable law, as and when amended from time to time.

Details of Shareholders' Complaints

During the year under review, the Company/its Registrar and Transfer Agent received the following complaints from SEBI/ Stock Exchanges and queries from the shareholders, which were resolved within the time frame laid down by SEBI:

Complaints pending as on April 1, 2020	0
Complaints received during the year	250
Complaints resolved during the year	250
Complaints pending as on March 31, 2021	0

D. Corporate Social Responsibility Committee

The CSR Committee met once during the Financial Year. As on March 31, 2021 the composition of the Corporate Social Responsibility Committee is in conformity with the requirements of Section 135 of the Companies Act, 2013.

The composition of the Corporate Social Responsibility Committee along with the details of the meetings held and attended by the members of the Committee during the Financial Year 2020- 21 is detailed below:

Name of the Director	Nature of membership	Meetings held during the Financial Year 2020-21
		June 11, 2020
Meher Castelino	Chairperson	✓
Goutam Bhattacharya	Member	✓
Edward Menezes	Member	✓

✓ : Present ✗: Absent

Terms of Reference

The Committee's prime responsibility is to assist the Board in discharging its social responsibilities by way of formulating and monitoring implementation of the framework of corporate social responsibility policy. The terms of reference of the Corporate Social Responsibility Committee which are as follows, are in Conformity with the provisions of Section 135 of the Companies Act, 2013 and Rules made thereunder:

(a) Formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act 2013.

(b) Review and recommend the amount of expenditure to be incurred on the activities referred to in clause (a).

(c) Monitor the corporate social responsibility policy of the Company and its implementation from time to time.

(d) Prepare Annual Action plan and recommend to Board for approval.

(e) Any other matter as the Corporate Social Responsibility Committee may deem appropriate after approval of the Board or as may be directed by the Board from time to time.

The Company has also adopted a CSR Policy in compliance with the aforesaid provisions and the same is placed on the Company's website at https://www.rossari.com/wp-content/uploads/2020/02/Corporate-Social-Responsibility-Policy.pdf.

E. Risk Management Committee

During the Financial Year under review the Company has voluntarily constituted Risk Management Committee at its meeting held on January 23, 2021. which has maximum representation from the Board and also has member from the senior management of the Company. The Risk Management Committee met once during the Financial Year. As on March 31, 2021 the composition of the Risk Management Committee is in conformity with the requirements of Regulation 21 of the Listing Regulations.

The composition of the Risk Management Committee along with the details of the meetings held and attended by the members of the Committee during the Financial Year 2020- 21 is detailed below:

Name of the Director	Nature of membership	Meetings held during the Financial Year 2020-21
		March 27, 2021
Sunil Chari	Chairperson	✓
Robin Banerjee	Member	✓
Goutam Bhattacharya	Member	✓
Manikantan Viswanathan	Member	✓

✓ : Present ✗: Absent

Terms of Reference

The terms of reference of the Risk Management Committee as per Regulation 21 of the Listing Regulations are as follows:

(a) frame, implement and monitor the risk management plan for the Company;

(b) oversee the implementation of Risk Management Systems and Framework;

(c) review the Company's financials and risk management; and

(d) carrying out any other function as may be decided by the Board or prescribed under the Companies Act, the Listing Regulations, including any amendment(s) thereto as may be made from time to time, or by any other regulatory authority.

F. Management Committee

The Management Committee met 2 (Two) times during 2020-21. As on March 31, 2021, the Management Committee comprises of 2 (Two) Executive and 1 (One) Independent Director.

Meetings and Attendance

Name of the Director	Nature of membership	Meetings held during the Financial Year 2020-21	
		December 08, 2020	February 17, 2021
Sunil Chari	Chairperson	✓	✓
Edward Menezes	Member	✓	✓
Goutam Bhattacharya	Member	✓	✓
Meher Castelino (upto March 23, 2021)	Member	✓	✓

✓ : Present ✕: Absent

Terms of Reference

The Management Committee was constituted to facilitate the operational decisions within the broad framework laid down by the Board such as day to day operational decisions of the Company in terms of borrowing power, investments, authorises opening/ closing/change of mandate for the bank accounts, availing of credit facilities, giving of loans, inter corporate deposits, guarantees, authority to represent the Company before judicial and quasi-judicial authorities, government departments and miscellaneous administrative functions etc.

REMUNERATION TO DIRECTORS

A. Nomination and Remuneration Policy

The Nomination and Remuneration Committee is fully empowered to determine/approve and revise, subject to necessary approvals, the remuneration of managerial personnel including Executive Director(s) after taking into account the financial position of the Company, trends in the industry, qualifications, experience, past performance and past remuneration, etc. The Non- Executive Directors are paid sitting fees for every meeting of the Board and its Committees attended by them.

The Nomination and Remuneration Policy adopted by the Company is available on the Company's Website at www.rossari.com.

B. Pecuniary relationship and transactions of Non-Executive Directors with the Company

Except for sitting fees paid to Non-Executive Directors for attending the respective meetings of Board/Committees, the Company has not entered into any pecuniary relationship with any Non-Executive Director. The Register of Contracts maintained by the Company pursuant to the provisions of Section 189 of the Act, contains particulars of all contracts or arrangements to which Sections 184 or 188 of the Act apply.

C. Criteria of making payment to Non-Executive Directors

The Non-Executive Directors and Independent Directors will receive sitting fees / commission as per the provisions of the Act and in compliance with the provisions of the Listing Regulations. The amount of the sitting fees will not exceed the ceiling / limit under the Act. An Independent Director will not be eligible to any stock option of the Company.

The Board of Directors will from time-to-time fix the sitting fees for attending the meetings of the Board and its Committees.

In addition to the sitting fees and commission, the Company may pay to any director such fair and reasonable expenditure, as may have been incurred by the director while performing his/ her role as a director of the Company. This could include reasonable expenditure incurred by the director for attending Board/ Board committee meetings, general meetings, court convened meetings, meetings with shareholders/ creditors/ management, site visits, induction and training (organised by the Company for directors) and in obtaining professional advice from independent advisors in the furtherance of his/ her duties as a director.

D. Remuneration of Executive and Non-Executive Directors

Non-Executive Directors were paid sitting fee of ₹1,00,000 for attending each Board Meeting and ₹ 50,000 for attending each Committee Meeting. The Company has not paid any commission to Non-Executive Directors for the year under review. The details of remuneration and sitting fees paid to the Directors of the Company during the Financial Year 2020-21 are as follows:

(₹ in million)

Name of Directors	Salary & Perquisites	Sitting Fee	Total	Details of Service Contracts, Notice Period
Edward Menezes	9.00	0.00	9.00	Appointed as Executive Chairman and Director for a period of 5 years from October 01, 2019 at an annual remuneration of ₹ 9 Million. All other terms as per employment agreement. Notice period of 180 days.
Sunil Chari	9.00	0.00	9.00	Appointed as Managing Director for a period of 5 years from October 01, 2019 at an annual remuneration of ₹ 9 Million. All other terms as per employment agreement. Notice period of 180 days.
Aseem Dhru	0.00	0.90	0.90	-
Goutam Bhattacharya	0.00	1.05	1.05	-
Meher Castelino	0.00	0.90	0.90	-
Robin Banerjee	0.00	0.75	0.75	-
Maj. Gen. Sharabh Pachory VSM (Retd.)	0.00	0.80	0.80	-
Total	**18.00**	**4.40**	**22.40**	-

DISCLOSURES

A. Policy on materiality of and dealing with Related Party Transactions

Your Company has formulated a Policy on Materiality of and Dealing with Related Party Transactions which specify the manner of entering into related party transactions. This Policy is also available on the website of the Company at https://www.rossari.com/wp-content/uploads/2020/02/Policy-on-Materiality-of-Related-Party-Transactions-and-Dealing-with-Related-Party-Transactions.pdf

B. Disclosure of Transactions with Related Parties

During the Financial Year under review, no transaction of material nature has been made by the Company with its Promoters, Directors and their Relatives, Management, etc. that may have potential conflict with the interest of Company at large.

Further, details of related party transactions are presented in the notes to the Financials Statements, which forms a part of this Annual Report. In addition, as per the Listing Regulations, your Company has also submitted within 30 days from the date of publication of its standalone and consolidated financial results for the half year, disclosures of related party transactions on a consolidated basis, in the format specified in the relevant accounting standards for annual results and also published it on the website of the Company.

C. Details of capital market non-compliance, if any

The Company listed on BSE Limited and National Stock Exchange of India Limited with effect from July 23, 2020. During the last 3 (three) years, there were no instances of non- compliance on any matter related to the capital markets. No penalties or strictures were imposed on the Company by any Stock Exchange or SEBI or any Statutory Authority on any matter related to capital markets.

D. Whistle Blower Policy (Vigil Mechanism)

The Board of Directors of the Company are committed to maintain the highest standards of honesty, openness and accountability and recognise that each and every person in the Company has an important role to play in achieving the organisational goals. It is the policy of the Company to encourage employees, when they have reasons to suspect violations of laws, rules, regulations, unethical conduct, questionable accounting/audit practices, reporting of fraudulent financial information to shareholders, the Government or the financial markets, and/or serious misconduct otherwise, to report those concerns to the Company's management.

The 'Whistle Blower' Policy adopted by the Company provides a ready mechanism for reporting violations of laws, rules, regulations or unethical conduct. The confidentiality of the 'whistle blower' is maintained and he/she is not subjected to any victimisation and/ or harassment. The present Whistle Blower Policy is in conformity with the provisions of Section 177 of the Companies Act, 2013 and Regulation 22 of the Listing Regulations. Every employee of the Company has been provided access to the Audit Committee Chairman through email/correspondence address, should they desire to avail of the Vigil Mechanism. The details of the Policy are available on the Company's website at https://www.rossari.com/wp-content/uploads/2021/02/Whistle-Blower-Policy-1.pdf

E. Compliance with Mandatory requirements

Your Company has complied with all the mandatory requirements of the Listing Regulations relating to Corporate Governance.

F. Subsidiary Companies

At present, the Company has no materially unlisted subsidiaries. Accordingly, the requirement of appointing at least one independent director on the Board of Directors of the material unlisted subsidiary is not applicable.

The Audit Committee reviews the financial statements particularly material investments made by its unlisted subsidiaries. Minutes of the Board Meetings of the unlisted subsidiaries are placed at the Board Meeting of the Company. The details of the policy on determining material subsidiary of the Company is available on the Company's website https://www.rossari.com/wp-content/uploads/2020/02/Policy-on-Determination-of-Material-Subsidiary.pdf

G. Disclosure of commodity price risks, foreign exchange risk and hedging activities

The Company is exposed to Foreign Exchange Risk arising from its business operations. Currently the Company does not engage in any direct commodity hedging activities.

As certain revenues and expenses are denominated in foreign currency, the Company is also exposed to foreign exchange risks. The Company imports certain raw materials, the price of which is denominated in foreign currency. The Company also exports its products which are paid for in foreign currency, which acts as a natural hedge against its imports. The Company also enters into forward hedging contracts, to manage part of its foreign currency exposures.

The details of foreign currency exposure are disclosed in Notes to the Financial Statements, which forms a part of this Annual Report.

H. There were no instances where the Board had not accepted any recommendation of any Committees of the Board during the Financial Year ended March 31, 2021.

I. Details of utilisation of funds raised through preferential allotment or qualified institutional placement

During the Financial Year under review, the Board of Directors of the Company at their meeting held on March 23, 2021, has recommended preferential Issue of 30,12,046 equity shares of ₹ 2 each at a Price of ₹ 996 (Including Premium of ₹ 994) and the Notice of Extraordinary General Meeting was approved and sent to the Members of the Company for consideration of issue of shares on preferential basis. The Members of the Company at their meeting held on April 17, 2021 approved the aforesaid issue and the allotment was completed on April 21, 2021.

J. Certificate from a Company secretary in practice for Non-Debarred or Non-Disqualification of Directors

Your Company has received a certificate from M/s. Ashita Kaul & Associates, Practicing Company Secretaries certifying that none of the Directors on the Board of the Company as on March 31, 2021 have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Board/ Ministry of Corporate Affairs or any such Statutory Authority. This certificate is annexed to this corporate governance report.

K. Total fees for all services paid to the Statutory Auditors by the Company and its Subsidiaries for the Financial Year 2020-21

Deloitte Haskins & Sells LLP, Chartered Accountants (Firm's Registration No. 117366W/W-100018), is the Statutory Auditors of the Company. Total fees paid by the Company to the Statutory Auditors, are as follows:

Particulars	Amount (₹ in million)
Audit Fees	4.50
Other Services & Reimbursement of Expenses	1.29
Total	5.79

** This fee does not include IPO related fee ₹ 7.77 Million which is debited to securities premium account*

During the Financial Year under review, statutory auditors were not paid any fees by the Subsidiaries of the Company.

L. Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

Complaints pending as on April 1, 2020	0
Number of complaints filed during the Financial Year	0
Number of complaints disposed of during the Financial Year	0
Complaints pending as on March 31, 2021	0

M. Disclosure of Accounting Treatment in preparation of Financial Statements

The Company adopted Indian Accounting Standards ("Ind AS") from the Financial Year 2019-20. Accordingly, the financial statements have been prepared in accordance with Ind AS as per the Companies (Indian Accounting Standards) Rules, 2015 as amended and notified under section 133 of the Act and other relevant provisions of the Act.

N. Compliance of Corporate Governance requirements specified in Regulation 17 to 27 and Regulation 46(2) (b) to (i) of Listing Regulations

Your Company has complied with the all the requirements specified in Regulation 17 to 27 of the Listing Regulations and has made all necessary disclosers on its website as per Regulation 46(2) of Listing Regulations.

O. MD/CFO Certification

A compliance certificate in accordance with Regulation 17(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 was provided to the Board of Directors in the prescribed format for the Financial Year 2020-21, which was reviewed by the Audit Committee and taken on record by the Board.

A compliance certificate signed by the Managing Director and Chief Financial Officer forms a part of this Report.

P. Internal control system and their adequacy

The Company has adequate internal control procedures commensurate with its size and nature of business. The Company has appointed Internal Auditor who audits the adequacy and effectiveness of the internal controls as laid down by the management and suggest improvements. The Audit Committee of the Board of Directors periodically review the audit plans, internal audit reports and adequacy of internal controls and risk management.

Q. Details of compliance with mandatory requirements and adoption of non-mandatory (discretionary) requirements

The status of compliance with the non-mandatory requirements of the Listing Regulations is provided below:

(a) Shareholders rights

The Company has not adopted the practice of sending out half-yearly declaration of financial performance to shareholders. Quarterly results as approved by the Board are disseminated to Stock Exchanges and uploaded on the website of the Company.

(b) Modified opinion(s) in audit report

There are no modified opinions in audit report.

(c) Reporting of Internal Auditor

In accordance with the provisions of Section 138 of the Act 2013, the Company has appointed Grant Thornton Bharat LLP (formerly known as Grant Thornton India LLP), as Internal Auditor(s), who reports to the Audit Committee. Quarterly internal audit reports are submitted to the Audit Committee, which reviews the audit reports and suggests necessary action.

INFORMATION TO SHAREHOLDERS

General information of shareholders' interest is set out in a separate section titled "Shareholder Information".

REPORT ON CORPORATE GOVERNANCE

This section, read together with the information given in the sections (i) Management Discussion and Analysis and (ii) Shareholder Information, constitutes a detailed compliance report on Corporate Governance during the Financial Year 2020-21.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT & BUSINESS RESPONSIBILITY REPORT

Management Discussion and Analysis Report and Business Responsibility Report are given in a separate section forming a part of this Annual Report.

AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

The Company has obtained a certificate from its Statutory Auditors testifying to its compliance with the provisions relating to Corporate Governance laid down in Listing Regulations. This certificate is annexed to the Corporate Governance Report for 2020-21 and will be sent to the Stock Exchanges, along with the Annual Report to be filed by the Company.

Shareholder Information

General Body Meetings

Date, Time and Venue of 12th AGM :	**Friday, September 17, 2021 at 11:00 A.M. through Video Conferencing ("VC")/ Other Audio- Visual Means ("OAVM") deemed to be held at 201 A-B, 2nd Floor, Akruti Corporate Park, L.B.S. Marg, Next to G.E. Gardens, Kanjurmarg (W), Mumbai - 400078**

The previous three Annual General Meetings (AGM) of the Company were held on the following day, date, time and venue.

AGM	Day, Date & Time	Venue
9th AGM	Saturday, September 29, 2018 at 03:00 P.M.	201 A-B, 2nd Floor, Akruti Corporate Park, L.B.S. Marg, Next to G.E. Gardens, Kanjurmarg (W), Mumbai – 400078
10th AGM	Monday, September 30, 2019 at 03:00 P.M.	201 A-B, 2nd Floor, Akruti Corporate Park, L.B.S. Marg, Next to G.E. Gardens, Kanjurmarg (W), Mumbai - 400078
11th AGM	Thursday, July 16, 2020 at 11:00 A.M.	Through Video Conferencing ("VC")/ Other Audio- Visual Means ("OAVM") deemed to be held at 201 A-B, 2nd Floor, Akruti Corporate Park, L.B.S. Marg, Next to G.E. Gardens, Kanjurmarg (W), Mumbai - 400078

The Company has not passed any Special Resolution at the previous three Annual General Meetings.

Postal Ballot

No Special Resolution was passed through Postal Ballot during Financial Year 2020-21. Further, no Special Resolution is proposed to be passed through Postal Ballot as on the date of this Report.

Extraordinary General Meeting (EGM)

During the Financial Year 2020-21, no Extraordinary General Meeting was held.

Financial Year

April 01, 2020 to March 31, 2021.

Book Closure

Saturday, September 11, 2021 to Friday, September 17, 2021

Dividend Announcement

The Board of Directors of the Company at its meeting held on May 14, 2021 recommenced final dividend @ 25% (₹ 0.50 per share) on Equity Share of the face value of ₹ 2/- each.

Payment of Dividend

The Company pays dividend as per the modes prescribed under Regulation 12 of the Listing Regulations. The declared dividend is paid by the Company within the statutory time period prescribed under the Companies Act, 2013.

Unclaimed Dividends

Pursuant to the provisions of Section 124 of the Companies Act, 2013, dividends not encashed/claimed by the Member of the Company, within a period of 7 (seven) years from the date of declaration of dividend, shall be transferred by the Company to the Investor Education and Protection Fund (IEPF). Members of the Company are requested to note that as on March 31, 2021, there was no unpaid / unclaimed dividends to be transferred during the Financial Year under review to the Investor Education and Protection Fund.

Declaration Relating to Unclaimed Shares

In terms of Regulation 39 of the Listing Regulations, Members of the Company are requested to note that as on March 31, 2021, there are no unclaimed shares and hence, the detail pertaining to demat suspense account / unclaimed shares are not provided.

Information on Directors Being re-appointed

The information regarding Sunil Chari (DIN: 00149083), Director, seeking re-appointment at the ensuing AGM along with his detailed profile and additional information required under Regulations 36(3) of Listing Regulations and Secretarial Standard on General Meetings is given in the Notice convening AGM.

Credit Rating

During the Financial Year under review the Company has not obtained any credit rating.

Means of Communication

The Company has published its quarterly, half-yearly and annual financial results in the News Papers viz. Financial Express (English) and Loksatta (vernacular). Quarterly results were sent to the Stock Exchanges immediately after the Board approved them. The financial results and other relevant information are regularly and promptly updated on the website of the Company at www.rossari.com

The official press releases and presentation made to institutional Investors/Analysts, if any, are sent to the Stock Exchange in terms of the requirement of Listing Regulations and are also available on the Company's website.

Registrar and Share Transfer Agents and Share Transfer System

Link Intime (India) Private Limited

C 101, 247 Park, Lal Bahadur Shastri Marg,

Vikhroli (West), Mumbai – 400 083

Tel: +91-22-4918 6000

Fax: +91-22-4918 6060

Email : rnt.helpdesk@linkintime.co.in

The Registrar and Share Transfer Agents (RTA) of the Company handles all share transfers and related processes. They provide the entire range of services to the Shareholders of the Company relating to shares. The electronic connectivity with both the depositories - National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) is also handled by Link Intime (India) Private Limited.

As mandated by SEBI, securities of the Company can be transferred / traded only in dematerialised form.

During the year, the Company obtained, on half-yearly basis, a certificate from a Company Secretary in Practice, certifying that all certificates for transfer, transmission, sub-division, consolidation, renewal, exchange and deletion of names, were issued as required under Regulation 40(9) of the Listing Regulations read with SEBI Circular no. SEBI/HO/MIRSD/RTAMB/CIR/P/2020/59, dated April 13, 2020. These certificates were duly filed with the Stock Exchanges.

Dematerialisation of Shares and Liquidity

Trading in the Equity Shares of the Company is permitted only in dematerialised form. As on March 31, 2021, all the Equity Shares were held in dematerialised form.

Outstanding GDRs/ADRS/Warrants/ Options or Any Convertible Instruments, Conversion Date and Likely Impact on Equity

Number of Outstanding Options granted as on March 31, .2021 are 6,12,500 and none of these options were vested as on March 31, 2021.

Listing on Stock Exchanges and Stock Codes

The Company's Equity Shares are listed and traded on the following Stock Exchanges:

The ISIN Number of Company's Equity Shares (Face Value of ₹ 2/- each) for NSDL & CDSL is INE02A801020.

Name	Address	Stock Code
BSE Limited (BSE)	Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001	543213
National Stock Exchange of India Limited (NSE)	Exchange Plaza, Bandra Kurla Complex, Bandra (East), Mumbai – 400 051	ROSSARI

The Company has paid listing fees for the Financial Year 2020-21 to both the Stock Exchanges where its shares are listed.

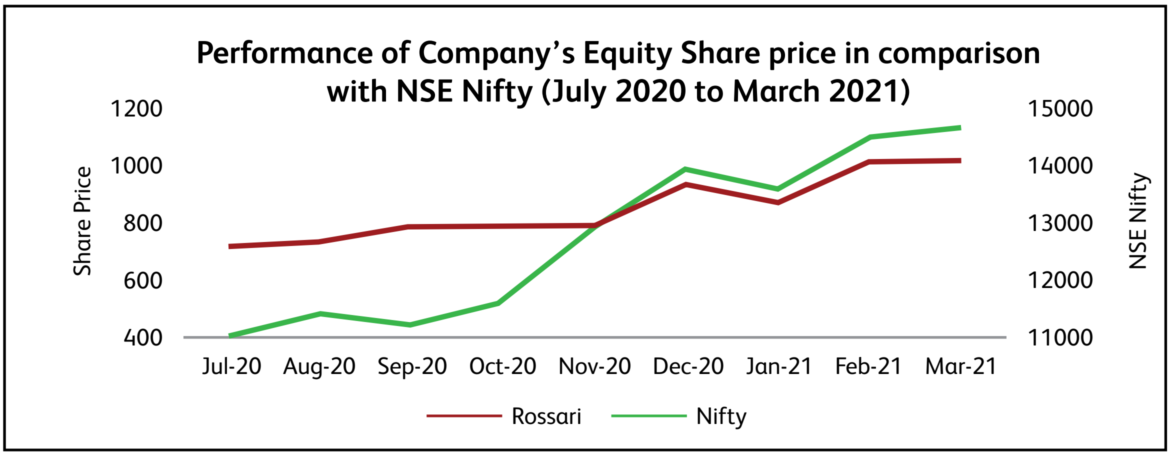
Market Price Data-Equity Shares

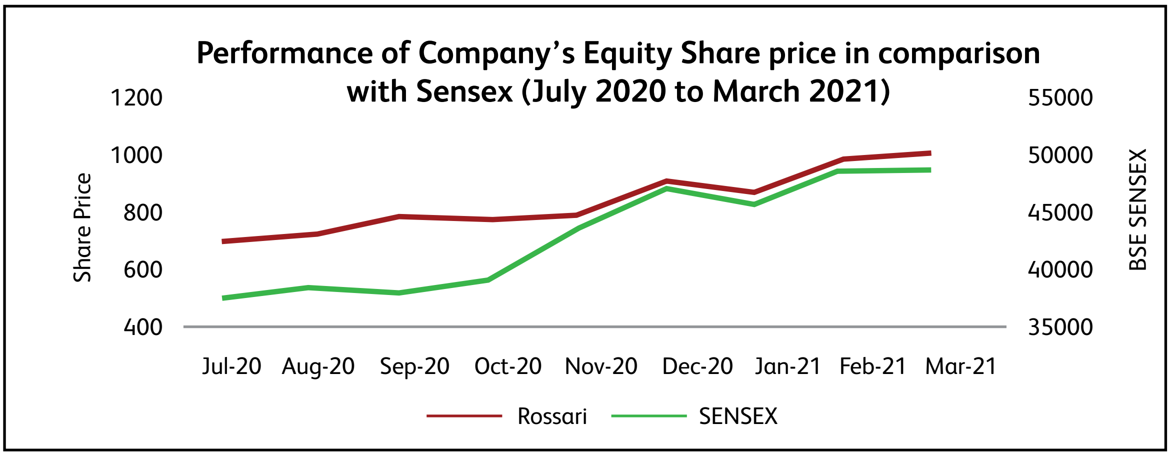
The details of high/low/closing market price of the Equity Shares of the Company at BSE and NSE during the Financial Year 2020-21 are provided in the table below:

Month	BSE			NSE		
	HIGH	LOW	CLOSING	HIGH	LOW	CLOSING
July 2020	804.00	663.55	715.00	803.10	664.00	715.05
August 2020	818.00	685.00	738.25	818.80	675.15	738.1
September 2020	857.80	720.00	798.60	859.00	719.00	797.3
October 2020	831.00	750.00	795.60	831.00	748.65	797.95
November 2020	814.45	755.00	800.95	813.80	764.00	801.8
December 2020	1,019.00	799.50	939.30	1,019.00	780.05	939.25
January 2021	957.50	818.10	884.35	957.00	818.05	885.1
February 2021	1,145.65	872.00	1,009.40	1,147.00	863.40	1,018.60
March 2021	1,131.45	970.85	1,037.60	1,133.00	970.00	1,035.55

Note: Company got listed on BSE and NSE w.e.f. 23.07.2020

Performance in comparison to broad-based indices such as SENSEX and NIFTY





Distribution Of Shareholding

The shareholding distribution of Equity Shares (Face Value ₹ 2/- each) as at March 31, 2021 is provided in the table below

Sr. No	Category			No. of shareholders	% of total shareholders	No. of shares	% of Capital
1	1	-	500	39990	98.78	1222642	2.35
2	501	-	1000	201	0.50	161981	0.32
3	1001	-	2000	109	0.27	166808	0.32
4	2001	-	3000	33	0.08	83011	0.16
5	3001	-	4000	19	0.05	68667	0.13
6	4001	-	5000	12	0.03	55815	0.11
7	5001	-	10000	36	0.09	270785	0.52
8	10001 & ABOVE			81	0.20	49899681	96.09
	Total			**40481**	**100.00**	**51929390**	**100.00**

Shareholding Pattern

The shareholding pattern (Face Value ₹ 2/- each) of the Company as at March 31, 2021 is provided in the table below:

Category	March 31, 2021		March 31, 2020	
	No. of Shares	% of Capital	No. of Shares	% of Capital
Promoters	37745500	72.69	48245500	95.06
Mutual Funds	5353878	10.31	470600	0.93
Alternate Investment Funds	723962	1.39	641170	1.26
Foreign Portfolio Investors	3657509	7.05	299990	0.59
Insurance Companies	495300	0.95	235300	0.46
Trusts	35	0.00	-	-
Foreign Company	652920	1.26	352930	0.70
Non-Residents	46007	0.09	-	-
Clearing Members	59770	0.12	-	-
Bodies Corporate	1212372	2.33	352930	0.70
Hindu Undivided Family	64546	0.12	-	-
Public	1917591	3.69	154500	0.30
Total	51929390	100.00	50752920	100.00

Investor Services

The Company under the overall supervision of Ms. Parul Gupta, Company Secretary, is committed to provide efficient and timely services to its security holders. Before Initial Public Offer ("IPO"), all the share transfers and related process were being conducted in-house. Post IPO i.e. w.e.f. July 23, 2020, the Company has appointed Link Intime (India) Private Limited as its Registrar and Transfer Agent ("RTA"). The Company Secretary in co-ordination with the RTA, attends and resolves various investor related complaints to the satisfaction of the investors.

Plant Locations

Silvassa Plant:

Plot No. 10 & 11, Survey No. 90/1/10 & 90/1/11/1, Khumbarwadi, Village Naroli, Silvassa – 396235, U. T. of Dadra & Nagar, India.

Dahej Plant:

Plot No: D3/24/3, Opposite ATC Tyre Phase III, G.I.D.C. Dahej, Village Galanda, Taluka Vagra, Bharuch-Gujarat-392130, India

Address for Correspondence

Investors and Shareholders can correspond with:

To Company	To Registrar and Transfer Agent
Rossari Biotech Limited 201 A - B, 2nd Floor, Akruti Corporate Park, L.B.S Marg, Next to G.E. Gardens, Kanjurmarg (W), Mumbai - 400078 Tel: +91 22 6123 3800 Fax: +91 22 2579 6982 E-mail: investors@rossarimail.com Website: www.rossari.com	Link Intime (India) Private Limited C 101, 247 Park, Lal Bahadur Shastri Marg, Vikhroli (West), Mumbai – 400 083 Tel: +91-22-4918 6000 Fax: +91-22-4918 6060 Email : rnt.helpdesk@linkintime.co.in

Green Initiative

Your Company is concerned about the environment and utilises natural resources in a sustainable way. The Ministry of Corporate Affairs (MCA), Government of India, through its circular nos. 17/2011 and 18/2011 dated April 21, 2011 and April 29, 2011, respectively has allowed the companies to send official documents to their shareholders electronically as part of its green initiatives in corporate governance.

Recognising the spirit of the circular issued by the MCA, we henceforth propose to send documents like Notice convening the General Meetings, Financial Statements, Directors' Report, Auditors' Report and other documents to the e-mail address provided by you with the relevant depositories. We request you to update your mail address with your depository participants to ensure that the Annual Report and other documents reach you on your preferred mail.

AFFIRMATION OF COMPLIANCE WITH CODE OF CONDUCT FOR THE COMPANY'S BOARD OF DIRECTORS AND SENIOR MANAGEMENT TEAM

(Declaration Pursuant to Part D of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015))

To the Members of Rossari Biotech Limited

I hereby declare that all the Board members and Senior Management Personnel as on March 31, 2021, have affirmed compliance with the Code of Conduct for the Company's Board of Directors and Senior Management Team.

For **Rossari Biotech Limited**

Sunil Chari
Managing Director
(DIN :00149083)

Place: Mumbai
Date: May 14, 2021

COMPLIANCE CERTIFICATE BY CHIEF EXECUTIVE OFFICER AND CHIEF FINANCIAL OFFICER

(In terms of regulation 17(8) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015)

A. We have reviewed audited financial statements and cash flow statements for the quarter and Financial Year ended March 31, 2021 and that to the best of their knowledge and belief:
   (1) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
   (2) 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.

B. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the quarter and Financial Year ended March 31, 2021 which are fraudulent, illegal or violative of the Company's code of conduct.

C. 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 and 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.

D. We have indicated to the auditors and the Audit committee, wherever applicable:
   (1) significant changes in internal control over financial reporting during the quarter and Financial Year ended March 31, 2021;
   (2) significant changes in accounting policies during the quarter and Financial Year ended March 31, 2021 and that the same have been disclosed in the notes to the financial statements; and
   (3) 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.

For **Rossari Biotech Limited**

Manasi Nisal
Chief Financial Officer

Sunil Chari
Managing Director
(DIN: 00149083)

Date: May 14, 2021
Place: Mumbai

INDEPENDENT AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE

TO THE MEMBERS OF
ROSSARI BIOTECH LIMITED
INDEPENDENT AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE

1. This certificate is issued in accordance with the terms of our engagement letter dated September 18, 2020.

2. We, Deloitte Haskins & Sells LLP, Chartered Accountants, the Statutory Auditors of Rossari Biotech Limited ("the Company"), have examined the compliance of conditions of Corporate Governance by the Company, for the year ended on March 31, 2021, as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the Listing Regulations).

Managements' Responsibility

3. The compliance of conditions of Corporate Governance is the responsibility of the Management. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of the Corporate Governance stipulated in Listing Regulations.

Auditor's Responsibility

4. Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

5. We have examined the books of account and other relevant records and documents maintained by the Company for the purposes of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.

6. We have carried out an examination of the relevant records of the Company in accordance with the Guidance Note on Certification of Corporate Governance issued by the Institute of the Chartered Accountants of India (the ICAI), the Standards on Auditing specified under Section 143(10) of the Companies Act 2013, in so far as applicable for the purpose of this certificate and as per the Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.

7. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

Opinion

8. Based on our examination of the relevant records and according to the information and explanations provided to us and the representations provided by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of the Listing Regulations during the year ended March 31, 2021.

9. 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 **DELOITTE HASKINS & SELLS LLP**
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

Manoj H. Dama
Partner
(Membership No. 107723)
(UDIN : 21107723AAAAKY4682)

Place: Mumbai
Date: July 30, 2021

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,

The Members of
Rossari Biotech Limited
201 A - B, 2nd Floor, Akruti Corporate Park,
L.B.S Marg, Next to GE Gardens, Kanjurmarg (W)
Mumbai-400078, Maharashtra, India

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Rossari Biotech Limited having CIN:L24100MH2009PLC194818 and having registered office address at 201 A - B, 2nd Floor, Akruti Corporate Park, L.B.S Marg, Next to GE Gardens, Kanjurmarg (W) Mumbai-400078, Maharashtra, India (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal (www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, We hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on March 31, 2021 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 Director	DIN	Date of Appointment in Company
1	Robin Banerjee	00008893	12/11/2019
2	Sunil Srinivasan Chari	00149083	10/08/2009
3	Edward Walter Menezes	00149205	10/08/2009
4	Goutam Bhattacharya	00917357	06/12/2018
5	Aseem Dhru	01761455	12/11/2019
6	Meher Bruno Castelino	07121874	04/07/2018
7	Sharabh Pachory	08577249	12/11/2019

Ensuring the eligibility of 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.

Ashita Kaul & Associates
Practising Company Secretaries
UDIN: F006988C000086848

Proprietor
FCS No.: 6988
C.P. No. 6529

Place: Mumbai
Date: April 14, 2021

Business Responsibility Report

Rossari has the vision to be the leading and most reliable solution provider globally in its sectors of choice with focus on sustainability. Your Company believes that companies can play an integral part in the progress of the society. As a founding principle we value all our stakeholders.

The aspiration of being one of the top most admired global brands can be achieved by doing businesses on sound sustainability principles that address the dimensions of good governance as well as environmental and social responsibility. We believe that sustainability is not just a destination or a journey, it is a way of life.

This is the 1st Business Responsibility Report in line with Regulation 34(f) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. In line with SEBI's proposed structure for the Business Responsibility Report and the nine principles of the Government of India's "National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business", this report delineates our efforts to conduct business with responsibility.

Section A : General Information

1.	Corporate Identity Number (CIN) of Company	L24100MH2009PLC194818	
2.	Name of Company	Rossari Biotech Limited	
3.	Registered Office Address	201 A-B, Akruti Corporate Park, L.B.S Marg, Next to G.E. Gardens, Kanjurmarg (West), Mumbai 400078.	
4.	Website	www.rossari.com	
5.	Email	info@rossarimail.com	
6.	Financial Year of Report	2020-21	
7.	Sector(s) that the Company is engaged in (industrial activity code-wise)	Speciality Chemicals	
		NIC Code	Product Description
		20119	Manufacture of organic and inorganic chemical compounds n.e.c
8.	List three key products that Company manufactures/ provides	1. Greenacid Series, 2. Greenacid, Biocool Z 40, 3. DETPRO Please refer to the Company website (www.rossari.com) for complete list of Products	
9.	Total Number of Locations where business Activity is undertaken by Company		
	i. International Locations	Company through its representative office has operation in Bangladesh and Vietnam.	
	ii. National Locations	Registered Office	Kanjurmarg, Mumbai
		Manufacturing Facilities	Silvassa, Dadra and Nagar Haveli & Dahej, Gujarat
		Research & Development Centre	Silvassa & IIT Mumbai
		Sales Location	Delhi, Surat, Lucknow and Ahmedabad
10.	Markets served by the Company Local/ State/ National/ International	Company has presence in both local and international markets.	

Section B : Financial Details

Sr. No.	Disclosures	Information/Reference sections
1.	Paid up Capital (₹ in million)	103.86
2.	Total Turnover (₹ in million)	7,093.45 (Consolidated)
3.	Total profit after taxes (₹ in million)	800.46 (Consolidated)
4.	Total spending on Corporate Social Responsibility (CSR) as % of profit for last 3 Financial Years	₹ 13.24 Million
5.	Activities under which expenditure in 4 above has been incurred	List of CSR activities are detailed in the Annual Report of CSR Activities, **Annexure-III** to the Board's Report.

Section C : Other Details

Sr. No.	Disclosures	Information
1.	Does the Company have any Subsidiary Company / Companies	Yes.
2.	Do the Subsidiary Company / Companies participate in the BR Initiatives of the parent Company? If yes, then indicate the number of such subsidiary Company(s)	As on March 31, 2021, the Company has two subsidiaries. RBL encourages its Subsidiary Companies to participate in BR initiatives.
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's BR Policy is applicable to the management and all employees of the Company. The Company encourages and expects its business partners to adopt the BR practices. However, no formal study has been undertaken as of date to ascertain the percentage of such entities who participate in BR activities.

Section D : BR Information

1. Details of Director responsible for Business Responsibility

Sr. No.	Particulars	Details	
1.	Details of Director/Directors responsible for BR		
	(a) Details of the Director/Directors responsible for implementation of the BR policy/policies	DIN	00149083
		Name	Mr. Sunil Chari
		Designation	Managing Director
	(b) Details of the BR head	DIN (if applicable)	00149083
		Name	Mr. Sunil Chari
		Designation	Managing Director
		Telephone Number	+91 22 6123 3800
		Email ID	chari@rossarimail.com

2. The operating principles adopted by the Company supplement the requirements under the National Voluntary Guidelines

The Company has adopted nine principle of Business Responsibility based on the National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business (NVGs) released by the Ministry of Corporate Affairs. These briefly are as follows:

Principle 1 : Ethics, Transparency and Accountability [P1]

Principle 2 : Product Lifecycle Sustainability [P2]

Section D : BR Information (Contd.)

Principle 3 : Employee well-being [P3]

Principle 4 : Stakeholder Engagement [P4]

Principle 5 : Human Rights [P5]

Principle 6 : Preservation of Environment and Safety [P6]

Principle 7 : Responsible Advocacy [P7]

Principle 8 : Inclusive Growth & Equitable Development [P8]

Principle 9 : Consumer Value [P9]

1. Principle-wise BR Policy/policies

Sr. No	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1.	Do you have a policy/policies	Y	Y	Y	Y	Y	Y	Y	Y	Y
2.	Has the policy being formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
3.	Does the policy conform to any national / international standards?	Yes, the Policy is based on and it is in confirmation with 'National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business' issued by Ministry of Corporate Affairs.								
4.	Has the policy being approved by the Board? If yes, has it been signed by MD/ owner/ CEO/ appropriate Board of 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*
6.	Indicate the link for the policy to be viewed online?	https://www.rossari.com/corporate-governance/								
7.	Has the policy been formally communicated to all relevant internal and external stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
8.	Does the Company have in- house structure to implement the policy/ policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
9.	Does the Company have a grievance redressal mechanism related to the policy/ policies to address stakeholders' grievances related to the policy/ policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
10.	Has the Company carried out independent audit/ evaluation of the working of this policy by an internal or external agency?	N	N	N	N	N	N	N	N	N

**Mr. Sunil Chari, Managing Director, periodically meets and review with the functional heads and unit heads to ensures that the policy is implemented throughout the Company.*

Note: The relevant policies have evolved over a period of time by taking inputs from concerned internal stakeholders, while there may not be formal consultation with all stakeholders.

2. Governance Related to BR

a.	Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company.	The BR Head assesses the BR performance of the Company at least annually.
b.	Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?	As mentioned above, this is the 1st Business Responsibility Report of the Company, and the same forms a part of Annual Report and also available on Company's website www.rossari.com.

Section E: Principal Wise Performance

Principle 1: 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?

   Yes, We believe in conducting its business in a fair and transparent manner. Integrity is one of the core values and the values are widely communicated to all relevant stakeholders. The Company has laid down employee Code of Ethics applicable to all employees, with the objective of establishing and upholding high ethical conduct with utmost transparency, and accountability. The Company is committed to developing a culture where it is safe for all directors/ employees to raise concerns about any poor or unacceptable practice and any event of misconduct. Accordingly, a Whistle Blower Policy is in place under which Director/employee are free to raise concern and a Code of Conduct to regulate, monitor and report trading by Designated Persons and their Immediate Relatives based on the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 has been formulated.

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 an Internal Complaints Committee ("ICC") to redress complaints received with respect to sexual harassment. No complaint was received in 2020-21 by ICC. Under the Whistle Blower Policy, no complaint was received in 2020-21. During the year, Two Hundred and Fifty complaints were received from shareholders which were resolved promptly. There were no non-disputed fines/penalties imposed on business by regulatory and judicial institutions, and no complaints / cases of corruption and conflicts of interest registered during the year.

Principle 2: Product Lifecycle Sustainability

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

   In order to improve lives, now and for generation to come, we ensure that our products, packaging and operations are safe for employees, consumers and the environment. The Company is committed to develop safe, sustainable & eco-friendly products, processes, technologies and services and to adopt Life Cycle thinking contributing towards product stewardship. Sustainability is an integral part of product design. We are developing new products by giving highest priority to safety and health impact. The Company is committed towards producing products keeping in mind their impact on the environment. Sustainability has always been the top most priority and R&D efforts are continuously undertaken to ensure the same.

   In addition, the Company has fully operationalised all phases of its Greenfield manufacturing facility at Dahej, Gujarat successfully which will further augment in the vision of the Company in providing intelligent and sustainable solutions for customers across industries.

   Few of the sustainable products of the Company are as follows:

   1. Green wash EC
   2. Planta San
   3. Planta View

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

   Company has been constantly improving its operational efficiencies for reducing the consumption of resources without compromising on the quality and quantity of its range of Speciality - Chemicals.

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 has an effective forecast system enabling purchase of raw materials based on sales forecast and trends in domestic and international market to ensure optimal raw material procurement and has been also pursuing wastage reductions across manufacturing units. We work on the idea of optimum utilisation of available resources in a sustainable manner. We are continuously improving our waste monitoring mechanism.

4. Has the Company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work? If yes, what steps have been taken to improve their capacity and capability of local and small vendors.

   Yes, The Company have developed vendors that are local and promotes local producers. we encourage its small and marginal producers to adopt sustainable business ideas. We have always supported local and small vendors by giving them orders on a continuous basis and making timely payments in order to provide them cash flow. We value and support all our small vendors as much as it values its large 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.

   Yes, Between the procurement of raw materials and the creation of a product, we strive to reduce waste, water, energy through systemic conservation efforts. We focus on waste elimination, recycling and optimum utilisation of resources. We are continually improving our waste monitoring mechanism. The Company has implemented projects that have reduced waste over the years by recycling by-products/ waste for internal consumption and improving the yield of production. We apply smart eco-design through innovative construction process improvements. And, we re-use where feasible, giving new life to what was once waste.

Principal 3: Employee Well Being

1. Please indicate the Total number of employees.

<table>
<tr><th>Sr. No.</th><th colspan="3">Particulars</th><th>Details</th></tr>
<tr><td>1.</td><td colspan="3">Please indicate the Total number of employees.</td><td>651</td></tr>
<tr><td>2.</td><td colspan="3">Please indicate the Total number of employees hired on temporary/contractual/casual basis.</td><td>281</td></tr>
<tr><td>3.</td><td colspan="3">Please indicate the Number of permanent women employees.</td><td>44</td></tr>
<tr><td>4.</td><td colspan="3">Please indicate the Number of permanent employees with disabilities.</td><td>Nil</td></tr>
<tr><td>5.</td><td colspan="3">Do you have an employee association that is recognised by management?</td><td>Not Applicable</td></tr>
<tr><td>6.</td><td colspan="3">What percentage of your permanent employees is members of this recognised employee association?</td><td>Not Applicable</td></tr>
<tr><td rowspan="5">7.</td><td colspan="4">Please indicate the Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last Financial Year and pending as on the end of the Financial Year.</td></tr>
<tr><td>Sr. No.</td><td>Category</td><td>No. of Complaints filed during the Financial Year</td><td>No. of complaints pending as on end of Financial Year</td></tr>
<tr><td>1.</td><td>Child Labour/ Forced Labour / Involuntary Labour</td><td>Nil</td><td>Nil</td></tr>
<tr><td>2.</td><td>Sexual Harassment</td><td>Nil</td><td>Nil</td></tr>
<tr><td>3.</td><td>Discriminatory Employment</td><td>Nil</td><td>Nil</td></tr>
<tr><td rowspan="5">8.</td><td colspan="3">What percentage of your under mentioned employees were given safety & skill up-gradation training in the last year?</td><td>Details</td></tr>
<tr><td>a.</td><td colspan="2">Permanent Employees</td><td>100% at Factory</td></tr>
<tr><td>b.</td><td colspan="2">Permanent Women Employees</td><td>100% at Factory</td></tr>
<tr><td>c.</td><td colspan="2">Casual/Temporary/Contractual Employees</td><td>100% at Factory</td></tr>
<tr><td>d.</td><td colspan="2">Employees with Disabilities</td><td>Not Applicable</td></tr>
</table>

Principle 4: Stakeholder Engagment

1. Has the Company mapped its internal and external stakeholders?

   Yes

2. Out of the above, has the Company identified the disadvantaged, vulnerable & marginalised stakeholders.

   Yes, the Company actively work to identify underprivileged communities in and around our Manufacturing Sites to prioritise our work on to serve their needs through our CSR Projects.

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

   Yes, we believe that we have an important role to play in the inclusive growth of the Society and the Community in which it operates. The Company promotes Education and Literacy in adjoining villages. Free Distribution of Books is the initiative for the needy School Children so that they can seamlessly pursue their studies. The Company provides basic amenities to the underprivileged in and around its Factory and Office premises.

   Details of all the Activities listed above can be found in Annexure-III to the Board's Report.

Principle 5: Human Rights

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

   Our core values as a Company include treating everyone with respect. We have a strong non-discrimination policy and have zero tolerance for unlawful discrimination. The Company has adopted various policies, and for instance '**Code of Ethics**'- we communicate the underlying principles to all the internal & external stakeholders (vendors, suppliers, distributors and other key business associates of the Company), which they are expected to adhere to while dealing with the Company. This process of communicating the underlying principles is followed for all our policies.

We aspire to create a gender-equal world with equal representation for all individuals. We are committed to driving equality within the Company. We are adopting equality-based policies, broadening our definition of leadership and empowering our people to join us in building a workplace that is equal for all individuals. While dealing with suppliers/ vendors we adopt the said principal of equality.

2. How many stakeholder complaints have been received in the past Financial Year and what percent was satisfactorily resolved by the management.

   Please refer para 2 of Principle 1 above.

Principle 6: Preservation Of Evironment And Safety

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

   The policy covers the Company and its Subsidiaries.

2. Does the Company have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc. Y/N. If yes, please give hyperlink for webpage etc.

   Yes, We are committed to responsibly conduct the business. The business has a framework in place to effectively manage environment management. There is constant endeavour to undertake innovative initiatives to protect the environment.

   The Company has contributed towards making a greener planet by conserving the environment and natural resources. The Company replaced partially, the conventional street light with LED lamp and replaced most of conventional plant and office lights with LED lamp. Also, the Company has started to switch over from the conventional lighting system to latest LED based system for all the new projects.

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

   Yes

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

   The Company does not have any clean development project at present.

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

   Yes, both the Plants of the Company has been certified by the ZERO DISCHARGE OF HAZARDOUS CHEMICALS ("ZDHC") level-3 certification. "ZDHC- Roadmap to Zero Programme" leading the textile industry towards sustainable chemistry and environmental best practices. Higher conformance levels are expected to reflect a higher confidence that a chemical product meets the ZDHC MRSL conformance levels, and therefore a lower probability of any ZDHC substances being present in the certified chemical product.

   Below is the plant wise bifurcation of few initiates by the Company:

   Silvassa Plant

   - The Company use approximately 5% Solar renewable source of energy for this plant premises and total 154 nos. Solar plates are located within plant premises.
   - 50 KWP Solar energy is merged with main power supply to the transformer having capacity of 1600 KVA.
   - For environmental emissions controls, we have a IBR Boiler Incinerator and as an Air Pollution Control Measures device, we have an appropriate stack height. Stack monitoring data represent the less carbon foot print of generation of greenhouse gases.

   Dahej Plant

   - The Company is using 100% renewable energy.
   - The roof top of plant building is designed to accommodate up to 1MW solar power installation.
   - The Company have planted approximately 2280 trees within last 6 months.
   - For environmental emissions controls, we have a IBR Boiler Incinerator and as an Air Pollution Control Measures device, we have an appropriate stack height. Stack monitoring data represent the less carbon foot print of generation of greenhouse gases.

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

   Yes, All the plants of the Company comply with the prescribed emission norms of various Central/State pollution control boards. All the emission and waste generated by the Company is well within the permissible limits given by SPCB/CPCB for the Financial Year reported.

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.

   No show cause or legal notices from the pollution control authorities are pending as on the end of the Financial Year.

Principle 7: Responsible Advocacy

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.

   Yes, The Company, its subsidiaries and Executive Directors are part of many trade and chamber or association including Green Gene Enviro Protection Infrastructure Private Limited, Federation of Industries of India, CLFMA of India, Confederation Of Indian Industry, Federation of Indian Export Organisation (FIEO).

2. Have you advocated/lobbied through above associations for the advancement or improvement of public good. Yes/No; if yes specify the broad areas (drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others)

   Yes, The Company does not engage in policy advocacy or in lobbying through any association. However, time to time we work with the associations mentioned above relating to the issues related to the Industry and contribute our views in case the same is solicited.

Principle 8: Inclusive Growth And Equitable Development

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

   Yes, The Company has adopted a Corporate Social Responsibility (CSR) Policy. We recognise our role and responsibility to deliver superior and sustainable value to our customers, business partners, employees and communities. We have implemented various CSR initiatives with employee volunteers as well as in partnership with implementing agencies. Our initiatives are aimed towards promoting the education and human area upliftment etc.

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

   The Company directly and through NGOs and Foundations implements its CSR Initiative. The CSR Report has been dealt with more exhaustively in the annexure to the Board's Report for Financial Year 2020-21.

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

   The CSR Committees and Board evaluate the CSR initiative made by the Company.

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

   During the Financial Year under review minimum contribution required was ₹ 12.65 million towards CSR and the Company has contributed ₹ 13.24 million towards CSR.

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.

   Every project and initiative done directly by the Company are monitored by the Senior Officials of the Company for its effective implementation.

Principle 9: Consumer Value

1. What percentage of customer complaints/consumer cases are pending as on the end of Financial Year.

   During the period under review the Company has no complaints/consumer cases pending.

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 has displayed product information on the product label, over and above, as per local laws.

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

   There is no case against the Company during last five years filed relating to unfair trade practices, irresponsible advertising and/or anti-competitive behaviour.

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

   We believe in providing best services to its customers. Sales team of the Company from time to time organise meeting(s) with customers to understand their expectation and essentially to provide the best service. Feedbacks received from customers are implemented to further enhance quality of service. Our ongoing efforts have made us significant players across all products we operate in.

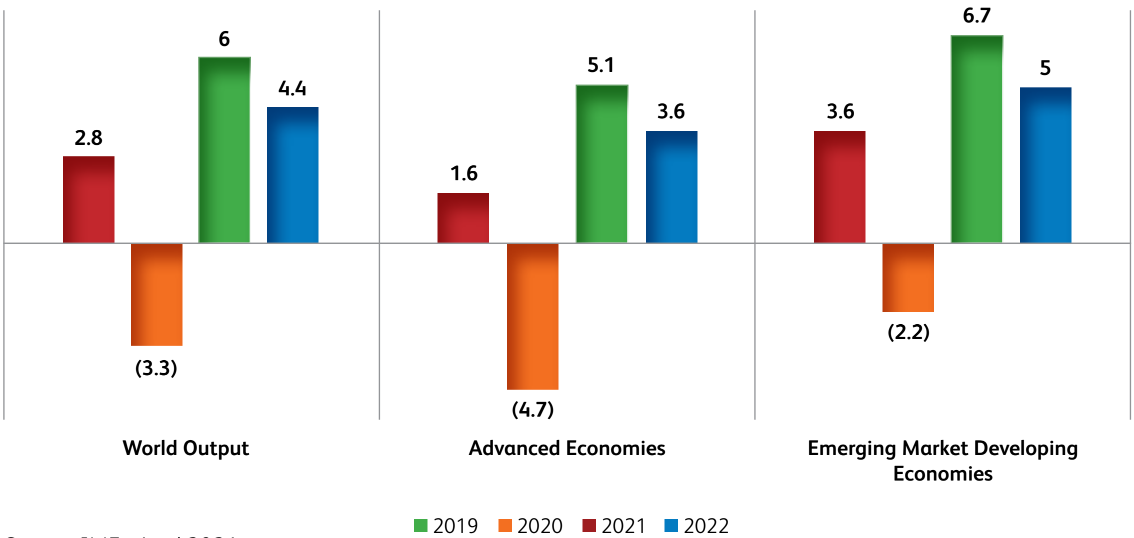
Management Discussion & Analysis – 2020-21

ECONOMIC OVERVIEW & OUTLOOK

Global Economy

In the year 2020, global economies faced an unprecedented situation owing to the outbreak of the COVID-19 pandemic. Economic activities in the international markets were severely affected, particularly in the first half of the year as a result of weak consumption, disruption in cross-border trade, and supply-chain issues. However, in the second half of the year, global economic activities partly revived as lockdown restrictions across markets eased. Resumption in business activities, stabilisation in economic trade and revival in industrial pace across countries, along with wide vaccination drives uplifted sentiments across markets. While IMF estimates that global GDP would reduce by 3.3% in 2020, the outlook for the year 2021 and 2022 remains healthy. Global economy is expected to rise 6% in 2021 and 4.4% in 2022 and the recovery is expected to be more broad-based.

Global GDP Growth (%) Projections



Source: IMF –April 2021

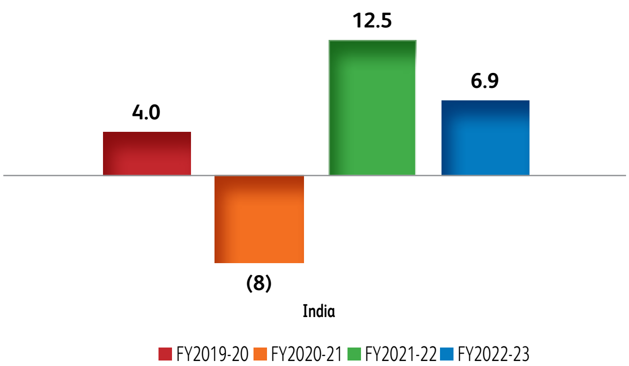
Indian Economy

In the last few years, India has been one of the world's fastest growing major economies. However, the outbreak of the COVID-19 pandemic at the start of the fiscal year 2021 considerably impacted economic growth, supply chain, manufacturing and industrial activities across the nation, resulting in a significant slowdown for the economy. IMF estimates that the Indian economy is projected to contract by 8.0% in fiscal year 2020-21.

Notwithstanding the unprecedented environment, as lockdown restrictions eased across domestic markets in the second half of 2020, there were initial shoots of revival in the domestic economy, which further strengthened over the course of the year. Several micro and macro-level high-frequency indicators recorded faster-than-anticipated improvement, with a broad-based momentum across various sectors. With improving vaccination coverage across the country along with improving pace of economic activities, the growth in the Indian economy is expected to gradually recover. The forecast by IMF suggests India would once again be the fastest growing major economy in the world, with the country expected to grow at 12.5% in 2021-22. India is touted to be the only country among major world economies that is projected to grow at a double-digit rate in that period.

SPECIALITY CHEMICAL INDUSTRY OVERVIEW

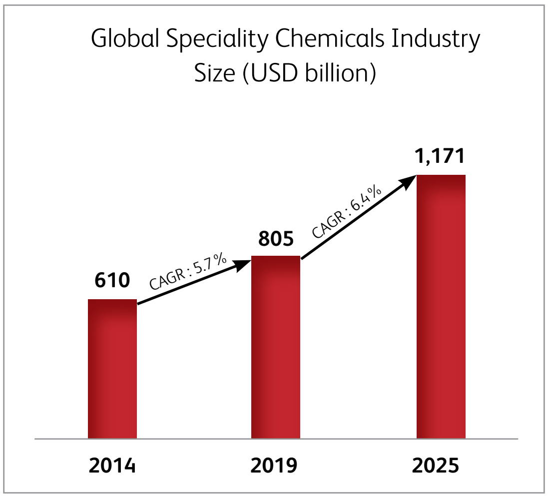
India GDP Growth (%) Projections

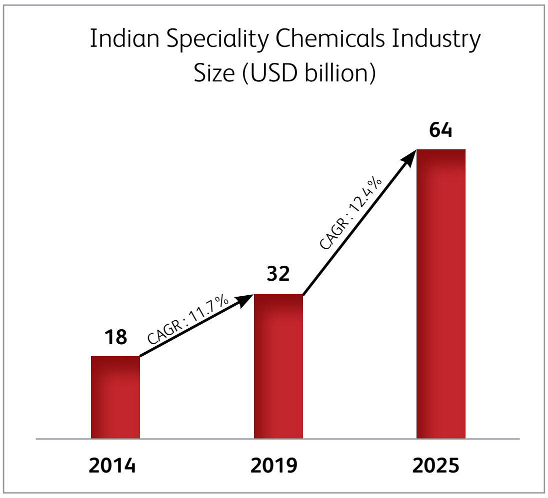


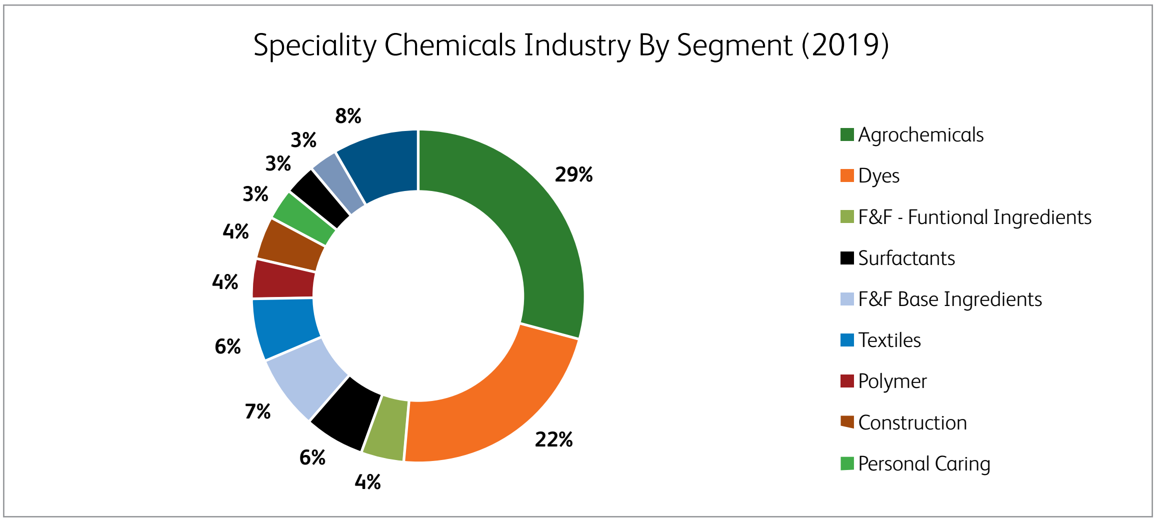
Source: IMF –April 2021

The Speciality chemicals industry in India has been on a robust growth trajectory over the last few years and is one of the best performing sectors within the Indian manufacturing space. The industry finds product applications across a wide range of end-user industries such as agriculture, food and beverages, health, personal care, automotive, electronics, water, amongst others. In recent years, there has been strong expansion and growth of these end-user industries, thereby fueling growth in application of the Speciality chemicals products.

Globally, the industry has grown at 5.7% CAGR over the last 5 years, reaching USD 805 billion in 2019. It is estimated to grow at 6.4% over the next 5 years to reach ~USD 1.2 trillion by 2025, mainly supported by improved momentum in Asian markets. Over the past few years, India, among other Asian countries, has emerged as one of the preferred manufacturing market for companies across the globe. The Indian speciality chemicals industry currently stands at USD 32 billion and is further expected to grow at a healthy 12% CAGR over the next five years, reaching USD 64 billion by 2025. As of 2019, the speciality chemicals segment constitutes about 18% of the total chemical industry in India and has been clocking faster growth rates among the overall chemicals industry, with a CAGR of 11% from 2014-2019 period.







Home, Personal Care and Performance Chemicals Industry Overview:

Home Care: The home care and cleaning products industry, across the globe and in India, has seen strong traction over the past years led by several factors, including growing population, increase in per capita disposable income, rapid urbanisation and increased awareness about health and hygiene, particularly in developing countries amongst others. Home care ingredients are primarily split across household and Industrial & institutional (I&I) segments. Household ingredients comprise of ingredients used in the manufacturing of home care items such as floor cleaners, detergents, and toiletries, etc. Industrial and institutional (I&I) cleaners, on the other hand, are designed for cleaning industrial and institutional institutions such as manufacturing plants, colleges, hospitals, hotels, health clubs, and theatres, among others.

In India, the home care ingredients market as of 2018 was valued at USD 1.6 billion, registering a CAGR of 10.8% over the years 2015 to 2018. The market was mainly driven by increased growth in the household care segment in India.

Personal Care: The personal care ingredients market, particularly in India has become increasingly dynamic, driven by improved consumption and awareness. The industry covers a diverse range of end-user applications across skin care, hair care, cosmetics, oral care and others. Personal care ingredients are a series of raw materials used in personal care products and in cosmetic formulas. It includes surfactants, conditioning polymers, emulsifiers and emollients and others. These ingredients are used as a critical aspect for the functionality of underlying products such as to fight inflammation, enhance collagen production, free radical damage, oppose glycation, and assist in cell regeneration among others. The market for personal care ingredients is broadly classified into commodity, fine chemical, and Speciality chemical ingredients. The Personal care Speciality chemicals can then be further divided into active and inactive ingredients. Active ingredients comprise of conditioning agents, UV ingredients, anti-ageing ingredients, exfoliants and others. Inactive ingredients include polymer additives, surfactants, preservatives and colorants.

The widening spread of the novel strain of the COVID-19 virus in 2020 brought everyday hygiene and anti-viral products to the fore. As Government organisations across the globe published guidelines to maintain hygiene and safety, the Home, Personal Care and Performance Chemicals industry, across the globe, saw a significant influx of demand for its product applications such as sanitisers, surface cleaners, hygiene products and other anti-viral product sales.

The Personal care chemicals industry, during the 2015-2018 period registered over 16% CAGR and is one of the fastest growing segments in the Indian Speciality sector. In 2018, the Indian personal care market stood at USD 14.3 billion and Indian personal care ingredients market stood at USD 1.2 billion.

Growth Drivers for Home, Personal care and performance chemicals industry:

- Rising awareness of health and hygiene among all strata of society
- Strong uptick in rural demand and consumption
- Consumer awareness and aspirations for beauty, hair-care and grooming products
- Increased premiumisation and focus on branded products
- Increased shift towards natural, eco-friendly, organic and natural products
- Stringent environmental regulations driving demand for water purification and waste water management

Textile Speciality Chemicals

India is one of the world's largest producers of textiles and garments, indicating a high domestic demand for textile chemicals. Textile processing techniques include the use of a variety of chemicals to prepare, treat, and dye fabrics. Textile chemicals are used during every processing stage of textiles, and are generally classified as auxiliaries and colorants. Auxiliaries constitute Coating & Sizing Chemicals, De-sizing Agents, Surfactants, Yarn Lubricants, Finishing Agents and Colorants are used to impart color to the textile product, such as Dyes and Bleaching Agents. Textile chemicals are added during fabric processing to impart specific features such as sweat absorbency, antimicrobial properties, wrinkle resistance, stain resistance, desired texture, and finish to the fabrics.

Increasing global and domestic consumption of high-quality textile goods, rising textile production, favourable government policies, and an increase in foreign brands sourcing garments from India have together contributed to the increased demand for textile chemicals in India. The Textile Chemicals market as of 2018 was valued at USD 1.8 billion, registering a CAGR of 11% over the years 2015 to 2018.

Growth Drivers for Textile Speciality Chemicals industry:

- Rising disposable income augmenting demand for varied textile products
- Online and omni-channel retail markets boost consumption patterns
- Rising demand for home furnishings, floor coverings, and technical textiles
- China-plus-One procurement strategy expected to bring in an influx of manufacturing demand for India

- Stringent environmental regulations across several global market places creating demand for green, clean and sustainable textile chemical solutions
- Increasing demand for finishing chemicals like anti-microbial properties, wrinkle-free properties, stain-resistance among others

Animal Health and Nutrition

The Indian market for animal and pet nutrition ingredients, in recent times, has seen strong consumption patterns. Animal or pet food additives are dietary ingredients that are supplemented to increase feed quality and digestibility, as well as animal efficiency. Indian Animal & Pet Nutrition Ingredients Market consists of Amino acids, vitamins/carotenoids, enzymes, minerals, probiotics among others. A growing requirement for animal protein and rising focus on the quality and appearance of animal products are the key factors driving the demand for Animal & Pet Nutrition Ingredients Market.

The India market for animal and pet nutrition ingredients in 2018 was estimated at about USD 0.25 billion. Increased awareness among livestock producers and adoption of intensive animal farming practices to meet the growing demand are expected to propel the demand for animal nutrition.

Pet Food

Over the years, the growing number of pet-owners has resulted in an extensive demand for pet food products that ensures palatability and meets the recommended nutritional requirements. There is an increasing awareness about pet nutrition and pet owners are becoming more conscious about the products they buy. In 2018, the India Pet Food Market was estimated to be at USD 178 million.

Pet Grooming

Increase in disposable incomes in addition to the increase in popularity of pet grooming products has, in recent times, resulted in an upsurge in demand for pet grooming products. The basic pet grooming products include bathing products such as shampoos and conditioners and other clipping and trimming products such as clippers, scissors, combs & brushes for hair cleaning.

Growth Drivers for Animal Health and Nutrition:

- Increased awareness about pet care and pet health
- Growing popularity of pet parenting, especially in nuclear families
- Highly specialised and premium animal nutrition driving demand for highly specialised ingredients
- Emerging demand for aquaculture feed to fuel the demand for feed ingredients

Source: Company, Frost & Sullivan 2019, FICCI 2020

Rossari Biotech - Overview

Business Overview:

Rossari Biotech Limited ("Rossari" or the "Company"), established in the year 2003, is one of the leading Speciality Chemicals manufacturing companies in India providing intelligent and sustainable solutions to customers across industries such as FMCG, Home & personal care, Industrial Cleaning, Textile Speciality Chemicals, Performance Chemicals, Animal Health and Nutrition and Pet Care businesses. Over the last two decades, the Company has developed a differentiated and tailor-made product portfolio for its three main businesses of Home, Personal Care and Performance chemicals (HPPC), Textile Speciality Chemicals (TSC) and Animal Health and Nutrition (AHN). The Company's differentiated solutions are essentially centered on four basic chemistries such as enzymes, silicones, acrylic and surfactants.

> **Rossari Biotech is one of the leading Speciality Chemicals manufacturing companies in India providing intelligent and sustainable solutions to customers across industries**

Being solution providers, the Company's offerings contribute significantly to the product experience and enhance utility for its vast customer base of 1,000+ customers, including MNCs, domestic and local companies. Most of the product portfolio is environmental-friendly in nature and undergoes sustainable manufacturing processes. With deep customer engagements across industries, Rossari is essentially a customer-centric Company providing tailor-made solutions backed by the elements of research, agility, sustainability and operational efficiency.

Business divisions:

Home, Personal care and Performance Chemicals (HPPC)

Rossari is one of the fastest-growing Speciality chemicals manufacturers in the HPPC sector in India, manufacturing and supplying over 550 product offerings. Within this high-potential division, the Company's tailor-made solutions are widely used across industries such as FMCG, Cosmetics, soaps and detergent, paints, inks and coatings, ceramics and tiles, water treatment chemicals and pulp & paper. The Company also manufactures institutional cleaning chemical formulations and is currently in advanced stages of expanding its product portfolio to water treatment formulations, Speciality formulation for breweries as well as dairies.

Rossari, through its Rossari Personal Care Products subsidiary, also carries out the manufacturing of personal care products, including skin-care, cosmetics and body-care products. The Company has partnered with a highly capable talent to build and grow its business in a high-growth potential area of personal care products.

The Company also operates an Own Design Manufacturing (ODM) model that enables customisation of products for various applications at a short notice, thus diversifying operations across different customer segments.

As of March 31, 2021, the Company operates a robust supply chain with distributors across nine states. The customer base remains strong with marquee names across MNCs and large domestic companies

Textile Speciality Chemicals (TSC)

Rossari Biotech is the largest textile Speciality chemicals manufacturer in India, with over 1,600 product offerings. The Company provides speciality chemical solutions across the entire value-chain of the textile industry starting from Thread, Yarn and Man-made Fiber production to digital printing, fabric processing, dyeing auxiliaries and garment finishing range. The Company's expertise is in complete textile processing, which is backed by a strong manufacturing infrastructure for textile chemicals, a technically knowledgeable marketing team and an innovative and technically robust R&D team.

The textile industry is one of the largest contributors to water, air as well as solid-waste pollution. Accordingly, Rossari's focus has been on providing eco-friendly and sustainable chemical solutions, which either replaces the highly polluting chemicals being used by customers or reduces the impact of environmental pollution by suitably modifying the overall industrial process. The Company is focusing towards improving contribution from sustainable and value-added speciality chemicals, such as solutions that enhance hydrophilic properties, antimicrobial properties, flame-retardant properties, fragrance, water repellents and UV absorbing properties of the textiles

As of March 31, 2021, the Company operates a robust supply chain with distributors across twenty five states. The customer base includes large domestic textile and apparel manufacturers

Animal Health and Nutrition (AHN)

The Company manufactures a range of over 75 products from poultry feed supplements and additives, pet grooming and pet treats, including for weaning, infants and adult pets. The Company has a wide range of poultry feed additives from enzymes to vitamin premixes, trace minerals, acidifiers, disinfectants, etc.

In the fiscal year 2019, the Company forayed into the pet grooming division with acquisition of brand 'Lozalo'. Lozalo operates in the lucrative and fast-growing market of pet grooming including products such as shampoos and conditioners for dog, cat and horse. Rossari has also forayed into the pet treat category with packed foods for dogs and cats.

Within this division, the Company operates a business-to-business model for the feed supplements and additives business and a business-to-consumer model for the pet grooming and pet treat business. As of March 31, 2021, the Company operates a robust supply chain with distributors across eighteen states.

Business Salience – Strengths & Opportunities

Rossari is a customer-centric Company providing tailor-made solutions backed by the elements of research, agility, sustainability and operational efficiency

1) **Diversified Product portfolio:**

Rossari has developed a differentiated product portfolio for its three main businesses of Home, Personal Care and Performance chemicals (HPPC), Textile Speciality Chemicals (TSC) and Animal Health and Nutrition (AHN). Being tailor-made and unique solution providers, the Company's offerings contribute significantly to the product experience and enhance utility for its customers. In addition, most of these products are environmental-friendly that undergo sustainable manufacturing processes. Rossari's differentiated solutions are centered on four basic chemistries such as enzymes, silicones, acrylic and surfactants.

2) **Extensive & Fungible Manufacturing Infrastructure:**

Over the last several years, the Company has invested in creating a fungible and agile manufacturing infrastructure. Today, the Company operates 2 strategically located manufacturing facilities at Silvassa and Dahej, Gujarat, with a total production capacity of 2,52,500 MTPA

The Silvassa Manufacturing Facility, with an installed capacity of 1,20,000 MTPA, is a highly automated unit, with flexible and interchangeable capacities across three business lines of HPPC, TSC and AHN. This function enables Rossari to manufacture any of its product line at any point of time. Showcasing a high degree of agility during the pandemic, the Company addressed available market opportunities in the HPPC business on the back of its fungible manufacturing establishment. This facility also offers a wide variety of testing and packaging services. The Silvassa plant is a zero-liquid-discharge facility, thus minimizing carbon footprint of its manufacturing processes.

Rossari, in the month of March 2021, fully operationalised all phases of its Greenfield manufacturing facility at Dahej, Gujarat. This facility, with a total installed capacity 1,32,500 MTPA, is a state-of-the-art automated unit, bringing higher cost-efficiencies and economies of scale. The plant enjoys proximity to various ports such as the Hazira port, the upcoming deep-water and multi-cargo port of Dahej and another one coming up at Mundra. This will help provide a solid cost and logistical advantage to the Company. The facility will be further augmented by R&D, automation, administration, and other corporate facilities in the coming years.

3) Robust R&D Capabilities:

A combination of intelligent chemistry and R&D has been and will continue to be an important growth lever for Rossari. The Company's R&D capabilities integrate all the three aspects of its products – synthesis research, formulation & development, and technical service to provide customisable, intelligent and cost-efficient solutions to customers in a shorter time frame.

The Company operates two R&D facilities at Silvassa and Mumbai, led by a dedicated and experienced R&D team. Strategically located on the IIT campus in Mumbai, the Rossari Centre of Excellence, was operationalised in fiscal year 2021. It is a new state-of-the-art certified R&D laboratory, which is fully equipped with advanced testing and research equipment.

4) Intelligent Chemistry to Seed High-potential Businesses:

One of the key focus areas for the Company is towards leveraging upon its R&D capabilities and intelligent chemistry principles to seed new business lines centered on its four core chemistries of enzymes, silicones, acrylic and surfactants. In-sync with this growth strategy, the Company's dedicated R&D team, both at Mumbai and Silvassa, are constantly evaluating upon various opportunities to introduce new product niches, with impetus on sustainability and environment-friendliness.

The Company has a strong upcoming pipeline of new products across categories of Paint, water treatment and performance chemicals. It is also in advanced stages of expanding technologies to newer markets of spin finish, technical textile and textile sizing. In addition, the Company is also looking to expand its product portfolio in the pet food sub-segment.

5) Green & Sustainable solutions:

Rossari, since inception, has proactively focused towards embracing sustainability in all its business operations to accelerate growth and maximise customer benefits. The Company is one of the frontrunners and specialists in India for producing environmentally-benign substitutes that replace legacy and harmful products, across the divisions. Through its intelligent chemistry and R&D capabilities, the Company's aim is to deliver green, sustainable and cost-neutral products, thereby minimizing carbon footprint of manufacturing processes. The Company is dedicated to meets its responsibilities toward environmental community by working diligently to reduce carbon emissions. In 2020-21, the Company had introduced a wide range of eco-friendly sustainable products in the TSC division such as Green acid, Green salt, Greenhill (Green Silicate), Green soda, Bioclay (a clay-based product), Greenhydro 400 Pdr, Greenboost, which are not only green and eco-friendly but are also cost-neutral in nature. These products have been positively received in the markets.

6) Strong customer base:

Rossari enjoys direct engagement and touch-points with its extensive customer base of over 1,000+ multinational, regional and local companies. The Company has long-term and deep engagements with several of these customers spanning over 15 years. While Rossari's team focuses towards demand generation and demand creation across domestic markets, demand servicing is primarily undertaken by the wide and extensive distributor network spread across India.

FY2020-21 - Year in Review

The Company delivered a strong performance in the fiscal year 2021, despite unprecedented operating challenges due to the Covid-19 pandemic. As an organisation, Rossari efficiently adapted and undertook all precautionary measures to mitigate business risks and ensure safety of all employees and stakeholders, while continuing operations even during the pandemic.

On a full year basis, the HPPC division delivered excellent performance led by accelerated momentum in hygiene products and anti-viral portfolio sales. TSC and AHN divisions, while were affected in H1 FY 2021 due to COVID-19 disruptions, saw gradual normalisation in demand and volumes towards the latter half of the fiscal.

In FY21, on a consolidated basis, total revenues stood at ₹ 7,093 million as against ₹ 6,001 million in FY20, higher by 18% YoY. Revenues from HPPC stood at ₹ 3,989 million, higher by 42% YoY. TSC business stood at ₹ 2,521 million, lower by 4% YoY.

During the year, HPPC contributed to 56% of revenues, followed by TSC contributing to 36% and AHN at 8% of total revenues.

During H2 2020-21, the entire global industry witnessed pricing and availability issues in key raw materials. This raw material situation impacted gross margins to an extent, however, given the raw material sourcing framework and cost management, the Company was able to manage the situation and deliver healthy profitability. EBITDA stood at ₹ 1,230 million in 2020-21 as against ₹ 1,048 million 2019-20. EBITDA margins were healthy at 17%. Depreciation was higher at ₹ 228 million owing to capitalisation of the Greenfield facility at Dahej. The Company anticipates that the additional charge will be absorbed efficiently as the new facility starts contributing to performance going forward. Finance cost during the year stood at ₹ 30 million.

PAT during the year stood at ₹ 800 million as against ₹ 652 million in 2019-20. The 2020-21 PAT figure includes a gain of ₹ 23 million on account of pair value gain on Acuisaition of Subsidiary in accordance with applicable accounting standards. Excluding this figure, normalised PAT stood at ₹ 777 million in 2020-21.

From a balance sheet perspective, the Company utilised the Initial Public Offerings (IPO) proceeds towards funding its working capital requirements, prepayment of loans and for general corporate purposes. Accordingly, the Company became debt-free post the IPO, with a debt to equity ratio of 0.0x as on March 31, 2021 as against 0.2x as on March 31, 2020. The Company's interest coverage ratio also improved to 33.5x from 24.7x in the corresponding previous year. However, an expanded equity base on account of the IPO led to lower return ratios during the year. Cash and cash equivalents (including deposits with banks) during the fiscal stood at ₹ 1,078 million. Net cash flows from operating activities during the year stood healthy at ₹ 478 million.

On account of this supply chain issues in the second half of the fiscal year and the new commissioning of Dahej plant, the inventory levels stood higher during the year, impacting the Company's working capital cycle and ratios. The Company expects this to normalise, going forward and is focused on prudent working capital management at all times.

On the whole, the Company's financial position remains strong. Over the longer term, the Company will continue to pursue its defined strategic initiatives, while always maintaining financial discipline.

Key Business Developments in 2020-21

Successful completion of Initial Public offering in July 2020

- The IPO comprised a fresh issue of 11,76,470 equity shares and an Offer for Sale of 1,05,00,000 equity shares, including anchor portion of 35,02,940 equity shares
- Rossari raised ₹ 1,000 million through pre-placement of shares with institutional investors in February 2020. Further, the Company raised ₹ 500 million through the issue of fresh equity in July 2020
- IPO proceeds were used towards funding working capital requirements, prepayment of loans and for general corporate purposes
- Rossari is now debt-free Company

Full commissioning of its Greenfield manufacturing facility at Dahej, Gujarat

- This facility is a state-of-the-art automated unit, bringing higher cost-efficiencies and economies of scale
- The Greenfield facility has total installed capacity 1,32,500 MTPA, enhancing the total capacity of Rossari by 2.1x to 2,52,500 MTPA

Issued Equity Shares aggregating to ₹ 3,000 million on Preferential Basis

- Rossari's Board of Directors approved the allotment of 30,12,046 equity shares of face value of ₹ 2/- each, on a preferential basis with a floor price of ₹ 996 per Equity Share, aggregating to ₹ 3,000 million. The issue has brought on board high-quality and marquee shareholders of scale and repute
- The funds from this issue have further strengthened the Company's balance sheet profile

Rossari Centre of Excellence, the Company's second R&D laboratory, fully operationalised

- During the year, the Company's new state-of-the-art certified R&D laboratory, Rossari Centre of Excellence was fully operationalised. Strategically located on the IIT campus in Mumbai, the R&D laboratory is fully equipped with advanced testing and research equipment
- This facility alongside the existing R&D arm at Silvassa will enable the Company to identify and develop new niches in its product portfolio

COVID-19 Impact on Business Operations and Response

In light of the COVID-19 pandemic and disruptions in the macro-economic environment, the Company outlined the following focus areas during the year to minimise the impact of the macro-environment on its business operations

Health & *Safety*:

- One of the key focus areas for the management was undertaking all necessary measures to ensure safety and well-being of its employees, business partners, communities and to safeguard the interests of its customers and distributors to the best possible extent during the unprecedented times.
- As a responsible corporate citizen, the Company undertook decisive action to provide orphanages and others by distributing hygiene product kits, which includes hand sanitisers, disinfectants and other anti-viral products

Manufacturing Facilities:

- As per the relaxations provided by the Government of India for essential services particularly, for disinfectants & sanitisers, Rossari received the requisite permissions to operate its production facility at Silvassa during the lockdown period.
- The Company continues to undertake all necessary measures to ensure and maintain the highest standards of hygiene and social distancing norms at its plants and corporate office.

Dividend

For 2020-21, the Board of Directors recommended a dividend of ₹ 0.50/- per share. For details on dividend distribution policy, please refer to the Company's website at Rossari - Dividend Distribution Policy

Business Strategy & Way Forward

Rossari remains confident in its ability to fuel growth in its business and has undertaken many strategic initiatives to deliver performance, going forward. The Company's key strategic growth levers are as under,

Growth Outlook

The Company has ended the fiscal year 2021 on a robust footing. Despite unprecedented challenges in the operating environment due to the Covid-19 pandemic, Rossari, as an organisation, displayed a high degree of resilience and agility. The Company efficiently adapted to the changes in the operating environment and consumption patterns during the year under review.

Augmenting product portfolio with enhanced emphasis on green solutions	➢ Identifying and developing new niches in product offerings by leveraging R&D capabilities ➢ Strong upcoming pipeline of new product launches centered on custpmer requirements, higher product excellence and pocess sustainability
Innovation-backed solutions to enrich customer experience	➢ Strengthen innovation platform to deliver differentiated offerings and provide unique product value ➢ Combining consumer insights and strong market research to provide solutions with shorter lead times
Seeding new business lines	➢ Evaluating opportunities to introduce new business lines based on existing business capabilities and technical know-how ➢ New business to drive the next leg of growth
Increase wallet share across existing customer base while also tapping new customer segments	➢ Capitalize on cross-selling opportunities & address sourcing requirements of MNC customers ➢ Consolidate position as a preferred supplier for customers
Inorganic growth through strategic value-accretive acquisitions	➢ To help expand presence into newer categories of speciality chemical segments, strengthen market reach and broaden product portfolio ➢ Driving economies of scale and market consolidation
Maintain financial discipline	➢ Performance-focused and high growth-driven while maintaining strong financial discipline ➢ Prudent management of cash and financial resources at all times

Looking forward, customer engagements across the three divisions continue to be solid. The Company is increasingly focusing towards growing wallet share across existing customer base while also tapping new customer segments with an aim to consolidate its market position as a preferred supplier. The Company continues to witness a healthy offtake in hygiene products and anti-viral portfolio sales, thus driving improved traction in its HPPC division. Rossari is also seeing steady demand for other product categories in the FMCG sector. In addition, the Company's TSC and AHN businesses are witnessing gradual stabilisation in consumption patterns. Overall, all these three businesses are strong growth drivers for the Company and the outlook for each business remains positive in the medium-to-longer term.

In addition, the Company's recent acquisition of Unitop Chemicals Private Limited (Unitop Chemicals) in June 2021 brings immense synergies and complementary growth dimensions. Unitop Chemicals has a strong track record of serving a diversified customer base across India and overseas, with R&D-driven and customisable solutions in new and high-potential categories of Agrochemicals and Oil & Gas segments. The combination of Unitop Chemicals with Rossari should augment the quality and acceleration of the Company's growth, going forward.

From a macro-economic standpoint, a normal monsoon forecast for 2021, wider vaccination drives and gradual normalisation in business and day-to-day activities should drive higher recovery in demand and consumption across the domestic market. While there are concerns related to the second wave of rising number of Covid-19 cases across India, the implementation of less intense micro-lockdowns along with wider vaccination coverage across the country should help cushion the impact on economic and business activities.

Looking ahead, the Company continues to remain optimistic about its future growth prospects, given its diversified range of product offerings, fungible & agile manufacturing establishments, and the ability to constantly innovate and launch differentiated products for its growing customer base. With a healthy balance sheet and adequate manufacturing capacity, the Company remains well-poised to deliver a strong operational and financial performance, going forward.

Threats, Risks and Concerns

The risks and opportunities of all corporations are inherent and inseparable elements. Directors and management of the Company take constructive decisions to protect the interests of the stakeholders. The Company has been able to handle the uncertainty in a superior manner supported by strong risk management practices, dynamic pricing models, and a diverse customer base.

Demand Risk: Any slowdown in demand & consumption offtake in certain business divisions may have an adverse effect on the business, and future prospects of the Company

- **Mitigation:** The Company, over the years, has built long and deep-relationships with several customers and distributors. It operates across three differentiated business division, which enables the Company to cater to diverse end-user markets. In addition, the Company is also constantly focusing on seeding new business lines within core chemistries to further augment its end-user industries. Increasing disposable income in the country, favorable demographics and other supportive macros should enable steady growth in the economy, thus boding well for the Company's growth prospects across divisions

Client concentration risk: Heavy reliance on a limited number of customers may have a material adverse effect on the business, and future prospects of the Company

- **Mitigation:** Rossari has a vast customer base of 1,000+ customers, including MNCs, domestic and local companies, which contribute to the total revenue pie of the Company. Further, differentiated business divisions enable the Company to cater to a diverse customer base. The Company is also seeding new business lines within its core chemistries to augment its customer base

Raw Material Risk: Any disruption in the supply or significant volatility in prices of raw materials may adversely affect business and financial operations of the Company

- **Mitigation:** The Company has a comprehensive risk management framework in place to guard against the raw material volatility. In the case of any severe supply constraints from key sourcing markets or unprecedented volatility in raw material prices, Rossari can alternate between a set of raw materials, ensuring high-quality of formulations and delivering the same-performance metrics. Considering solution-based engagements with clients, Rossari can also pass-on structural raw material-based price changes to customers. The Company's dependence on imports is less than 10% of its sales. In the future, the Company is evaluating opportunities to source raw materials through domestic sources, which will help protect it against any global raw material volatility

Manufacturing operations Risk: Slowdown, disturbance or shutdown of manufacturing capacities may have an adverse effect on the Company's business operations

- **Mitigation:** The Company operates two manufacturing facilities at Silvassa and Dahej. These manufacturing facilities have flexible manufacturing capabilities for powders, granules and liquids. Further, the Company can interchange capacities across home, personal care and performance chemicals, textile speciality chemicals, and animal health and nutrition products categories. This ensures that the Company can manufacture any of these products at any point of time at any facility, thus mitigating slowdown or shutdown risk of manufacturing operations at any one facility. These facilities also have a comprehensive range of testing as well as packaging capabilities

Quality assurance and Certifications Risk: Any damage to the Company on account of denied certifications and quality assurances could have a material adverse effect on the Company's ability to attract new and repeat customers

- **Mitigation:** Rossari adheres to sustainable manufacturing practices and embraces sustainability and eco-friendliness across its business operations. The Company's R&D facilities and manufacturing facilities are in compliance with globally accepted manufacturing practices and meet the required quality standards

Regulatory Risk: The Company adheres to set regulations and the risk of the Company's products not meeting compliance requirements may adversely impact business operations and sales of the Company

- **Mitigation:** The Company proactively works with all regulatory authorities to ensure adherence to regulatory requirements. In addition, the Company's financial framework and controls are periodically reviewed by an external and internal auditor and these findings are reported to the Audit Committee of the Board every quarter

Human Resources

Rossari, as of March 31, 2021, had a total employee base of 370 full-time employees. The Company's focus remains towards attracting capable talent, retaining and training talent with an objective of creating a strong talent pipeline. During the year, the Company has undertaken training programs covering all aspects of the recruitment cycle. The Company is committed to creating a healthy and safe environment for all its employees, promote internal talent and develop cross functional expertise. It also recognises that employees have a key role to play in achieving the Company's growth objectives.

Rossari's established Whistleblower Policy encourages Directors and employees to bring to the Company's attention instances of unethical behaviour, actual or suspected incidents of fraud or violation of the conduct. The policy framework ensures that no employee is victimised or harassed for bringing such incidents to the attention of the Company. The practice of the Whistleblower Policy is overseen by the Board of Directors and is available on the Company's website www.rossari.com.

The Company has not seen any cases of worker strikes or lockouts in FY 2020-21.

Risk Management, Audit and Internal Control

As one of the one of the leading Speciality Chemicals manufacturing companies in India, risk management is an essential component of Rossari's business model. In order to identify and manage the risks involved in its business activities, the Company has formulated and implemented a comprehensive risk management framework. The framework is intended to assist in the decision-making processes that will minimise potential losses, improve management of uncertainty and maximise business opportunities, thereby helping the Company achieve its objectives.

The Company remains committed to ensuring an effective internal control environment that inter alia provides assurance on orderly and efficient conduct of operations, security of assets, prevention and detection of frauds/errors, accuracy and completeness of accounting records and the timely preparation of reliable financial information. The Company has in place adequate internal financial controls system over financial reporting with reference to the financial statements. M/s. Deloitte Haskins & Sells LLP, Chartered Accountants (Firm Registration No. 117366W/W-100018), were appointed as Statutory Auditors of the Company at the 9th AGM held on September 29, 2018, for a period of 5 years from the conclusion of 9th AGM till the conclusion of 14th AGM of the Company to be held in the year 2023.

Sustainability

The concept of green chemicals in India is evolving. With increasing awareness of the ill-effects of certain chemicals on humans and the environment, there is growing trend in the chemicals industry to shift towards sustainable and green chemicals.

Rossari has implemented several sustainability initiatives that have helped in minimizing the environmental impact of its operations. Key focus areas are towards improving energy efficiency, reducing waste generation, minimizing carbon footprint, and mitigating climate change risks.

Sustainable Manufacturing processes:

- Manufacturing units at Silvassa and Dahej use state-of-the-art technologies, thereby ensuring cleaner and efficient operations
- Water consciousness remains at the core of Rossari's sustainable manufacturing priorities. Waste-water generated from production plants at Silvassa and Dahej is treated in Effluent Treatment Plants
- The Company conducts regular Water Audits through Government Body 'National Productivity Council to follow all guidelines and stipulated norms
- Rossari's plants have been certified - Zero Discharge of Hazardous Chemicals Level-3, which reflect a higher confidence that a chemical product meets the Zero Discharge of Hazardous Chemicals MRSL conformance Levels, and therefore a lower probability of any Zero Discharge of Hazardous Chemicals MRSL substances being present in the certified chemical product
- Rossari continues to implement green initiatives like planation of trees in corporate and manufacturing premises, developing and maintaining gardens near factory premises and maintaining green bodies around its plants.

Independent Auditors' Report

To the Members of Rossari Biotech Limited

REPORT ON THE AUDIT OF THE STANDALONE FINANCIAL STATEMENTS

OPINION

We have audited the accompanying standalone financial statements of **Rossari Biotech Limited** ("the Company"), which comprise the Balance Sheet as at 31 March 2021, and the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

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

Basis for Opinion

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

Key Audit Matters

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

Key Audit Matter	Auditor's Response
Revenue recognition (Refer note 28 to Standalone financial statements of the Company) Revenue is one of the key profit drivers and is therefore susceptible to misstatement. Cut-off is the key assertion insofar as revenue recognition is concerned, since an inappropriate cut-off can result in material misstatement of results for the year.	Our audit procedures included: • Focusing on the Company's revenue recognition for compliance with Ind AS; • Testing the design, implementation and operating effectiveness of the Company's controls on recording revenue; • Performing Substantive testing for cut-off with verification of contractual terms of invoices, dispatch/deliveries receipts, inventory reconciliations and circularization of receivable balances and analytical review procedures. • Our test of details focused on cut-off samples to verify that only revenue pertaining to current year is recognised based on terms and conditions set out in sales contracts and delivery documents.

Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Director's Report including Annexures to Director's Report, Management Discussion and Analysis Report, Business Responsibility Report, but does not include the consolidated financial statements, standalone financial statements and our auditor's report thereon. The Director's report is expected to be made available to us after the date of this auditor's report.

- Our opinion on the standalone financial statements does not cover the other information and we do not and will 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 identified above when it becomes available and, in doing

Independent Auditors' Report (Contd.)

so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

- When we read the Director's report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance as required under SA 720 'The Auditor's responsibilities Relating to Other Information'

Management's Responsibility for the Standalone Financial Statements

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

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

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

Auditor's Responsibility for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system 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 the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

Independent Auditors' Report (Contd.)

the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit we report, that:
   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
   b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
   c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
   d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act.
   e) On the basis of the written representations received from the directors as on 31 March 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2021 from being appointed as a director in terms of Section 164(2) of the Act.
   f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
   g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
   h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
      i. The Company does not have any pending litigations which would impact its financial position;
      ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
      iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For **Deloitte Haskins & Sells LLP**
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

Manoj H. Dama
(Partner)
(Membership No. 107723)

(UDIN: 21107723AAAAHU1728)

Place: Mumbai
Date: May 14, 2021

Annexure "A" to the Independent Auditor's Report to the Members of Rossari Biotech Limited

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

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

We have audited the internal financial controls over financial reporting of **Rossari Biotech Limited** ("the Company") as of March 31, 2021 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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 issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

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

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

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

For **Deloitte Haskins & Sells LLP**
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

Manoj H. Dama
(Partner)
(Membership No. 107723)

(UDIN: 21107723AAAAHU1728)

Place: Mumbai
Date: May 14, 2021

Annexure "B" to the Independent Auditor's Report to the Members of Rossari Biotech Limited

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

(i) In respect of its property, plant and equipment:

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

(b) Some of the property, plant and equipment were physically verified during the year by the Management in accordance with a programme of verification, which in our opinion provides for physical verification of all the fixed assets at reasonable intervals. According to the information and explanations given to us no material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us and the records examined by us and based on the examination of the registered sale deed provided to us, we report that, the title deeds, comprising the immovable properties of land which are freehold, are held in the name of the Company as at the balance sheet date. In respect of immovable properties of land that have been taken on lease and disclosed as "right of use assets" in the financial statements, the lease agreements are in the name of the Company, where the Company is the lessee in the agreement.

(ii) As explained to us, the inventories were physically verified during the year by the Management at reasonable intervals and no material discrepancies were noticed on such physical verification.

(iii) According to the information and explanations given to us, the Company has granted unsecured loan to a Company covered in the register maintained under section 189 of the Companies Act, 2013, in respect of which:

(a) The terms and conditions of the grant of such loans are, in our opinion, prima facie, not prejudicial to the Company's interest.

(b) The schedule of repayment of principal and payment of interest has been stipulated and repayments or receipts of principal amounts and interest have been regular as per stipulations.

(c) There is no overdue amount remaining outstanding as at the balance sheet date.

(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 grant of loans, making investments. The Company has not provided any guarantees and securities.

(v) According to the information and explanations given to us, the Company has not accepted any deposit during the year within the meaning of the provisions of Sections 73 to 76 or any other relevant provisions of the Companies Act, 2013, also the company does not have any unclaimed deposits.

(vi) We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended prescribed by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013, and are of the opinion that, prima facie, the prescribed cost records have been made and maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

(vii) According to the information and explanations given to us and according to the books and records as produced and examined by us, in our opinion:

(viii) According to the information and explanations given to us, in respect of statutory dues:

(a) The Company has been generally regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income-tax, Goods and Services Tax, Customs Duty, cess, and other material statutory dues as applicable to it with the appropriate authorities.

(b) There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income-tax, Goods and Services Tax, Customs Duty, cess and other material statutory dues in arrears as at March 31, 2021 for a period of more than six months from the date they became payable.

(c) There are no dues of Income-tax, Sales Tax, Service Tax, Customs Duty, Goods and Service Tax and Value Added Tax as on March 31, 2021 on account of disputes.

(ix) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings to banks. The Company did not have any outstanding dues to financial institutions and has not issued any debentures.

(x) In our opinion and according to the information and explanations given to us, money raised by way of initial public offer have been applied by the Company during the year for the purposes for which they were raised.

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

(xii) In our opinion and according to the information and explanations given to us, the Company has paid / provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.

(xiii) The Company is not a Nidhi Company and hence reporting under clause (xii) of paragraph 3 of the Order is not applicable.

(xiv) In our opinion and according to the information and explanations given to us, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.

(xv) During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under clause of paragraph 3 of the Order is not applicable to the Company.

(xvi) In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors or directors of its subsidiary or joint venture company or persons connected with them and hence provisions of section 192 of the Companies Act, 2013 are not applicable.

(xvii) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For **Deloitte Haskins & Sells LLP**
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

Manoj H. Dama
(Partner)
(Membership No. 107723)

(UDIN: 21107723AAAAHU1728)

Place: Mumbai
Date: May 14, 2021

Standalone Balance Sheet

as at March 31, 2021

(₹ In million)

Particulars	Note No.	As at March 31, 2021	As at March 31, 2020
ASSETS			
NON- CURRENT ASSETS			
(a) Property, Plant and Equipment	3a	1,600.88	817.55
(b) Right of Use - Assets	3b	69.38	70.15
(c) Capital Work-in-Progress		3.19	217.51
(d) Intangible Assets	4	37.27	47.66
(e) Financial Assets			
(i) Investments	5	92.53	46.50
(ii) Loans		-	-
(iii) Other Financial Assets	6	205.48	3.96
(f) Income Tax Assets (Net)	7	21.19	15.49
(g) Deferred Tax Assets (Net)	8	0.52	-
(h) Other Non-current Assets	9	18.01	237.06
TOTAL NON-CURRENT ASSETS		**2,048.45**	**1,455.88**
CURRENT ASSETS			
(a) Inventories	10	885.21	581.70
(b) Financial Assets			
(i) Investments	11	-	105.60
(ii) Trade Receivables	12	1,373.22	938.06
(iii) Cash and Cash Equivalents	13a	148.31	291.90
(iv) Bank Balances other than (iii) above	13b	711.51	980.17
(v) Loans	14	27.81	11.48
(vi) Other Financial Assets	15	28.47	41.44
(c) Other Current Assets	16	220.61	276.63
TOTAL CURRENT ASSETS		**3,395.14**	**3,226.98**
TOTAL ASSETS		**5,443.59**	**4,682.86**
EQUITY AND LIABILITIES			
EQUITY			
(a) Equity Share Capital	17	103.86	101.51
(b) Other Equity	18	3,940.58	2,733.23
TOTAL EQUITY		**4,044.44**	**2,834.74**
LIABILITIES			
Non-Current Liabilities			
(a) Financial Liabilities			
Borrowings	19	-	339.60
(b) Provisions	20	9.87	16.26
(c) Deferred tax liabilities (Net)	21	-	5.40
TOTAL NON-CURRENT LIABILITIES		**9.87**	**361.26**
CURRENT LIABILITIES			
(a) Financial Liabilities			
(i) Borrowings	22	-	270.52
(ii) Trade Payables			
a) total outstanding dues of Micro Enterprises and Small Enterprises	23	150.54	51.28
b) total outstanding dues of Creditors other than Micro Enterprises and Small Enterprises	23	1,085.88	918.59
(iii) Other Financial Liabilities	24	104.96	161.87
(b) Other Current Liabilities	25	32.61	41.33
(c) Provisions	26	6.95	6.66
(d) Current Tax Liabilities (Net)	27	8.34	36.61
TOTAL CURRENT LIABILITIES		**1,389.28**	**1,486.86**
TOTAL EQUITY AND LIABILITIES		**5,443.59**	**4,682.86**

The accompanying notes 1 to 53 are an integral part of the Standalone Financial Statements

In terms of our report attached.
Deloitte Haskins & Sells LLP
Chartered Accountants

MANOJ H. DAMA
Partner

Place: Mumbai
Date : May 14, 2021

For and on behalf of the Board of Directors of Rossari Biotech Limited

EDWARD MENEZES
Executive Chairman
DIN: 00149205

SUNIL CHARI
Managing Director
DIN: 00149083

MANASI NISAL
Chief Financial Officer

PARUL GUPTA
Company Secretary

Place: Mumbai
Date : May 14, 2021

Standalone Statement of Profit and Loss

for the year ended March 31, 2021

(₹ In million)

	Particulars	Note No.	For the year ended March 31, 2021	For the year ended March 31, 2020
I	Revenue from Operations	28	6,904.14	6,000.94
II	Other Income	29	102.09	36.31
III	**Total Income (I +II)**		**7,006.23**	**6,037.25**
IV	**EXPENSES**			
	(a) Cost of Materials Consumed	30	4,338.78	3,692.64
	(b) Purchases of Stock-in-Trade		249.86	-
	(c) Changes in inventories of finished goods and work-in-progress	31	(72.21)	24.38
	(d) Employee Benefits Expense	32	366.60	371.34
	(e) Finance Costs	33	29.92	36.78
	(f) Depreciation and amortization expenses	34	220.74	168.52
	(g) Other Expenses	35	812.56	862.52
	Total Expenses		**5,946.25**	**5,156.18**
V	**Profit before tax (III- IV)**		**1,059.98**	**881.07**
VI	**Tax expense**			
	Current tax	36	275.30	238.01
	Deferred tax	36	(6.34)	(12.16)
	Total Tax Expense		**268.96**	**225.85**
VII	**Profit for the year (V - VI)**		**791.02**	**655.22**
VIII	**Other Comprehensive Income**			
	(i) Items that will not be reclassified to profit or loss			
	Remeasurements of the defined benefit plans		1.67	(2.81)
	(ii) Income tax relating to items that will not be reclassified to profit or loss		(0.42)	0.56
	Total Other Comprehensive Income		**1.25**	**(2.25)**
IX	**Total comprehensive income (VII + VIII)**		**792.27**	**652.97**
X	**Earnings per equity share (in ₹)**	37		
	Basic		15.34	13.48
	Diluted		15.25	13.28

The accompanying notes 1 to 53 are an integral part of the Standalone Financial Statements

In terms of our report attached.
Deloitte Haskins & Sells LLP
Chartered Accountants

MANOJ H. DAMA
Partner

Place: Mumbai
Date : May 14, 2021

For and on behalf of the Board of Directors of Rossari Biotech Limited

EDWARD MENEZES
Executive Chairman
DIN: 00149205

SUNIL CHARI
Managing Director
DIN: 00149083

MANASI NISAL
Chief Financial Officer

PARUL GUPTA
Company Secretary

Place: Mumbai
Date : May 14, 2021

Standalone Statement of Changes in Equity

for the year ended March 31, 2021

(a) Equity Share Capital

(₹ In million)

Particulars	March 31, 2021	March 31, 2020
Issued, Subscribed and Paid-up:		
Balance as at the beginning of the year	101.51	44.00
Fresh Issue during the year (refer note 17.1 and note 17.4)	2.35	4.71
Issue of Bonus shares (refer note 17.3)	-	52.80
Balance as at the end of the year	**103.86**	**101.51**

(b) Other Equity

(₹ In million)

Particulars	Reserves and Surplus			
	Securities Premium	Employee Stock Options Outstanding	Retained Earnings	Total
Balance as at April 01, 2019	**156.00**	**-**	**1,003.38**	**1,159.38**
Profit for the year	-	-	655.22	655.22
Other Comprehensive income / (loss) for the year (net of tax)	-	-	(2.25)	(2.25)
Total Comprehensive income for the year	-	-	652.97	652.97
Share based payment expenses (refer note 32.1)	-	4.87	-	4.87
Dividend paid on equity shares (including tax thereon)	-	-	(26.48)	(26.48)
Capitalisation on account of Bonus Issue (refer note 17.3)	-	-	(52.80)	(52.80)
Premium on fresh issue of Equity Shares (refer note17.4)	995.29	-	-	995.29
Balance as at March 31, 2020	**1,151.29**	**4.87**	**1,577.07**	**2,733.23**
Profit for the year	-	-	791.02	791.02
Other Comprehensive income / (loss) (net of tax)	-	-	1.25	1.25
Total Comprehensive income for the year	-	-	792.27	792.27
Share based payment expenses (refer note 32.1)	-	16.28	-	16.28
Dividend paid on equity shares	-	-	(25.38)	(25.38)
Premium on fresh issue of Equity Shares (refer note 17.1)	497.66	-	-	497.66
Share issue expenses (refer note 18)	(73.48)	-	-	(73.48)
Balance as at March 31, 2021	**1,575.47**	**21.15**	**2,343.96**	**3,940.58**

The accompanying notes 1 to 53 are an integral part of the Standalone Financial Statements

In terms of our report attached.
Deloitte Haskins & Sells LLP
Chartered Accountants

MANOJ H. DAMA
Partner

Place: Mumbai
Date : May 14, 2021

For and on behalf of the Board of Directors of Rossari Biotech Limited

EDWARD MENEZES
Executive Chairman
DIN: 00149205

SUNIL CHARI
Managing Director
DIN: 00149083

MANASI NISAL
Chief Financial Officer

PARUL GUPTA
Company Secretary

Place: Mumbai
Date : May 14, 2021

Standalone Statement of Cash Flow

for the year ended March 31, 2021

(₹ In million)

	Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
A	**Cash flows from operating activities**		
	Profit before tax	**1,059.98**	**881.07**
	Adjustments for:		
	Depreciation and amortization expenses	220.74	168.52
	(Profit)/Loss on disposal of property, plant and equipment	(4.32)	0.42
	Provision for expected credit loss	0.15	0.60
	Provision/Write off of doubtful advances	-	1.20
	Share-based payments expenses	15.30	4.63
	Written down of Inventory to net realisable value	4.71	4.93
	Finance Costs	29.92	36.78
	Dividend Income	(32.71)	(0.73)
	Interest Income	(49.59)	(14.58)
	Net loss arising on financial assets measured at fair value through profit / loss	0.01	0.21
	Deemed income on investment	(0.12)	(0.31)
	Net foreign exchange loss/(gain)	(0.01)	0.02
	Operating profit before working capital changes	**1,244.06**	**1,082.76**
	Changes in :		
	Trade Receivables and other assets	(361.41)	(217.88)
	Inventories	(308.21)	(37.65)
	Trade Payables and other liabilities	255.77	(68.27)
	Cash generated from Operations	**830.21**	**758.96**
	Income taxes paid (net of refunds)	(309.28)	(201.48)
	Net cash flows generated from operating activities	**520.93**	**557.48**
B	**Cash flows from investing activities**		
	Net (Investment) / redemption of Mutual Funds	105.60	(105.60)
	Payments to acquire non current investment - joint venture	-	(43.93)
	Payments to acquire non current investment - subsidiary	(45.91)	-
	Loans given to subsidiary company	(32.50)	-
	Loans repaid by subsidiary company	8.80	-
	Dividend Received	32.71	0.73
	Interest Received	42.34	13.00
	Payments to acquire property, plant and equipment (including Capital work in progress) and intangible assets	(579.88)	(759.71)
	Proceeds from sale of property, plant and equipment and intangible assets	21.86	0.83
	(Increase)/Decrease in bank balances not considered as cash and cash equivalents	76.99	(977.79)
	Net cash flows used in investing activities	**(369.99)**	**(1,872.47)**

Standalone Statement of Cash Flow (Contd.)
for the year ended March 31, 2021 (Contd.)

(₹ In million)

	Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
C	**Cash flows from financing activities**		
	Proceeds / (Repayment) from short term borrowing (net)	(270.52)	249.39
	Repayment of long-term borrowings	(398.77)	(12.58)
	Repayment of loans from related parties	-	(30.14)
	Proceeds from long-term borrowings	-	403.67
	Interest paid	(26.40)	(34.21)
	Proceeds from Issue of equity shares (net of share issue expenses)	426.53	1,000.00
	Dividend paid on equity shares (including Dividend distribution tax)	(25.38)	(26.48)
	Net cash flow generated from / (used in) financing activities	**(294.54)**	**1,549.65**
	Net increase / (decrease) in cash and cash equivalents (A+B+C)	**(143.60)**	**234.66**
	Opening Cash and cash equivalents	**291.90**	**57.26**
	Effects of exchange rate changes on the balance of cash and cash equivalents held in foreign currencies	0.01	(0.02)
	Closing Cash and cash equivalents	**148.31**	**291.90**

Notes:

The above Cash Flow Statement has been prepared under the "Indirect Method" set out in Indian Accounting Standard (Ind AS 7) – Statement of Cash flow.

The accompanying notes 1 to 53 are an integral part of the Standalone Financial Statements

In terms of our report attached.
Deloitte Haskins & Sells LLP
Chartered Accountants

MANOJ H. DAMA
Partner

Place: Mumbai
Date : May 14, 2021

For and on behalf of the Board of Directors of Rossari Biotech Limited

EDWARD MENEZES
Executive Chairman
DIN: 00149205

SUNIL CHARI
Managing Director
DIN: 00149083

MANASI NISAL
Chief Financial Officer

PARUL GUPTA
Company Secretary

Place: Mumbai
Date : May 14, 2021

Notes accompanying the Standalone Financial Statements

for the year ended March 31, 2021

1. Corporate information

Rossari Biotech Limited ('the Company) is a public Company domiciled and incorporated in India under the Companies Act, 1956. The registered office of the Company is at 201-A & B, Akruti Corporate Park, LBS Marg, Next to GE Garden, Kanjurmarg (West), Mumbai – 400078. The Company is mainly engaged in manufacturing, selling and distribution of specialty chemicals. The products cater to global brands in the FMCG sector and find applications in a host of consumer-centric products and home and personal care products, textile chemicals, animal health and nutrition and cosmetic products.

2. Significant Accounting Policies

i. Statement of Compliances and Basis of Preparation and Presentation

(a) The standalone financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under section 133 of the Companies Act, 2013, read together with the Companies (Indian Accounting Standards) Rules, 2015 (as amended).

These standalone financial statements have been prepared and presented under the historical cost convention, on the accrual basis of accounting as a going concern except for certain financial assets and financial liabilities that are measured at fair values at the end of each reporting period, as stated in the accounting policies set out below. The accounting policies have been applied consistently over all the periods presented.

(b) The aforesaid Financial Statements were approved by the parent's Board of Directors and authorised for issue on May 14, 2021.

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

The Company has established policies and procedures with respect to the measurement of fair values Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

The best estimate of the fair value of a financial instrument on initial recognition is normally the transaction price – i.e. the fair value of the consideration given or received. If the Company determines that the fair value on initial recognition differs from the transaction price and the fair value is evidenced neither by a quoted price in an active market for an identical asset or liability nor based on a valuation technique that uses only data from observable markets, then the financial instrument is initially measured at fair value, adjusted to defer the difference between the fair value on initial recognition and the transaction price. Subsequently that difference is recognised in Statement of Profit and Loss on an appropriate basis over the life of the instrument but no later than when the valuation is wholly supported by observable market data or the transaction is closed out.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

Assets and Liabilities are classified as Current or Non-Current as per the provisions of Schedule III to the Companies Act, 2013 and the Company's Normal Operating Cycle. Based on the nature of business, the Company has ascertained its operating cycle as 12 months for the classification of assets and liabilities.

(d) **Use of estimates and judgements:**

The preparation of the financial statements in conformity with Ind AS requires the management to make estimates, judgements, and assumptions. These estimates, judgements and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period.

The application of accounting policies that require critical accounting estimates involving complex and subjective judgements and the use of assumptions in these financial statements have been disclosed in Notes.

Accounting Estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

(e) **Critical estimates and judgements**

Useful lives of property, plant and equipment and intangible assets:

Property, plant and equipment and intangible assets represent a significant proportion of the asset base of the Company. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. Useful lives of intangible assets are determined on the basis of estimated benefits to be derived from use of such intangible assets. The Company reviews the useful lives of property, plant and equipment and intangible assets at the end of each reporting period. Their reassessments may result in change in the depreciation /amortization expense in future periods.

Fair value measurements and valuation processes

Some of the Company's assets and liabilities are measured at fair value at each balance sheet date or at the time they are assessed for impairment. In estimating the fair value of an asset or a liability, the Company uses market observable data to the extent it is available. Where Level 1 inputs are not available, the Company engages third party valuers, where required, to perform the valuation. Information about the valuation techniques and inputs used in determining the fair value of various assets and liabilities require estimates to be made by the management and are disclosed in the notes to the financial statements.

Actuarial Valuation

The determination of Company's liability towards defined benefit obligation to employees is made through independent actuarial valuation including determination of amounts to be recognised in the Statement of Profit and Loss and in Other Comprehensive Income. Such valuation depends upon assumptions determined after taking into account discount rate, salary growth rate, expected rate of return, mortality and attrition rate. Information about such valuation is provided in notes to the financial statements.

Estimation of uncertainties relating to the global health pandemic from COVID-19 (COVID-19):

The Company has considered relevant internal and external sources of information to evaluate the impact on the financial statements for the year ended March 31, 2020. The Company has assessed the recoverability of the assets including receivables, investments, property plant and equipment, intangible assets, inventories and has made necessary adjustments to the carrying amounts by recognising provisions/impairment of assets where necessary. However, the actual impact may be different from that estimated as it will depend upon future developments and future actions to contain or treat the disease and mitigate its impact on the economy.

The principal accounting policies are set out below.

ii. Revenue Recognition

(a) Sale of Goods:

Revenue from contract with customers is recognised when the Company satisfies performance obligation by transferring promised goods to the customer. Performance obligations are satisfied at the point of time when the customer obtains controls of the asset.

Revenue is measured based on transaction price, which is the fair value of the consideration received or receivable, stated net of discounts, returns and goods and services tax. Transaction price is recognised based on the price specified in the contract, net of the estimated sales incentives/ discounts. Accumulated

Notes accompanying the Standalone Financial Statements (Contd.)

for the year ended March 31, 2021

experience is used to estimate and provide for the discounts/ right of return, using the expected value method.

(b) Export Incentive:

Income from export incentives such as duty drawback and MEIS are recognised on an accrual basis.

(c) Dividend and Interest Income:

Dividend income from investments is recognised when the shareholder's right to receive dividend has been established.

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

iii. Property, Plant & Equipment

Property, plant and equipment are stated at cost of acquisition or construction less accumulated depreciation and accumulated impairment, if any.

Cost includes financing cost relating to borrowed funds attributable to the construction or acquisition of qualifying tangible assets upto the date the assets are ready for use.

Depreciation is provided on written down value basis for property, plant and equipment so as to expense the depreciable amount, i.e. the cost less estimated residual value, over its estimated useful lives. The estimated useful lives and residual values are reviewed annually and the effect of any changes in estimate is accounted for on a prospective basis.

When an asset is scrapped or otherwise disposed off, the cost and related depreciation are removed from the books of account and resultant profit or loss, if any, is reflected in the Statement of Profit and Loss.

The management's estimate of useful lives are in accordance with Schedule II to the Companies Act, 2013.

iv. Intangible Assets

Intangible assets are initially recognised at cost.

Intangible assets with definite useful lives are amortized on a straight line basis so as to reflect the pattern in which the asset's economic benefits are consumed.

(a) Copyright & Patent:

The expenditure incurred is amortized over the estimated period of benefit, not exceeding six years commencing with the year of purchase.

(b) Software expenditures:

The expenditure incurred is amortized over three financial years equally commencing from the year in which the expenditure is incurred.

v. Research & Development

Revenue expenditure incurred on Research and Development is charged to the Statement of Profit and Loss in the year in which it is incurred. Capital expenditure is included in the Cost of acquisition of the appropriate property plant and equipment and depreciation thereon is charged as per the rates prescribed.

vi. Impairment

At the end of each reporting period, the Company reviews the carrying amounts of its property, plant & equipment and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount, which is the higher of the value in use or fair value less cost to sell, of the asset or cash-generating unit, as the case may be, is estimated and impairment loss (if any) is recognised and the carrying amount is reduced to its recoverable amount. In assessing the value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted. When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

When an impairment loss subsequently reverses, the carrying amount of the asset or a cash-generating unit is increased to the revised estimate of its recoverable amount, so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) earlier.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

Notes accompanying the Standalone Financial Statements (Contd.)

for the year ended March 31, 2021

vii. Inventories

Inventories comprise all costs of purchase, conversion and other costs incurred in bringing the inventories to their present l.75ocation and condition.

Raw materials and packing materials are value at the lower of cost or net realisable value. Cost is determined on the basis of First in First Out (FIFO) method

Finished goods produced and purchased for sale and work-in-progress are carried at cost or net realisable value whichever is lower.

Stores, spares and consumables other than obsolete and slow-moving items are carried at cost. Obsolete and slow-moving items are valued at cost or estimated net realisable value, whichever is lower.

viii. Investments in subsidiaries, associates and joint ventures

The Company accounts for its investments in subsidiaries, associates and joint ventures at cost less accumulated impairment, if any.

ix. Employee Benefits

a) Defined Contribution Plan:

Contribution payable to recognised provident fund, ESIC which are substantially defined contribution plan, is recognised as expense in the Statement of Profit and Loss, as they are incurred.

b) Defined Benefit Plan:

For defined plans in the form of gratuity, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Remeasurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest), is reflected immediately in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur.

All expenses represented by current service cost, past service cost, if any, and net interest on the defined benefit liability (asset) are recognised in the Statement of Profit and Loss. Remeasurements of the net defined benefit liability (asset) comprising actuarial gains and losses and the return on the plan assets (excluding amounts included in net interest on the net defined benefit liability/asset), are recognised in Other Comprehensive Income. Such remeasurements are not reclassified to the Statement of Profit and Loss in the subsequent periods. The retirement benefit obligation recognised in the Balance Sheet represents the actual deficit or surplus in the Group's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

c) Long term Compensated Absences

Company's liability towards long term compensated absences are determined by independent actuaries, using the projected unit credit method

x. Foreign Exchange Transactions and Translations

Transactions in foreign currencies i.e. other than the Company's functional currency of Indian Rupees are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated. Exchange differences on revaluation are recognised in Profit and Loss in period in which they arise.

Forward Exchange Contracts

The use of foreign currency forward contract is governed by the Company's strategy. The Company uses foreign currency forward contract to hedge its risk associated with foreign currency fluctuation relating to certain firm commitment and forecasted transaction for amount in excess of natural hedge available on export realisation against import payment. The Group doesn't use forward contract for speculative purpose.

All derivative contracts are marked to- market and losses/ gains are recognised in the Statement of Profit and Loss. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

xi. Taxation

Income tax expense represents the sum of the current tax currently payable and deferred tax.

Notes accompanying the Standalone Financial Statements (Contd.)

for the year ended March 31, 2021

(a) Current Tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. Current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

(b) Deferred Tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the Financial Statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary differences arise from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profits nor the accounting profit. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiary, except where the Company is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilised the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

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

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

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

(c) Current and Deferred Tax for the year

Current and Deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

xii. Borrowing Costs

Borrowing costs consist of interest and other costs incurred in connection with the borrowing of funds. Borrowing costs also include exchange differences to the extent regarded as an adjustment to the borrowing costs.

All borrowing costs are charged to the Statement of Profit and Loss except:

- Borrowing costs that are attributable to the acquisition or construction of qualifying tangible and intangible assets that necessarily take a substantial period of time to get ready for their intended use, which are capitalised as part of the cost of such assets.
- Expenses incurred on raising long term borrowings are amortized using effective interest rate method over period of borrowings. Investment Income earned on the temporary investment of funds of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

xiii. Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

Assets held under finance leases are initially recognised as assets of the Group at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments.

The corresponding liability to the lessor is included in the consolidated balance sheet as a finance lease obligation. Lease payments are apportioned between finance expenses and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance expenses are recognised immediately in profit or loss.

Rentals payable under operating leases are charged to the Statement of Profit and Loss on a straight-line basis over the term of the relevant lease unless the payments to the lessor are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

With effect from April 1, 2019 Ind AS 116 requires lessees to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Group makes an assessment on the expected lease term on a lease-by-lease basis and thereby assesses whether it is reasonably certain that any option to extend or terminate the contract will be exercised. In evaluating the lease term, the Group considers factors such as any significant leasehold improvements undertaken over the lease term, costs relating to the termination of the lease and the importance of the underlying asset to the Group's operations taking into account the location of the underlying asset and the availability of suitable alternatives. The lease term in future periods is reassessed to ensure that the lease term reflects the current economic circumstances.

xiv. Provisions, Contingent Liabilities and Contingent Assets

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. In the event the time value of money is material provision is carried at the present value of the cash flows required to settle the obligation. Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made. Contingent assets are possible assets that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity. A contingent asset is disclosed, where an inflow of economic benefits is probable.

xv. Financial instruments, Financial assets, Financial liabilities and Equity instruments

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the relevant instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities measured at fair value through Profit or Loss) are added to or deducted from the fair value on initial recognition of financial assets or financial liabilities. Transactions costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through Profit or Loss is recognised immediately in Profit and Loss.

Classification and subsequent measurement

(a) Financial Assets

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the marketplace. All recognised financial assets are subsequently measured at either amortized cost or fair value depending on their respective classification.

On initial recognition, a financial asset is classified as measured at:

- Amortised cost; or
- Fair Value through Other Comprehensive Income (FVTOCI); or
- Fair Value Through Profit or Loss (FVTPL)

Notes accompanying the Standalone Financial Statements (Contd.)

for the year ended March 31, 2021

Financial assets are not reclassified subsequent to their initial recognition, except if and in period the Group changes its business model for managing financial assets. All financial assets not classified as measured at amortized cost or FVTOCI are measured at FVTPL. This includes all derivative financial assets.

Financial assets at amortized cost are subsequently measured at amortized cost using effective interest method. The amortized cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in Profit and Loss. Any gain and loss on derecognition are recognised in Profit and Loss.

The effective interest method is a method of calculating the amortized cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

For equity investments, the Group makes an election on an instrument-by-instrument basis to designate equity investments as measured at FVTOCI. These elected investments are measured at fair value with gains and losses arising from changes in fair value recognised in Other Comprehensive Income and accumulated in the reserves. The cumulative gain or loss is not reclassified to Profit and Loss on disposal of the investments. These investments in equity are not held for trading. Instead, they are held for medium or long-term strategic purpose. Upon the application of Ind AS 109, the Group has chosen to designate these investments as at FVTOCI as the Group believes that this provides a more meaningful presentation for medium or long-term strategic investments, than reflecting changes in fair value immediately in Profit and Loss. Dividend income received on such equity investments are recognised in Profit and Loss.

Equity investments that are not designated as measured at FVTOCI are designated as measured at FVTPL and subsequent changes in fair value are recognised in Profit and Loss.

Financial assets at FVTPL are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in Profit and Loss.

(i) Financial assets at Fair value through Profit & loss

Investments in equity instruments are classified as at FVTPL, unless the Group irrevocably elects on initial recognition to present subsequent changes in fair value in other comprehensive income for investments in equity instruments which are not held for trading.

A financial asset that meets the amortized cost criteria or debt instruments that meet the FVTOCI criteria may be designated as at FVTPL upon initial recognition if such designation eliminates or significantly reduces a measurement or recognition inconsistency that would arise from measuring assets or liabilities or recognizing the gains and losses on them on different basis.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any dividend or interest earned on the financial asset and is included in the 'Other Income' line item. Dividend of financial assets at FVTPL is recognised when the Group's right to receive the dividends is established, it is probable that the economic benefits associated with the dividend will flow to the entity and the amount of dividend can be measured reliably.

(ii) Impairment of Financial Assets

The Group applies the expected credit loss model for recognizing impairment loss on financial assets measured at amortized cost, trade receivables, and other contractual rights to receive cash or other financial asset, and financial guarantees not designated as at FVTPL.

Expected credit losses are the weighted average of credit losses with the respective risks of default occurring as the weights. Credit loss is the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate (or credit-adjusted effective interest rate for purchased or originated credit impairment financial assets).

The Group measures the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition.

When making the assessment of whether there has been a significant increase in credit risk since initial recognition, the Group uses the change in the risk of a default occurring over the expected life of the financial instrument instead of the change in the amount of expected credit losses. To make that assessment, the Group compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and considers reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition.

For trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 18, the Group always measures the loss allowance at an amount equal to lifetime expected credit losses.

Further, for the purpose of measuring lifetime expected credit loss allowance for trade receivables, the Group has used a practical expedient as permitted under Ind AS 109. This expected credit loss allowance is computed based on a provision matrix which takes into account historical credit loss experience and adjusted for forward-looking information.

(iii) De-recognition of financial assets

The Group derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset.

On derecognition of a financial asset other than its entirety, (e.g. when the Group retains an option to repurchase part of a transferred asset), the Group allocates the previous carrying amount of the financial asset between the part it continues to recognise under continuing involvement, and the part it no longer recognised on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognised and the sum of the consideration received for the part no longer recognised and any cumulative gain or loss allocated to it that had been recognised in other comprehensive income is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset. A cumulative gain or loss that had been recognised in other comprehensive income is allocated between the part that continues to be recognised and the part that is no longer recognised on the basis of the relative fair values of those parts.

(iv) Foreign Exchange Gains & Losses

The fair value of financial assets denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of each reporting period.

- For foreign currency denominated financial assets measured at amortized cost and FVTPL, the exchange differences are recognised in profit or loss except for those which are designated as hedging instruments in a hedging relationship.
- Changes in the carrying amount of investments in equity instruments at FVTOCI relating to changes in foreign currency rates are recognised in other comprehensive income.
- For the purposes of recognizing foreign exchange gains and losses, FVTOCI debt instruments are treated as financial assets measure at amortized cost. Thus, the exchange differences on the amortized cost are recognised in profit or loss and other changes in the fair value of FVTOCI financial assets are recognised in other comprehensive income.

(v) Financial liabilities and equity instruments

(a) Classification as debt or equity

Debt and equity instruments issued by a Group are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

(b) Equity Instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by a Group entity are recognised at the proceeds received, net of direct issue costs.

Repurchase of the Group's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit of loss on the purchase, sale, issue or cancellation of the Group's own equity instruments.

Notes accompanying the Standalone Financial Statements (Contd.)
for the year ended March 31, 2021

(c) Compound Financial Instruments

The component parts of compound financial instruments (convertible instruments) issued by the Group are classified separately as financial liabilities and equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument. A conversion option that will be settled by the exchange of a fixed amount of cash or another financial asset for a fixed number of the Group's own equity instruments is an equity instrument.

At the date of issue, fair value of the liability component is estimated using the prevailing market interest rate for similar non-convertible instruments. This amount is recognised as a liability on an amortized cost basis using the effective interest method until extinguished upon conversion or at the instruments' maturity date.

The conversion option classified as equity is determined by deducting the amount of the liability component from the fair value of the compound financial instrument as a whole. This is recognised and included in equity, net of income tax effects, and is not subsequently remeasured. In addition, the conversion option classified as equity will remain in equity until the conversion option is exercised, in which case, the balance recognised in equity will be transferred to other component of equity. When the conversion option remains unexercised at the maturity date of the convertible note, the balance recognised in equity will be transferred to retained earnings. No gain or loss is recognised in profit or loss upon conversion or expiration of the conversion option.

(d) Financial Liabilities

All financial liabilities are subsequently measure at amortized cost or at FVTPL.

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measure at amortized cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortized cost are determined based on the effective interest method. Interest expense that is not capitalised as part of costs of an asset is included in the 'Finance cost' line item.

The effective interest method is a method of calculating the amortized cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

(vi) Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Group currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

(vii) Financial guarantee contracts and loan commitments

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due in accordance with the terms of a debt instrument.

Financial guarantee contracts and loan commitments issued by the Group are initially measured at their fair values and, if not designated as at FVTPL, are subsequently measured at the higher of:

- The amount of loss allowance determined in accordance with impairment requirements of Ind AS 109; or
- The amount initially recognised less, when appropriate, the cumulative amount of income recognised in accordance with the principles of Ind AS 18.

viii. Dividend Distribution

Final dividend on shares is recorded as a liability on the date of approval by the shareholders and interim dividends are recorded as a liability on the date of declaration by the Group's Board of Directors.

ix. Use of Estimates and judgement

The preparation of financial statements in conformity with Ind AS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent Liabilities at

Notes accompanying the Standalone Financial Statements (Contd.)

for the year ended March 31, 2021

the date of the financial statements and the results of operations during the reporting period end. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

The estimates and underlying assumptions are reviewed at the end of each reporting period. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

x. Earnings per share

Basic earnings per share are calculated by dividing the Profit or Loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. For the purpose of calculating diluted earnings per share, the Profit or Loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effect of all dilutive potential equity shares.

xi. Share-based payment arrangements

Equity-settled share-based payments to employees are measured at the fair value of the equity instruments at the grant date.

The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Company's estimate of equity instruments that will eventually vest, with a corresponding increase in equity. At the end of each reporting period, the Company revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the equity-settled employee benefits reserve.

Notes accompanying the Standalone Financial Statements (Contd.)
for the year ended March 31, 2021

NOTE 3a - PROPERTY, PLANT AND EQUIPMENT

(₹ In million)

	Particulars	Freehold Land	Buildings	Plant and Equipments	Furniture & Fittings	Vehicles	Office Equipment	Computer Equipment	Total
(I)	**Gross Carrying Amount**								
	Balance as at April 01, 2019	101.23	246.30	380.85	24.40	23.86	8.62	4.72	789.98
	Additions during the year	-	171.78	108.61	0.86	7.03	3.94	1.95	294.17
	Less: Disposals during the year	-	-	(2.27)	-	(0.53)	0.53	-	(2.27)
	Balance as at March 31, 2020	**101.23**	**418.08**	**487.19**	**25.26**	**30.36**	**13.09**	**6.67**	**1,081.88**
	Additions during the year	-	313.38	677.93	9.52	1.67	2.32	3.69	1,008.51
	Less: Disposals during the year	-	-	(31.74)	-	-	-	-	(31.74)
	Balance as at March 31, 2021	**101.23**	**731.46**	**1,133.38**	**34.78**	**32.03**	**15.41**	**10.36**	**2,058.65**
(II)	**Accumulated depreciation**								
	Balance as at April 01, 2019	-	11.11	83.47	5.03	5.90	2.08	2.06	109.65
	Depreciation expense for the year	-	21.38	115.88	5.26	6.82	4.05	2.32	155.71
	Less: Disposals during the year	-	-	(0.93)	-	(0.26)	0.16	-	(1.03)
	Balance as at March 31, 2020	**-**	**32.49**	**198.42**	**10.29**	**12.46**	**6.29**	**4.38**	**264.33**
	Depreciation expense for the year	-	49.80	143.25	4.45	5.76	1.98	2.41	207.65
	Less: Disposals during the year	-	-	(14.21)	-	-	-	-	(14.21)
	Balance as at March 31, 2021	**-**	**82.29**	**327.46**	**14.74**	**18.22**	**8.27**	**6.79**	**457.77**
(III)	**Net carrying amount (I-II)**								
	Balance as at March 31, 2019	101.23	235.19	297.38	19.37	17.96	6.54	2.66	680.33
	Balance as at March 31, 2020	101.23	385.59	288.77	14.97	17.90	6.80	2.29	817.55
	Balance as at March 31, 2021	**101.23**	**649.17**	**805.92**	**20.04**	**13.81**	**7.14**	**3.57**	**1,600.88**

Notes:

a) Additions during the year includes borrowing costs capitalised ₹ 13.02 million (March 31, 2020 - ₹ 4.16 million)

b) Term loans of ₹ Nil (March 31, 2020 ₹ 398.77 million) from banks are secured by first pari passu charge created by mortgage of plant and equipment and immovable properties (including Capital Work in Progress) located at Dahej.

Notes accompanying the Standalone Financial Statements (Contd.)
for the year ended March 31, 2021

NOTE 3b - RIGHT OF USE ASSETS

(₹ In million)

	Particulars	Freehold Land	Total
(I)	**Gross Carrying Amount**		
	Balance as at April 01, 2019	-	-
	Additions during the year	70.92	70.92
	Less: Disposals during the year	-	-
	Balance as at March 31, 2020	**70.92**	**70.92**
	Additions during the year	-	-
	Less: Disposals during the year	-	-
	Balance as at March 31, 2021	**70.92**	**70.92**
(II)	**Accumulated depreciation**		
	Balance as at April 01, 2019	-	-
	Depreciation expense for the year	0.77	0.77
	Less: Disposals during the year	-	-
	Balance as at March 31, 2020	**0.77**	**0.77**
	Depreciation expense for the year	0.77	0.77
	Less: Disposals during the year	-	-
	Balance as at March 31, 2021	**1.54**	**1.54**
(III)	**Net carrying amount (I-II)**		
	Balance as at March 31, 2019	-	-
	Balance as at March 31, 2020	70.15	70.15
	Balance as at March 31, 2021	**69.38**	**69.38**

NOTE NO. 4 - INTANGIBLE ASSETS

(₹ In million)

	Particulars	Computer Software	Copyright & Patent	Total
(I)	**Gross Carrying Amount**			
	Balance as at April 01, 2019	**0.40**	**71.50**	**71.90**
	Additions during the year	-	-	-
	Deductions during the year	-	-	-
	Balance as at March 31, 2020	**0.40**	**71.50**	**71.90**
	Additions during the year	1.92	-	1.92
	Deductions during the year	-	-	-
	Balance as at March 31, 2021	**2.32**	**71.50**	**73.82**
(II)	**B. Accumulated amortization**			
	Balance as at April 01, 2019	0.28	11.92	12.20
	Amortisation expense for the year	0.12	11.92	12.04
	Deductions for the year	-	-	-
	Balance as at March 31, 2020	**0.40**	**23.84**	**24.24**
	Amortisation expense for the year	0.39	11.92	12.31
	Deductions for the year	-	-	-
	Balance as at March 31, 2021	**0.79**	**35.76**	**36.55**
(III)	**Net carrying amount (I-II)**			
	Balance as at March 31, 2019	0.12	59.58	59.70
	Balance as at March 31, 2020	-	47.66	47.66
	Balance as at March 31, 2021	**1.52**	**35.74**	**37.27**

Notes:
The amortization expense of intangible assets has been included under 'Depreciation and amortization expense' in the Statement of Profit and Loss.

Notes accompanying the Standalone Financial Statements (Contd.)

for the year ended March 31, 2021

NOTE 5: INVESTMENTS (NON-CURRENT)

(₹ In million)

Particulars	Face value per unit	As at March 31, 2021		As at March 31, 2020	
		No. of shares	Amount	No. of shares	Amount
Investment in Equity Instruments (fully paid-up)					
Unquoted					
At Cost:					
(i) In subsidiary companies					
Rossari Personal Care Products Private Limited (refer note 5.1)	10	300,000	1.98	1000	1.98
Deemed Investment			0.71		0.59
Buzil Rossari Private Limited (Refer note 5.2)	10	7,321,533	89.84	-	-
(ii) In Joint Venture Company					
Buzil Rossari Private Limited (Refer note 5.2)		-	-	4,392,918	43.93
Total Investment (Non-Current)			**92.53**		**46.50**
Other Disclosures					
Aggregate carrying value of quoted investments		-	-	-	-
Aggregate market value of quoted investments		-	-	-	-
Aggregate carrying value of unquoted investments		-	92.53	-	46.50
Aggregate impairment in value of investments		-	-	-	-

Note:

5.1 During the year Rossari Personal Care Private Limited ("the subsidiary company") had split its equity shares of the face value of ₹ 100 each to face value of ₹ 10 each resulting in the increased of equity shares to 10,000 from 1,000 equity shares. Further the subsidiary company had issued bonus shares in the ratio 1:29 thereby increasing the number of equity shares to 3,00,000.

5.2 During the year ended March 31, 2021 the Company has acquired the balance 40% stake in Buzil Rossari Private Limited aggregating to 29,28,615 number of shares from BUZIL-WERK Wagner GmbH & Co for a total consideration of ₹ 45.91 million making it a wholly owned subsidiary of the Company.

NOTE 6: OTHER FINANCIAL ASSETS (NON CURRENT)

(₹ In million)

Particulars	As at March 31, 2021	As at March 31, 2020
Financial Assets at Amortised Cost:		
(unsecured, considered good unless otherwise stated)		
Security & Business Deposits	10.11	-
Fixed Deposit with more than 12 months maturity (Refer note below)	195.23	3.56
Interest Accrued	0.14	0.40
Total Other Financial Assets	**205.48**	**3.96**

Notes:

Deposits includes deposits earmarked with Electricity authority ₹ 3.61 million (March 31, 2020 - ₹ 1.85 million).

Notes accompanying the Standalone Financial Statements (Contd.)

for the year ended March 31, 2021

NOTE 7: INCOME TAX ASSETS (NET) (NON CURRENT)

(₹ In million)

Particulars	As at March 31, 2021	As at March 31, 2020
Advance Income Tax	21.19	15.49
(net off Provision for Tax of ₹ 567.45 million (March 31, 2020 – ₹ 329.44 million))		
Total Income Tax Assets (Net) (Non-current)	**21.19**	**15.49**

NOTE 8: DEFERRED TAX ASSET (NET) (NON-CURRENT)

(₹ In million)

Particulars	As at March 31, 2021	As at March 31, 2020
Deferred Tax Asset (Refer note 8.1)	0.52	-
Total Deferred Tax Assets (Net) (Non-current)	**0.52**	**-**

NOTE 8.1 MOVEMENT IN DEFERRED TAX ASSETS:

(₹ In million)

Particulars	As at March 31, 2020	Charge / (credit) to profit or loss	Charge / (credit) to OCI	As at March 31, 2021
Tax effect of items constituting deferred tax liabilities:				
Allowances on property, plant & equipment and other assets	(14.86)	6.56	-	(8.30)
Tax effect of items constituting deferred tax assets:				
Allowances for credit losses	1.15	0.04	-	1.19
Provision for Gratuity	3.76	0.43	(0.42)	3.77
Other employee benefits	4.55	(0.69)	-	3.86
Net Tax Asset/(Liability)	**(5.40)**	**6.34**	**(0.42)**	**0.52**

NOTE 9: OTHER NON-CURRENT ASSETS

(₹ In million)

Particulars	As at March 31, 2021	As at March 31, 2020
Capital advances	16.92	236.78
Prepaid Expenses	1.09	0.28
Total Other Non-Current Assets	**18.01**	**237.06**

NOTE 10: INVENTORIES

(₹ In million)

Particulars	As at March 31, 2021	As at March 31, 2020
Raw Materials (Including in transit of ₹ 60.71 million (March 31, 2020 - ₹ 24.06 million)	494.58	303.52
Packing Materials	114.90	76.83
Work-in-progress	29.03	4.81
Finished goods	243.63	195.64
Consumables, stores and spares	3.07	0.90
Total Inventories	**885.21**	**581.70**

Notes:

10.1. The cost of Inventories recognised as an expense during the year was ₹ 5,106.13 million (March 31, 2020 - 3,970.46 million), including in respect of write down of inventories to net realisable value ₹ 4.71 million (March 31, 2020 - ₹ 4.91 million).

10.2. The Company has availed credit facilities from banks which are secured interalia by hypothecation of inventories.

10.3. The mode of valuation of inventories is stated in sub note vii of Note 2.

Notes accompanying the Standalone Financial Statements (Contd.)

for the year ended March 31, 2021

NOTE 11: INVESTMENTS (CURRENT)

(₹ In million)

Particulars	No of units	As at March 31, 2021	No of units	As at March 31, 2020
Quoted (Fair value through profit or loss)				
HDFC Arbitrage Fund - Wholesale Plan - Regular Plan – Growth	-	-	432,544.66	10.06
HDFC Liquid Fund – Growth	-	-	2,594.82	10.08
HDFC Liquid Fund - Daily Dividend Reinvest	-	-	83,804.85	85.46
Total Investments (Current)	**-**	**-**	**435,139.48**	**105.60**
Other Disclosures				
Aggregate carrying value of quoted investments	-	-		105.60
Aggregate market value of quoted investments	-	-		105.60

NOTE 12: TRADE RECEIVABLES

(₹ In million)

Particulars	As at March 31, 2021	As at March 31, 2020
Unsecured:		
Considered good	1,373.22	938.06
Considered doubtful	4.73	4.58
	1,377.95	**942.64**
Less: Allowance for Expected Credit Losses	(4.73)	(4.58)
Total Trade Receivables	**1,373.22**	**938.06**

Notes:

12.1. Refer Note 42 for receivables outstanding from Related Parties.

12.2. Refer Note 47 for disclosures related to credit risk and Note 48 for impairment of trade receivables under expected credit loss model and related disclosures.

12.3 Trade receivables are hypothecated to banks against working capital facility.

NOTE 13a: CASH AND CASH EQUIVALENTS

(₹ In million)

Particulars	As at March 31, 2021	As at March 31, 2020
Balances with banks		
- on Current Account	94.61	18.05
- Fixed deposits with original maturity of less than 3 months	49.38	267.63
Cheques, drafts on hand	-	0.18
Cash on hand	1.14	1.70
Others*	3.18	4.34
Total Cash and cash Equivalents	**148.31**	**291.90**

*Others include imprest given to employees

Notes accompanying the Standalone Financial Statements (Contd.)

for the year ended March 31, 2021

NOTE 13b: BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

(₹ In million)

Particulars	As at March 31, 2021	As at March 31, 2020
Bank Balances other than cash and cash equivalents		
- Fixed Deposits with original maturity of more than 3 months but balance maturity less than 12 months	711.51	980.17
Total Bank Balances other than cash and cash equivalents	**711.51**	**980.17**

NOTE 14: LOANS (CURRENT)

(₹ In million)

Particulars	As at March 31, 2021	As at March 31, 2020
Financial Assets at Amortised Cost:		
(unsecured, considered good unless otherwise stated)		
Security & Business Deposits	3.37	11.48
Loans to related parties (refer note 14.2 and note 42)	23.70	-
Other Loans (refer note 14.3)	0.74	-
Total Loans (Current)	**27.81**	**11.48**

Notes:

14.1 Other Loans mainly includes loans to employees

14.2 Loans given to employees as per the Company's policy are not considered for the purposes of disclosure under Section 186(4) of the Companies Act, 2013.

14.3 Loans to related party represents loan given to Buzil Rossari Private Limited (wholly owned subsidiary) for general business purpose.

NOTE 15: OTHER FINANCIAL ASSETS (CURRENT)

(₹ In million)

Particulars	As at March 31, 2021	As at March 31, 2020
At Amortised Cost:		
Interest Accrued on Fixed deposits	10.10	2.46
Interest on loans to related parties	0.13	-
Others (refer note 15.1)	18.24	38.86
At fair value through Profit & Loss:		
Derivative financial assets	-	0.12
Total Other Financial Assets (Current)	**28.47**	**41.44**

Notes:

15.1 Others Includes IPO Expense aggregating to ₹ Nil (previous year ₹ 37.89 million) set off against Security Premium on completion of IPO.

15.2 Refer Note 47 for disclosures related to credit risk and Note 48 for impairment under expected credit loss model and related financial instrument disclosures.

NOTE 16: OTHER CURRENT ASSETS

(₹ In million)

Particulars	As at March 31, 2021	As at March 31, 2020
Balances with Government Authorities	150.45	132.29
Prepaid expenses	4.67	4.15
Advance paid to suppliers	65.49	137.74
Others*	-	2.45
Total Other Current Assets	**220.61**	**276.63**

*Others include Royalty receivable

Notes accompanying the Standalone Financial Statements (Contd.)

for the year ended March 31, 2021

NOTE 17: EQUITY SHARE CAPITAL

(₹ In million)

Particulars	As at March 31, 2021	As at March 31, 2020
Authorised:		
6,00,00,000 (March 31, 2020 - 6,00,00,000) Equity shares of ₹ 2 each (refer note 17.1)	120.00	120.00
Total	**120.00**	**120.00**
Issued, Subscribed and Paid-up:		
5,19,29,390 (March 31, 2020 - 5,07,52,920) Equity shares of ₹ 2 each, fully paid up	103.86	101.51
Total Equity Share Capital	**103.86**	**101.51**

a) Reconciliation of the number of shares outstanding at the beginning and at the end of the year

(₹ In million)

Particulars	No of Shares	As at March 31, 2021	No of Shares	As at March 31, 2020
Issued, Subscribed and Paid-up:				
Balance as at the beginning of the year.	50,752,920	101.51	22,000,000	44.00
Issue of Bonus shares (refer note 17.3)			26,400,000	52.80
Fresh issue of equity shares (refer note 17.1 and 17.4)	1,176,470	2.35	2,352,920	4.71
Total	**51,929,390**	**103.86**	**50,752,920.00**	**101.51**

b) Terms of Rights, preferences and restrictions attached to equity shares

The Company has only one class of equity shares having a par value of ₹ 2/- per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

c) Details of equity shares held by each shareholder holding more than 5% shares:

(₹ In million)

Name of shareholder	As at March 31, 2021		As at March 31, 2020	
	No. of shares	% shareholding	No. of shares	% shareholding
Equity shares:				
Mr. Edward Menezes	16,118,820	31.04%	21,368,820	42.10%
Mr. Sunil Chari	16,089,320	30.98%	21,339,320	42.05%
Rossari Biotech (India) Private Limited	3,016,200	5.81%	3,016,200	5.94%
SBI Small Cap Fund	2,862,360	5.51%	-	-

d) For the period of preceding five years as on the Balance Sheet date, Issued, Subscribed and Paid-up Share Capital includes:

Aggregate of 2,64,00,000 (March 31, 2020 - 2,64,00,000) Equity Shares allotted as fully paid up by way of bonus shares

Notes:

17.1 During the year the Company has completed the Initial Public Offer (IPO) of 1,16,76,470 Equity Shares of the face value of ₹ 2/- each at an issue price of ₹ 425/- per Equity Share, comprising offer for sale of 1,05,00,000 shares by Selling Shareholders and fresh issue of 11,76,470 shares. The Equity Shares of the Company were listed on July 23, 2020 on BSE Limited and National Stock Exchange of India Limited.

17.2 During the previous year, the Board of Directors of the Company at their meeting held on November 12, 2019 had approved to split the equity shares of the Company from Face Value of ₹ 10 per share to Face Value of ₹ 2 per share and to increase the authorised share capital of the Company to ₹ 12,00,00,000. As a result of this:

a. The authorised share capital of the company was revised and increased from 50,00,000 equity shares of nominal value of ₹ 10 each to 6,00,00,000 equity shares of ₹ 2 each;

b. *the issued and subscribed shares were increased from 44,00,000 shares to 2,20,00,000 shares.*

Notes accompanying the Standalone Financial Statements (Contd.)
for the year ended March 31, 2021

NOTE 17: EQUITY SHARE CAPITAL (Contd.)

17.3 Further the shareholders of the Company at its meeting held on December 02, 2019, pursuant to Section 63 and other applicable provisions, if any, of the Companies Act, 2013 and rules made thereunder, approved a sum of ₹ 5,28,00,000 be capitalised as Bonus Equity shares out of free reserves and surplus, and distributed amongst the Equity Shareholders by issue of 2,64,00,000 Equity shares of ₹ 2/- each credited as fully paid to the Equity Shareholders in the proportion of 6 (Six) Equity share for every 5 (Five) Equity shares.

17.4 During the previous year ended March 31, 2020, pursuant to Section 42 and 62 and other applicable provisions, if any, of the Companies Act, 2013 read with rules made there under and as per the approval of the Members of the Company, the Board of Directors of the Company at their meeting held on February 27, 2020 allotted 23,52,920 Equity Shares of the Face Value of ₹ 2/- each, at the issue price of ₹ 425/-each including a premium of ₹ 423/- each on preferential basis by way of a private placement.

17.5 During the year ended on March 31, 2021, the Board of Directors at its meeting held on March 23, 2021., interalia approved the issue of 3,012,046 equity shares on preferential basis for cash consideration. Subsequent to year ended March 31, 2021, the shareholder of the Company at its Extra Ordinary General meeting held on April 17, 2021 has approved issue of 30,12,046 shares of face value of ₹ 2 each on preferential basis at ₹ 996 per share aggregating to ₹ 3,000.00 million to certain parties. The allotment of the shares of the Company has been completed on April 21, 2021.

NOTE 18: OTHER EQUITY

(₹ In million)

Particulars	As at March 31, 2021	As at March 31, 2020
Securities premium	1,575.47	1,151.29
Employee Stock Options Outstanding	21.15	4.87
Retained earnings	2,343.96	1,577.07
Total Other Equity	**3,940.58**	**2,733.23**

Movement in Reserves

(₹ In million)

Particulars	As at March 31, 2021	As at March 31, 2020
Securities Premium		
Balance as at the beginning of the year	1,151.29	156.00
Add: Additions during the year (refer note no. 17.1)	497.66	995.29
Less: Adjustment during the year (Refer note below)	(73.48)	-
Balance as at the end of the year	**1,575.47**	**1,151.29**

Note: The Company has adjusted its share of IPO expenses against the securities premium account.

(₹ In million)

Particulars	As at March 31, 2021	As at March 31, 2020
Employee Stock Options Outstanding *(refer note no. 31.1)*		
Balance as at the beginning of the year	4.87	-
Add: Additions during the year	16.28	4.87
Balance as at the end of the year	**21.15**	**4.87**

(₹ In million)

Particulars	As at March 31, 2021	As at March 31, 2020
Retained Earnings		
Balance as at the beginning of the year	1,577.07	1,003.38
Add: Profit during the year	791.02	655.22
Less: Dividend including tax thereon	(25.38)	(26.48)
Less: Capitalised as Bonus	-	(52.80)
Less: Remeasurement gain/(loss) on defined benefit plan	1.25	(2.25)
Balance as at the end of the year	**2,343.96**	**1,577.07**
Total	**3,940.58**	**2,733.23**

Notes accompanying the Standalone Financial Statements (Contd.)

for the year ended March 31, 2021

NOTE 18: OTHER EQUITY (Contd.)

Description of Nature and purpose of other equity:

Retained earnings:

Retained earnings represent the amount of accumulated earnings.

Securities Premium:

Securities premium account is created when shares are issued at premium. The reserve can be utilised in accordance with the provisions of the Companies Act, 2013.

Employee Stock Options Outstanding:

Employee Stock Options Outstanding represents reserve in respect of equity settled share options granted to the Company's employees in pursuance of the Employee Stock Option Plan.

Notes:

Details of Dividends proposed:

Particulars	As at March 31, 2021	As at March 31, 2020
Dividend per share (Rupees).	0.50	-
Dividend on Equity Shares	27.47	-

NOTE 19: BORROWINGS (NON-CURRENT)

(₹ In million)

Particulars	As at March 31, 2021	As at March 31, 2020
Secured (Carried at Amortised Cost):		
Term Loans from banks	-	339.60
Total Borrowings (Non-current)	**-**	**339.60**

Notes:

19.1. Term loans are secured by first pari passu charge created by mortgage of plant and equipment and immovable properties (including Capital Work in Progress) located at Dahej.

19.2. Current maturities in respect of long-term borrowings have been included in Note 24.

Term loan outstanding as at March 31, 2020	Rate of interest (p.a.)	Repayment Terms
Secured		
Term loans from banks - Nil (March 31, 2020 - 215.55 million)	8.70%	60 Monthly Instalments w.e.f. November 2020
Term loans from banks - Nil (March 31, 2020 - 183.22 million)	12M MCLR +0.15%	20 Quarterly Instalments w.e.f. December 2020

Reconciliation of borrowings outstanding to cash flows from financing activities:

(₹ In million)

Borrowings movement	For the year ended March 31, 2021		For the year ended March 31, 2020	
	Noncurrent	Current	Noncurrent	Current
Balance as at beginning of the year (including current maturities)	339.60	59.17	6.73	5.86
Cash Flow (Repayment)/ Proceeds	(339.60)	(59.17)	337.77	53.31
Non cash changes				
Amortised borrowing cost			(4.90)	-
Balance as at end of the year (including current maturities)	**-**	**-**	**339.60**	**59.17**

Notes accompanying the Standalone Financial Statements (Contd.)

for the year ended March 31, 2021

NOTE 20: PROVISIONS (NON-CURRENT)

(₹ In million)

Particulars	As at March 31, 2021	As at March 31, 2020
Provision for employee benefits		
Gratuity	7.26	9.93
Compensated absences	2.61	6.33
Total Provisions (Non-current)	**9.87**	**16.26**

Notes:

For disclosures related to employee benefits, refer note 43

NOTE 21: DEFERRED TAX LIABILITY (NET) (NON-CURRENT)

(₹ In million)

Particulars	As at March 31, 2021	As at March 31, 2020
Deferred Tax Liability	-	5.40
Total Deferred Tax Liability (Net) (Non-current)	**-**	**5.40**

NOTE 21.2 MOVEMENT IN DEFERRED TAX LIABILITY:

(₹ In million)

Particulars	As at March 31, 2019	Charge / (credit) to profit or loss	Charge / (credit) to OCI	As at March 31, 2020
Tax effect of items constituting deferred tax liabilities:				
a) Allowances on property, plant & equipment and other assets	(28.42)	13.56	-	(14.86)
Tax effect of items constituting deferred tax assets:				
Allowances for credit losses	1.16	(0.01)	-	1.15
Provision for Gratuity	4.86	(1.66)	0.56	3.76
Others	4.28	0.27	-	4.55
Net Tax Asset/(Liability)	**(18.12)**	**12.16**	**0.56**	**(5.40)**

NOTE 22: BORROWINGS (CURRENT)

(₹ In million)

Particulars	As at March 31, 2021	As at March 31, 2020
Carried at Amortised Cost:		
Secured loans		
Working Capital Loans from Banks (refer note 22.1 and 22.2 below)	-	19.41
Unsecured Loans		
From banks (refer note 22.1 below)	-	251.11
Total Borrowings (Current)	**-**	**270.52**

Notes:

22.1 The rate of interest ranges from 8.45% to 8.50%

22.2 Working capital facilities are secured by first pari passu charge created by hypothecation of current assets and immovable property.

Notes accompanying the Standalone Financial Statements (Contd.)

for the year ended March 31, 2021

NOTE 23: TRADE PAYABLES (CURRENT)

(₹ In million)

Particulars	As at March 31, 2021	As at March 31, 2020
Total outstanding dues of micro enterprises and small enterprises	150.54	51.28
Total outstanding dues other than micro enterprises and small enterprises	1,085.88	918.59
Total Trade Payables (Current)	**1,236.42**	**969.87**

Micro, Small and Medium enterprises have been identified by the Company on the basis of the information available. Total outstanding dues of Micro and Small enterprises, which are outstanding for more than the stipulated period and other disclosures as per the Micro, Small and Medium Enterprises Development Act, 2006 (hereinafter referred to as "the MSMED Act") are given below:

(₹ In million)

Particulars	As at March 31, 2021	As at March 31, 2020
Dues remaining unpaid:		
Principal (excludes ₹ 8.71 million (March 31, 2020 - ₹ Nil) payable towards creditors for capital goods and services under other financial liabilities)	150.54	51.28
Interest (including interest on creditors for capital goods and services ₹ 0.16 million (March 31, 2020 - ₹ Nil))	1.96	0.55
Interest paid in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (hereinafter referred to as "the Act") along with the amount of payment made to the supplier beyond the appointed day during the year		
- Principal paid beyond the appointed date (Including capital creditors ₹ 209.44 million (March 31, 2020 - ₹ Nil))	1,167.19	106.46
- Interest paid in terms of Section 16 of the Act	-	-
Amount of interest due and payable for the year of delay on payments made beyond the appointed day during the year (Including on capital creditors ₹ 0.81 million (March 31, 2020 - ₹ Nil))	11.06	3.95
Further interest due and payable even in the succeeding years, until such date when the interest due as above are actually paid to the small enterprises (Including interest on capital creditors ₹ 0.97 million (March 31, 2020 - ₹ Nil))	13.02	4.50
Amount of interest accrued and remaining unpaid (Including interest on capital creditors ₹ 0.97 million (March 31, 2020 - ₹ Nil))	24.76	12.26

NOTE 24: OTHER FINANCIAL LIABILITIES (CURRENT)

(₹ In million)

Particulars	As at March 31, 2021	As at March 31, 2020
Measured at Amortised Cost:		
Security Deposits	35.11	32.89
Current maturities of Long-term Debts (refer note 19)	-	59.17
Creditors for capital goods & services	42.96	55.59
Interest Accrued	26.41	13.86
Others*	0.48	0.36
Total Other Financial Liabilities (Current)	**104.96**	**161.87**

* Refer Note 42 for payable to Related Parties.

Notes accompanying the Standalone Financial Statements (Contd.)

for the year ended March 31, 2021

NOTE 25: OTHER CURRENT LIABILITIES

(₹ In million)

Particulars	As at March 31, 2021	As at March 31, 2020
i. Advances received from customers	19.56	16.29
ii. Statutory dues		
- Taxes Payable	9.11	9.33
- GST Payable	1.99	14.02
- Employee Liabilities	1.95	1.69
Total Other Current Liabilities	**32.61**	**41.33**

NOTE 26: PROVISIONS (CURRENT)

(₹ In million)

Particulars	As at March 31, 2021	As at March 31, 2020
Provision for employee benefits		
Gratuity	5.60	4.97
Compensated absences	1.35	1.69
Total Provisions (Current)	**6.95**	**6.66**

Notes:

For disclosures related to employee benefits, refer note 43

NOTE 27: CURRENT TAX LIABILITIES (NET)

(₹ In million)

Particulars	As at March 31, 2021	As at March 31, 2020
Provision for tax	8.34	36.61
(net of Advance Income Tax of ₹ 266.96 million (March 31, 2020 – ₹ 201.40 million)		
Total Current Tax Liabilities (Net)	**8.34**	**36.61**

NOTE 28: REVENUE FROM OPERATIONS

(₹ In million)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Revenue from contracts with customers:		
Sale of products	6,884.79	5,981.74
Other operating revenues:		
i. Royalty	2.21	4.04
ii. Others*	17.14	15.16
Total Revenue from operations	**6,904.14**	**6,000.94**

*Includes Export Incentives

Reconciliation of revenue recognised in the Statement of Profit and Loss with contracted price

(₹ In million)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Contract Price	6,996.49	6,012.12
Less : Discount	111.71	30.38
	6,884.79	**5,981.74**

Notes accompanying the Standalone Financial Statements (Contd.)

for the year ended March 31, 2021

NOTE 29: OTHER INCOME

(₹ In million)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Interest Income (on financial assets measured at Amortised cost):		
- On bank deposits	40.24	6.03
- On others	9.35	8.55
Dividend Income	32.71	0.73
Net Gain on foreign Currency transactions & translation	4.86	19.99
Profit/(Loss) on disposal of property, plant and equipment	4.32	-
Others *	10.61	1.01
Total Other Income	**102.09**	**36.31**

* Others mainly includes income on account of writeback of liabilities ₹ 7.32 million (March 31, 2020: ₹ 0.55 million)

NOTE 30: COST OF MATERIALS CONSUMED

(₹ In million)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Opening Stock of raw materials and packing materials	381.25	324.16
Add: Purchases (Net)	4,570.07	3,749.73
Less: Closing Stock of raw materials and packing materials	612.54	381.25
Total Cost of materials consumed	**4,338.78**	**3,692.64**

NOTE 31: CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK-IN-PROGRESS

(₹ In million)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Opening inventories		
Finished Goods	195.64	213.46
Work-in-progress	4.81	11.37
TOTAL	**200.45**	**224.83**
Less: Closing inventories		
Finished Goods	243.63	195.64
Work-in-progress	29.03	4.81
TOTAL	**272.66**	**200.45**
Total (increase) / decrease in inventories	**(72.21)**	**24.38**

NOTE 32: EMPLOYEE BENEFITS EXPENSE

(₹ In million)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Salaries and wages, including bonus	330.45	337.80
Contribution to provident and other funds	7.28	16.53
Share-based payments to employees	15.30	4.63
Workmen & Staff welfare expenses	13.57	12.38
Total Employee Benefits Expense	**366.60**	**371.34**

Note:

32.1 EMPLOYEE STOCK OPTION PLAN

The Company has implemented - Rossari Employee Stock Option Plan, 2019 ("ESOP 2019") as approved by the shareholders of the company and the nomination and remuneration committee of the Board of Directors.

Notes accompanying the Standalone Financial Statements (Contd.)
for the year ended March 31, 2021

32.1 EMPLOYEE STOCK OPTION PLAN (Contd.)

As per the ESOP 2019, the Board of directors at board meeting dated December 12, 2019 granted ESOP's to the eligible employees to acquire equity shares of the Company, that vests in a graded manner. The vested options can be exercised within two years from respective vesting date or the period as specified by Nomination & Remuneration Committee (NRC) as specified in the ESOP 2019. The number of options granted is calculated in accordance with the experience and performance- based formula approved by the Board and recommended by the NRC.

The Company has granted 7,05,000 (Seven Hundred and Five Thousand) Employee Stock Options under ESOP 2019 to its identified employees. This grant is effective from December 12, 2019. These shall vest as per the vesting schedule approved by the Board and NRC and can be exercised over the exercise period as approved in the meeting held on December 12, 2019.

This was further Modified/revised in accordance with the resolution passed by the Nomination and Remuneration Committee of the Board of Directors of the Company at their meeting held on July 22, 2020. The exercise price of the shares granted under the scheme was reduced from ₹ 475 to ₹ 425.

The scheme was ratified by the shareholders at its extraordinary general meeting held on April 17, 2021.

Information in respect of Options outstanding as on March 31, 2021

Movement in Share Options

(₹ In million)

Particulars	For the year ended March 31, 2021		For the year ended March 31, 2020	
	Number of Shares	Weighted Average exercise price	Number of Shares	Weighted Average exercise price
The number and weighted average exercise prices of share options outstanding at the beginning of year	705,000	475	-	-
Granted during the year	-	-	705,000	475
Forfeited / lapsed during the year	92,500			
Exercised during the year	-	-	-	-
Expired during the year	-	-	-	-
Outstanding at the end of the year	612,500	425	705,000	475
Exercisable at the end of the year	-	425	-	475
Remaining contractual life (no of days)		2.90		3.80

The inputs used in the measurement of the fair values at grant date /modification date of the employee stock option plans (ESOPs) using Black Scholes option pricing model were as follows:

Grant Date	December 12, 2019	December 12, 2019	December 12, 2019	December 12, 2019
Modification Date	**July 22, 2020**	**July 22, 2020**	**July 22, 2020**	**July 22, 2020**
Exercise price per share (₹)	425	425	425	425
Share price on the date of grant	425	425	425	425
Expected life of options (Years)	1.99	2.99	3.99	4.99
Expected Volatility (% P.a.)	25%	25%	25%	25%
Risk Free Rate of Return (%)	3.80%	4.20%	4.60%	4.90%
Dividend Yield (P.a)	1%	1%	1%	1%
Lapse Rates (P.a.)	2%	2%	2%	2%
Mortality		Not Considered		
Options Fair Value (modified)	56.36	77.52	96.35	114.68
Incremental fair value granted	11.76	13.88	15.69	18.60

During the year ended March 31, 2021, the Company re-priced its outstanding options. The strike price was reduced from ₹ 475 to the then current market price of ₹ 425. The incremental fair value of ₹ 11.07 million. will be expensed over the remaining vesting period (two years). The Group used the inputs noted above to measure the fair value of the old and new options.

Notes accompanying the Standalone Financial Statements (Contd.)

for the year ended March 31, 2021

32.1 EMPLOYEE STOCK OPTION PLAN (Contd.)

Expected volatility has been based on an evaluation of annual volatility of peer group prevailing in the year of grant.

In respect of Options granted under the Employee Stock Option Plan the accounting is done as per requirements of Ind AS 102. Consequently, salaries, wages, bonus etc. includes ₹ 15.30 million (March 31, 2020: ₹ 4.63 million) being expenses on account of share based payments, after adjusting for reversals on account of options lapsed. The amount excludes ₹ 0.97 million (March 31, 2020: ₹ 0.24 million) charged to subsidiary / joint venture for options issued to their employees.

NOTE 33: FINANCE COSTS

(₹ In million)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Interest Expense:		
(i) On Vehicle Loans	-	0.49
(ii) On working capital facilities	3.76	16.40
(iii) On term loan (Refer note 33.1 and 33.2)	9.27	4.44
(iv) Other Borrowing Cost	16.89	15.45
Total Finance Costs	**29.92**	**36.78**

Notes:

33.1 Interest on term loans excludes amount of interest transferred to capital work in progress amounting to ₹ 9.03 million in FY 2020-21 (March 31, 2020 ₹ 4.16 million)

33.2 The capitalisation rate used to determine the amount of borrowing costs eligible for capitalisation is 8.95% p.a (March 31, 2020: 8.95% p.a)

33.3 Other Borrowing cost includes interest payable to MSMED creditors

<u>Analysis of Interest Expense by category:</u>

(₹ In million)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Interest Expenses:		
On financial liability at amortized cost	13.03	21.33

NOTE 34: DEPRECIATION AND AMORTIZATION EXPENSES

(₹ In million)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Depreciation on property, plant and equipment	207.66	155.71
Amortisation on right of use asset	0.77	0.77
Amortisation of intangible assets	12.31	12.04
Total Depreciation and amortization expenses	**220.74**	**168.52**

Notes accompanying the Standalone Financial Statements (Contd.)

for the year ended March 31, 2021

NOTE 35: OTHER EXPENSES

(₹ In million)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Factory Expenses	135.91	77.43
Freight Charges	72.98	147.19
Consumption of stores, spares and consumables	26.05	16.30
Repairs & Maintenance	24.20	25.43
Travelling & Conveyance	19.34	58.10
Clearing & Forwarding Charges	38.08	32.23
Selling & Distribution Expense	248.71	260.74
Exhibition, Conference & Seminars	1.66	46.61
Legal and Professional Fees	60.10	48.47
Rent	32.78	22.27
Loss on redemption of Mutual Fund accounted at fair value through profit or loss	0.01	0.21
Loss on sale of Assets	-	0.42
Corporate Social Responsibility Expenditure (refer note 40)	13.24	14.35
Electricity Charges	23.96	17.39
Office Expenses	28.39	30.84
Insurance Charges	12.85	5.38
Donation	1.94	1.88
Provision for Expected credit loss	0.15	0.60
Payments to the Auditors as		
Statutory Audit Fees *	4.50	2.50
For other services	1.05	-
For reimbursement of expenses	0.24	-
Sundry Debtors Written Off	-	1.20
Miscellaneous expenses	66.42	52.98
Total	**812.56**	**862.52**

* This fee does not include IPO related fee which is debited to securities premium account

NOTE 36: INCOME TAX RECOGNISED IN PROFIT OR LOSS

(a) Income Tax recognised in Profit & Loss

(₹ In million)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
A. Current Tax Charges:		
In respect of Current year	275.30	238.01
Total	**275.30**	**238.01**

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
B. Deferred Tax Credit:		
In respect of current year origination and reversal of temporary differences	(6.34)	(12.16)
Total	**(6.34)**	**(12.16)**
Total (A+B)	**268.96**	**225.85**

Notes accompanying the Standalone Financial Statements (Contd.)

for the year ended March 31, 2021

NOTE 36: INCOME TAX RECOGNISED IN PROFIT OR LOSS (Contd.)

Deferred Tax Credit related to items recognised in Other Comprehensive Income:		
Remeasurement of defined benefit obligations	(0.42)	0.56
Total	**(0.42)**	**0.56**

Classification of income tax recognised in other comprehensive income		
Income taxes related to items that will not be reclassified to profit or loss	(0.42)	0.56
Total	**(0.42)**	**0.56**

(c) The reconciliation of estimated income tax expense at tax rate to income tax expense reported in statement of profit or loss is as follows:

(₹ In million)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Profit before tax	1,059.98	881.07
Applicable Income tax rate	25.17%	25.17%
Expected income tax expense	266.80	221.76
Tax effect of adjustments to reconcile expected income tax expense to reported income tax expense:		
Effect of expenses/provisions not deductible	10.64	6.90
Effect of concessions / allowances under section 80	(0.25)	-
Exempt income – Dividend	(8.23)	(0.18)
Adjustments due to change in tax rate	-	(2.61)
Others	-	(0.02)
Reported income tax expense	**268.96**	**225.85**

NOTE 37: EARNING PER SHARE (EPS)

(₹ In million)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Profit for the year	791.02	655.22
Weighted average no. of ordinary equity shares used in computing basic EPS	51,565,168	48,618,577
Basic EPS (face value of ₹ 2 per share) (₹)	**15.34**	**13.48**
Weighted average no. of ordinary equity shares used in computing diluted EPS	51,870,850	49,323,577
Diluted EPS (face value of ₹ 2 per share) (₹)	**15.25**	**13.28**

Reconciliation of weighted average number of equity shares

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Weighted average number of equity shares used in the calculation of Basic EPS	51,565,168	48,618,577
Add: Effect of ESOPs	305,682	705,000
Weighted average no. of ordinary equity shares used in computing diluted EPS	**51,870,850**	**49,323,577**

Notes accompanying the Standalone Financial Statements (Contd.)

for the year ended March 31, 2021

NOTE 38: SEGMENT INFORMATION

The company deals in Specialty chemicals and considering the nature of products and the predominant risk and returns of the product are similar, the company has only one operating segment. Hence revenue from external customers shown under geographical information is representative of revenue base on products.

Geographical Revenue:

(₹ In million)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Segment Revenue (Gross sales)		
India	6,254.77	5,338.59
Outside India	649.37	662.35
Total	**6,904.14**	**6,000.94**

The operating segments have been reported in a manner consistent with the internal reporting provided to Managing Director, who is the Chief Operating Decision Maker and responsible for allocating resources and assessing the performance of operating segments. Accordingly, the reportable segment is only one segment i.e. specialty chemicals.

The Company is not reliant on revenues from transactions with any single external customer and has only one customer who contributes to more than 10% of its revenues.

NOTE 39: DETAILS OF RESEARCH & DEVELOPMENT

(₹ In million)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Revenue expenditure	75.01	55.53
Capital expenditure	7.91	44.13
Total	**82.92**	**99.66**

NOTE 40: DETAILS OF CSR EXPENDITURE

Expenditure incurred on Corporate Social Responsibility(CSR) under section 135 of the Companies Act, 2013 is as under:

Gross amount required to be spent by the Company during the period is ₹ 12.65 million (March 31, 2020 - ₹ 8.19 million)

Amount spent during the year:

(₹ In million)

Particulars	In cash	Other than cash	Total March 31, 2021
Construction / Acquisition of any assets	-	-	-
On purpose other than above	13.24	-	13.24
	13.24	**-**	**13.24**

(₹ In million)

Particulars	In cash	Other than cash	Total March 31, 2020
Construction / Acquisition of any assets	-	-	-
On purpose other than above	14.35	-	14.35
	14.35	**-**	**14.35**

Notes accompanying the Standalone Financial Statements (Contd.)

for the year ended March 31, 2021

NOTE 41: CONTINGENT LIABILITY AND COMMITMENTS:

Commitments

Estimated amount of contracts remaining to be executed of Property, Plant & Equipment's (net of advances) and not provided for ₹ 51.33 million (March 31, 2020 - ₹212.29 million)

NOTE 42: RELATED PARTY DISCLOSURES:

i. List of Related Parties:

a) Subsidiary Company

Rossari Personal Care Products Private Limited (Formerly known as Neutron Impex Private Limited)

Buzil Rossari Private Limited (from 31st August, 2020)

b) Joint venture

Buzil Rossari Private Limited (from 30th September, 2019 till 30th August, 2020

c) Key Managerial Persons (KMP)

Mr. Sunil Chari

Mr. Edward Menezes

d) Relatives of KMP

Ms. Jyotishna Chari (Director up to November 12, 2019)

Ms. Anita Menezes (Director up to November 12, 2019)

Mr. Yash Chari

Mr. Mikhail Menezes

e) Enterprises on which key managerial persons or their relatives are able to exercise significant influence

Rossari Biotech (India) Private Limited

Glad Properties (India) Private Limited

Rossari Manuchar (India) Private Limited

Rossari Speciality Chemicals Private Limited

Buzil Rossari Private Limited (till September 29, 2019)

NOTE 42: RELATED PARTY DISCLOSURES: (Contd.)

ii. Transaction with related parties in ordinary course of business is given below:

Nature of Transaction	For the year ended March 31, 2021					For the year ended March 31, 2020				
	KMP	Relatives of KMP	Subsidiary company	Joint Venture company	Enterprises on which KMP or their relatives are able to exercise significant influence	KMP	Relatives of directors	Subsidiary company	Joint Venture company	Enterprises on which KMP or their relatives are able to exercise significant influence
A. Transactions during the year										
Sales:										
Buzil Rossari Private Limited	-	-	147.28	132.06	-	-	-	-	214.69	-
Rossari Personal Care Products Private Limited	-	-	38.10	-	-	-	-	-	-	-
	-	**-**	**185.38**	**132.06**	**-**	**-**	**-**	**-**	**214.69**	**-**
Royalty Income:										
Buzil Rossari Private Limited	-	-	-	2.22	-	-	-	-	4.04	-
	-	**-**	**-**	**2.22**	**-**	**-**	**-**	**-**	**4.04**	**-**
Dividend received:										
Rossari Personal Care Products Private Limited	-	-	32.65	-	-	-	-	-	-	-
	-	**-**	**32.65**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Dividend paid:										
Mr. Sunil Chari	10.67	-	-	-	-	9.76		-	-	-
Mr. Edward Menezes	10.68	-	-	-	-	9.76		-	-	-
Mr. Mikhail Menezes	-	0.07	-	-	-	-	0.08	-	-	-
Mr. Yash Chari	-	0.08	-	-	-	-	0.08	-	-	-
Ms. Jyotishna Chari	-	0.50	-	-	-	-	0.48	-	-	-
Ms. Anita Menezes	-	0.50	-	-	-	-	0.48	-	-	-
Rossari Biotech India Private Limited	-	-	-	-	1.51	-	-	-	-	1.37
	21.35	**1.15**	**-**	**-**	**1.51**	**19.52**	**1.12**	**-**	**-**	**1.37**

Notes accompanying the Standalone Financial Statements (Contd.)
for the year ended March 31, 2021

NOTE 42: RELATED PARTY DISCLOSURES: (Contd.)

Nature of Transaction	For the year ended March 31, 2021					For the year ended March 31, 2020				
	KMP	Relatives of KMP	Subsidiary company	Joint Venture company	Enterprises on which KMP or their relatives are able to exercise significant influence	KMP	Relatives of directors	Subsidiary company	Joint Venture company	Enterprises on which KMP or their relatives are able to exercise significant influence
Assignment of Receivables										
Rossari Personal Care Products Private Limited	-	-	17.95	-	-	-	-	-	-	-
	-	**-**	**17.95**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Deemed Contribution:										
Rossari Personal Care Products Private Limited	-	-	0.12	-	-	-	-	0.31	-	-
	-	**-**	**0.12**	**-**	**-**	**-**	**-**	**0.31**	**-**	**-**
Interest Income										
Buzil Rossari Private Limited	-	-	7.46	4.11	-	-	-	-	-	-
	-	**-**	**7.46**	**4.11**	**-**	**-**	**-**	**-**	**-**	**-**
Rent paid:										
Mr. Sunil Chari	0.62	-	-	-	-	1.55	-	-	-	-
Mr. Edward Menezes	0.62	-	-	-	-	2.48		-	-	-
Ms. Jyotishna Chari	-	-	-	-	-	-	0.93	-	-	-
	1.24	**-**	**-**	**-**	**-**	**4.03**	**0.93**	**-**	**-**	**-**
Expenses Reimbursement										
Buzil Rossari Private Limited	-	-	-	-	-	-	-	-	14.18	-
	-	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**14.18**	**-**
Vehicle hire charges:										
Mr. Sunil Chari	-	-	-	-	-	0.07	-	-	-	-
Mr. Edward Menezes	-	-	-	-	-	0.07	-	-	-	-
	-	**-**	**-**	**-**	**-**	**0.14**	**-**	**-**	**-**	**-**
Sitting fees:										
Ms. Anita Menezes	-	-	-	-	-	-	0.10	-	-	-
Ms. Jyotishna Chari	-	-	-	-	-	-	0.10	-	-	-
	-	**-**	**-**	**-**	**-**	**-**	**0.20**	**-**	**-**	**-**

NOTE 42: RELATED PARTY DISCLOSURES: (Contd.)

Nature of Transaction	For the year ended March 31, 2021					For the year ended March 31, 2020				
	KMP	Relatives of KMP	Subsidiary company	Joint Venture company	Enterprises on which KMP or their relatives are able to exercise significant influence	KMP	Relatives of directors	Subsidiary company	Joint Venture company	Enterprises on which KMP or their relatives are able to exercise significant influence
Remuneration:										
Mr. Sunil Chari	9.00	-	-	-	-	7.35	-	-	-	-
Mr. Edward Menezes	9.00	-	-	-	-	7.35	-	-	-	-
Mr. Mikhail Menezes	-	4.86	-	-	-	-	5.09	-	-	-
Mr. Yash Chari	-	4.88	-	-	-	-	5.01	-	-	-
	21.75	**9.74**	**-**	**-**	**-**	**14.70**	**10.10**	**-**	**-**	**-**
Commission paid:										
Buzil Rossari Private Limited	-	-	18.40	5.09	-	-	-	-	26.88	-
Rossari Personal Care Products Private Limited	-	-	11.61	-	-	-	-	-	-	-
	-	**-**	**30.01**	**5.09**	**-**	**-**	**-**	**-**	**26.88**	**-**
Loan given to :										
Rossari Personal Care Products Private Limited	-	-	-	-	-	-	-	0.63	-	-
Buzil Rossari Private Limited	-	-	32.50	-	-	-	-	-	-	-
Rossari Biotech India Private Limited	-	-	-	-	-	-	-	-	-	6.57
Rossari Manuchar (I) Private Limited	-	-	-	-	-	-	-	-	-	0.49
	-	**-**	**32.50**	**-**	**-**	**-**	**-**	**0.63**	**-**	**7.06**
Loan repaid by :										
Rossari Personal Care Products Private Limited	-	-	-	-	-	-	-	30.78	-	-
Rossari Manuchar (I) Private Limited	-	-	-	-	-	-	-	-	-	6.57
Buzil Rossari Private Limited	-	-	8.80	-	-	-	-	-	-	0.49
	-	**-**	**8.80**	**-**	**-**	**-**	**-**	**30.78**	**-**	**7.06**

Notes accompanying the Standalone Financial Statements (Contd.)

for the year ended March 31, 2021

NOTE 42: RELATED PARTY DISCLOSURES: (Contd.)

Nature of Transaction	For the year ended March 31, 2021					For the year ended March 31, 2020				
	KMP	Relatives of KMP	Subsidiary company	Joint Venture company	Enterprises on which KMP or their relatives are able to exercise significant influence	KMP	Relatives of directors	Subsidiary company	Joint Venture company	Enterprises on which KMP or their relatives are able to exercise significant influence
Refund of Security Deposit:										
Glad Properties (India) Private Limited	-	-	-	-	-	-	-	-	-	1.50
Sunil Chari	-	-	-	-	-	0.75		-	-	-
Ms. Jyotishna Chari	-	-	-	-	-	-	0.75	-	-	-
	-	**-**	**-**	**-**	**-**	**0.75**	**0.75**	**-**	**-**	**1.50**
Outstanding's:										
Receivables:										
Buzil Rossari Private Limited	-	-	48.77	-	-	-	-	-	59.04	-
Rossari Personal Care Products Private Limited	-	-	36.57	-	-	-	-	-	-	-
	-	**-**	**85.34**	**-**	**-**	**-**	**-**	**-**	**59.04**	**-**
Loans										
Buzil Rossari Private Limited	-	-	23.70	-	-	-	-	-	-	-
Interest on Loan receivable										
Buzil Rossari Private Limited	-	-	0.13	-	-	-	-	-	-	-
	-	**-**	**0.13**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Interest payable:										
Rossari Personal Care Products Private Limited (Formerly known as Neutron Impex Private Limited)	-	-	-	-	-	-	-	1.98	-	-
Rossari Biotech India Private Limited	-	-	-	-	-	-	-	-	-	0.19
	-	**-**	**-**	**-**	**-**	**-**	**-**	**1.98**	**-**	**0.19**
Interest receivable:										
Buzil Rossari Private Limited	-	-	-	-	-	-	-	-	8.41	-
	-	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**8.41**	**-**

Notes accompanying the Standalone Financial Statements (Contd.)

for the year ended March 31, 2021

NOTE 43: EMPLOYEE BENEFITS

Defined contribution plan

The Company makes contributions towards Provident Fund, Employee's State Insurance Corporation (ESIC) for qualifying employees. The Company has recognised ₹ 7.28 million (March 31, 2020 - ₹ 7.78 million), being Company's contribution to Provident Fund and ESIC, as an expense and included in Employee Benefit Expenses in the Statement of Profit and Loss.

Defined benefit plan

i. Gratuity plan

The Gratuity Benefits are classified as Post-Retirement Benefits as per Ind AS 19 and the accounting policy is outlined as follows.

As per Ind AS 19, the service cost and the net interest cost would be charged to the profit or loss. Actuarial gains and losses arise due to difference in the actual experience and the assumed parameters and also due to changes in the assumptions used for valuation. The Company recognises these remeasurements in the Other Comprehensive Income (OCI).

When the benefits of the plan are changed, or when a plan is curtailed or settlement occurs, the portion of the changed benefit related to past service by employees, or the gain or loss on curtailment or settlement, is recognised immediately in the profit or loss account when the plan amendment or when a curtailment or settlement occurs.

Through its gratuity plans the Company is exposed to a number of risks, the most significant of which are detailed below:

a) Actuarial Risk

It is the risk that benefits will cost more than expected. This can arise due to one of the following reasons:

Adverse Salary Growth Experience: Salary hikes that are higher than the assumed salary escalation will result into an increase in obligation at a rate that is higher than expected.

Variability in mortality rates: If actual mortality rates are higher than assumed mortality rate assumption than the Gratuity Benefits will be paid earlier than expected. Since there is no condition of vesting on the death benefit, the acceleration of cashflow will lead to an actuarial loss or gain depending on the relative values of the assumed salary growth and discount rate.

Variability in withdrawal rates: If actual withdrawal rates are higher than assumed withdrawal rate assumption than the Gratuity Benefits will be paid earlier than expected. The impact of this will depend on whether the benefits are vested as at the resignation date.

b) Investment Risk

For funded plans that rely on insurers for managing the assets, the value of assets certified by the insurer may not be the fair value of instruments backing the liability. In such cases, the present value of the assets is independent of the future discount rate. This can result in wide fluctuations in the net liability or the funded status if there are significant changes in the discount rate during the inter-valuation period.

c) Liquidity Risk

Employees with high salaries and long durations or those higher in hierarchy, accumulate significant level of benefits. If some of such employees resign/retire from the company, there can be strain on the cash flows.

d) Market Risk

Market risk is a collective term for risks that are related to the changes and fluctuations of the financial markets. One actuarial assumption that has a material effect is the discount rate. The discount rate reflects the time value of money. An increase in discount rate leads to decrease in Defined Benefit Obligation of the plan benefits & vice versa. This assumption depends on the yields on the corporate/government bonds and hence the evaluation of liability is exposed to fluctuations in the yields as at the valuation date.

e) Legislative Risk

Legislative risk is the risk of increase in the plan liabilities or reduction in the plan assets due to change in the legislation/regulation. The government may amend the payment of gratuity act thus requiring the companies to pay higher benefits to the employees. This will directly affect the present value of the defined benefit obligation and the same will have to be recognised immediately in the year when any such amendment is effective.

Notes accompanying the Standalone Financial Statements (Contd.)

for the year ended March 31, 2021

NOTE 43: EMPLOYEE BENEFITS (Contd.)

Gratuity as per actuarial valuation		Funded Plan Gratuity	
			(₹ In million)
	Particulars	**As at March 31, 2021**	**As at March 31, 2020**
I	**Expense recognised in the Statement of Profit and Loss for the year ended**		
	1. Current Service Cost	4.97	3.90
	2. Interest cost on benefit obligation(Net)	0.80	1.06
	Total expenses included in employee benefits expense	**5.77**	**4.96**

(₹ In million)

		As at March 31, 2021	As at March 31, 2020
II	**Recognised in other comprehensive income for the year**		
	1. Actuarial (gains)/ losses arising from changes in financial assumptions	0.48	1.54
	2. Actuarial (gains)/ losses arising from changes in experience adjustment	(2.21)	1.34
	3. Actuarial (gains)/ losses arising from changes in demographic assumption	-	*
	4. Return on plan asset	0.06	(0.06)
	Recognised in other comprehensive income	**(1.67)**	**2.81**

*Amount less than ₹ 10,000

(₹ In million)

		As at March 31, 2021	As at March 31, 2020
III	**Change in the present value of defined benefit obligation**		
	1. Present value of defined benefit obligation at the beginning of the year	34.86	26.85
	2. Current service cost	4.97	3.90
	3. Interest cost	2.04	1.81
	4. Remeasurements (gains)/ losses		
	(I) Actuarial (gains)/ losses arising from changes in demographic assumption	-	*
	(II) Actuarial (gains)/ losses arising from changes in financial assumption	0.48	1.54
	(III) Actuarial (gains)/ losses arising from changes in experience adjustment	(2.21)	1.34
	5. Past service cost	-	-
	6. Benefits paid	(0.93)	(0.57)
	7. Liabilities assumed/(settled)	-	-
	Present value of defined benefit obligation at the end of the year	**39.21**	**34.86**

*Amount less than ₹ 10,000

(₹ In million)

		As at March 31, 2021	As at March 31, 2020
IV	**Change in fair value of plan assets during the year**		
	1. Fair value of plan assets at the beginning of the year	19.96	10.17
	2. Interest income	1.24	0.74
	3. Contribution by employer	6.14	9.56
	4. Benefits paid	(0.92)	(0.57)
	5. Remeasurements (gains)/ losses		
	(I) Actuarial (gains)/ losses arising from changes in demographic assumption	-	-
	(II) Actuarial (gains)/ losses arising from changes in financial assumption	-	-
	(III) Actuarial (gains)/ losses arising from changes in experience adjustment	-	-
	6. Return on plan assets excluding interest income	(0.06)	0.06
	Fair value of plan assets at the end of the year	**26.36**	**19.96**

Notes accompanying the Standalone Financial Statements (Contd.)

for the year ended March 31, 2021

NOTE 43: EMPLOYEE BENEFITS (Contd.)

(₹ In million)

		As at March 31, 2021	As at March 31, 2020
V	**Net (Liability) recognised in the Balance Sheet as at**		
	1. Present value of defined benefit obligation	39.22	34.86
	2. Fair value of plan assets	26.36	19.96
	3. Surplus/(Deficit)	(12.86)	(14.90)
	4. Current portion of the above	(5.60)	(4.97)
	5. Noncurrent portion of the above	(7.26)	(9.93)

(₹ In million)

		As at March 31, 2021	As at March 31, 2020
VI	**Actuarial assumptions**		
	1. Discount rate	6.25%	6.45%
	2. Attrition rate	30.00% p.a at younger ages reducing to 5.00% p.a% at older ages	30.00% p.a at younger ages reducing to 5.00% p.a% at older ages
	3. Average salary escalation rate	10.00%	10.00%
	4. Mortality table used	Indian Assured Lives Mortality (2012-14) Table	

(₹ In million)

		As at March 31, 2021	As at March 31, 2020
VII	**Major Category of Plan Assets as a % of the Total Plan Assets**		
	1. Insurer managed funds*	100.00%	100.00%

* In the absence of detailed information regarding plan assets which is funded with Insurance Companies, the composition of each major category of plan assets, the percentage or amount for each category to the fair value of plan assets has not been disclosed.

(₹ In million)

VIII	**The expected contributions to the plan for the next annual reporting period**	**(5.60)**	**(4.97)**

The sensitivity analysis below, have been determined based on reasonable possible change of the assumptions occurring at the end of the reporting period, while holding all other assumptions constant. The result of Sensitivity Analysis is given below:

		As at March 31, 2021	As at March 31, 2020
IX	**Impact on employee benefits obligations increase / (decrease)**		
	1. Discount rate varied by +0.5%	38.03	33.82
	2. Discount rate varied by -0.5%	(40.48)	(35.97)
	3. Salary growth rate varied by +0.5%	(40.09)	(35.57)
	4. Salary growth rate varied by -0.5%	38.42	34.14
	5. Withdrawal rate (W.R.) varied + 10%	38.89	34.58
	6. Withdrawal rate (W.R.) varied - 10%	(39.55)	(35.17)

Sensitivity analysis is performed by varying a single parameter while keeping all the other parameters unchanged. Sensitivity analysis fails to focus on the interrelationship between underlying parameters. Hence, the results may vary if two or more variables are changed simultaneously. The method used does not indicate anything about the likelihood of change in any parameter and the extent of the change if any.

Notes accompanying the Standalone Financial Statements (Contd.)
for the year ended March 31, 2021

NOTE 43: EMPLOYEE BENEFITS (Contd.)

(₹ In million)

		As at March 31, 2021	As at March 31, 2020
X	**Maturity profile of defined benefit obligation**		
	Year 1	6.16	6.55
	Year 2	3.73	3.40
	Year 3	3.72	3.11
	Year 4	3.55	3.12
	Year 5	5.69	2.93
	More than 5 years	15.32	15.32

The current service cost and net interest cost for the year pertaining to Gratuity expenses have been recognised in "Contribution to Provident and other funds" in the statement of Profit and Loss account. The Remeasurements of the net defined benefit liability are included in Other Comprehensive Income. The Compensated expenses have been recognised as part of "Salaries and wages" in the statement of Profit and Loss account.

NOTE 44: LEASES

Following are the changes in the carrying value of right of use assets for the year ended March 31, 2021:

(₹ In million)

Particulars	As at March 31, 2021	As at March 31, 2020
Opening Balance	**70.15**	**-**
Reclassified on account of adoption of Ind AS 116	-	70.92
Additions	-	-
Deletions	-	-
Depreciation / Amortisation	0.77	0.77
Closing Balance	**69.38**	**70.15**

The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

Rent expense recorded for short-term leases was ₹ 32.78 million (March 31, 2020 - ₹ 22.27 million)

The Company's lease asset classes primarily consist of leases for land and buildings. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange of consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all the economic benefits from the use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognises a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognises the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities include the options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

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

Notes accompanying the Standalone Financial Statements (Contd.)
for the year ended March 31, 2021

NOTE 45: CAPITAL MANAGEMENT

The Company manages its capital so as to safeguard its ability to continue as a going concern and to optimise returns to shareholders. The capital structure of the Company is based on management's judgement of its strategic and day-to-day needs with a focus on total equity so as to maintain investor, customer, creditors and market confidence.

The management and the Board of Directors monitor the return on capital as well as the level of dividends to shareholders.

The Company may take appropriate steps in order to maintain, or if necessary, adjust, its capital structure.

(₹ In million)

Particulars	As at March 31, 2021	As at March 31, 2020
Short term debt	-	270.52
Long term debt	-	398.77
Total	**-**	**669.29**
Equity	4,044.44	2,834.74
Long term debt to equity	-	0.14
Total debt to equity	-	0.24

NOTE 46: FINANCIAL RISK MANAGEMENT FRAMEWORK

The company has formulated and implemented a policy on risk management, so as to develop an approach to identify, assess and manage the various risks associated with our business activities in a systematic manner. The policy lays down guiding principles on proactive planning for identifying, analysing and mitigating material risks, both external and internal, and covering operational, financial and strategic risks. After risks have been identified, risk mitigation solutions are determined to bring risk exposure levels in line with risk appetite. The Company's risk management policies and systems are reviewed regularly to reflect changes in market conditions and our business activities. The Company's business activities are exposed to a variety of financial risks, namely Credit risk, Liquidity risk, Currency risk, Interest risks. For COVID related disclosures refer note 2 (i) e in our critical estimates and judgements.

Market Risk

The Company's size and operations result in it being exposed to the market risks that arise from its use of financial instruments namely Currency risk, Interest risks. These risks may affect the Company's income and expenses, or the value of its financial instruments. The Company's exposure to and management of these risks are explained below.

Interest Rate Risk

Interest rate risk results from changes in prevailing market interest rates, which can cause a change in the fair value of fixed-rate instruments and changes in the interest payments of the variable-rate instruments. Our operations are funded to a certain extent by borrowings. Our current loan facilities carry interest at variable rates as well as fixed rates. The management is responsible for the monitoring of the Company's interest rate position. Various variables are considered by the management in structuring the Company's borrowings to achieve a reasonable, competitive cost of funding.

Currency Risk

The company is exposed to exchange rate risk as certain portion of the revenues and expenditure are denominated in foreign currencies. The Company imports certain raw materials, the price of which we are required to pay in foreign currency, which is mostly the U.S. dollar or Euro. Products that we export are paid for in foreign currency, which together acts as a natural hedge. Any appreciation/depreciation in the value of the Rupee against U.S. dollar, Euro or other foreign currencies would decrease / increase the Rupee value of debtors/ creditors. For exposure beyond natural hedge, the company uses foreign exchange derivatives such as foreign exchange forward contracts to minimise the risk.

(₹ In million)

Particulars	As at March 31, 2021		As at March 31, 2020	
	Assets	Liabilities	Assets	Liabilities
USD	213.09	183.15	161.55	134.04
EURO	-	-	-	0.18

Liquidity risk

Liquidity risk management

Liquidity risk is the risk that we will encounter difficulties in meeting the obligations associated with our financial liabilities that are settled by delivering cash or another financial asset. Our approach to managing liquidity is to ensure that we have sufficient liquidity or access to funds to meet our liabilities when they are due.

Notes accompanying the Standalone Financial Statements (Contd.)

for the year ended March 31, 2021

NOTE 46: FINANCIAL RISK MANAGEMENT FRAMEWORK (Contd.)

i. Maturity profile of financial liabilities:

The following table shows the maturity analysis of the Company's financial liabilities based on contractually agreed undiscounted cash flows along with its carrying value as at the Balance Sheet date.

Particulars	Carrying amount in Balance sheet	Less than 1 Year	2nd and 3rd Year	4th and 5th Year	Above 5 years
As at March 31, 2021					
Short term borrowings	-	-	-	-	-
Long term borrowings	-	-	-	-	-
Trade payables	1,236.42	1,236.42	-	-	-
Other Financial Liabilities (current and non current)	104.96	104.96	-	-	-
Total	**1,341.38**	**1,341.38**	**-**	**-**	**-**
As at March 31, 2020					
Short term borrowings	270.52	270.52	-	-	-
Long term borrowings	339.60	-	159.51	159.51	20.58
Trade payables	969.87	969.87	-	-	-
Other Financial Liabilities (current and non current)	161.87	161.87	-	-	-
Total	**1,741.86**	**1,402.26**	**159.51**	**159.51**	**20.58**

NOTE 47: CREDIT RISK MANAGEMENT

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. We are exposed to credit risk from our operating activities, primarily from trade receivables. The Company's customer base majorly has creditworthy counterparties which limits the credit risk. The Company's exposures are continuously monitored and wherever necessary we take advances/Letter of Credits to minimise the risk.

NOTE 48: TRADE RECEIVABLE AND ADVANCES

The Company applies the simplified approach to provide for expected credit losses prescribed by Ind AS 109, which permits the use of the lifetime expected loss provision for all trade receivables/Advances. The company has computed expected credit losses based on actual basis. Forward-looking information (including macroeconomic information) has been incorporated into the determination of expected credit losses.

Reconciliation of allowance for expected credit loss in respect of trade receivables:

(₹ In million)

Particulars	As at March 31, 2021	As at March 31, 2020
Balance as at beginning of the year	4.58	3.98
Additions during the year	0.15	0.60
Balance as at end of the year	**4.73**	**4.58**

In respect of other financial assets, the maximum exposure to credit risk at the end of the reporting period approximates the carrying amount of each class of financial assets.

NOTE 49: SENSITIVITY ANALYSIS

Foreign Currency Sensitivity

The following tables demonstrate the sensitivity to a reasonably possible change in exchange rates, with all other variables held constant.

Particulars	Currency	Change in rate	Effect on Profit Before Tax
Year ended March 31, 2021	USD	10%	0.42
	EURO	10%	-
Year ended March 31, 2020	USD	10%	2.75
	EURO	10%	(0.02)

Notes accompanying the Standalone Financial Statements (Contd.)

for the year ended March 31, 2021

NOTE 49: SENSITIVITY ANALYSIS (Contd.)

If the change in rates decline by a similar percentage, there will be opposite impact of similar amount on Profit Before Tax and Pre-tax Equity Effect.

The sensitivity analysis is unrepresentative of the inherent foreign exchange risk because the exposure at the end of the reporting period does not reflect the exposure during the year.

Interest Rate sensitivity

The sensitivity analysis below has been determined based on exposure to interest rate for both Term Loans & Working Capital loans.

The following table demonstrates the sensitivity in interest rates on that portion of loans and borrowings which are not hedged, with all other variables held constant, the Company's profit before tax is affected through the impact on floating rate borrowings, as follows:

Particulars	Currency	Increase/Decrease in basis points	Effect on Profit Before Tax
Year ended March 31, 2021	INR	+50	0.17
Year ended March 31, 2020	INR	+50	2.24

If the change in rates decline by a similar percentage, there will be opposite impact of similar amount on Profit Before Tax and Pre-tax Equity Effect.

NOTE 50: OFFSETTING OF BALANCES:

The Company has not offset financial assets and financial liabilities, unless permissible contractually.

NOTE 51: COLLATERALS

The Company had long term loans which are secured against mortgage of plant and equipment and immovable properties located at Silvassa and Dahej. Working capital facility are secured against stock and trade receivables at Silvassa.

NOTE 52: FAIR VALUE DISCLOSURES

Fair value of the financial instruments is classified in various fair value hierarchies based on the following three levels:

- Level 1: Quoted prices (unadjusted) in active market for identical assets or liabilities.
- Level 2: Inputs other than quoted price 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).
- The fair value of financial instruments that are not traded in an active market is determined using market approach and valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If significant inputs required to fair value an instrument are observable, the instrument is included in Level 2.
- Level 3: Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

If one or more of the significant inputs is not based on observable market data, the fair value is determined using generally accepted pricing models based on a discounted cash flow analysis, with the most significant inputs being the discount rate that reflects the credit risk of counterparty.

The fair value of trade receivables, trade payables and other Current financial assets and liabilities is considered to be equal to the carrying amounts of these items due to their short-term nature.

All financial liabilities and financial assets have no material impact.

Financial instruments measured using Fair Value.

Notes accompanying the Standalone Financial Statements (Contd.)

for the year ended March 31, 2021

NOTE 52: FAIR VALUE DISCLOSURES (Contd.)

Particulars	Carrying Value	Fair value (Level 2)	Valuation Technique	Key Inputs
As at March 31, 2021				
Derivative investments	-	-		
Total	**-**	**-**		
As at March 31, 2020				
Derivative investments	0.12	0.12	Discounted Cash Flow and Interest rate	Future cash flows are estimated based on forward exchange rates (from observable forward exchange rates at the end of the reporting period) and contract forward rates, discounted at a rate that reflects the credit risk of various counter parties.
Total	**0.12**	**0.12**		
Mutual Fund	105.60	105.60	Net Assets Value	
Total	**105.60**	**105.60**		

Except for the above, carrying value of Other financial assets/liabilities represent reasonable estimate of fair value.

NOTE 53: Figures for previous periods have been regrouped wherever considered necessary.

For and on behalf of the Board of Directors of Rossari Biotech Limited

EDWARD MENEZES
Executive Chairman
DIN: 00149205

SUNIL CHARI
Managing Director
DIN: 00149083

MANASI NISAL
Chief Financial Officer

PARUL GUPTA
Company Secretary

Place: Mumbai
Date : May 14, 2021

Independent Auditors' Report

To the Members of Rossari Biotech Limited

REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

OPINION

We have audited the accompanying consolidated financial statements of **Rossari Biotech Limited** ("the Parent") and its subsidiaries, (the Parent and its subsidiaries together referred to as "the Group") which includes the Group's share of profit in its joint venture (joint venture up to 31 August 2020 which became subsidiary with effect from 1 September 2020), which comprise the Consolidated Balance Sheet as at 31 March 2021, and the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of the other auditor on separate financial statements / financial information of the subsidiaries and joint venture referred to in the Other Matters section below, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ('Ind AS'), and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31 March 2021, and their consolidated profit, their consolidated total comprehensive income, their consolidated cash flows and their consolidated changes in equity for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

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

Key Audit Matter	Auditor's Response
Revenue recognition (Refer note 29 to Consolidated financial statements of the Company) Revenue is one of the key profit drivers and is therefore susceptible to misstatement. Cut-off is the key assertion insofar as revenue recognition is concerned, since an inappropriate cut-off can result in material misstatement of results for the year.	Our audit procedures included: • Focusing on the Company's revenue recognition for compliance with Ind AS; • Testing the design, implementation and operating effectiveness of the Company's controls on recording revenue; • Performing Substantive testing for cut- off with verification of contractual terms of invoices, dispatch/deliveries receipts, inventory reconciliations and circularization of receivable balances and analytical review procedures. • Our test of details focused on cut-off samples to verify that only revenue pertaining to current year is recognised based on terms and conditions set out in sales contracts and delivery documents.

Independent Auditors' Report (Contd.)

Information Other than the Financial Statements and Auditor's Report Thereon

The Parent's Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Director's report including Annexures to Director's Report, Management Discussion and Analysis Report, Business Responsibility Report, but does not include the consolidated financial statements, standalone financial statements and our auditor's report thereon. The Director's report is expected to be made available to us after the date of this auditor's report.

- Our opinion on the consolidated financial statements does not cover the other information and we do not and will 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 identified above when it becomes available, compare with the financial statements of the subsidiaries and joint venture audited by the other auditor, to the extent it relates to these entities and, in doing so, place reliance on the work of the other auditor and consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. Other information so far as it relates to the subsidiaries and joint venture is traced from their financial statements audited by the other auditor.
- When we read the Directors report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance as required under SA 720 'The Auditor's responsibilities Relating to Other Information'.

Management's Responsibility for the Consolidated Financial Statements

The Parent's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated changes in equity of the Group including its joint venture in accordance with the Ind AS and other accounting principles generally accepted in India. The respective Board of Directors of the companies included in the Group and of its joint venture are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and its joint venture 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 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 Parent, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the respective entities to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate their respective entities or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and of its joint venture are also responsible for overseeing the financial reporting process of the Group and of its joint venture.

Auditor's Responsibility for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial 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 Parent has adequate internal financial controls

Independent Auditors' Report (Contd.)

system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its joint venture to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its joint venture 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 within the Group and its joint venture 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 the other auditor, such other auditor remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our 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 Matter

We did not audit the financial statements / financial information of two subsidiaries, whose financial statements / financial information, reflect total assets of Rs. 294.18 million as at 31 March 2021, total revenues of Rs. 374.70 million and net cash inflows (net) amounting to Rs.19.94 million for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of net profit after tax and total comprehensive income of Rs. 4.11 million for the year ended 31 March 2021, as considered in the consolidated financial statements, in respect of joint venture (up to 31 August 2020), whose financial statements / financial information have not been audited by us. These financial statements / financial information have been audited/reviewed, as applicable, by other auditor whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and joint venture, and our report in terms of subsection (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries and joint venture is based solely on the reports of the other auditor.

Our opinion on the consolidated financial statements above and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditor.

Report on Other Legal and Regulatory Requirements

As required by Section 143(3) of the Act, based on our audit and on the consideration of the reports of the other auditor on the separate

Independent Auditors' Report (Contd.)

financial statements/ financial information of the subsidiaries and joint venture referred to in the Other Matter section above we report, to the extent applicable that:

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

b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditor.

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

d) In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act.

e) On the basis of the written representations received from the directors of the Parent as on 31 March 2021 taken on record by the Board of Directors of the Company and the reports of the statutory auditors of its subsidiary companies, none of the directors of the Group companies is disqualified as on 31 March 2021 from being appointed as a director in terms of Section 164 (2) of the Act.

f) With respect to the adequacy of the internal financial controls over financial reporting and the operating effectiveness of such controls, refer to our separate Report in "Annexure A" which is based on the auditors' reports of the Parent and subsidiary companies. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of internal financial controls over financial reporting of those companies.

g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended,

   In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Parent to its directors during the year is in accordance with the provisions of section 197 of the Act.

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

   i) there were no pending litigations which would impact the consolidated financial position of the Group.

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

   iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Parent and its subsidiary companies.

For **Deloitte Haskins & Sells LLP**
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

Manoj H. Dama
(Partner)
(Membership No. 107723)

(UDIN: 21107723AAAAHW2110)

Place: Mumbai
Date: May 14, 2021

Annexure "A" to the Independent Auditor's Report to the Members of Rossari Biotech Limited

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

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

In conjunction with our audit of the consolidated Ind AS financial statements of the Company as of and for the year ended March 31, 2021, we have audited the internal financial controls over financial reporting of **Rossari Biotech Limited** (hereinafter referred to as "Parent") and its subsidiary companies as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Parent and its subsidiary companies, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the respective Companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (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 respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

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

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

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors of the subsidiary companies, in terms of their reports referred to in the Other Matter paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of the Parent and its subsidiary companies.

Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors referred to in the Other Matter paragraph below, the Parent and its subsidiary companies, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2021, based on the criteria for internal financial control over financial reporting established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Other Matter

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting insofar as it relates to two subsidiary companies, is based solely on the corresponding reports of the auditors of such companies incorporated in India.

Our opinion is not modified in respect of the above matter.

For **Deloitte Haskins & Sells LLP**
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

Manoj H. Dama
(Partner)
(Membership No. 107723)

(UDIN: 21107723AAAAHW2110)

Place: Mumbai
Date: May 14, 2021

Consolidated Balance sheet as at March 31, 2021

(₹ In million)

Particulars	Note No.	As at March 31, 2021	As at March 31, 2020
ASSETS			
NON- CURRENT ASSETS			
(a) Property, Plant and Equipment	3a	1,609.32	817.55
(b) Right of Use Assets	3b	69.38	70.15
(c) Capital Work-in-Progress		3.19	217.51
(d) Goodwill	4	26.24	-
(e) Other Intangible Assets	5	107.60	47.66
(f) Financial Assets			
(i) Investments	6	-	41.75
(ii) Other Financial Assets	7	205.48	3.96
(g) Income Tax Assets (Net)	8	23.99	15.76
(h) Deferred Tax Assets (Net)	9	3.07	0.51
(i) Other Non-current Assets	10	18.01	237.06
TOTAL NON-CURRENT ASSETS		**2,066.28**	**1,451.91**
CURRENT ASSETS			
(a) Inventories	11	953.54	581.70
(b) Financial Assets			
(i) Investments	12	-	137.30
(ii) Trade Receivables	13	1,440.68	941.36
(iii) Cash and Cash Equivalents	14a	152.08	292.11
(iv) Bank Balances other than (iii) above	14b	730.53	980.22
(v) Loans	15	10.89	11.48
(vi) Other Financial Assets	16	17.24	42.41
(c) Current Tax Assets	17	242.23	276.66
TOTAL CURRENT ASSETS		**3,547.19**	**3,263.24**
TOTAL ASSETS		**5,613.47**	**4,715.15**
EQUITY AND LIABILITIES			
EQUITY			
(a) Equity Share Capital	18	103.86	101.51
(b) Other Equity	19	3,983.86	2,765.28
Equity Attributable to Owners of the Company		**4,087.72**	**2,866.79**
Non controlling interests		-	-
TOTAL EQUITY		**4,087.72**	**2,866.79**
LIABILITIES			
NON-CURRENT LIABILITIES			
(a) Financial Liabilities			
(i) Borrowings	20	-	339.60
(b) Provisions	21	11.01	16.26
(c) Deferred Tax Liabilities (Net)	22	12.88	5.40
TOTAL NON-CURRENT LIABILITIES		**23.89**	**361.26**
CURRENT LIABILITIES			
(a) Financial Liabilities			
(i) Borrowings	23	-	270.52
(ii) Trade Payables			
a) total outstanding dues of Micro Enterprises and Small Enterprises	24	150.54	51.28
b) total outstanding dues of Creditors other than Micro Enterprises and Small Enterprises	24	1,160.59	918.76
(iii) Other Financial Liabilities	25	105.33	161.87
(b) Other Current Liabilities	26	68.82	41.40
(c) Provisions	27	8.24	6.66
(d) Current Tax Liabilities (Net)	28	8.34	36.61
TOTAL CURRENT LIABILITIES		**1,501.86**	**1,487.10**
TOTAL EQUITY AND LIABILITIES		**5,613.47**	**4,715.15**

The accompanying notes 1 to 55 are an integral part of the Consolidated Financial Statements.

In terms of our report attached.
Deloitte Haskins & Sells LLP
Chartered Accountants

For and on behalf of the Board of Directors of Rossari Biotech Limited

MANOJ H. DAMA
Partner

EDWARD MENEZES
Executive Chairman
DIN: 00149205

SUNIL CHARI
Managing Director
DIN: 00149083

MANASI NISAL
Chief Financial Officer

PARUL GUPTA
Company Secretary

Place: Mumbai
Date : May 14, 2021

Place: Mumbai
Date : May 14, 2021

Consolidated Statement of Profit and Loss

for the year ended March 31, 2021

(₹ In million)

	Particulars	Note No.	For the year ended March 31, 2021	For the year ended March 31, 2020
I	Revenue from Operations	29	7,093.45	6,000.94
II	Other Income	30	91.90	37.24
III	**Total Income (I +II)**		**7,185.35**	**6,038.18**
IV	**EXPENSES**			
	(a) Cost of Materials Consumed	31	4,348.06	3,692.64
	(b) Purchases of Stock-in-Trade		358.11	-
	(c) Changes in inventories of finished goods and work-in-progress	32	(84.24)	24.38
	(d) Employee Benefits Expense	33	419.75	372.07
	(e) Finance Costs	34	29.92	35.57
	(f) Depreciation and amortization expenses	35	228.29	168.52
	(g) Other Expenses	36	821.19	864.41
	Total Expenses		**6,121.08**	**5,157.59**
	Profit before tax (III- IV)		**1,064.27**	**880.59**
	Share of profit /(loss) of joint venture		4.11	(2.18)
V	**Profit before tax**		**1,068.38**	**878.41**
VI	**Tax expense**			
	Current tax	37	276.98	238.04
	Deferred tax	37	(9.06)	(12.16)
	Total Tax Expenses		**267.92**	**225.88**
VII	**Profit for the year (V - VI)**		**800.46**	**652.53**
VIII	**Other Comprehensive Income**			
	(i) Items that will not be reclassified to profit or loss			
	Remeasurements of the defined benefit plans		1.52	(2.81)
	(ii) Income tax relating to items that will not be reclassified to profit or loss		(0.46)	0.56
	Total Other Comprehensive Income		**1.06**	**(2.25)**
IX	**Total Comprehensive Income (VII + VIII)**		**801.52**	**650.28**
	Profit / Loss for the year Attributable to			
	Owners of the Company		802.20	652.53
	Non Controlling Interest		(1.74)	-
			800.46	**652.53**
	Other Comprehensive Income for the year Attributable to			
	Owners of the Company		1.06	(2.25)
	Non Controlling Interest		-	-
			1.06	**(2.25)**
	Total Comprehensive Income for the year Attributable to			
	Owners of the Company		803.26	650.28
	Non Controlling Interest		(1.74)	-
			801.52	**650.28**
X	**Earnings per equity share (in ₹)**	38		
	Basic		15.56	13.42
	Diluted		15.47	13.23

The accompanying notes 1 to 55 are an integral part of the Consolidated Financial Statements.

In terms of our report attached.
Deloitte Haskins & Sells LLP
Chartered Accountants

For and on behalf of the Board of Directors of Rossari Biotech Limited

MANOJ H. DAMA
Partner

EDWARD MENEZES
Executive Chairman
DIN: 00149205

SUNIL CHARI
Managing Director
DIN: 00149083

MANASI NISAL
Chief Financial Officer

PARUL GUPTA
Company Secretary

Place: Mumbai
Date : May 14, 2021

Place: Mumbai
Date : May 14, 2021

Consolidated Statement of Changes in Equity

for the year ended March 31, 2021

(a) Equity Share Capital

(₹ In million)

Particulars	March 31, 2021	March 31, 2020
Issued, Subscribed and Paid-up:		
Balance as at the beginning of the year	101.51	44.00
Fresh Issue during the year (refer note 18.1 and note 18.4)	2.35	4.71
Issue of Bonus shares (refer note 18.3)	-	52.80
Balance as at the end of the year	**103.86**	**101.51**

(b) Other Equity

(₹ In million)

Particulars	Reserves and Surplus			
	Securities Premium	Employee Stock Options Outstanding	Retained Earnings	Total
Balance as at April 01, 2019	**156.00**	**-**	**1,038.12**	**1,194.12**
Profit for the year	-	-	652.53	652.53
Other Comprehensive income / (loss) (net of tax) for the year	-	-	(2.25)	(2.25)
Total Comprehensive income for the year	-	-	650.28	650.28
Share based payment expenses	-	4.87	-	4.87
Dividend paid on equity shares (including Dividend Distribution Tax)	-	-	(26.48)	(26.48)
Capitalisation on account of Bonus Issue (refer note 18.3)	-	-	(52.80)	(52.80)
Premium on fresh issue of Equity Shares (refer note 18.4)	995.29	-	-	995.29
Balance as at March 31, 2020	**1,151.29**	**4.87**	**1,609.12**	**2,765.28**
Profit for the year	-	-	802.20	802.20
Other Comprehensive income / (loss) (net of tax) for the year	-	-	1.06	1.06
Total Comprehensive income for the year	-	-	803.26	803.26
Share based payment expenses	-	16.28	-	16.28
Dividend paid on equity shares (including Dividend Distribution Tax)	-	-	(25.38)	(25.38)
Change in group's interest	-	-	0.24	0.24
Fresh issue of Equity Shares (refer note 18.1)	424.18	-	-	424.18
Balance as at March 31, 2021	**1,575.47**	**21.15**	**2,387.24**	**3,983.86**

The accompanying notes 1 to 55 are an integral part of the Consolidated Financial Statements.

In terms of our report attached.
Deloitte Haskins & Sells LLP
Chartered Accountants

For and on behalf of the Board of Directors of Rossari Biotech Limited

MANOJ H. DAMA
Partner

EDWARD MENEZES
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DIN: 00149205

SUNIL CHARI
Managing Director
DIN: 00149083

MANASI NISAL
Chief Financial Officer

PARUL GUPTA
Company Secretary

Place: Mumbai
Date : May 14, 2021

Place: Mumbai
Date : May 14, 2021

Consolidated Statement of Cash Flow

for the year ended March 31, 2021

(₹ In million)

	Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
A	**Cash flows from operating activities**		
	Profit before tax	**1,064.27**	**880.59**
	Adjustments for:		
	Depreciation and amortization expenses	228.29	168.52
	(Profit)/Loss on disposal of property, plant and equipment	(4.32)	0.42
	Provision for expected credit loss	0.71	0.83
	Provision/Write off of doubtful advances	-	1.20
	Share-based payments expenses	16.27	4.63
	Written down of Inventory to net realisable value	4.71	4.93
	Finance Costs	29.92	35.57
	Dividend Income	(0.05)	(1.11)
	Interest Income	(42.65)	(15.44)
	Fair value gain on acquisition of subsidiary	(23.02)	-
	Net loss arising on financial assets measured at fair value through profit / loss	0.08	0.29
	Net foreign exchange loss/(gain)	(0.01)	0.02
	Operating profit before working capital changes	**1,274.20**	**1,080.45**
	Changes in :		
	Trade Receivables and other assets	(404.50)	(204.06)
	Inventories	(320.25)	(37.65)
	Trade Payables and other liabilities	241.70	(68.97)
	Cash (used in) / generated from Operations	**791.15**	**769.77**
	Income taxes paid (net of refunds)	(313.48)	(201.48)
	Net cash flows generated from operating activities	**477.67**	**568.29**
B	**Cash flows from investing activities**		
	Net (Investment) / redemption of Mutual Funds	137.22	(137.38)
	Payments to acquire non current investment - joint venture	-	(43.93)
	Payments to acquire non current investment - subsidiary (net of cash acquired)	(43.39)	-
	Dividend Received	0.05	1.11
	Interest Received	35.22	13.86
	Payments to acquire property, plant and equipment (including Capital work in progress) and intangible assets	(580.84)	(759.71)
	Proceeds from sale of property, plant and equipment and intangible assets	21.86	0.83
	(Increase)/Decrease in bank balances not considered as cash and cash equivalents	58.09	(977.79)
	Net cash flows used in investing activities	**(371.79)**	**(1,903.01)**

Consolidated Statement of Cash Flow (Contd.)
for the year ended March 31, 2021 (Contd.)

(₹ In million)

	Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
C	**Cash flows from financing activities**		
	Proceeds from / (repayment of) short term borrowings (net)	(270.52)	249.40
	Proceeds from long-term borrowings	-	403.67
	Repayment of long-term borrowings	(339.60)	(12.58)
	Repayment of loans from related parties	-	(11.58)
	Interest paid	(38.95)	(33.00)
	Proceeds from Issue of equity shares (net of share issue expenses)	426.53	1,000.00
	Dividend paid on equity shares (including Dividend distribution tax)	(25.38)	(26.48)
	Issue of Equity shares to minority shareholders	2.00	-
	Net cash flow generated from / (used in) financing activities	**(245.92)**	**1,569.43**
	Net increase / (decrease) in cash and cash equivalents (A+B+C)	(140.04)	234.71
	Opening Cash and cash equivalents	292.11	57.42
	Effects of exchange rate changes on the balance of cash and cash equivalents held in foreign currencies	0.01	(0.02)
	Closing Cash and cash equivalents	**152.08**	**292.11**

Notes:

The above Cash Flow Statement has been prepared under the “Indirect Method” set out in Accounting Standard (Ind AS 7) – Statement of Cash flow.

The accompanying notes 1 to 55 are an integral part of the Consolidated Financial Statements.

In terms of our report attached.
Deloitte Haskins & Sells LLP
Chartered Accountants

MANOJ H. DAMA
Partner

Place: Mumbai
Date : May 14, 2021

For and on behalf of the Board of Directors of Rossari Biotech Limited

EDWARD MENEZES
Executive Chairman
DIN: 00149205

SUNIL CHARI
Managing Director
DIN: 00149083

MANASI NISAL
Chief Financial Officer

PARUL GUPTA
Company Secretary

Place: Mumbai
Date : May 14, 2021

Notes accompanying the Consolidated Financial Statements

for the year ended March 31, 2021

1. Corporate information

The consolidated financial statements comprise financial statements of Rossari Biotech Limited ('the Parent' or 'the Company') and its subsidiary (collectively 'the Group').

The Parent is a public Company domiciled and incorporated in India under the Companies Act, 1956. The parent has its registered office at 201-A & B, Akruti Corporate Park, LBS Marg, Next to GE Garden, Kanjurmarg (West), Mumbai – 400078. The group is engaged in manufacturing, selling and distribution of specialty chemicals. The group's products cater to global brands in the FMCG sector and find applications in a host of consumer-centric products and home and personal care products, textile chemicals, animal health and nutrition and cosmetic products.

2. Significant Accounting Policies and key accounting estimates and judgements

i. Statement of Compliances and Basis of Preparation

(a) The consolidated financial statements of the Group have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under section 133 of the Companies Act, 2013, read together with the Companies (Indian Accounting Standards) Rules, 2015 (as amended). These consolidated financial statements have been prepared and presented under the historical cost convention, on the accrual basis of accounting except for certain financial assets and financial liabilities that are measured at fair values at the end of each reporting period, as stated in the accounting policies set out below. The accounting policies have been applied consistently over all the periods presented.

(b) The aforesaid Financial Statements were approved by the parent's Board of Directors and authorised for issue on May 14, 2021.

ii. Basis of Consolidation

The Consolidated Financial Statements incorporate the Financial Statements of the parent and entities (including structured entities) controlled by the parent and its subsidiary. Control is achieved when the Group:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and has the ability to use its power to affect its returns.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

When the Group has less than a majority of the voting rights of an investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Group considers all relevant facts and circumstances in assessing whether or not the Group's voting rights in an investee are sufficient to give it power, including:

- the size of the Group's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- potential voting rights held by the Group, other vote holders or other parties;
- rights arising from other contractual arrangements; and
- any additional facts and circumstances that indicate that the Group has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

Consolidation of a subsidiary begins when the parent obtains control over the subsidiary and ceases when the parent loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of profit and loss from the date the parent gains control until the date when the parent ceases to control the subsidiary.

A joint venture is a joint arrangement whereby the parties have the rights to the net assets of the arrangement. The results, assets and liabilities of a joint venture are accounted using the equity method of accounting. Where the Group's activities are conducted through joint operations (i.e. the parties have rights to the assets and obligation for the liabilities relating to the arrangements), the Group recognises its share of assets, liabilities, income and expenses of such joint operations incurred jointly along with its share of income from the sale of output and any liability and expenses incurred in relation to joint operations.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Group and to the non-controlling interests.

Total comprehensive income of subsidiaries is attributed to the owners of the Group and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

Notes accompanying the Consolidated Financial Statements (Contd.)

for the year ended March 31, 2021

When necessary, adjustments are made to the Financial Statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies.

All intragroup assets and liabilities, equity, income, expenses, and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

Transactions between the group and joint venture are eliminated in consolidated financial statement by adjusting group's share of unrealised profit/loss from the carrying value of investment in joint venture.

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

The Group has established policies and procedures with respect to the measurement of fair values Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

The best estimate of the fair value of a financial instrument on initial recognition is normally the transaction price – i.e. the fair value of the consideration given or received. If the Group determines that the fair value on initial recognition differs from the transaction price and the fair value is evidenced neither by a quoted price in an active market for an identical asset or liability nor based on a valuation technique that uses only data from observable markets, then the financial instrument is initially measured at fair value, adjusted to defer the difference between the fair value on initial recognition and the transaction price. Subsequently that difference is recognised in Statement of Profit and Loss on an appropriate basis over the life of the instrument but no later than when the valuation is wholly supported by observable market data or the transaction is closed out.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

Assets and Liabilities are classified as Current or Non-Current as per the provisions of Schedule III to the Companies Act, 2013 and the Group's Normal Operating Cycle. Based on the nature of business, the Group has ascertained its operating cycle as 12 months for the classification of assets and liabilities.

(b) **Use of estimates and judgements:**

The preparation of the financial statements in conformity with Ind AS requires the management to make estimates, judgements, and assumptions. These estimates, judgements and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period.

The application of accounting policies that require critical accounting estimates involving complex and subjective judgements and the use of assumptions in these financial statements have been disclosed in Notes.

Accounting Estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements

Notes accompanying the Consolidated Financial Statements (Contd.)

for the year ended March 31, 2021

(c) Critical estimates and judgements

1) Useful lives of property, plant and equipment and intangible assets:

Property, plant and equipment and intangible assets represent a significant proportion of the asset base of the Group. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. Useful lives of intangible assets are determined on the basis of estimated benefits to be derived from use of such intangible assets. The Group reviews the useful lives of property, plant and equipment and intangible assets at the end of each reporting period. Their reassessments may result in change in the depreciation /amortization expense in future periods.

2) Fair value measurements and valuation processes

Some of the Group's assets and liabilities are measured at fair value at each balance sheet date or at the time they are assessed for impairment. In estimating the fair value of an asset or a liability, the Group uses market observable data to the extent it is available. Where Level 1 inputs are not available, the Group engages third party valuers, where required, to perform the valuation. Information about the valuation techniques and inputs used in determining the fair value of various assets and liabilities require estimates to be made by the management and are disclosed in the notes to the financial statements.

3) Impairment of goodwill

The Group estimates the value in use of the cash generating unit (CGU) based on the future cash flows after considering current economic conditions and trends, estimated future operating results and growth rate and anticipated future economic and regulatory conditions. The estimated cash flows are developed using internal forecasts. The discount rate used for the CGUs represent the weighted average cost of capital based on historical market returns of comparable companies.

4) Actuarial Valuation

The determination of Group's liability towards defined benefit obligation to employees is made through independent actuarial valuation including determination of amounts to be recognised in the Statement of Profit and Loss and in Other Comprehensive Income. Such valuation depends upon assumptions determined after taking into account discount rate, salary growth rate, expected rate of return, mortality and attrition rate. Information about such valuation is provided in notes to the financial statements.

5) Estimation of uncertainties relating to the global health pandemic from COVID-19 (COVID-19):

The Group has considered relevant internal and external sources of information to evaluate the impact on the financial statements for the year ended March 31, 2020. The Group has assessed the recoverability of the assets including receivables, investments, property plant and equipment, intangible assets, inventories and has made necessary adjustments to the carrying amounts by recognising provisions/ impairment of assets where necessary. However, the actual impact may be different from that estimated as it will depend upon future developments and future actions to contain or treat the disease and mitigate its impact on the economy.

The principal accounting policies are set out below.

iii. Revenue Recognition

(a) Sale of Goods:

Revenue from contract with customers is recognised when the Group satisfies performance obligation by transferring promised goods to the customer. Performance obligations are satisfied at the point of time when the customer obtains controls of the asset.

Revenue is measured based on transaction price, which is the fair value of the consideration received or receivable, stated net of discounts, returns and goods and services tax. Transaction price is recognised based on the price specified in the contract, net of the estimated sales incentives/ discounts. Accumulated experience is used to estimate and provide for the discounts/ right of return, using the expected value method.

(b) Export Incentive:

Income from export incentives such as duty drawback and MEIS are recognised on an accrual basis.

(c) Dividend and Interest Income:

Dividend income from investments is recognised when the shareholder's right to receive dividend has been established.

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

iv. Property, Plant & Equipment

Property, Plant & Equipment are carried at cost less depreciation. Cost includes financing cost relating to borrowed funds attributable to the construction or acquisition of qualifying property, plant & equipment upto the date the assets are ready for use. When an asset is scrapped or otherwise disposed off, the cost and related depreciation are removed from the books of account and resultant profit (including capital profit) or loss, if any, is reflected in the Statement of Profit & Loss. Depreciation is calculated on Written Down Value method over the estimated useful life of all assets, these lives are in accordance with Schedule II to the Companies Act, 2013.

The estimated useful lives, residual value and depreciation method are reviewed at end of each reporting period, with the effect of any change in estimate accounted for on prospective basis.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain/loss arising on disposal or retirement of an item of property, plant and equipment is determined as the difference between the sale proceeds and the carrying value of the asset and is recognised in Profit and Loss.

v. Goodwill and Intangible Assets

a) Goodwill is initially recognised as the excess of consideration paid and acquirer's interest in the net fair value of the identifiable net assets of acquired business. Subsequent to initial measurement, goodwill is measured at cost less accumulated impairment, if any. Goodwill is allocated to the cash-generating unit which is expected to benefit from the business combination.

b) The useful life of intangible assets is assessed as either finite or infinite. Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortization and accumulated impairment losses.

Intangible assets are initially recognised at cost except those acquired in business combination.

Intangible assets with definite useful lives are amortized on a straight line basis so as to reflect the pattern in which the asset's economic benefits are consumed.

(a) Copyright & Patent:

The expenditure incurred is amortized over the estimated period of benefit, not exceeding six years commencing with the year of purchase.

(b) Computer Software:

The expenditure incurred is amortized over three financial years equally commencing from the year in which the expenditure is incurred.

vi. Research & Development

Revenue expenditure incurred on Research and Development has been charged to the Profit and Loss Account in the year it has been incurred. Capital expenditure has been included in the Cost of Acquisition of the appropriate Fixed Assets and Depreciation thereon has been charged at regular rates prescribed.

vii. Impairment

The carrying value of assets/cash generating units at each balance sheet date are reviewed for impairment. If any indication of impairment exists, the recoverable amount of such assets is estimated and impairment is recognised, if the carrying amount of these assets exceeds their recoverable amount. The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life to their present value based on an appropriate discount factor. When there is indication that an impairment loss recognised for an asset in

Notes accompanying the Consolidated Financial Statements (Contd.)

for the year ended March 31, 2021

earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognised in the Statement of Profit and Loss, except in case of revalued assets.

viii. Inventories

Inventories comprise all costs of purchase, conversion and other costs incurred in bringing the inventories to their present location and condition.

Raw materials and packing materials are value at the lower of cost or net realisable value. Cost is determined on the basis of First in First Out (FIFO) method

Finished goods produced and purchased for sale and work-in-progress are carried at cost or net realisable value whichever is lower.

Stores and consumables other than obsolete and slow-moving items are carried at cost. Obsolete and slow-moving items are valued at cost or estimated net realisable value, whichever is lower.

ix. Employee Benefits

a) Defined Contribution Plan:

Contribution payable to recognised provident fund, ESIC which are substantially defined contribution plan, is recognised as expense in the Statement of Profit and Loss, as they are incurred.

b) Defined Benefit Plan:

For defined plans in the form of gratuity, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Remeasurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest), is reflected immediately in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur.

Remeasurement recognised in other comprehensive income is reflected immediately in retained earnings and is not reclassified to profit or loss. Past service cost is recognised in profit or loss in period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of period to the net benefit liability or asset. Defined benefit costs are categorised as follows:

- Service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- Net interest expense or income; and
- Remeasurement

The Group presents the first two components of defined benefit costs in profit or loss in the line item 'Employee benefits expense'. Curtailment gains and losses are accounted for as past service costs.

The retirement benefit obligation recognised in the Balance Sheet represents the actual deficit or surplus in the Group's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

Short-term and other long-term employee benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries. Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

Liabilities recognised in other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Group in respect of services provided by employees up to the reporting date.

x. Foreign Exchange Transactions and Translations

Transactions in foreign currencies i.e. other than the Group's functional currency of Indian Rupees are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated. Exchange differences on revaluation are recognised in Profit and Loss in period in which they arise.

Forward Exchange Contracts

The use of foreign currency forward contract is governed by the Group's strategy. Approved by board of Directors, which provides principle on uses of such forward contract consistent with the Group's risk management policy. The Group uses foreign currency forward contract to hedge its risk associated with foreign currency fluctuation relating to certain firm commitment and forecasted transaction for amount in excess of natural hedge available on export realisation against import payment. The Group doesn't use forward contract for speculative purpose.

All derivative contracts are marked to- market and losses/gains are recognised in the Statement of Profit and Loss. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

xi. Taxation

Income tax expense represents the sum of the current tax currently payable and deferred tax.

(a) Current Tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. Current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

(b) Deferred Tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the Financial Statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary differences arise from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profits nor the accounting profit. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiary, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilised the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

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

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

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

(c) Current and Deferred Tax for the year

Current and Deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

xii. Borrowing Costs

Borrowing costs consist of interest and other costs incurred in connection with the borrowing of funds. Borrowing costs also include exchange differences to the extent regarded as an adjustment to the borrowing costs.

All borrowing costs are charged to the Statement of Profit and Loss except:

- Borrowing costs that are attributable to the acquisition or construction of qualifying tangible and intangible assets that necessarily take a substantial period of time to get ready for their intended use, which are capitalised as part of the cost of such assets.
- Expenses incurred on raising long term borrowings are amortized using effective interest rate method

Notes accompanying the Consolidated Financial Statements (Contd.)

for the year ended March 31, 2021

over period of borrowings. Investment Income earned on the temporary investment of funds of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

xiii. Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

Assets held under finance leases are initially recognised as assets of the Group at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments.

The corresponding liability to the lessor is included in the consolidated balance sheet as a finance lease obligation. Lease payments are apportioned between finance expenses and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance expenses are recognised immediately in profit or loss.

Rentals payable under operating leases are charged to the Statement of Profit and Loss on a straight-line basis over the term of the relevant lease unless the payments to the lessor are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

The Group makes an assessment on the expected lease term on a lease-by-lease basis and thereby assesses whether it is reasonably certain that any option to extend or terminate the contract will be exercised. In evaluating the lease term, the Group considers factors such as any significant leasehold improvements undertaken over the lease term, costs relating to the termination of the lease and the importance of the underlying asset to the Group's operations taking into account the location of the underlying asset and the availability of suitable alternatives. The lease term in future periods is reassessed to ensure that the lease term reflects the current economic circumstances.

xiv. Provisions, Contingent Liabilities and Contingent Assets

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. In the event the time value of money is material provision is carried at the present value of the cash flows required to settle the obligation. Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made. Contingent assets are possible assets that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity. A contingent asset is disclosed, where an inflow of economic benefits is probable.

xv. Financial instruments, Financial assets, Financial liabilities and Equity instruments

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the relevant instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities measured at fair value through Profit or Loss) are added to or deducted from the fair value on initial recognition of financial assets or financial liabilities. Transactions costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through Profit or Loss is recognised immediately in Profit and Loss.

Classification and subsequent measurement

(a) Financial Assets

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the marketplace. All recognised financial assets are subsequently measured at either amortized cost or fair value depending on their respective classification.

On initial recognition, a financial asset is classified as measured at:

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- Amortised cost; or
- Fair Value through Other Comprehensive Income (FVTOCI); or
- Fair Value Through Profit or Loss (FVTPL)

Financial assets are not reclassified subsequent to their initial recognition, except if and in period the Group changes its business model for managing financial assets.

All financial assets not classified as measured at amortized cost or FVTOCI are measured at FVTPL. This includes all derivative financial assets.

Financial assets at amortized cost are subsequently measured at amortized cost using effective interest method. The amortized cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in Profit and Loss. Any gain and loss on derecognition are recognised in Profit and Loss.

The effective interest method is a method of calculating the amortized cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

For equity investments, the Group makes an election on an instrument-by-instrument basis to designate equity investments as measured at FVTOCI. These elected investments are measured at fair value with gains and losses arising from changes in fair value recognised in Other Comprehensive Income and accumulated in the reserves. The cumulative gain or loss is not reclassified to Profit and Loss on disposal of the investments. These investments in equity are not held for trading. Instead, they are held for medium or long-term strategic purpose. Upon the application of Ind AS 109, the Group has chosen to designate these investments as at FVTOCI as the Group believes that this provides a more meaningful presentation for medium or long-term strategic investments, than reflecting changes in fair value immediately in Profit and Loss. Dividend income received on such equity investments are recognised in Profit and Loss.

Equity investments that are not designated as measured at FVTOCI are designated as measured at FVTPL and subsequent changes in fair value are recognised in Profit and Loss.

Financial assets at FVTPL are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in Profit and Loss.

(i) Financial assets at Fair value through Profit & loss

Investments in equity instruments are classified as at FVTPL, unless the Group irrevocably elects on initial recognition to present subsequent changes in fair value in other comprehensive income for investments in equity instruments which are not held for trading.

A financial asset that meets the amortized cost criteria or debt instruments that meet the FVTOCI criteria may be designated as at FVTPL upon initial recognition if such designation eliminates or significantly reduces a measurement or recognition inconsistency that would arise from measuring assets or liabilities or recognising the gains and losses on them on different basis.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any dividend or interest earned on the financial asset and is included in the 'Other Income' line item. Dividend of financial assets at FVTPL is recognised when the Group's right to receive the dividends is established, it is probable that the economic benefits associated with the dividend will flow to the entity and the amount of dividend can be measured reliably.

(ii) Impairment of Financial Assets

The Group applies the expected credit loss model for recognising impairment loss on financial assets measured at amortized cost, trade receivables, and other contractual rights to receive cash or other financial asset, and financial guarantees not designated as at FVTPL.

Expected credit losses are the weighted average of credit losses with the respective risks of default occurring as the weights. Credit loss is the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate (or credit-adjusted effective

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interest rate for purchased or originated credit impairment financial assets).

The Group measures the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition.

When making the assessment of whether there has been a significant increase in credit risk since initial recognition, the Group uses the change in the risk of a default occurring over the expected life of the financial instrument instead of the change in the amount of expected credit losses. To make that assessment, the Group compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and considers reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition.

For trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 18, the Group always measures the loss allowance at an amount equal to lifetime expected credit losses.

Further, for the purpose of measuring lifetime expected credit loss allowance for trade receivables, the Group has used a practical expedient as permitted under Ind AS 109. This expected credit loss allowance is computed based on a provision matrix which takes into account historical credit loss experience and adjusted for forward-looking information.

(iii) De-recognition of financial assets

The Group derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay.

If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset.

On derecognition of a financial asset other than its entirety, (e.g. when the Group retains an option to repurchase part of a transferred asset), the Group allocates the previous carrying amount of the financial asset between the part it continues to recognise under continuing involvement, and the part it no longer recognised on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognised and the sum of the consideration received for the part no longer recognised and any cumulative gain or loss allocated to it that had been recognised in other comprehensive income is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset. A cumulative gain or loss that had been recognised in other comprehensive income is allocated between the part that continues to be recognised and the part that is no longer recognised on the basis of the relative fair values of those parts.

(iv) Foreign Exchange Gains & Losses

The fair value of financial assets denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of each reporting period.

- For foreign currency denominated financial assets measured at amortized cost and FVTPL, the exchange differences are recognised in profit or loss except for those which are designated as hedging instruments in a hedging relationship.
- Changes in the carrying amount of investments in equity instruments at FVTOCI relating to changes in foreign currency rates are recognised in other comprehensive income.

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- For the purposes of recognising foreign exchange gains and losses, FVTOCI debt instruments are treated as financial assets measure at amortized cost. Thus, the exchange differences on the amortized cost are recognised in profit or loss and other changes in the fair value of FVTOCI financial assets are recognised in other comprehensive income.

(b) Financial liabilities and equity instruments

(i) Classification as debt or equity

Debt and equity instruments issued by a Group are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

(ii) Equity Instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by a Group entity are recognised at the proceeds received, net of direct issue costs.

Repurchase of the Group's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit of loss on the purchase, sale, issue or cancellation of the Group's own equity instruments.

(iii) Compound Financial Instruments

The component parts of compound financial instruments (convertible instruments) issued by the Group are classified separately as financial liabilities and equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument. A conversion option that will be settled by the exchange of a fixed amount of cash or another financial asset for a fixed number of the Group's own equity instruments is an equity instrument.

At the date of issue, fair value of the liability component is estimated using the prevailing market interest rate for similar non-convertible instruments. This amount is recognised as a liability on an amortized cost basis using the effective interest method until extinguished upon conversion or at the instruments' maturity date.

The conversion option classified as equity is determined by deducting the amount of the liability component from the fair value of the compound financial instrument as a whole. This is recognised and included in equity, net of income tax effects, and is not subsequently remeasured. In addition, the conversion option classified as equity will remain in equity until the conversion option is exercised, in which case, the balance recognised in equity will be transferred to other component of equity. When the conversion option remains unexercised at the maturity date of the convertible note, the balance recognised in equity will be transferred to retained earnings. No gain or loss is recognised in profit or loss upon conversion or expiration of the conversion option.

(iv) Financial Liabilities

All financial liabilities are subsequently measure at amortized cost or at FVTPL.

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measure at amortized cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortized cost are determined based on the effective interest method. Interest expense that is not capitalised as part of costs of an asset is included in the 'Finance cost' line item.

The effective interest method is a method of calculating the amortized cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

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(c) Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Group currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

(d) Financial guarantee contracts and loan commitments

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due in accordance with the terms of a debt instrument.

Financial guarantee contracts and loan commitments issued by the Group are initially measured at their fair values and, if not designated as at FVTPL, are subsequently measured at the higher of:

- The amount of loss allowance determined in accordance with impairment requirements of Ind AS 109; or
- The amount initially recognised less, when appropriate, the cumulative amount of income recognised in accordance with the principles of Ind AS 18.

xvi. Dividend Distribution

Final dividend on shares is recorded as a liability on the date of approval by the shareholders and interim dividends are recorded as a liability on the date of declaration by the Group's Board of Directors.

xvii. Use of Estimates and judgement

The preparation of financial statements in conformity with Ind AS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent Liabilities at the date of the financial statements and the results of operations during the reporting period end. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates. The estimates and underlying assumptions are reviewed at the end of each reporting period. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

xviii Business combinations

The Group accounts for its business combinations under acquisition method of accounting. The acquiree's identifiable assets including liabilities and contingent liabilities that meet the condition for recognition are recognised at their fair values at the acquisition date. The excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed is recognised as goodwill.

Before recognising capital reserve in respect thereof, the Group determines whether there exists clear evidence of underlying reasons for classifying the business combination as a bargain purchase. Thereafter, the Group reassesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and recognises any additional asset or liabilities that are identified in that reassessment. The Group then reviews the procedures used to measure the amounts that Ind AS requires for the purposes of calculating the bargain purchase. If the gain remains after this reassessment and review, the Group recognises it directly in equity as capital reserve.

Non-controlling interest is initially measured at fair value or at the proportionate share of the acquiree's identifiable net assets. The choice of measurement basis is made on an acquisition by acquisition basis. Subsequent to initial acquisition, the carrying amount of non-controlling interest is the amount of those interest in initial recognition plus the non-controlling interest's share of subsequent changes in equity of subsidiaries.

When the consideration transferred by the Group in business combination includes assets or liabilities resulting in a contingent consideration arrangement, the contingent consideration is measured at its acquisition date fair value and included as a part of the consideration transferred in a business combination. Changes in the fair value of the contingent consideration that qualify as measurement period adjustments, are adjusted

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retrospectively, with corresponding adjustments against goodwill or capital reserve as the case may be.

When a business combination is achieved in stages, the Group's previously held equity interest in the acquiree is remeasured to its acquisition-date fair value and the resulting gain or loss, if any, is recognised in profit or loss. Amounts arising from interests in the acquiree prior to the acquisition date that have previously been recognised in other comprehensive income are reclassified to profit or loss where such treatment would be appropriate if that interest were disposed off.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amount for the items for which the accounting is incomplete. Those provisional amount are adjusted during the measurement period (which cannot exceed one year from the acquisition date), or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amount recognised at that date. In consolidated financial statements, acquisition of non-controlling interest is accounted as equity transaction. The carrying amount of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries.

Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Company. Business Combination under common control are accounted as per Appendix C in Ind AS 103 - Business combinations, at carrying amount of assets and liabilities acquired and any excess of consideration issued over the net assets acquired is recognised as capital reserve on common control business combination.

Acquisition of interest in Joint Venture

Acquisition of interest in a joint venture, is initially recognised at cost. Any excess of the cost of the investment over the Group's share of fair value of identifiable assets and liabilities of the investee is regarded as goodwill, which is included in the carrying value of the investment. Any excess of the Group's share of the net fair value of the identifiable assets and liabilities over the cost of investment, after re-assessment, is recognised in equity as capital reserve in period in which the investment is acquired.

xix. Earnings per share

Basic earnings per share are calculated by dividing the Profit or Loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. For the purpose of calculating diluted earnings per share, the Profit or Loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effect of all dilutive potential equity shares.

xx. Share-based payment arrangements

Equity-settled share-based payments to employees are measured at the fair value of the equity instruments at the grant date. Details regarding the determination of the fair value of equity-settled share-based transactions are set out in note no. 30.

The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Group's estimate of equity instruments that will eventually vest, with a corresponding increase in equity. At the end of each reporting period, the Group revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the equity-settled employee benefits reserve.

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NOTE 3a - PROPERTY, PLANT AND EQUIPMENT

(₹ In million)

	Particulars	Freehold Land	Buildings	Plant and Equipments	Furniture & Fittings	Vehicles	Office Equipment	Computer Equipment	Total
(I)	**Gross Carrying Amount**								
	Balance as at April 01, 2019	**101.23**	**246.30**	**380.85**	**24.40**	**23.86**	**8.62**	**4.72**	**789.98**
	Additions during the year (Refer note below)	-	171.78	108.61	0.86	7.03	3.94	1.95	294.17
	Less: Disposals during the year	-	-	(2.27)	-	(0.53)	0.53	-	(2.27)
	Balance as at March 31, 2020	**101.23**	**418.08**	**487.19**	**25.26**	**30.36**	**13.09**	**6.67**	**1,081.88**
	Acquisitions through business combinations (Refer note 44)	-	-	30.19	2.13	-	0.29	-	32.61
	Additions during the year (Refer note below)	-	313.38	677.99	9.52	1.67	2.32	4.62	1,009.50
	Disposals during the year	-	-	(31.74)	-	-	-	-	(31.74)
	Balance as at March 31, 2021	**101.23**	**731.46**	**1,163.63**	**36.91**	**32.03**	**15.70**	**11.29**	**2,092.25**
(II)	**Accumulated depreciation**								
	Balance as at April 01, 2019	**-**	**11.11**	**83.47**	**5.03**	**5.90**	**2.08**	**2.06**	**109.65**
	Depreciation expense for the year	-	21.38	115.88	5.26	6.82	4.05	2.32	155.71
	Disposal of assets	-	-	(0.93)	-	(0.26)	0.16	-	(1.03)
	Balance as at March 31, 2020	**-**	**32.49**	**198.42**	**10.29**	**12.46**	**6.29**	**4.38**	**264.33**
	Depreciation expense for the year	-	49.80	145.78	4.45	5.81	2.00	2.70	210.54
	Acquisitions through business combinations (Refer note 44)	-	-	20.21	1.83	-	0.23	-	22.27
	Disposals during the year	-	-	(14.21)	-	-	-	-	(14.21)
	Balance as at March 31, 2021	**-**	**82.29**	**350.20**	**16.57**	**18.27**	**8.52**	**7.08**	**482.93**
(III)	**Net carrying amount (I-II)**								
	Balance as at March 31, 2019	101.23	235.19	297.38	19.37	17.96	6.54	2.66	680.33
	Balance as at March 31, 2020	101.23	385.59	288.77	14.97	17.90	6.80	2.29	817.55
	Balance as at March 31, 2021	**101.23**	**649.17**	**813.43**	**20.34**	**13.76**	**7.18**	**4.21**	**1,609.32**

Notes:

a) Additions during the year includes borrowing costs capitalised ₹ 13.02 million (March 31, 2020 - ₹ 4.16 million)

b) Term loans of ₹ Nil (March 31, 2020 ₹ 398.77 million) from banks are secured by first pari passu charge created by mortgage of plant and equipment and immovable properties (including Capital Work in Progress) of Parent Company located at Dahej.

Notes accompanying the Consolidated Financial Statements (Contd.)

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NOTE 3b - RIGHT OF USE ASSETS

(₹ In million)

Particulars		Freehold Land	Total
(I)	**Gross Carrying Amount**		
	Balance as at April 01, 2019	-	-
	Reclassified on account of adoption of IND AS 116	70.92	70.92
	Disposals during the year	-	-
	Balance as at March 31, 2020	**70.92**	**70.92**
	Additions during the year	-	-
	Less: Disposals during the year	-	-
	Balance as at March 31, 2021	**70.92**	**70.92**
(II)	**Accumulated Amortization**		
	Balance as at April 01, 2019	-	-
	Amortization expense for the year	0.77	0.77
	Less: Disposals during the year	-	-
	Balance as at March 31, 2020	**0.77**	**0.77**
	Amortization expense for the year	0.77	0.77
	Less: Disposals during the year	-	-
	Balance as at March 31, 2021	**1.54**	**1.54**
(III)	**Net carrying amount (I-II)**		
	Balance as at March 31, 2019	-	-
	Balance as at March 31, 2020	70.15	70.15
	Balance as at March 31, 2021	**69.38**	**69.38**

NOTE 4: GOODWILL

(₹ In million)

Particulars	March 31, 2021	March 31, 2020
Balance at the beginning of the year	-	-
Additions during the year	26.24	-
	26.24	**-**

The group deals in Specialty chemicals and considering the nature of products and the predominant risk and returns of the product are similar, the group has only one operating segment. Accordingly, Goodwill is allocated to the said operating segment.

Value in use is calculated using cash flow projections over a period of 5 years, with amounts based on medium term strategic plans approved by the Board. Any major variations to strategic plan, based on experience are incorporated in the calculations. Cash flows beyond the 5 year period are extrapolated using a long term growth rate.

Management reviews the carrying value of goodwill annually to determine whether there has been any impairment. This involves making an assessment of the value of goodwill and comparing it to the carrying value. If the assessed value is lower than the carrying value, then an impairment charge is recognised to reduce the carrying value to this amount.

Key assumptions in the budgets and plans include future revenue volume/price growth rates, associated future levels of marketing support, cost-base of manufacture and supply and directly associated overheads. These assumptions are based on historical trends and future market expectations (also considering the possible effect of COVID-19, if any) and the markets and geographies in which they operate.

Other key assumptions applied in determining value in use are

(a) long term growth rate – Cash flows beyond the five-year period are extrapolated using the estimated long-term growth rate applicable for the geographies, with reference to historical economic growth rates. The growth rate assumed for the current financial year was 2.2%.

(b) discount rate – The discount rate is based on a Weighted Average Cost of Capital (WACC) for comparable companies operating in similar markets and geographies as the Group as the base discount rate. The pre-tax discount rate assumed for the current financial year was 14.5%.

Buzil brand products is considered as CGU for testing impairment of goodwill amounting to ₹ 26.24 millions generated on acquisition of the said brand.

The Group has performed sensitivity analysis around the base assumptions and has concluded that no reasonable possible changes in key assumptions would cause the recoverable amount to be less than the carrying value.

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NOTE 5: INTANGIBLE ASSETS

(₹ In million)

	Particulars	Computer Software	Copyright & Patent	Technology & Trademark	Total
(I)	**Gross Carrying Amount**				
	Balance as at April 01, 2019	0.40	71.50	-	71.90
	Additions during the year	-	-	-	-
	Disposals during the year	-	-	-	-
	Balance as at March 31, 2020	**0.40**	**71.50**	**-**	**71.90**
	Additions during the year	1.92	-	75.00	76.92
	Disposals during the year	-	-	-	-
	Balance as at March 31, 2021	**2.32**	**71.50**	**75.00**	**148.82**
(II)	**Accumulated amortization**				
	Balance as at April 01, 2019	0.28	11.92	-	12.20
	Amortization expense for the year	0.12	11.92	-	12.04
	Disposals during the year	-	-	-	-
	Balance as at March 31, 2020	**0.40**	**23.84**	**-**	**24.24**
	Amortization expense for the year	0.39	11.92	4.67	16.98
	Disposals during the year	-	-	-	-
	Balance as at March 31, 2021	**0.79**	**35.76**	**4.67**	**41.22**
(III)	**Net carrying amount (I-II)**				
	Balance as at March 31, 2019	0.12	59.58	-	59.70
	Balance as at March 31, 2020	-	47.66	-	47.66
	Balance as at March 31, 2021	**1.53**	**35.74**	**70.33**	**107.60**

Notes:

The amortization expense of intangible assets has been included under 'Depreciation and amortization expense' in the Statement of Profit and Loss.

NOTE 6: INVESTMENTS (NON-CURRENT)

(₹ In million)

Particulars	As at March 31, 2021		As at March 31, 2020	
	No. of shares	Amount	No. of shares	Amount
Investment in Equity Instruments (fully paid-up)				
Unquoted				
Measured as per equity accounting method:				
In Joint Venture Company				
Equity Shares - Buzil Rossari Private Limited	4,392,918	41.75	4,392,918	43.93
Share of profit		(2.13)		1.23
Stock reserve adjustment		1.43		(3.41)
Less: Reduction on account of acquisition of controlling interest (Refer note 44a)	(4,392,918)	(41.06)		-
Total Investment (Non-Current)	**-**	**-**	**4,392,918**	**41.75**
Aggregate carrying value of quoted investments	-	-	-	-
Aggregate market value of quoted investments	-	-	-	-
Aggregate carrying value of unquoted investments	-	-	-	41.75
Aggregate impairment in value of investments	-	-	-	-

Notes accompanying the Consolidated Financial Statements (Contd.)
for the year ended March 31, 2021

NOTE 7: OTHER FINANCIAL ASSETS (NON-CURRENT)

(₹ In million)

Particulars	As at March 31, 2021	As at March 31, 2020
Financial Assets at Amortised Cost:		
(unsecured, considered good unless otherwise stated)		
Security & Business Deposits	10.11	-
Fixed Deposit with more than 12 months maturity (Refer note 7.1)	195.23	3.56
Interest Accrued	0.14	0.40
Total Other Financial Assets (Non-Current)	**205.48**	**3.96**

Notes:

7.1 Deposits are earmarked with Electricity authority ₹ 3.61 million (March 31, 2020 - ₹ 1.85 million).

NOTE 8: INCOME TAX ASSETS (NET) (NON-CURRENT)

(₹ In million)

Particulars	As at March 31, 2021	As at March 31, 2020
Advance Income Tax (net off Provision for Tax of ₹ 570.14 million (March 31, 2020 – 329.44 million))	23.99	15.76
Total Income Tax Assets (Net) (Non-current)	**23.99**	**15.76**

NOTE 9: DEFERRED TAX ASSETS

(₹ In million)

Particulars	As at March 31, 2021	As at March 31, 2020
Deferred tax asset (Refer Note 22.2 and 22.4)	3.07	0.51
Total Deferred Tax Assets	**3.07**	**0.51**

NOTE 10: OTHER NON-CURRENT ASSETS

(₹ In million)

Particulars	As at March 31, 2021	As at March 31, 2020
Capital advances	16.92	236.78
Prepaid Expenses	1.09	0.28
Total Other Non-Current Assets	**18.01**	**237.06**

NOTE 11: INVENTORIES (CURRENT)

(₹ In million)

Particulars	As at March 31, 2021	As at March 31, 2020
Raw Materials (Including in transit of ₹ 60.71 million (March 31, 2020 - 24.06)	494.58	303.52
Packing Materials	114.90	76.83
Work-in-progress	29.03	4.81
Finished goods	311.96	195.64
Consumables, stores and spares	3.07	0.90
Total Inventories	**953.54**	**581.70**

Notes:

11.1. The cost of Inventories recognised as an expense during the year was ₹ 5,609.74 million (March 31, 2020 – 3,970.46 million), including in respect of write down of inventories to net realisable value 4.71 million (March 31, 2020 - 4.91 million).

11.2. The Company has availed credit facilities from banks which are secured interalia by hypothecation of inventories.

11.3. The mode of valuation of inventories is stated in sub note vii of Note 2.

Notes accompanying the Consolidated Financial Statements (Contd.)

for the year ended March 31, 2021

NOTE 12: INVESTMENTS (CURRENT)

(₹ In million)

Particulars	No of units	March 31, 2021	No of Units	March 31, 2020
Quoted (Fair value through P&L)				
HDFC Arbitrage Fund - Wholesale Plan - Regular Plan – Growth	-	-	432,544.66	10.06
HDFC Liquid Fund – Growth	-	-	2,594.82	10.08
HDFC Liquid Fund - Daily Dividend Reinvest	-	-	83,804.85	85.46
Kotak Equity Arbitrage Fund Regular Plan	-	-	2,964,367.34	31.70
Total Investments (Current)	**-**	**-**		**137.30**
Aggregate carrying value of quoted investments	-	-	-	137.30
Aggregate market value of quoted investments	-	-	-	137.30
Aggregate impairment in value of investments	-	-	-	-

NOTE 13: TRADE RECEIVABLES (CURRENT)

(₹ In million)

Particulars	As at March 31, 2021	As at March 31, 2020
Unsecured:		
Considered good	1,440.68	941.36
Considered doubtful	5.29	4.82
	1,445.97	**946.18**
Less: Allowance for Expected Credit Losses	(5.29)	(4.82)
Total Trade Receivables	**1,440.68**	**941.36**

Notes:

13.1. Refer Note 43 for receivables outstanding from Related Parties.

13.2. Refer Note 49 for disclosures related to credit risk and Note 50 for impairment of trade receivables under expected credit loss model and related disclosures.

13.3 Provision is made for doubtful debt based on lifetime expected credit loss method as specified under simplified approach.

13.4 Trade receivables are hypothecated to banks against working capital facility.

NOTE 14a: CASH AND CASH EQUIVALENTS

(₹ In million)

Particulars	As at March 31, 2021	As at March 31, 2020
Balances with banks		
- on Current Account	96.98	18.25
- Fixed Deposits with original maturity of more than 3 months but balance maturity less than 12 months	49.38	267.63
Cheques, drafts on hand	-	0.18
Cash on hand	1.60	1.71
Others*	4.12	4.34
Total Cash and Cash Equivalents	**152.08**	**292.11**

*Others include imprest given to employees

Notes accompanying the Consolidated Financial Statements (Contd.)

for the year ended March 31, 2021

NOTE 14b: BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

(₹ In million)

Particulars	As at March 31, 2021	As at March 31, 2020
Bank Balances other than cash and cash equivalents		
- Fixed Deposits with original maturity of more than 3 months but balance maturity less than 12 months	730.53	980.22
Total Bank Balances other than cash and cash equivalents	**730.53**	**980.22**

NOTE 15: LOANS (CURRENT)

(₹ In million)

Particulars	As at March 31, 2021	As at March 31, 2020
Financial Assets at Amortised Cost:		
Other Loans	10.89	11.48
Total Loans (Current)	**10.89**	**11.48**

Notes:

Other Loans mainly includes loans given by subsidiary Company to its vendor for the purpose of business development

NOTE 16: OTHER FINANCIAL ASSETS (CURRENT)

(₹ In million)

Particulars	As at March 31, 2021	As at March 31, 2020
At Amortised Cost:		
Security & Business Deposits	6.13	0.17
Interest accrued	10.15	2.46
Others (Refer note 16.1)	0.96	39.66
Measured at fair value through Profit & Loss:		
Derivative instruments	-	0.12
Total Other Financial Assets (Current)	**17.24**	**42.41**

Notes:

16.1 Others Includes IPO Expense aggregating to ₹ Nil (previous year ₹ 37.89 million) set off against Security Premium on completion of IPO and recovered from selling shareholders.

NOTE 17: OTHER CURRENT ASSETS

(₹ In million)

Particulars	As at March 31, 2021	As at March 31, 2020
Balances with Government Authorities	150.45	132.32
Prepaid expenses	4.93	4.15
Advance paid to suppliers	86.85	137.74
Others*	-	2.45
Total Other Current Assets	**242.23**	**276.66**

*Others include Royalty receivable

Notes accompanying the Consolidated Financial Statements (Contd.)

for the year ended March 31, 2021

NOTE 18: EQUITY SHARE CAPITAL

(₹ In million)

Particulars	As at March 31, 2021	As at March 31, 2020
Authorised:		
60,000,000 (March 31, 2020 - 60,000,000) Equity shares of ₹ 2 each (Refer note 18.2)	120.00	120.00
Total	**120.00**	**120.00**
Issued, Subscribed and Paid-up:		
51,929,390 (March 31, 2020 - 50,752,920) Equity shares of ₹ 2 each, fully paid up	103.86	101.51
Total Equity Share Capital	**103.86**	**101.51**

a) Reconciliation of the number of shares outstanding at the beginning and at the end of the year

(₹ In million)

Particulars	No. of Shares	As at March 31, 2021	No. of Shares	As at March 31, 2020
Issued, Subscribed and Paid-up:				
Balance as at the beginning of the year	50,752,920	101.51	22,000,000	44.00
Issue of Bonus shares (Refer note 18.3)	-	-	26,400,000	52.80
Fresh issue of equity shares (Refer note 18.1)	1,176,470	2.35	2,352,920	4.71
Total	**51,929,390**	**103.86**	**50,752,920**	**101.51**

b) Terms of Rights, preferences and restrictions attached to equity shares

The Parent Company has only one class of equity shares having a par value of ₹ 2/- per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

c) Details of equity shares held by each shareholder holding more than 5% shares:

(₹ In million)

Name of shareholder	As at March 31, 2021		As at March 31, 2020	
	No. of shares	% shareholding	No. of shares	% shareholding
Equity shares:				
Mr. Edward Menezes	16,118,820	31.04%	21,368,820	42.10%
Mr. Sunil Chari	16,089,320	30.98%	21,339,320	42.05%
Rossari Biotech (India) Private Limited	3,016,200	5.81%	3,016,200	5.94%
SBI Small Cap Fund	2,862,360	5.51%	-	-

d) For the period of preceding five years as on the Balance Sheet date, Issued, Subscribed and Paid-up Share Capital includes:

Aggregate of 26,400,000 (March 31, 2020 - 26,400,000) Equity Shares allotted as fully paid up by way of bonus shares

Notes:

18.1 During the year the Parent Company has completed the Initial Public Offer (IPO) of 11,676,470 Equity Shares of the face value of ₹ 2/- each at an issue price of ₹ 425/- per Equity Share, comprising offer for sale of 10,500,000 shares by Selling Shareholders and fresh issue of 1,176,470 shares. The Equity Shares of the Company were listed on July 23, 2020 on BSE Limited and National Stock Exchange of India Limited.

18.2 During the previous year, the Board of Directors of the Company at their meeting held on November 12, 2019 had approved to split the equity shares of the Company from Face Value of ₹ 10 per share to Face Value of ₹ 2 per share and to increase the authorised share capital of the Company to ₹ 120,000,000. As a result of this:

a. The authorised share capital of the company was revised and increased from 5,000,000 equity shares of nominal value of ₹ 10 each to 60,000,000 equity shares of ₹ 2 each;

b. the issued and subscribed shares were increased from 4,400,000 shares to 22,000,000 shares; and

Notes accompanying the Consolidated Financial Statements (Contd.)
for the year ended March 31, 2021

NOTE 18: EQUITY SHARE CAPITAL (Contd.)

18.3 Further the shareholders of the Company at its meeting held on December 02, 2019, pursuant to Section 63 and other applicable provisions, if any, of the Companies Act, 2013 and rules made thereunder, approved a sum of ₹ 52,800,000 be capitalised as Bonus Equity shares out of free reserves and surplus, and distributed amongst the Equity Shareholders by issue of 26,400,000 Equity shares of ₹ 2/- each credited as fully paid to the Equity Shareholders in the proportion of 6 (Six) Equity share for every 5(Five) Equity shares.

18.4 During the previous year ended March 31, 2020, pursuant to Section 42 and 62 and other applicable provisions, if any, of the Companies Act, 2013 read with rules made there under and as per the approval of the Members of the Company, the Board of Directors of the Company at their meeting held on February 27, 2020 allotted 2,352,920 Equity Shares of the Face Value of ₹ 2/- each, at the issue price of ₹ 425/-each including a premium of ₹ 423/- each on preferential basis by way of a private placement.

18.5 During the year ended on March 31, 2021, the Board of Directors at its meeting held on March 23, 2021., interalia approved the issue of 3,012,046 equity shares on preferential basis for cash consideration. Subsequent to year ended March 31, 2021, the shareholder of the Company at its Extra Ordinary General meeting held on April 17, 2021 has approved issue of 3,012,046 shares of face value of ₹ 2 each on preferential basis at ₹ 996 per share aggregating to ₹ 3,000.00 million to certain parties. The allotment of the shares of the Company has been completed on April 21, 2021.

NOTE 19: OTHER EQUITY

(₹ In million)

Particulars	As at March 31, 2021	As at March 31, 2020
Securities premium reserve	1,575.47	1,151.29
Employee Stock Options Outstanding (Refer Note 33.1)	21.15	4.87
Retained earnings	2,387.24	1,609.12
Total Other Equity	**3,983.86**	**2,765.28**

Movement in Reserves

(₹ In million)

Particulars	As at March 31, 2021	As at March 31, 2020
Securities Premium		
Balance as at the beginning of the year	1,151.29	156.00
Add: Additions during the year (refer note no. 18.1 and 18.4)	497.66	995.29
Less: Adjustment during the year (Refer note below)	(73.48)	-
Balance as at the end of the year	**1,575.47**	**1,151.29**

Note: The Company has adjusted its share of IPO expenses against the securities premium account.

(₹ In million)

Particulars	As at March 31, 2021	As at March 31, 2020
Employee Stock Options Outstanding *(refer note no. 33.1)*		
Balance as at the beginning of the year	4.87	-
Add: Additions during the year	16.28	4.87
Less: Deletions during the year	-	-
Balance as at the end of the year	**21.15**	**4.87**

(₹ In million)

Particulars	As at March 31, 2021	As at March 31, 2020
Retained Earnings		
Balance as at the beginning of the year	1,609.12	1,038.12
Add: Profit during the year	802.20	652.53
Less: Dividend including tax thereon	(25.38)	(26.48)
Less: Issue of Bonus shares	-	(52.80)
Add: Change in group's interest (Refer note 44b)	0.24	-
Less: Remeasurment gain/(loss) on defined benefit plan	1.06	(2.25)
Balance as at the end of the year	**2,387.24**	**1,609.12**

Notes accompanying the Consolidated Financial Statements (Contd.)

for the year ended March 31, 2021

NOTE 19: OTHER EQUITY (Contd.)

Description of Nature and purpose of other equity:

Retained earnings:

Retained earnings represent the amount of accumulated earnings.

Securities Premium:

Securities premium account is created when shares are issued at premium. The reserve can be utilised in accordance with the provisions of the Companies Act, 2013.

Employee Stock Options Outstanding:

Employee Stock Options Outstanding represents reserve towards the premium for the equity shares to be issued against the options granted.

Notes:

Details of Dividends proposed:

Particulars	As at March 31, 2021	As at March 31, 2020
Dividend per share (Rupees).	0.50	-
Dividend on Equity Shares	27.47	-

NOTE 20: BORROWINGS (NON-CURRENT)

(₹ In million)

Particulars	As at March 31, 2021	As at March 31, 2020
Secured (Carried at Amortised Cost):		
Term Loans from Bank	-	339.60
Total Borrowings (Non-current)	**-**	**339.60**

Notes:

20.1. Term loans are secured by first pari passu charge created by mortgage of plant and equipment and immovable properties (including Capital Work in Progress) located at Dahej.

20.2. Current maturities in respect of long-term borrowings have been included in Note 25.

Term loan outstanding as at March 31, 2020	Rate of interest (p.a.)	Repayment Terms
Secured		
Term loans from banks - Nil (March 31, 2020 - ₹ 215.55 million)	8.70%	60 Monthly Instalments
Term loans from banks - Nil (March 31, 2020 - ₹ 183.22 million)	12M MCLR +0.15%	20 Quarterly Instalments w.e.f. December 2020

Reconciliation of borrowings outstanding at the beginning and end of the year:

(₹ In million)

Borrowings movement	For the year ended March 31, 2021		For the year ended March 31, 2020	
	Noncurrent	Current	Noncurrent	Current
Balance as at beginning of the year (including current maturities)	339.60	59.17	6.73	5.86
Cash Flow (Repayment)/ Proceeds	(339.60)	(59.17)	337.77	53.31
Non cash changes				
Amortised borrowing cost			(4.90)	-
Balance as at end of the year (including current maturities)	**-**	**-**	**339.60**	**59.17**

Notes accompanying the Consolidated Financial Statements (Contd.)

for the year ended March 31, 2021

NOTE 21: PROVISIONS (NON-CURRENT)

(₹ In million)

Particulars	As at March 31, 2021	As at March 31, 2020
Provision for employee benefits		
Gratuity	7.75	9.93
Compensated absences	3.26	6.33
Total Provisions (Non-current)	**11.01**	**16.26**

Notes:

For disclosures related to employee benefits, refer note 46.

NOTE 22: DEFERRED TAX LIABILITY (NET) (NON-CURRENT)

(₹ In million)

Particulars	As at March 31, 2021	As at March 31, 2020
Deferred Tax Liability (Refer note 22.1 and 22.3)	12.88	5.40
Total Deferred Tax Liability (Net) (Non-current)	**12.88**	**5.40**

22.1 DEFERRED TAX LIABILITY AS AT MARCH 31, 2021

(₹ In million)

Particulars	As at March 31, 2020	Charge / (credit) to profit or loss	Recognised in Business combination	Charge / (credit) to OCI	As at March 31, 2021
Tax effect of items constituting deferred tax liabilities:					
Allowances on property, plant & equipment and other assets	-	0.84	(14.43)	-	(13.59)
Tax effect of items constituting deferred tax assets:					
Stock reserve	-	0.71	-	-	0.71
	-	**1.56**	**(14.43)**	**-**	**(12.88)**

22.2 DEFERRED TAX ASSETS AS AT MARCH 31, 2021

(₹ In million)

Particulars	As at March 31, 2020	Charge / (credit) to profit or loss	Recognised in Business combination	Charge / (credit) to OCI	As at March 31, 2021
Tax effect of items constituting deferred tax liability:					
Allowances on property, plant & equipment and other assets	(14.86)	7.73	0.89	-	(6.24)
Tax effect of items constituting deferred tax assets:					
Allowances for credit losses	1.15	0.04	-	-	1.19
Provision for employee benefits	3.76	0.43	-	(0.46)	3.73
Other employee benefits	4.55	(0.69)	0.03	-	3.89
Deferred Tax Asset/(Liability) (A) (Refer note 22.3)	**(5.40)**	**7.50**	**0.92**	**(0.46)**	**2.56**

Notes accompanying the Consolidated Financial Statements (Contd.)
for the year ended March 31, 2021

NOTE 22: DEFERRED TAX LIABILITY (NET) (NON-CURRENT) (Contd.)

Tax effect of items constituting deferred tax assets:

Particulars	As at March 31, 2020	Charge / (credit) to profit or loss	Recognised in Business combination	Charge / (credit) to OCI	As at March 31, 2021
a) MAT Credit	0.51	-	-	-	0.51
Deferred Tax Asset (B) (Refer note 22.4)	**0.51**	**-**	**-**	**-**	**0.51**
Net Deferred Tax Assets / (Liability) (A+B)	**(4.89)**	**7.50**	**0.92**	**(0.46)**	**3.07**

22.3 DEFERRED TAX LIABILITY AS AT MARCH 31, 2020

(₹ In million)

Particulars	As at March 31, 2019	Charge / (credit) to profit or loss	Recognised in Business combination	Charge / (credit) to OCI	As at March 31, 2020
Tax effect of items constituting deferred tax liabilities:					
a) Allowances on property, plant & equipment and other assets	(28.42)	13.56	-	-	(14.86)
Tax effect of items constituting deferred tax assets:					
Allowances for credit losses	1.16	(0.01)	-		1.15
Provision for employee benefits	4.86	(1.66)	-	0.56	3.76
Others	4.28	0.27	-		4.55
Net Tax Asset/(Liability)	**(18.12)**	**12.16**	**-**	**0.56**	**(5.40)**

22.4 DEFERRED TAX ASSET AS AT MARCH 31, 2020

(₹ In million)

Particulars	As at March 31, 2019	Charge / (credit) to profit or loss	Recognised in Business combination	Charge / (credit) to OCI	As at March 31, 2020
Tax effect of items constituting deferred tax assets:					
a) MAT Credit	0.51	-	-	-	0.51
Deferred Tax Asset	**0.51**	**-**	**-**	**-**	**0.51**

NOTE 23: BORROWINGS (CURRENT)

(₹ In million)

Particulars	As at March 31, 2021	As at March 31, 2020
Carried at Amortised Cost:		
Secured loans		
Working Capital Loans from Banks (refer note 23.1 and 23.2)	-	19.41
Unsecured Loans		
From banks	-	251.11
Total Borrowings (Current)	**-**	**270.52**

Notes:

23.1 The rate of interest ranges from 8.45% to 8.50%

23.2 Working capital facilities are secured by first pari passu charge created by hypothecation of current assets and immovable property

Notes accompanying the Consolidated Financial Statements (Contd.)

for the year ended March 31, 2021

NOTE 24: TRADE PAYABLES (CURRENT)

(₹ In million)

Particulars	As at March 31, 2021	As at March 31, 2020
Total outstanding dues of Small Enterprises and Micro enterprises	150.54	51.28
Total outstanding dues of creditors other than small enterprises and micro enterprises	1,160.59	918.76
Total Trade Payables (Current)	**1,311.13**	**970.04**

Micro, Small, Medium Enterprises Disclosure

Micro, Small, Medium Enterprises have been identified by the Company on the basis of the information available. Total outstanding dues of Micro, Small, Medium Enterprises, which are outstanding for more than the stipulated period are given below.

(₹ In million)

Particulars	As at March 31, 2021	As at March 31, 2020
Principal (excludes ₹ 8.71 million (March 31, 2020 - ₹ Nil) payable towards creditors for capital goods and services under other financial liabilities)	150.54	51.28
Interest (including interest on creditors for capital goods and services ₹ 0.16 million (March 31, 2020 - ₹ Nil))	1.96	0.55
Interest paid in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (hereinafter referred to as "the Act") along with the amount of payment made to the supplier beyond the appointed day during the year		
- Principal paid beyond the appointed date (Including capital creditors ₹ 209.44 million (March 31, 2020 - ₹ Nil))	1,167.19	106.46
- Interest paid in terms of Section 16 of the Act	-	-
Amount of interest due and payable for the year of delay on payments made beyond the appointed day during the year (Including on capital creditors ₹ 0.81 million (March 31, 2020 - ₹ Nil))	11.06	3.95
Further interest due and payable even in the succeeding years, until such date when the interest due as above are actually paid to the small enterprises (Including interest on capital creditors ₹ 0.97 million (March 31, 2020 - ₹ Nil))	13.02	4.50
Amount of interest accrued and remaining unpaid (Including interest on capital creditors ₹ 0.97 million (March 31, 2020 - ₹ Nil))	24.76	12.26

NOTE 25: OTHER FINANCIAL LIABILITIES (CURRENT)

(₹ In million)

Particulars	As at March 31, 2021	As at March 31, 2020
Measured at Amortised Cost:		
Security Deposits	35.38	32.89
Current maturities of Long-term Debts (refer note 20.2)	-	59.17
Creditors for capital goods & services	42.96	55.59
Interest Accrued	26.41	13.86
Others*	0.58	0.36
Total Other Financial Liabilities (Current)	**105.33**	**161.87**

* Refer Note 43 for payable to Related Parties.

Notes accompanying the Consolidated Financial Statements (Contd.)

for the year ended March 31, 2021

NOTE 26: OTHER CURRENT LIABILITIES

(₹ In million)

Particulars	As at March 31, 2021	As at March 31, 2020
i. Advances received from customers	53.92	16.29
ii. Statutory dues		
- Taxes Payable	10.75	9.40
- GST Payable	1.98	14.02
- Employee Liabilities	2.17	1.69
Total Other Current Liabilities	**68.82**	**41.40**

NOTE 27: PROVISIONS (CURRENT)

(₹ In million)

Particulars	As at March 31, 2021	As at March 31, 2020
Provision for employee benefits		
Gratuity	6.73	4.97
Compensated absences	1.51	1.69
Total Provisions (Current)	**8.24**	**6.66**

Notes:

For disclosures related to employee benefits, refer note 46

NOTE 28: CURRENT TAX LIABILITIES (NET)

(₹ In million)

Particulars	As at March 31, 2021	As at March 31, 2020
Provision for tax (net of Advance Income Tax of ₹ 266.96 million (March 31, 2020 – 201.40 million)	8.34	36.61
Total Current Tax Liabilities (Net)	**8.34**	**36.61**

NOTE 29: REVENUE FROM OPERATIONS

(₹ In million)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Revenue from contracts with customers:		
Sale of products	7,074.08	5,981.74
Other operating revenues:		
i. Royalty	2.22	4.04
ii. Others*	17.15	15.16
Total Revenue from operations	**7,093.45**	**6,000.94**

*Includes Export Incentives

Notes:

Refer note 39 for geography wise revenue from contracts with customers

(₹ In million)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Contract Price	7,133.06	6,012.12
Less : Discount	58.98	30.38
	7,074.08	**5,981.74**

Notes accompanying the Consolidated Financial Statements (Contd.)
for the year ended March 31, 2021

NOTE 30: OTHER INCOME

(₹ In million)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
i. Interest Income:		
- On bank deposits	40.45	6.03
- On others	2.20	9.41
ii. Dividend Income	0.05	1.11
iii. Other non-operating income:		
- Net Gain on foreign Currency transactions & translation	4.86	19.99
Profit/(Loss) on disposal of property, plant and equipment	4.32	-
- Fair value gain on Acquisition of Subsidiary (Refer note 44a)	23.02	-
- Others	17.00	0.70
Total Other Income	**91.90**	**37.24**

* Others mainly includes income on account of writeback of liabilities ₹ 7.32 million (March 31, 2020: ₹ 0.55 million)

NOTE 31: COST OF MATERIALS CONSUMED

(₹ In million)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Cost of materials consumed		
Opening Stock of raw materials and packing materials	381.25	324.16
Add: Purchases (Net)	4,579.35	3,749.73
Less: Closing Stock of raw materials and packing materials	612.54	381.25
Total Cost of materials consumed	**4,348.06**	**3,692.64**

NOTE 32: CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK-IN-PROGRESS

(₹ In million)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Opening Stock		
Finished Goods	195.64	213.46
Work-in-progress	4.81	11.37
TOTAL	**200.45**	**224.83**
On account of conversion from JV to Subsidiary	56.30	-
Less: Closing Stock		
Finished Goods	311.96	4.81
Work-in-progress	29.03	195.64
TOTAL	**340.99**	**200.45**
Total Changes in inventories of finished goods and work-in-progress	**(84.24)**	**24.38**

NOTE 33: EMPLOYEE BENEFITS EXPENSE

(₹ In million)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Salaries and wages, including bonus	382.46	338.53
Contribution to provident and other funds	7.98	16.53
Equity-settled share-based payments	15.73	4.63
Workmen & Staff welfare expenses	13.58	12.38
Total Employee Benefits Expense	**419.75**	**372.07**

Notes accompanying the Consolidated Financial Statements (Contd.)

for the year ended March 31, 2021

33.1 EMPLOYEE STOCK OPTION PLAN

The Group has implemented - Rossari Employee Stock Option Plan, 2019 ("ESOP 2019") as approved by the shareholders of the Group and the nomination and remuneration committee of the Board of Directors.

As per the ESOP 2019, the Board of directors at board meeting dated December 12, 2019 granted ESOP's to the eligible employees to acquire equity shares of the Group, that vests in a graded manner. The vested options can be exercised within two years from respective vesting date or the period as specified by Nomination & Remuneration Committee (NRC) as specified in the ESOP 2019. The number of options granted is calculated in accordance with the experience and performance- based formula approved by the Board and recommended by the NRC.

The Group has granted 7,05,000 (Seven Hundred and Five Thousand) Employee Stock Options under ESOP 2019 to its identified employees. This grant is effective from December 12, 2019. These shall vest as per the vesting schedule approved by the Board and NRC and can be exercised over the exercise period as approved in the meeting held on December 12, 2019. This was further Modified/revised in accordance with the resolution passed by the Nomination and Remuneration Committee of the Board of Directors of the Group at their meeting held on July 22, 2020. The exercise price of the shares granted under the scheme was reduced from ₹ 475 to ₹ 425.

The scheme was ratified by the shareholders at its extraordinary general meeting held on April 17, 2021.

Information in respect of Options outstanding as on March 31, 2021

Movement in Share Options

(₹ In million)

Particulars	For the year ended March 31, 2021		For the year ended March 31, 2020	
	Number of Shares	Weighted Average exercise price	Number of Shares	Weighted Average exercise price
The number and weighted average exercise prices	705,000	475	-	-
Granted during the year	-	-	705,000	475
Forfeited / lapsed during the year	92,500	-	-	-
Exercised during the year	-	-	-	-
Expired during the year	-	-	-	-
Outstanding at the end of the year	612,500	425	705,000	475
Exercisable at the end of the year	-	-	-	-
Remaining contractual life (no of days)	-	2.90	-	3.80

The inputs used in the measurement of the fair values at grant date /modification date of the employee stock option plans (ESOPs) using Black Scholes option pricing model were as follows:

Grant Date	12-12-2019	12-12-2019	12-12-2019	12-12-2019
Modification Date	**22-07-2020**	**22-07-2020**	**22-07-2020**	**22-07-2020**
Exercise price per share (₹)	425	425	425	425
Share price on the date of grant	425	425	425	425
Expected life of options (Years)	1.99	2.99	3.99	4.99
Expected Volatility (% P.a.)	25%	25%	25%	25%
Risk Free Rate of Return (%)	3.80%	4.20%	4.60%	4.90%
Dividend Yield (P.a)	1%	1%	1%	1%
Lapse Rates (P.a.)	2%	2%	2%	2%
Mortality	Not Considered			
Options fair value (original)	44.60	63.64	80.66	96.08
Options Fair Value (modified)	56.36	77.52	96.35	114.68
Incremental fair value granted	11.76	13.88	15.69	18.60

Notes accompanying the Consolidated Financial Statements (Contd.)

for the year ended March 31, 2021

33.1 EMPLOYEE STOCK OPTION PLAN (Contd.)

During the year ended March 31, 2021, the Group re-priced its outstanding options. The strike price was reduced from ₹ 475 to the then current market price of ₹ 425. The incremental fair value of ₹ 11.07 million will be expensed over the remaining vesting period (two years). The Group used the inputs noted above to measure the fair value of the old and new options.

Expected volatility has been based on an evaluation of annual volatility of peer group prevailing in the year of grant.

In respect of Options granted under the Employee Stock Option Plan the accounting is done as per requirements of Ind AS 102. Consequently, salaries, wages, bonus etc. includes ₹ 15.73 million (March 31, 2020: ₹ 4.63 million) being expenses on account of share based payments, after adjusting for reversals on account of options lapsed. The amount excludes ₹ 0.55 million (March 31, 2020: ₹ 0.24 million) charged to erstwhile joint venture for options issued to their employees.

NOTE 34: FINANCE COSTS

(₹ In million)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Interest Expense:		
(i) On Vehicle Loans	-	0.49
(ii) On working capital facilities	3.76	14.42
(iii) On term loan (Refer note 34.1 and 34.2)	9.27	4.44
(iv) Other Borrowing Cost (Refer note 34.3)	16.89	16.22
Total Finance Costs	**29.92**	**35.57**

Notes:

34.1 Interest on term loans excludes amount of interest transferred to capital work in progress amounting to ₹ 9.03 million in FY 20-21 (March 31, 2020 ₹ 4.16 million)

34.2 The capitalisation rate used to determine the amount of borrowing costs eligible for capitalisation is 8.95% p.a (March 31, 2020: 8.95% p.a)

34.3 Other Borrowing cost includes interest payable to MSMED creditors ₹ 12.50 million (March 31, 2020 - ₹ 12.26 million)

Analysis of Interest Expense by category:

(₹ In million)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Interest Expenses:		
On financial liability at amortized cost	29.92	35.57

NOTE 35: DEPRECIATION AND AMORTIZATION EXPENSES

(₹ In million)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Depreciation on property, plant and equipment	210.54	155.71
Amortization on right of use asset	0.77	0.77
Amortization of intangible assets	16.98	12.04
Total Depreciation and amortization expenses	**228.29**	**168.52**

Notes accompanying the Consolidated Financial Statements (Contd.)

for the year ended March 31, 2021

NOTE 36: OTHER EXPENSES

(₹ In million)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Factory Expenses	135.91	77.43
Freight Charges	89.53	147.19
Consumption of stores, spares and consumables	28.70	16.30
Repairs & Maintenance	24.20	25.43
Travelling & Conveyance	26.58	58.10
Clearing & Forwarding Charges	38.31	32.23
Selling & Distribution Expense	219.18	260.74
Exhibition, Conference & Seminars	1.66	46.61
Legal and Professional Fees	65.27	49.07
Rent	36.60	22.27
Loss on redemption of Mutual Fund accounted at fair value through profit or loss	0.08	0.29
Loss on sale of Assets	-	0.42
Corporate Social Responsibility Expenditure	13.24	14.35
Electricity Charges	23.97	17.44
Office Expenses	29.96	30.84
Insurance Charges	13.18	5.38
Donation	1.94	1.88
Provision for Expected credit loss	0.71	0.83
Payments to the Auditors as		
Statutory Audit Fees *	4.50	2.65
For Certification Matters	1.05	-
For reimbursement of expenses	0.24	-
Sundry Debtors Written Off	-	1.20
Miscellaneous expenses	66.38	53.76
Total	**821.19**	**864.41**

* *This fee does not include IPO related fee.*

NOTE 37: INCOME TAX RECOGNISED IN PROFIT OR LOSS

(a) Income Tax recognised in Profit & Loss

(₹ In million)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
A. Current Tax Charges:		
In respect of Current year	276.98	238.04
Total	**276.98**	**238.04**

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
B. Deferred Tax Credit:		
In respect of current year origination and reversal of temporary differences	(9.06)	(12.16)
Total	**(9.06)**	**(12.16)**

Total (A+B)	**267.92**	**225.88**

Notes accompanying the Consolidated Financial Statements (Contd.)

for the year ended March 31, 2021

NOTE 37: INCOME TAX RECOGNISED IN PROFIT OR LOSS (Contd.)

(b) Income tax recognised in Other Comprehensive Income

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Deferred Tax Credit:		
Remeasurement of defined benefit obligations	(0.46)	0.56
Total	**(0.46)**	**0.56**

Classification of income tax recognised in other comprehensive income		
Income taxes related to items that will not be reclassified to profit or loss	(0.46)	0.56
Income taxes related to items that will be reclassified to profit or loss	-	-
Total	**(0.46)**	**0.56**

(c) The reconciliation of estimated income tax expense at tax rate to income tax expense reported in statement of profit or loss is as follows:

(₹ In million)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Profit before tax	1,068.38	878.41
Applicable Income tax rate	25.17%	25.17%
Expected income tax expense	268.91	221.09
Tax effect of adjustments to reconcile expected income tax expense to reported income tax expense:		
Effect of expenses/provisions not deductible	(10.64)	6.90
Effect of concessions / allowances under section 80	0.25	-
Exempt income – Dividend	8.23	(0.18)
Adjustments due to change in tax rate	-	(2.61)
Others*	1.16	0.68
Reported income tax expense	**267.92**	**225.88**

**Includes tax effect of items of expenditure in respect of earlier years recognised during previous year*

NOTE 38: EARNING PER SHARE (EPS)

(₹ In million)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Profit for the year	802.20	652.53
Weighted average no. of ordinary equity shares used in computing basic EPS	5,15,65,168	4,86,18,577
Basic EPS (face value of ₹ 2 per share) (₹)	15.56	13.42
Weighted average no. of ordinary equity shares used in computing diluted EPS	5,18,70,850	4,93,23,577
Diluted EPS (face value of ₹ 2 per share) (₹)	15.47	13.23

Reconciliation of weighted average number of equity shares

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Weighted average number of equity shares used in the calculation of Basic EPS	51,565,168	48,618,577
Add: Effect of ESOPs	305,682	705,000
Weighted average no. of ordinary equity shares used in computing diluted EPS	**51,870,850**	**49,323,577**

Notes accompanying the Consolidated Financial Statements (Contd.)

for the year ended March 31, 2021

NOTE 39: SEGMENT INFORMATION

The Group deals in Specialty chemicals and considering the nature of products and the predominant risk and returns of the product are similar, the Group has only one operating segment. Hence revenue from external customers shown under geographical information is representative of revenue base on products.

Geographical Revenue:

(₹ In million)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Segment Revenue (Gross sales)		
India	6,444.08	5,338.59
Outside India	649.37	662.35
Total	**7,093.45**	**6,000.94**

The operating segments have been reported in a manner consistent with the internal reporting provided to Managing Director, who is the Chief Operating Decision Maker and responsible for allocating resources and assessing the performance of operating segments. Accordingly, the reportable segment is only one segment i.e. specialty chemicals.

The Group is not reliant on revenues from transactions with any single external customer and has only one customer who contributes to more than 10% of its revenues.

NOTE 40: DETAILS OF RESEARCH & DEVELOPMENT

(₹ In million)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Revenue expenditure	75.01	53.53
Capital expenditure	7.91	44.13
Total	**82.92**	**97.66**

NOTE 41: CONTINGENT LIABILITY AND COMMITMENTS

Commitments

Estimated amount of contracts remaining to be executed of Property, Plant & Equipments (net of advances) and not provided for ₹ 51.33 million (March 31, 2020 - ₹ 212.29 million)

NOTE 42: LEASES

Following are the changes in the carrying value of right of use assets for the year ended March 31, 2021:

(₹ In million)

Particulars	As at March 31, 2021	As at March 31, 2020
Opening Balance	**70.15**	**-**
Reclassified on account of adoption of Ind AS 116	-	70.92
Additions	-	-
Deletions	-	-
Amortization	0.77	0.77
Closing Balance	**69.38**	**70.15**

The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

Rent expense recorded for short-term leases was ₹ 36.60 million (March 31, 2020: 22.27 million).

The Company's lease asset classes primarily consist of leases for land and buildings. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange of consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all the economic benefits from the use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

Notes accompanying the Consolidated Financial Statements (Contd.)

for the year ended March 31, 2021

NOTE 42: LEASES (Contd.)

At the date of commencement of the lease, the Company recognises a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognises the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities include the options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease inventories. They are subsequently measured at cost less accumulated depreciation and impairment losses.

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

NOTE 43: RELATED PARTY DISCLOSURES:

i. List of Related Parties:

a) **Joint venture**

Buzil Rossari Private Limited (till August 30, 2020)

b) Key Managerial Persons (KMP)

Mr. Sunil Chari (Managing Director)

Mr. Edward Menezes (Chairman)

c) Relatives of KMP

Mrs. Jyotishna Chari (Director up to November 12, 2019)

Mrs. Anita Menezes (Director up to November 12, 2019)

Mr. Yash Chari

Mr. Mikhail Menezes

d) Enterprises on which key managerial persons or their relatives are able to exercise significant influence

Rossari Biotech (India) Private Limited

Glad Properties (India) Private Limited

Rossari Manuchar (India) Private Limited

Rossari Speciality Chemicals Private Limited

Buzil Rossari Private Limited (till September 29, 2019)

NOTE 43: RELATED PARTY DISCLOSURES: (Contd.)

ii. Transaction with related parties in ordinary course of business is given below:

Nature of Transaction	For the year ended March 31, 2021				For the year ended March 31, 2020			
	KMP	Relatives of KMP	Joint Venture company	Enterprises on which KMP or their relatives are able to exercise significant influence	KMP	Relatives of directors	Joint Venture company	Enterprises on which KMP or their relatives are able to exercise significant influence
Sales:								
Buzil Rossari Private Limited	-	-	149.50	132.06	-	-	214.69	-
	-	**-**	**149.50**	**132.06**	**-**	**-**	**214.69**	**-**
Royalty Income:								
Buzil Rossari Private Limited	-	-	2.22	-	-	-	4.04	-
	-	**-**	**2.22**	**-**	**-**	**-**	**4.04**	**-**
Dividend paid:								
Mr. Sunil Chari	10.67	-	-	-	9.76	-	-	-
Mr. Edward Menezes	10.68	-	-	-	9.76	-	-	-
Mr. Mikhail Menezes	-	0.07	-	-	-	0.08	-	-
Mr. Yash Chari	-	0.08	-	-	-	0.08	-	-
Mrs. Jyotishna Chari	-	0.50	-	-	-	0.48	-	-
Mrs. Anita Menezes	-	0.50	-	-	-	0.48	-	-
Rossari Biotech India Private Limited	-	-	-	1.51	-	-	-	1.37
	21.35	**1.15**	**-**	**1.51**	**19.52**	**1.12**	**-**	**1.37**
Interest Income								
Buzil Rossari Private Limited	-	-	4.11	-	-	-	-	-
	-	**-**	**4.11**	**-**	**-**	**-**	**-**	**-**
Rent paid:								
Mr. Sunil Chari	0.62	-	-	-	1.55	-	-	-
Mr. Edward Menezes	0.62	-	-	-	2.48	-	-	-
Mrs. Jyotishna Chari	-	-	-	-	-	0.93	-	-
	1.23	**-**	**-**	**-**	**-**	**-**	**-**	**1.23**
Expenses Reimbursement								
Buzil Rossari Private Limited	-	-	-	-	-	-	14.18	-
	-	**-**	**-**	**-**	**-**	**-**	**14.18**	**-**

NOTE 43: RELATED PARTY DISCLOSURES: (Contd.)

Nature of Transaction	For the year ended March 31, 2021				For the year ended March 31, 2020			
	KMP	Relatives of KMP	Joint Venture company	Enterprises on which KMP or their relatives are able to exercise significant influence	KMP	Relatives of directors	Joint Venture company	Enterprises on which KMP or their relatives are able to exercise significant influence
Vehicle hire charges:								
Mr. Sunil Chari	-	-	-	-	0.07	-	-	-
Mr. Edward Menezes	-	-	-	-	0.07	-	-	-
	-	**-**	**-**	**-**	**0.14**	**-**	**-**	**-**
Sitting fees:								
Mrs. Anita Menezes	-	-	-	-	-	0.10	-	-
Mrs. Jyotishna Chari	-	-	-	-	-	0.10	-	-
	-	**-**	**-**	**-**	**-**	**0.20**	**-**	**-**
Remuneration:								
Mr. Sunil Chari	9.00	-	-	-	7.35	-	-	-
Mr. Edward Menezes	9.00	-	-	-	7.35	-	-	-
Mr. Manikantan Viswanathan	3.75	-	-	-	-	-	-	-
Mr. Mikhail Menezes	-	4.86	-	-	-	5.09	-	-
Mr. Yash Chari	-	4.88	-	-	-	5.01	-	-
	21.75	**9.74**	**-**	**-**	**14.70**	**10.10**	**-**	**-**
Commission paid:								
Buzil Rossari Private Limited	-	-	5.09	-	-	-	26.88	-
	-	**-**	**5.09**	**-**	**-**	**-**	**26.88**	**-**
Loan given to :								
Rossari Biotech India Private Limited	-	-	-	-	-	-	-	6.57
Rossari Manuchar (I) Private Limited	-	-	-	-	-	-	-	0.49
	-	**-**	**-**	**-**	**-**	**-**	**-**	**7.06**
Loan repaid by :								
Rossari Manuchar (I) Private Limited	-	-	-	-	-	-	-	6.57
Buzil Rossari Private Limited	-	-	-	-	-	-	-	0.49
	-	**-**	**-**	**-**	**-**	**-**	**-**	**7.06**

Notes accompanying the Consolidated Financial Statements (Contd.)

for the year ended March 31, 2021

NOTE 43: RELATED PARTY DISCLOSURES: (Contd.)

Nature of Transaction	For the year ended March 31, 2021				For the year ended March 31, 2020			
	KMP	Relatives of KMP	Joint Venture company	Enterprises on which KMP or their relatives are able to exercise significant influence	KMP	Relatives of directors	Joint Venture company	Enterprises on which KMP or their relatives are able to exercise significant influence
Refund of Security Deposit:								
Glad Properties (India) Private Limited	-	-	-	-	-	-	-	1.50
Sunil Chari	-	-	-	-	0.75	-	-	-
Jyotishna Chari	-	-	-	-	-	0.75	-	-
	-	**-**	**-**	**-**	**0.75**	**0.75**	**-**	**1.50**
Outstanding's:								
Receivables:								
Buzil Rossari Private Limited	-	-	-	-	-	-	59.04	-
	-	**-**	**-**	**-**	**-**	**-**	**59.04**	**-**
Interest payable:								
Rossari Biotech India Private Limited	-	-	-	-	-	-	-	0.92
	-	**-**	**-**	**-**	**-**	**-**	**-**	**0.92**
Interest receivable:								
Buzil Rossari Private Limited	-	-	-	-	-	-	8.41	-
	-	**-**	**-**	**-**	**-**	**-**	**8.41**	**-**

Notes accompanying the Consolidated Financial Statements (Contd.)

for the year ended March 31, 2021

NOTE: 44 ACQUISITION OF SUBSIDIARIES

a) Acquisition of Buzil Rossari Private Limited

On August 31, 2021, the Group acquired 100 per cent of the issued share capital of Buzil Rossari Private Limited ('Buzil'), obtaining control of Buzil. Buzil is in the business of selling and distrubution of Institutional and home cleaning products and qualifies as a business as defined in Ind AS 103. Buzil was acquired to gain the synergies from the combined business of the group.

The amounts recognised in respect of the identifiable assets acquired and liabilities assumed are as set out in the table below.

Property, plant and equipment	10.34
Identifiable intangible assets	75.00
Financial assets	23.23
Inventory	56.30
Other Non Financial Assets	16.74
Income Tax Assets	0.89
Deferred tax liabilities	(13.51)
Financial liabilities	(73.82)
Provisions and Other liabilities	(6.68)
Total identifiable assets acquired and liabilities assumed	**88.49**
Goodwill	26.24
Total consideration	**114.73**
Satisfied by:	
Cash	45.91
Total consideration transferred	
Net cash outflow arising on acquisition:	
Cash consideration	45.91
Less: cash and cash equivalent balances acquired	2.59
	43.32

The goodwill of ₹ 26.24 million arising from the acquisition consists of synergies on acquisition of the subsidiary. The goodwill arising on the acquisition are not expected to be tax deductible.

b) Changes in group's share of Rossari Biotech Limited in Rossari Personal Care Products Private Limited

During the year ended March 31, 2021, Rossari Personal Care Products Private Limited issued and allotted 2,00,000 equity shares, comprising 40% equity stake on a preferential allotment basis to outside the group resulting in change of group's holding from 100% to 60%. As a result gain of 0.24 million is accounted in the other equity on account of change in the group's interest.

Notes accompanying the Consolidated Financial Statements (Contd.)

for the year ended March 31, 2021

NOTE 45. DISCLOSURE OF INTEREST IN SUBSIDIARIES AND INTEREST OF NON CONTROLLING INTEREST

(a) Details of the Group's subsidiaries at the end of the reporting period are as follows:

Name of the Subsidiary	Place of Incorporation and Place of Operation	Proportion of ownership interest and voting power*	
		As at March 31, 2021	As at March 31, 2020
Buzil Rossari Private Limited	India	100%	-
Rossari Personal Care Products Private Limited	India	60%	100%

(b) Investment in Joint Arrangements:

The Group's interests in jointly controlled entities of the Group are :

Name of the entity	Place of Incorporation and Operation	Proportion of ownership interest	
		As at March 31, 2021	As at March 31, 2020
Buzil Rossari Private Limited	India	-	60%

Summarised financial information in respect of the Group's joint venture is set out below.

(₹ In million)

Particulars	As at March 31, 2021	As at March 31, 2020
Current assets	-	118.95
Non-current assets	-	13.81
Current liabilities	-	89.50
Non-current liabilities	-	0.68
The above amounts of assets and liabilities include the following:		
Cash and cash equivalents	-	3.07
Current financial liabilities (excluding trade and other payable and provisions)	-	-
Non-current financial liabilities (excluding trade and other payable and provisions)	-	-

NOTE 46: EMPLOYEE BENEFITS

Defined contribution plan

The Company makes contributions towards Provident Fund, Employee's State Insurance Corporation (ESIC) for qualifying employees. The Company has recognised ₹ 7.98 million (31 March, 2020 - ₹ 7.78 million), being group's contribution to Provident Fund and ESIC, as an expense and included in Employee Benefit Expenses in the Statement of Profit and Loss.

Defined benefit plan

i. Gratuity plan

The Gratuity Benefits are classified as Post-Retirement Benefits as per Ind AS 19 and the accounting policy is outlined as follows.

As per Ind AS 19, the service cost and the net interest cost would be charged to the Profit & Loss account. Actuarial gains and losses arise due to difference in the actual experience and the assumed parameters and also due to changes in the assumptions used for valuation. The Company recognises these remeasurements in the Other Comprehensive Income (OCI).

When the benefits of the plan are changed, or when a plan is curtailed or settlement occurs, the portion of the changed benefit related to past service by employees, or the gain or loss on curtailment or settlement, is recognised immediately in the profit or loss account when the plan amendment or when a curtailment or settlement occurs.

Through its gratuity plans the Company is exposed to a number of risks, the most significant of which are detailed below:

a) Actuarial Risk

It is the risk that benefits will cost more than expected. This can arise due to one of the following reasons:

Adverse Salary Growth Experience: Salary hikes that are higher than the assumed salary escalation will result into an increase in obligation at a rate that is higher than expected.

Notes accompanying the Consolidated Financial Statements (Contd.)

for the year ended March 31, 2021

Variability in mortality rates: If actual mortality rates are higher than assumed mortality rate assumption than the Gratuity Benefits will be paid earlier than expected. Since there is no condition of vesting on the death benefit, the acceleration of cashflow will lead to an actuarial loss or gain depending on the relative values of the assumed salary growth and discount rate.

NOTE 46: EMPLOYEE BENEFITS (Contd.)

Variability in withdrawal rates: If actual withdrawal rates are higher than assumed withdrawal rate assumption than the Gratuity Benefits will be paid earlier than expected. The impact of this will depend on whether the benefits are vested as at the resignation date.

b) Investment Risk

For funded plans that rely on insurers for managing the assets, the value of assets certified by the insurer may not be the fair value of instruments backing the liability. In such cases, the present value of the assets is independent of the future discount rate. This can result in wide fluctuations in the net liability or the funded status if there are significant changes in the discount rate during the inter-valuation period.

c) Liquidity Risk

Employees with high salaries and long durations or those higher in hierarchy, accumulate significant level of benefits. If some of such employees resign/retire from the Company, there can be strain on the cash flows.

d) Market Risk

Market risk is a collective term for risks that are related to the changes and fluctuations of the financial markets. One actuarial assumption that has a material effect is the discount rate. The discount rate reflects the time value of money. An increase in discount rate leads to decrease in Defined Benefit Obligation of the plan benefits & vice versa. This assumption depends on the yields on the corporate/government bonds and hence the evaluation of liability is exposed to fluctuations in the yields as at the valuation date.

e) Legislative Risk

Legislative risk is the risk of increase in the plan liabilities or reduction in the plan assets due to change in the legislation/regulation. The government may amend the payment of gratuity act thus requiring the companies to pay higher benefits to the employees. This will directly affect the present value of the defined benefit obligation and the same will have to be recognised immediately in the year when any such amendment is effective.

(₹ In million)

Gratuity as per actuarial valuation	Funded Plan Gratuity	
I Expense recognised in the Statement of Profit and Loss for the year ended	**As at March 31, 2021**	**As at March 31, 2020**
1. Current Service Cost	6.15	3.90
2. Interest cost on benefit obligation(Net)	0.82	1.06
Total expenses included in employee benefits expense	**6.98**	**4.96**

II Recognised in other comprehensive income for the year	**As at March 31, 2021**	**As at March 31, 2020**
1. Actuarial (gains)/ losses arising from changes in financial	0.51	1.54
2. Actuarial (gains)/ losses arising from changes in experience adjustment	(2.11)	1.34
3. Actuarial (gains)/ losses arising from changes in demographic assumption	-	*
4. Return on plan asset	0.08	(0.06)
Recognised in other comprehensive income	**(1.52)**	**2.81**

*Amount less than ₹ 10,000

III Change in the present value of defined benefit obligation	**As at March 31, 2021**	**As at March 31, 2020**
1. Present value of defined benefit obligation at the beginning of the year	34.86	26.85
2. Current service cost	6.15	3.90
3. Interest cost/(Income)	2.19	1.81
4. On acquisition of subsidairy	2.38	-
5. Remeasurements (gains)/ losses		
(i) Actuarial (gains)/ losses arising from changes in demographic assumption	-	*
(ii) Actuarial (gains)/ losses arising from changes in financial assumption	0.51	1.54
(iii) Actuarial (gains)/ losses arising from changes in experience adjustment	(2.10)	1.34
6. Past service cost	-	-
7. Benefits paid	(1.25)	(0.57)
8. Liabilities assumed/(settled)	-	-
Present value of defined benefit obligation at the end of the year	**42.74**	**34.86**

*Amount less than ₹ 10,000

Notes accompanying the Consolidated Financial Statements (Contd.)

for the year ended March 31, 2021

NOTE 46: EMPLOYEE BENEFITS (Contd.)

IV Change in fair value of plan assets during the year	As at March 31, 2021	As at March 31, 2020
1. Fair value of plan assets at the beginning of the year	19.96	10.17
2. Interest income	1.37	0.74
3. Contribution by employer	6.69	9.56
4. Benefits paid	(1.25)	(0.57)
5. On acquisition of subsidairy	1.58	-
6. Remeasurements (gains)/ losses	-	-
(i) Actuarial (gains)/ losses arising from changes in demographic assumption	-	-
(ii) Actuarial (gains)/ losses arising from changes in financial assumption	-	-
(iii) Actuarial (gains)/ losses arising from changes in experience adjustment	-	-
7. Return on plan assets excluding interest income	(0.08)	0.06
Fair value of plan assets at the end of the year	**28.27**	**19.96**

V Net (Liability) recognised in the Balance Sheet as at	As at March 31, 2021	As at March 31, 2020
1. Present value of defined benefit obligation	42.74	34.86
2. Fair value of plan assets	28.27	19.96
3. Surplus/(Deficit)	(14.47)	(14.90)
4. Current portion of the above	(6.73)	(4.97)
5. Noncurrent portion of the above	(7.75)	(9.93)

VI Actuarial assumptions	As at March 31, 2021	As at March 31, 2020
1. Discount rate	6.50%	6.45%
2. Attrition rate	30.00% p.a -25% p.a at younger ages reducing to 5.00% p.a% at older ages	30.00% p.a at younger ages reducing to 5.00% p.a% at older ages
3. Average salary escalation rate	10.00%	10.00%
4. Mortality table used	Indian Assured Lives Mortality (2012-14) Table	

VII Major Category of Plan Assets as a % of the Total Plan Assets	As at March 31, 2021	As at March 31, 2020
1. Insurer managed funds*	100.00%	100.00%

* In the absence of detailed information regarding plan assets which is funded with Insurance Companies, the composition of each major category of plan assets, the percentage or amount for each category to the fair value of plan assets has not been disclosed.

VIII The expected contributions to the plan for the next annual reporting period	(6.72)	(3.90)

IX Quantitative sensitivity analysis for significant assumption is as below	As at March 31, 2021	As at March 31, 2020
1. Discount rate varied by +0.5%	41.41	33.82
2. Discount rate varied by -0.5%	44.15	35.97
3. Salary growth rate varied by +0.5%	43.72	35.57
4. Salary growth rate varied by -0.5%	41.83	34.14
5. Withdrawal rate (W.R.) varied + 10%	42.30	34.58
6. Withdrawal rate (W.R.) varied - 10%	43.19	35.17

Sensitivity analysis is performed by varying a single parameter while keeping all the other parameters unchanged. Sensitivity analysis fails to focus on the interrelationship between underlying parameters. Hence, the results may vary if two or more variables are changed simultaneously. The method used does not indicate anything about the likelihood of change in any parameter and the extent of the change if any.

Notes accompanying the Consolidated Financial Statements (Contd.)

for the year ended March 31, 2021

NOTE 46: EMPLOYEE BENEFITS (Contd.)

		As at March 31, 2021	As at March 31, 2020
X	**Maturity profile of defined benefit obligation**		
	Year 1	6.29	6.55
	Year 2	3.92	3.4
	Year 3	4.12	3.11
	Year 4	3.93	3.12
	Year 5	6.10	2.93
	More than 5 years	16.92	15.32

The current service cost and net interest cost for the year pertaining to Gratuity expenses have been recognised in "Contribution to Provident and other funds" in the statement of Profit and Loss account. The Remeasurements of the net defined benefit liability are included in Other Comprehensive Income. The leave encashment expenses have been recognised as part of "Salaries and wages" in the statement of Profit and Loss account.

NOTE 47: CAPITAL MANAGEMENT

The Company manages its capital so as to safeguard its ability to continue as a going concern and to optimise returns to shareholders. The capital structure of the Company is based on management's judgement of its strategic and day-to-day needs with a focus on total equity so as to maintain investor, customer, creditors and market confidence.

The management and the Board of Directors monitor the return on capital as well as the level of dividends to shareholders.

The Company may take appropriate steps in order to maintain, or if necessary, adjust, its capital structure.

(₹ In million)

Particulars	As at March 31, 2021	As at March 31, 2020
Short term debt	-	270.52
Long term debt	-	398.77
Total	**-**	**669.29**
Equity	4,087.72	2,866.79
Long term debt to equity	-	0.14
Total debt to equity	-	0.23

NOTE 48: FINANCIAL RISK MANAGEMENT FRAMEWORK

The Company has formulated and implemented a policy on risk management, so as to develop an approach to identify, assess and manage the various risks associated with our business activities in a systematic manner. The policy lays down guiding principles on proactive planning for identifying, analyzing and mitigating material risks, both external and internal, and covering operational, financial and strategic risks. After risks have been identified, risk mitigation solutions are determined to bring risk exposure levels in line with risk appetite. The Company's risk management policies and systems are reviewed regularly to reflect changes in market conditions and our business activities. The Company's business activities are exposed to a variety of financial risks, namely Credit risk, Liquidity risk, Currency risk, Interest risks. For COVID related disclosures, refer note 2 (ii) (c) (5) in our critical estimates and judgements.

Market Risk

The Company's size and operations result in it being exposed to the market risks that arise from its use of financial instruments namely Currency risk, Interest risks. These risks may affect the Company's income and expenses, or the value of its financial instruments. The Company's exposure to and management of these risks are explained below.

Interest Rate Risk

Interest rate risk results from changes in prevailing market interest rates, which can cause a change in the fair value of fixed-rate instruments and changes in the interest payments of the variable-rate instruments. Our operations are funded to a certain extent by borrowings. Our current loan facilities carry interest at variable rates as well as fixed rates. The management is responsible for the monitoring of the Company's interest rate position. Various variables are considered by the management in structuring the Company's borrowings to achieve a reasonable, competitive cost of funding.

Currency Risk

The Company is exposed to exchange rate risk as certain portion of our revenues and expenditure are denominated in foreign currencies. We import certain raw materials, the price of which we are required to pay in foreign currency, which is mostly the U.S. dollar or Euro. Products that we export are paid for in foreign currency, which together acts as a natural hedge. Any appreciation/depreciation in the value of the Rupee against U.S. dollar, Euro or other foreign currencies would Increase/decrease the Rupee value of debtors/ creditors. For exposure beyond natural hedge, the Company uses foreign exchange derivatives such as foreign exchange forward contracts to minimise the risk.

Notes accompanying the Consolidated Financial Statements (Contd.)

for the year ended March 31, 2021

NOTE 48: FINANCIAL RISK MANAGEMENT FRAMEWORK (Contd.)

(₹ In million)

Particulars	As at March 31, 2021		As at March 31, 2020	
	Assets	Liabilities	Assets	Liabilities
USD	213.09	183.15	161.55	134.04
EURO	-	-	-	0.18

Liquidity risk

Liquidity risk management

Liquidity risk is the risk that we will encounter difficulties in meeting the obligations associated with our financial liabilities that are settled by delivering cash or another financial asset. Our approach to managing liquidity is to ensure that we have sufficient liquidity or access to funds to meet our liabilities when they are due.

i. Maturity profile of financial liabilities:

The following table shows the maturity analysis of the Company's financial liabilities based on contractually agreed undiscounted cash flows along with its carrying value as at the Balance Sheet date.

Particulars	Carrying amount in Balance sheet	Less than 1 Year	2nd and 3rd Year	4th and 5th Year	Above 5 years
As at March 31, 2021					
Short term borrowings	-	-	-	-	-
Long term borrowings	-	-	-	-	-
Trade payables	1,311.13	1,311.13	-	-	-
Other Financial Liabilities	105.33	105.33	-	-	-
Total	**1,416.46**	**1,416.46**	**-**	**-**	**-**
As at March 31, 2020					
Short term borrowings	270.52	270.52	-	-	-
Long term borrowings	339.60	-	159.51	159.51	20.58
Trade payables	970.04	970.04	-	-	-
Other Financial Liabilities	161.87	161.87	-	-	-
Total	**1,742.03**	**1,402.43**	**159.51**	**159.51**	**20.58**

ii. Financing Arrangements:

(₹ In million)

Particulars	As at March 31, 2021	As at March 31, 2020
Secured Working Capital facilities:		
- Expiring within one year	-	19.41
- Expiring beyond one year	-	-

NOTE 49: CREDIT RISK MANAGEMENT

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. We are exposed to credit risk from our operating activities, primarily from trade receivables. The Company's customer base majorly has creditworthy counterparties which limits the credit risk. The Company's exposures are continuously monitored and wherever necessary we take advances/Letter of Credits to minimise the risk.

NOTE 50: TRADE RECEIVABLE AND ADVANCES

The group applies the simplified approach to provide for expected credit losses prescribed by Ind AS 109, which permits the use of the life-time expected loss provision for all trade receivables/Advances. The Company has computed expected credit losses based on actual basis. Forward-looking information (including macroeconomic information) has been incorporated into the determination of expected credit losses.

Notes accompanying the Consolidated Financial Statements (Contd.)
for the year ended March 31, 2021

Reconciliation of loss allowance for trade receivables:

(₹ In million)

Particulars	As at March 31, 2021	As at March 31, 2020
Balance as at beginning of the year	4.82	3.98
Additions during the year	0.71	0.84
Balance as at end of the year	**5.53**	**4.82**

In respect of other financial assets, the maximum exposure to credit risk at the end of the reporting period approximates the carrying amount of each class of financial assets.

NOTE 51: SENSITIVITY ANALYSIS

Foreign Currency Sensitivity

The following tables demonstrate the sensitivity to a reasonably possible change in exchange rates, with all other variables held constant.

(₹ In million)

Particulars	Currency	Change in rate	Effect on Profit Before Tax
Year ended March 31, 2021	USD	10%	0.42
	EURO	10%	-
Year ended March 31, 2020	USD	10%	2.75
	EURO	10%	(0.02)

If the change in rates decline by a similar percentage, there will be opposite impact of similar amount on Profit Before Tax and Pre-tax Equity Effect.

The sensitivity analysis is unrepresentative of the inherent foreign exchange risk because the exposure at the end of the reporting period does not reflect the exposure during the year.

Interest Rate sensitivity

The sensitivity analysis below has been determined based on exposure to interest rate for both Term Loans & Working Capital loans.

The following table demonstrates the sensitivity in interest rates on that portion of loans and borrowings which are not hedged, with all other variables held constant, the Company's profit before tax is affected through the impact on floating rate borrowings, as follows:

(₹ In million)

Particulars	Currency	Increase/Decrease in basis points	Effect on Profit Before Tax
Year ended March 31, 2021	USD	+50	0.17
Year ended March 31, 2020	USD	+50	2.24

If the change in rates decline by a similar percentage, there will be opposite impact of similar amount on Profit Before Tax and Pre-tax Equity Effect.

NOTE 52: OFFSETTING OF BALANCES:

The Company has not offset financial assets and financial liabilities, unless permissible contractually.

NOTE 53: COLLATERALS

The Company has long term loans and working capital loans which are secured mortgage of plant and equipment and immovable properties located at Silvassa & Dahej.

NOTE 54: FAIR VALUE DISCLOSURES

Fair value of the financial instruments is classified in various fair value hierarchies based on the following three levels:

- Level 1: Quoted prices (unadjusted) in active market for identical assets or liabilities.

Notes accompanying the Consolidated Financial Statements (Contd.)
for the year ended March 31, 2021

NOTE 54: FAIR VALUE DISCLOSURES (Contd.)

- Level 2: Inputs other than quoted price 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).
- The fair value of financial instruments that are not traded in an active market is determined using market approach and valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If significant inputs required to fair value an instrument are observable, the instrument is included in Level 2.
- Level 3: Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

If one or more of the significant inputs is not based on observable market data, the fair value is determined using generally accepted pricing models based on a discounted cash flow analysis, with the most significant inputs being the discount rate that reflects the credit risk of counterparty.

The fair value of trade receivables, trade payables and other Current financial assets and liabilities is considered to be equal to the carrying amounts of these items due to their short-term nature.

All financial liabilities and financial assets have no material impact.

Financial instruments measured using Fair Value.

Particulars	Carrying Value	Fair value (Level 2)	Valuation Technique	Key Inputs
As at March 31, 2021				
Derivative investments	-	-		
Total	**-**	**-**		
As at March 31, 2020				
Derivative investments	0.12	0.12	Discounted Cash Flow and Interest rate	Future cash flows are estimated based on forward exchange rates (from observable forward exchange rates at the end of the reporting period) and contract forward rates, discounted at a rate that reflects the credit risk of various counter parties.
Total	**0.12**	**0.12**		
Mutual Fund	-	-	Net Assets Value	
Total	**-**	**-**		

Except for the above, carrying value of Other financial assets/liabilities represent reasonable estimate of fair value.

NOTE 55: Figures for previous periods have been regrouped wherever considered necessary.

For and on behalf of the Board of Directors of Rossari Biotech Limited

EDWARD MENEZES
Executive Chairman
DIN: 00149205

SUNIL CHARI
Managing Director
DIN: 00149083

MANASI NISAL
Chief Financial Officer

PARUL GUPTA
Company Secretary

Place: Mumbai
Date : May 14, 2021

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

Subsidiaries

(₹ In millions)

Sr. No.	Particulars	Rossari Personal Care Products Private Limited (Formerly known as Neutron Impex Private Limited)	Buzil Rossari Private Limited
1.	Reporting period for the Subsidiary(ies) concerned, if different from the Holding Company's Reporting Period	2020-21	2020-21
2.	The date since when subsidiary was acquired	6th April, 2010	31st August. 2020
3.	Reporting Currency and Exchange Rate as on the last date of the Relevant Financial Year in the case of Foreign Subsidiaries	Not applicable	Not applicable
4.	Share Capital	5.00	73.22
5.	Reserves and Surplus	(4.99)	(1.93)
6.	Total Assets	37.85	256.34
7.	Total Liabilities	37.84	132.76
8.	Investments	Nil	Nil
9.	Turnover	40.49	538.49
10.	Profit before taxation	(6.25)	29.99
11.	Provision for taxation	-	1.08
12.	Profit after taxation	(6.25)	28.91
13.	Proposed Dividend	Nil	Nil
14.	% of Shareholding	60%	100%

Notes:

1. Names of subsidiaries which are yet to commence operations: Nil
2. Names of subsidiaries which have been liquidated or sold during the year: Nil
3. During the year on August 31, 2021, the Company had acquired the balance 40% stake in Buzil Rossari Private Limited making it a wholly owned subsidiary of the Company. Hence as on March 31, 2021 the Company does not have any associate / joint venture, accordingly disclosure under Part B is not applicable.

For and on behalf of the Board

EDWARD MENEZES
Chairman
DIN: 00149205

SUNIL CHARI
Managing Director
DIN: 00149083

MANASI NISAL
Chief Financial Officer

PARUL GUPTA
Company Secretary

Place: Mumbai
Date : May 14, 2021

ROSSARI BIOTECH LIMITED

CIN: L24100MH2009PLC194818

Registered Office: 201 A - B, 2nd Floor, Akruti Corporate Park, L.B.S Marg,

Kanjurmarg (W), Next to GE Gardens, Mumbai - 400078.

Website: www.rossari.com; Email: info@rossarimail.com; Tel.: +91 22 6123 3800

Notice

Notice is hereby given that the 12th Annual General Meeting ("AGM") of the Members of Rossari Biotech Limited will be held on Friday, September 17, 2021 at 11:00 A.M. (IST) through Video Conferencing ("VC")/Other Audio-Visual Means ("OAVM"), to transact the following Business:

ORDINARY BUSINESS:

1. To receive, consider and adopt:

   a) Audited Financial Statements of the Company for the Financial Year ended March 31, 2021 together with the Reports of Board of Directors and Auditors thereon.

   b) Audited Consolidated Financial Statements of the Company for the Financial Year ended March 31, 2021 together with the Report of Auditors thereon.

2. To declare Final Dividend @ 25% (i.e. ₹ 0.50/-) per Equity Share for 2020-21.

3. To appoint a Director in place of Mr. Sunil Chari (DIN: 00149083), Director, who is liable to retire by rotation and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS:

4. To ratify and approve the remuneration of the Cost Auditors for the Financial Year 2021-22

   To consider and if thought fit, to pass, the following resolution, with or without modification, as an **Ordinary Resolution**:

   "RESOLVED THAT pursuant to Section 148 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 and Companies (Cost Records and Audit) Rules, 2014 (including any statutory modification(s), amendment(s), clarification(s), substitution(s) or re-enactment(s) thereof for the time being in force), M/s. R. Shetty & Associates, Cost Accountants (Registration No.:101455), being the Cost Auditors appointed by the Board of Directors of the Company to conduct cost audits relating to cost records of the Company under the Companies (Cost Records and Audit) Rules, 2015 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) for the Financial Year ending March 31, 2022 on a remuneration of ₹ 85,000/- (Rupees Eighty Five Thousand only) per annum plus Tax as applicable, and reimbursement of out of pocket expenses incurred by M/s. R. Shetty & Associates in connection with aforesaid Audit be and is hereby ratified and confirmed.

   RESOLVED FURTHER THAT the Board of Directors and/ or the Company Secretary be and are hereby authorised to settle any question, difficulty or doubt, that may arise in giving effect to this resolution and to do all such acts, deeds and things as may be necessary, proper or expedient for the purpose of giving effect to this resolution".

By order of the Board of Directors,
For **Rossari Biotech Limited**
Parul Gupta
Company Secretary
Membership No.: A38895

Place: Mumbai
Date: July 30, 2021

Registered Office:
201 A & B, Akruti Corporate Park,
Next to G. E. Gardens,
LBS Marg, Kanjurmarg West,
Mumbai - 400 078, India.
CIN: L24100MH2009PLC194818

Notes

1. In view of the outbreak of the COVID-19 pandemic, social distancing is a norm to be followed and the Ministry of Corporate Affairs ("**MCA**") has vide its General Circular No.02/2021 dated January 13, 2021 read together with circulars nos. 14/2020 dated April 8, 2020; 17/2020 dated April 13, 2020; 20/2020 dated May 5, 2020; 02/2021 dated January 13, 2021 and any amendment/ modification thereof issued by MCA and read with the Securities and Exchange Board of India ("**SEBI**") Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated 12th May, 2020 and Circular no. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021(hereinafter referred as "Circulars"), and in compliance with the provisions of the Companies Act, 2013 ("**Act**") and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulation, 2015 ("**Listing Regulations**") permitted the holding of the AGM through Video Conferencing (VC) or Other Audio Visual Means (OAVM), without the physical presence of the members at a common venue.
2. Accordingly, in compliance with the provisions of the the Act read with the Circulars, the AGM of the Company is being held through VC / OAVM only. Further, in accordance with the Secretarial Standard-2 on General Meetings issued by the Institute of Company Secretaries of India ("**ICSI**") read with Guidance/Clarification dated April 15, 2020 issued by ICSI, the proceedings of the AGM shall be deemed to be conducted at the Registered Office of the Company which shall be the deemed Venue of the AGM.
3. Explanatory Statement pursuant to the provisions of Section 102 of the Act in respect of Special Business stating material facts and reasons for the proposed resolutions is annexed hereto and forms part of this notice.
4. Since this AGM is being held pursuant to the Circulars through VC/OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form, Attendance Slip and Route Map are not annexed to this Notice.
5. In view of the outbreak of the COVID-19 pandemic, resultant difficulties involved in dispatching of physical copies of the Annual Report and in line with the Circulars, the Annual Report for 2020-21 including Notice of the 12th AGM of the Company, inter alia, indicating the process and manner of e-voting is being sent by Email, to all the Members whose Email IDs are registered with the Company / Registrar and Share Transfer Agent or with the respective Depository Participant(s) for communication purposes to the Members and to all other persons so entitled and the same will also be available on the website of the Company at www.rossari.com and can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited at www.bseindia.com and National Stock Exchange of India Limited at www.nseindia.com and on the website of Link Intime (India) Private Limited ("**LIIPL**") at https://instavote.linkintime.co.in.
6. Institutional / Corporate Members (i.e. other than individuals/ HUF, NRI etc.) are required to send a duly certified scanned copy (PDF/JPG Format) of its Board or governing body Resolution /Authorisation etc., authorising its representative to attend the AGM through VC/OAVM on its behalf and to vote through remote e-voting, pursuant to Section 113 of the Act. The said Resolution/Authorisation shall be sent to the Scrutiniser by email through its registered email address to royjacobandco@gmail.com with a copy marked to instameet@linkintime.co.in and investors@rossarimail.com. Such Corporate Members are requested to refer 'General Guidelines for Members provided in this notice, for more information.
7. In case of joint holders attending the AGM, only such joint holder who is higher in the order of names will be entitled to vote.
8. The SEBI has mandated the submission of the Permanent Account Number ("**PAN**") by every participant in the securities market. Members holding shares in electronic form are, therefore requested to submit their PAN to their Depository Participant(s). Members holding shares in physical form are requested to submit their PAN details to the Company's share transfer agent, LIIPL.
9. Those Members who have already registered their e-mail addresses are requested to keep their e-mail addresses validated with their DP to enable servicing of notices/ documents/ Reports and other communications electronically to their e-mail address in future.
10. Members who wish to obtain any information on the Company or view the Financial Statements for the Financial Year ended March 31, 2021 can send their queries at investors@rossarimail.com at least 7 (Seven) days before the date of 12th AGM. The same will be replied by/on behalf of the Company suitably.
11. Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Act.
12. In compliance with the provisions of Sections 108 and other applicable provisions of the Act, read with Rule 20 of Companies (Management and Administration) Rules, 2014 and Regulation 44 of the Listing Regulations, the Company is offering only e-voting facility to all the Members of the Company and the business will be transacted only through the electronic voting system. The Company has engaged the services of LIIPL for facilitating e-voting to enable the Members to cast their votes electronically as well as for e-voting during the AGM. Resolution(s) passed by Members through e-voting is/are deemed to have been passed as if it/ they have been passed at the AGM.
13. In terms of the Listing Regulations, securities of listed companies can only be transferred in dematerialised form with effect from April 01, 2019 except in case of transmission or transposition of securities. In view of the above, members holding shares in physical form are advised to dematerialise the shares with their Depository Participant.

14. The Register maintained under Section 170 and under Section 189 of the Act and the Certificate under the SEBI (Share Based Employee Benefits) Regulations, 2014, will be available electronically for inspection by the members during the AGM.

    Further, all the documents referred to in the Notice will also be available for electronic inspection by the members from the date of circulation of this Notice up to the date of AGM, i.e. September 17, 2021. Members seeking to inspect such documents can send an email to investors@rossarimail.com.

15. Members are provided with the facility for voting through Voting system during the VC/OAVM proceedings at the AGM and Members participating at the AGM, who have not already casted their vote by remote e-voting, are eligible to exercise their right to vote at the AGM.

16. Members who have already casted their vote by remote e-voting prior to the AGM will be eligible to participate at the AGM but shall not be entitled to cast their vote again on such resolution(s) for which the Member has already casted the vote through remote e-voting.

17. The Members of the Company holding shares either in physical form or in dematerialised form, as on the cut-off date on Friday, September 10, 2021, may cast their vote by remote e-voting. The remote e-voting period commences on Tuesday, September 14, 2021 at 09:00 A.M. (IST) and ends on Thursday, September 16, 2021 05:00 P.M. (IST). Once the vote on a resolution is casted by the Member, the Member shall not be allowed to change it subsequently.

INSTRUCTIONS FOR E-VOTING AND JOINING THE AGM ARE AS FOLLOWS:

A. VOTING THROUGH ELECTRONIC MEANS

Remote e-voting Instructions for Members are as under:

Pursuant to SEBI circular dated December 09, 2020 on e-voting facility, Individual shareholders holding securities in demat mode can vote through their demat account maintained with Depositories and Depository Participants only post June 09, 2021.

Shareholders are advised to update their mobile number and email Id in their demat accounts to access e-voting facility.

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

Type of Shareholders	Login Method
Individual Shareholders holding securities in demat mode with **NSDL**	• If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. • After successful authentication, you will be able to see e-voting services. Click on "Access to e-voting" under e-voting services and you will be able to see e-voting page. Click on Company name or e-voting service provider name and you will be re-directed to e-voting service provider website for casting your vote during the remote e-voting period or joining virtual meeting & voting during the meeting • If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS "Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp • Visit the e-voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-voting page. Click on Company name or e-voting service provider name and you will be redirected to e-voting service provider website for casting your vote during the remote e-voting period or joining virtual meeting & voting during the meeting.

Type of Shareholders	Login Method
Individual Shareholders holding securities in demat mode with **CDSL**	• Existing user of 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. • 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, KARVY, LINK NTIME, CDSL. Click on e-voting service provider name to cast your vote. • If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration • Alternatively, the user can directly access e-voting page by providing demat Account Number and PAN 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 where the E Voting is in progress.
Individual Shareholders (holding securities in demat mode) & login **through their depository participants**	• You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-voting facility. • Once login, you will be able to see e-voting option. Once you click on e-voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-voting feature. Click on Company name or e-voting service provider name and you will be redirected to e-voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
Individual Shareholders holding securities in **Physical mode & evoting service Provider is LINKINTIME**	1. Open the internet browser and launch the URL: https://instavote.linkintime.co.in. • Click on "**Sign Up**" under '**SHARE HOLDER**' tab and register with your following details: - A. **User ID**: Shareholders/ members holding shares in physical form shall provide Event No + Folio Number registered with the Company. B. **PAN**: Enter your 10-digit Permanent Account Number (PAN) (Members who have not updated their PAN with the Depository Participant (DP)/ Company shall use the sequence number provided to you, if applicable. C. **DOB/DOI**: Enter the Date of Birth (DOB) / Date of Incorporation (DOI) (As recorded with your DP / Company - in DD/MM/YYYY format). D. **Bank Account Number**: Enter your Bank Account Number (last four digits), as recorded with your DP/Company. **Note**: Shareholders/ members holding shares in **physical form** but have not recorded 'C' and 'D', shall provide their Folio number in 'D' above • Set the password of your choice (The password should contain minimum 8 characters, at least one special Character (@!#$&*), at least one numeral, at least one alphabet and at least one capital letter). • Click "**confirm**" (Your password is now generated).

Type of Shareholders	Login Method
	2. Click on '**Login**' under '**SHARE HOLDER**' tab. 3. Enter your User ID, Password and Image Verification (CAPTCHA) Code and click on '**Submit**'. 4. After successful login, you will be able to see the notification for e-voting. Select '**View**' icon. 5. E-voting page will appear. 6. Refer the Resolution description and cast your vote by selecting your desired option '**Favour / Against**' (If you wish to view the entire Resolution details, click on the '**View Resolution**' file link). 7. After selecting the desired option i.e. Favour / Against, click on '**Submit**'. 8. A confirmation box will be displayed. If you wish to confirm your vote, click on 'Yes', else to change your vote, click on 'No' and accordingly modify your vote.
Individual Shareholders holding securities in **Physical mode & evoting service Provider is LINKINTIME, have forgotten the password:**	1. Click on 'Login' under '**SHARE HOLDER**' tab and further Click '**forgot password**?' 2. Enter **User ID**, select **Mode** and Enter Image Verification (CAPTCHA) Code and Click on '**Submit**'. • In case shareholders/ members is having valid email address, Password will be sent to his / her registered e-mail address. • Shareholders/ members can set the password of his/her choice by providing the information about the particulars of the Security Question and Answer, PAN, DOB/DOI, Bank Account Number (last four digits) etc. as mentioned above. • The password should contain minimum 8 characters, at least one special character (@!#$&*), at least one numeral, at least one alphabet and at least one capital letter.
Individual Shareholders holding securities in demat mode with **NSDL/ CDSL** have forgotten the password:	• Shareholders/ members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at above mentioned depository/ depository participants website. **Note:** • It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. • For shareholders/ members holding shares in physical form, the details can be used only for voting on the resolutions contained in this Notice. • During the voting period, shareholders/ members can login any number of time till they have voted on the resolution(s) for a particular "Event".
Institutional Shareholders:	Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on the e-voting system of LIIPL at https://instavote.linkintime.co.in and register themselves as 'Custodian / Mutual Fund / Corporate Body'. They are also required to upload a scanned certified true copy of the board resolution / authority letter/power of attorney etc. together with attested specimen signature of the duly authorised representative(s) in PDF format in the 'Custodian / Mutual Fund / Corporate Body' login for the Scrutiniser to verify the same.

HELPDESK

1. Helpdesk for Individual Shareholders holding securities in **Demat mode:**

   In case shareholders/ members holding securities in demat mode have any technical issues related to login through Depository i.e. NSDL/ CDSL, they may contact the respective helpdesk given below:

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 22-23058542-43.

2. Helpdesk for Individual Shareholders holding securities in physical mode/ Institutional shareholders & e-voting service Provider is LINKINTIME

   In case shareholders/ members holding securities in physical mode/ Institutional shareholders have any queries regarding e-voting, they may refer the Frequently Asked Questions ('FAQs') and InstaVote e-voting manual available at https://instavote.linkintime.co.in, under Help section or send an email to enotices@linkintime.co.in or contact on: - Tel: 022 –4918 6000.

B. PROCESS AND MANNER FOR ATTENDING THE ANNUAL GENERAL MEETING THROUGH INSTAMEET:

1. Instructions for Members for Joining the Meeting are as under:

   Open the internet browser and launch the URL: https://instameet.linkintime.co.in

   Select the "**Company**" and '**Event Date**' and register with your following details:

   a) Demat Account No. or Folio No:

Manner of holding shares	Your User ID
For Members who hold shares in demat account with CDSL	16 Digit Beneficiary ID
For Members who hold shares in demat account with NSDL	8 Character DP ID followed by 8 Digit Client ID
For Members who holds shares in physical form	Folio Number registered with the Company

   b) **PAN:** Enter your 10-digit Permanent Account Number (PAN) (Members who have not updated their PAN with the Depository Participant (DP)/ Company shall use the sequence number provided to you, if applicable.

   c) **Mobile No.:** Enter your mobile number.

   d) **Email ID: Enter your email id, as recorded with your DP/ Company.**

   Click "Go to Meeting" (You are now registered for InstaMeet and your attendance is marked for the meeting).

   Please refer the instructions for the software requirements and kindly ensure to install the same on the device which would be used to attend the meeting. Please read the instructions carefully and participate in the meeting. You may also call upon the InstaMeet Support Desk for any support on the dedicated number provided to you in the instruction/ InstaMeet website.

2. **Instructions for Shareholders/ Members to Speak during the AGM through InstaMeet**

   a) The Members who would like to express their views or ask questions during the AGM may register themselves as a speaker by sending their request from their registered email address mentioning their name, DP ID and Client ID/folio number, PAN, mobile number at investors@rossarimail.com from Friday, September 10, 2021 (9:00 A.M. IST) to Monday, September 13, 2021 (5:00 P.M. IST). Those Members who have registered themselves as a speaker will only be allowed to express their views/ask questions during the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.

   b) Members will get confirmation on first cum first basis.

   c) Members will receive "speaking serial number" once they mark attendance for the meeting.

   d) Please remember speaking serial number and start your conversation with panelist by switching on video mode and audio of your device.

   e) Shareholders are requested to speak only when moderator of the meeting/ management will announce the name and serial number for speaking.

3. **Instructions for Shareholders/ Members to Vote during the AGM through InstaMeet:**

   a) Once the electronic voting is activated by the scrutiniser/ moderator during the meeting, shareholders/ members who have not exercised their vote through the remote e- voting can cast the vote as under:

   - On the Members VC page, click on the link for e-voting "Cast your vote"
   - Enter your 16 digit Demat Account No. / Folio No. and OTP (received on the registered mobile number/ registered email Id) received during registration for InstaMeet and click on 'Submit'.
   - After successful login, you will see "Resolution Description" and against the same the option "Favour/ Against" for voting.

- Cast your vote by selecting appropriate option i.e. "Favour/ Against" as desired. Enter the number of shares (which represents no. of votes) as on the cutoff date under 'Favour/ Against'.
- After selecting the appropriate option i.e. Favour/ Against as desired and you have decided to vote, click on "Save". A confirmation box will be displayed. If you wish to confirm your vote, click on "Confirm", else to change your vote, click on "Back" and accordingly modify your vote.
- Once you confirm your vote on the resolution, you will not be allowed to modify or change your vote subsequently

Note: Shareholders/ Members, who will be present in the AGM through InstaMeet facility and have not casted their vote on the Resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting facility during the meeting. Shareholders/ Members who have voted through Remote e-voting prior to the AGM will be eligible to attend/ participate in the AGM through InstaMeet. However, they will not be eligible to vote again during the meeting.

b) Shareholders/ Members are encouraged to join the Meeting through Tablets/ Laptops connected through broadband for better experience.

c) Shareholders/ Members are required to use Internet with a good speed (preferably 2 MBPS download stream) to avoid any disturbance during the meeting.

d) Please note that Shareholders/ Members connecting from Mobile Devices or Tablets or through Laptops connecting via Mobile Hotspot may experience Audio/ Visual loss due to fluctuation in their network. It is therefore recommended to use stable Wi-FI or LAN connection to mitigate any kind of aforesaid glitches.

e) In case shareholders/ members have any queries regarding login/ e-voting, they may send an email to instameet@linkintime.co.in or call on the Toll Free No.: 022- 49186175.

4. Guidelines to attend the AGM proceedings of LIIPL, InstaMeet:

a) For a smooth experience of viewing the AGM proceedings of LIIPL InstaMeet, shareholders/ members who are registered as speakers for the event are requested to download and install the Webex application in advance by following the instructions as under:

- Please download and install the Webex application by clicking on the link https://www.webex.com/downloads.html/

  or

- If you do not want to download and install the Webex application, you may join the meeting by following the process mentioned as under:

b) Enter your First Name, Last Name and Email ID and click on Join Now.

- If you have already installed the Webex application on your device, join the meeting by clicking on Join Now
- If Webex application is not installed, a new page will appear giving you an option to either Add Webex to chrome or Run a temporary application.

c) Click on Run a temporary application, an exe file will be downloaded. Click on this exe file to run the application and join the meeting by clicking on Join Now

d) The Members can join the AGM in the VC/ OAVM mode 15 minutes before and 15 minutes after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice in points given below. The facility of participation at the AGM through VC/ OAVM will be made available for 1,000 Shareholders on 'first come first serve' basis. This will not include large Shareholders (i.e. Shareholders holding 2% or more), 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.

C. DIVIDEND RELATED INFORMATION

The Register of Beneficial Owners, Register of Members and Share Transfer Books of the Company shall remain closed from Saturday, September 11, 2021 to Friday, September 17, 2021 (both days inclusive) for the purpose of the AGM of the Company.

1. The Board of Directors has recommended a Final Dividend of 25% (₹ 0.50/- per share) for the Financial year ended March 31, 2021 subject to approval of the Members at the ensuing Annual General Meeting. If the final dividend, as recommended by the Board of Directors, is approved at the AGM, payment of such dividend subject to deduction of tax at source will be made on or after Friday, September 23, 2021, as under:

   a) To all Beneficial Owners in respect of shares held in dematerialised form as per the data as may be made available by the National Securities Depository Limited ("NSDL") and the Central Depository Services (India) Limited ("CDSL"), collectively "Depositories", as of the close of business hours on Friday, September 10, 2021.

   b) To all Members in respect of shares held in physical form after giving effect to valid transfer, transmission or transposition requests lodged with the Company as of the close of business hours on Friday, September 10, 2021.

2. Payment of dividend shall be made through electronic mode to the Shareholders who have updated their bank account details. Dividend Warrants / Demand Drafts will be dispatched to the registered address of the shareholders who have not updated their bank account details, after normalisation of the postal service.

3. To avoid loss of Dividend Warrants/Demand Drafts in transit and undue delay in receipt of dividend warrants, the Company provides the facility to the Members for remittance of dividend directly in electronic mode through National Automated Clearing House (NACH).
4. Procedure for registration of e-mail address and bank details by shareholders:
   a) For Temporary Registration for Demat shareholders:

      The Members of the Company holding Equity Shares of the Company in Demat Form and who have not registered their e-mail addresses may temporarily get their e-mail addresses registered with Link Intime India Private Limited by clicking the link: https://linkintime.co.in/emailreg/email_register.html in their web site www.linkintime.co.in at the Investor Services tab by choosing the E-mail Registration heading and follow the registration process as guided therein. The members are requested to provide details such as Name, DPID, Client ID/ PAN, mobile number and e-mail id. In case of any query, a member may send an e- mail to Link Intime (India) Private Limited, Registrar and Transfer Agent ("RTA") at rnt.helpdesk@linkintime.co.in.

      On submission of the shareholders details an OTP will be received by the shareholder which needs to be entered in the link for verification.
   b) For Permanent Registration for Demat shareholders:

      It is clarified that for permanent registration of e-mail address, the Members are requested to register their e-mail address, in respect of demat holdings with the respective Depository Participant (DP) by following the procedure prescribed by the Depository Participant.
   c) Registration of Bank Details for Demat shareholders:

      Members holding shares in electronic forms are hereby informed that bank particulars registered against their respective depository accounts will be used by the Company for payment of dividend. The Company or its Registrars cannot act on any request received directly from Members holding shares in electronic form for any change of bank particulars or bank mandates. Such changes are advised only to the respective Depository Participant of the Members.
   d) Registration of Bank Details for physical shareholders:

      The Members of the Company holding Equity Shares of the Company in physical Form and who have not registered their bank details can get the same registered with Link Intime India Private Limited, by clicking the link: https://linkintime.co.in/emailreg/email_register.html in their web site www.linkintime.co.in at the Investor Services tab by choosing the E-mail/Bank Registration heading and follow the registration process as guided therein. The members are requested to provide details such as Name, Folio Number, Certificate Number, PAN, e-mail id along with the copy of the cheque leaf with the first named shareholder's name imprinted in the face of the cheque leaf containing bank name and branch, type of account, bank account number, MICR details and IFSC code in PDF or JPEG format. In case of any query, a member may send an e- mail to RTA at rnt.helpdesk@linkintime.co.in

      On submission of the shareholders details an OTP will be received by the shareholder which needs to be entered in the link for verification.
   e) Registration of email id for shareholders holding shares in physical form:

      The Members of the Company holding Equity Shares of the Company in physical Form and who have not registered their e-mail addresses may get their e-mail addresses registered with Link Intime India Private Limited, by clicking the link: https://linkintime.co.in/emailreg/email_register.html in their website www.linkintime.co.in at the Investor Services tab by choosing the E-mail / Bank Registration heading and follow the registration process as guided therein. The members are requested to provide details such as Name, Folio Number, Certificate number, PAN, mobile number and e mail id and also upload the image of share certificate in PDF or JPEG format (upto 1 MB). In case of any query, a member may send an e-mail to RTA at rnt.helpdesk@linkintime.co.in.

      On submission of the shareholders details an OTP will be received by the shareholder which needs to be entered in the link for verification.
5. Communication in respect of deduction of tax at source on Final Dividend payout

   For all Shareholders:
   i. Dividend income is taxable in the hands of the members and the Company is required to deduct tax at source ("TDS") from dividend paid to the members at prescribed rates in the Income Tax Act, 1961. In general, no tax will be deducted on payment of dividend to category of members who are resident individuals (with valid PAN details updated in their folio/client ID records) and the total dividend amount payable to them does not exceed ₹ 5,000/-. Members not falling in the said category, can go through the detailed note with regard to applicability of tax rates for various other categories of members and the documents that need to be submitted for nil or lower tax rate, **which has been provided on the Company's website at** https://www.rossari.com/wp-content/uploads/2021/08/Detailed-note-on-Deduction-of-Tax-at-source-on-Dividend.pdf
   ii. Members are requested to note that dividends, if not encashed for a consecutive period of 7 years from the date of transfer to Unpaid Dividend Account of the Company, are liable to be transferred to the Investor Education and Protection Fund ("IEPF"). Further, the shares in respect of such unclaimed dividends are also liable to be transferred to the demat account of the IEPF Authority. In view of this, members/claimants are requested to claim their dividends from the Company within the stipulated timeline.

iii. Please note that the upload of documents (duly completed and signed) on the website of Link Intime India Private Limited should be done on or before Record date for the dividend in order to enable the Company to determine and deduct appropriate TDS / Withholding Tax. Incomplete and/or unsigned forms and declarations will not be considered by the Company. All communication received upto Thursday, September 02, 2021 at 06:00 P.M. on the tax determination/ deduction shall be considered for the dividend. The Company will arrange to email a soft copy of TDS certificate to you at your registered email ID post completion of activities.

iv. Shareholders may note that in case the tax on said Final dividend is deducted at a higher rate in absence of receipt of the aforementioned details/documents from you, option is available to you to file the return of income as per Income Tax Act, 1961 and claim an appropriate refund, if eligible. No claim shall lie against Company for any taxes deducted by the Company.

v. All communications/ queries in this respect should be addressed to our RTA, LIIPL to its email address Rossaribiodivtax@linkintime.co.in.

vi. In the event of any income tax demand (including interest, penalty, etc.) arising from any misrepresentation, inaccuracy or omission of information provided by the shareholder, the shareholder will be responsible to indemnify the Company and also, provide the Company with all information / documents and co-operation in any tax proceedings.

vii. This Communication is not exhaustive and does not purport to be a complete analysis or listing of all potential tax consequences in the matter of dividend payment. Shareholders should consult their tax advisors for requisite action to be taken by them.

D. GENERAL GUIDELINES FOR MEMBERS

1. The Company has appointed Mr. Roy Jacob, Company Secretary (Membership No. F9017) of Roy Jacob and Co., Company Secretaries as the Scrutiniser to scrutinise the voting during the AGM and remote e-voting process in a fair and transparent manner.
2. The Scrutiniser shall submit his consolidated report to the Chairman within 48 hours from the conclusion of the AGM. The results declared along with the Scrutiniser's Report shall be communicated to the BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com, respectively, where the shares of the Company are listed and shall be placed on the Company's website www.rossari.com and on the website of share transfer agent, LIIPL https://instavote.linkintime.co.in immediately after the result is declared by the Chairman or any other person authorised by the Chairman.
3. Members who have not registered their E-mail address so far are requested to register their e-mail for receiving all communications including Annual Report, Notices and Circulars etc. from the Company electronically.
4. Members must quote their Folio No. / Demat Account No. and contact details such as e-mail address, contact no. etc. in all their correspondence with the Company's Registrar and Share Transfer Agent, LIIPL.
5. A person who is not a Member as on the cut-off date should treat this Notice for information purposes only.
6. The voting rights of shareholder shall be in proportion to their share of the paid-up equity share capital of the Company as on the cut-off date i.e. Friday, September 10, 2021.
7. In case a person has become a Member of the Company after sending of AGM Notice but on or before the cut-off date for e-voting i.e., on Friday, September 10, 2021, he/ she may obtain the User ID through writing an email to enotices@linkintime.co.in or contact on: - Tel: 022 - 4918 6000.
8. In case the email address is not registered with the Company / Depository Participant / RTA, please follow the process of registering the same as mentioned below:

Physical Holding	Send a request to Registrar and Transfer Agents of the Company, Link Intime (India) Private Limited at rnt.helpdesk@linkintime.co.in giving details of Folio number, Name of the shareholder, scanned copy of the share certificate (Front and Back), PAN (Self attested scanned copy of PAN Card), AADHAR (Self attested scanned copy of Aadhar Card) for registering email address. Please send your bank detail with original cancelled cheque to our RTA (i.e. Link Intime (India) Private Limited, C-101, 247 Park, L B S Marg, Vikhroli West, Mumbai 400083 along with letter mentioning folio no. if not registered already.)
Demat Holding	Please contact your Depository Participant (DP) to register/ update your email address and bank account details.

9. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

   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 only shall be entitled to avail the facility of remote e-voting, as well as voting at the AGM.
10. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting, by use of remote e-voting system for all those Members who are present during the AGM through VC/OAVM but have not cast their votes by availing the remote e-voting facility. The remote e-voting module shall be disabled by LIIPL for voting 15 minutes after the conclusion of the Meeting.

STATEMENT ANNEXED TO THE NOTICE SETTING OUT THE MATERIAL FACTS CONCERNING EACH ITEM OF SPECIAL BUSINESS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 AND SECRETARIAL STANDARD ON GENERAL MEETINGS

In respect of Item No. 4

The Board of Directors at its meeting held on May 14, 2021, on the recommendations of the Audit Committee, had approved the appointment and remuneration of M/s. R. Shetty & Associates, Cost Accountants (Registration No.:101455), as the Cost Auditors for audit of the cost accounting records of the Company for the Financial Year ending March 31, 2022, at a remuneration of ₹ 85,000 (Rupees Eighty Five Thousand only) excluding taxes and reimbursement of out of pocket expenses at actuals, if any, in connection with the audit.

M/s. R. Shetty & Associates, Cost Accountants (Registration No.:101455) have confirmed that they hold a valid certificate of practice under Sub-section (1) of Section 6 of the Cost and Works Accountants Act, 1959. In accordance with the provisions of Section 148 (3) of the Act read with the Companies (Audit and Auditors) Rules, 2014 and Companies (Cost Records and Audit) Rules, 2014 (including any statutory modification(s) and/or re – enactment(s) for the time being in force), the remuneration payable to Cost Auditor has to be ratified by the members of the Company. Accordingly, ratification by the members is sought to the remuneration payable to the Cost Auditor for conducting the audit of the cost records of the Company, if required, for the Financial Year ending March 31, 2022.

The Board, accordingly, recommends passing of the resolutions as set out at Item No. 4 of this notice, for your approval as an ordinary resolution.

None of the Directors, Key Managerial Personnel of the Company or their relatives are, in any way, financially or otherwise, concerned or interested, in the said resolution.

By order of the Board of Directors,
For **Rossari Biotech Limited**
Parul Gupta
Company Secretary
Membership No.: A38895

Place: Mumbai
Date: July 30, 2021

Details of Director seeking re-appointment at the forthcoming 12th AGM pursuant to Secretarial Standards (SS-2):

Name of the Director	Mr. Sunil Chari
DIN	00149083
Designation	Managing Director
Date of Birth	05/12/1965
Age	55 years
Nationality	Indian
Date of first appointment on the Board	10/08/2009
Date of re- appointment by the Members	30/09/2019
Qualifications	He holds a bachelor's degree in arts from the Kakatiya University. He also holds a diploma in technical and applied chemistry from Victoria Jubilee Technical Institute (VJTI).
Expertise in functional area	He has over 21 years of experience in the specialty chemicals industry.
Number of Equity Shares held in the Company as on 31.03.2021	16199230#
Directorships and Committee Membership of other Board as on 31.03.2021	Directorship: 1. Buzil Rossari Private Limited 2. Rossari Hydra Chemicals Private Limited 3. Rossari Manuchar (India) Private Limited 4. Rossari Biotech (India) Private Limited 5. Rossari Speciality Chemicals Private Limited 6. Rossari Personal Care Products Private Limited
Number of Board Meetings attended during the Financial Year 2020-21	7
Relationship with other Directors, Manager and KMP	Not Applicable
Remuneration Last drawn	₹ 9 million per annum
Terms and conditions of appointment	Appointed as a Managing Directors of the Company for 5 years w.e.f. October 01, 2019.

The shares held by Mr. Sunil Chari includes the shares held by him in name of Chari Family Trust.

Note: For other details of the above Director, please refer to the Report on Corporate Governance, which is a part of the Annual Report 2021.

SUMMARIZED INFORMATION AT GLANCE

Particulars	Details
Time and Date of AGM	11:00 A.M. (IST) on Friday, September 17, 2021
Venue / Mode	Through Video Conferencing at the following link : https://instameet.linkintime.co.in
Book Closure Dates	From : Saturday, September 11, 2021 To : Friday, September 17, 2021
Record Date for payment of final dividend	Friday, September 10, 2021
Final Dividend Recommended for FY 2020-21	₹ 0.50 per share
Final dividend payout date, if approved by members	On or after Thursday, September 23, 2021
Detailed information on TDS	https://www.rossari.com/wp-content/uploads/2021/08/Detailed-note-on-Deduction-of-Tax-at-source-on-Dividend.pdf
Cut-off date for e-Voting	Friday, September 10, 2021
E-voting start time and date	Tuesday, September 14, 2021 at 09:00 A.M IST
E-voting end time and date	Thursday, September 16, 2021 at 05:00 P.M IST
E-voting website links (please use as applicable)	https://eservices.nsdl.com https://web.cdslindia.com/myeasi/home/login https://instavote.linkintime.co.in
E-voting Event Number (EVEN)	210202
Weblink for temporary registration to receive AGM Notice and credentials for E-voting / AGM	https://linkintime.co.in/emailreg/email_register.html
Contact Details of RTA	Rajiv Ranjan, Assistant Vice President Link Intime (India) Private Limited C-101, 247 Park, L B S Marg, Vikroli (West), Mumbai 400 083. Email ID: enotices@linkintime.co.in Website: www.linkintime.co.in Tel. Number: 022 - 4918 6000

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