



July 15, 2022

The Manager - Listing  
**National Stock Exchange of India Ltd.**  
Exchange plaza, 5<sup>th</sup> Floor, Plot No.C/1, G Block  
Bandra-Kurla Complex, Bandra (E),  
Mumbai 400051

The Manager - Listing  
**BSE Limited**  
Corporate Relationship Dept., 1<sup>st</sup> Floor, New Trading Ring  
Rotunda Buiding, P J Towers, Dalal Street, Fort,  
Mumbai 400001

Dear Sir,

**Sub: Annual Report for the Financial Year ended March 31, 2022**  
**Ref: Scrip Code - BSE: 506820 / NSE: ASTRAZEN**

Pursuant to Regulation 34(1) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, please find enclosed the Annual Report of the Company for the financial year ended March 31, 2022 along with the Notice of the Annual General Meeting of the Company scheduled to be held on Monday, August 8, 2022 at 3.00 p.m. (IST) through Video Conferencing (VC)/ Other Audio Visual Means (OAVM).

The Annual Report is being sent to the members who have registered their email ID with the Company/ Depositories. The Annual Report is also available on the website of the Company at [www.astrazeneca.com/india](http://www.astrazeneca.com/india).

This is for your kind information and records.

Thanking you,

For AstraZeneca Pharma India Limited

Pratap Rudra  
Company Secretary & Legal Counsel

Encl: as above

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AstraZeneca 



We put  
patients first.

**AstraZeneca Pharma India Limited**  
Annual Report 2021-22



# We Put Patients First

Driven by its values, AstraZeneca leverages latest scientific developments to transcend the realm of possibilities and reimagine patient care, across the globe. With extensive collaborative networks within the healthcare ecosystem, the Company is consistently innovating life-changing medicines, fast-tracking their delivery and building medical health awareness to enhance the quality of life.



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# Reimagining Patient Care for All

Dear Shareholder,

AstraZeneca India in the year 2021 was about a lot of things! If I were to provide you a glimpse, it would be a combination of some compelling solutions, for the people by the people!

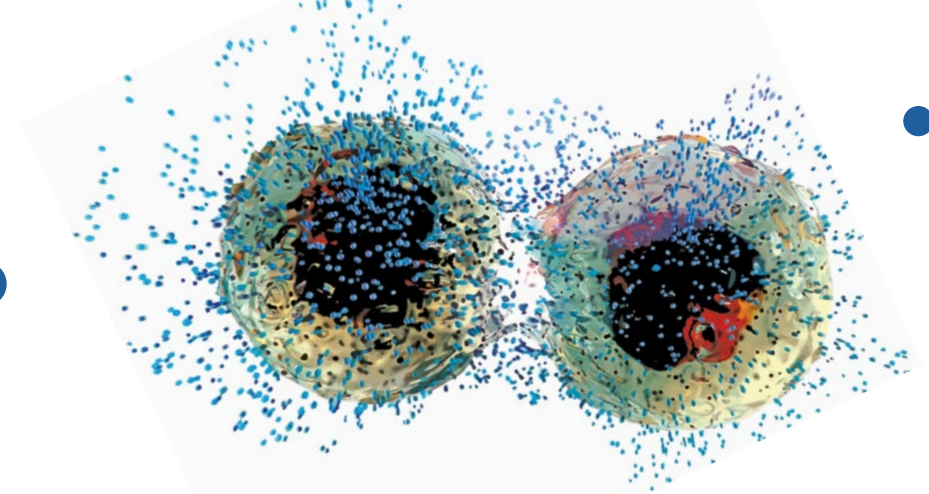
Last year, we were on a path of recuperation from the effects of life-threatening COVID-19 virus. Like most people around the world, our colleagues faced some extremely challenging situations at home, which had a rub-off effect at work as well. But, being an organisation that keeps patients at its core, we saw many heroes who took on the challenge and innovated in several ways to ensure that there is a continuity in the supply of life-saving medicines for patients. There was a point when we heard fantastic stories of commitment almost every day from our employees, who discovered balance in those adverse times and stood out with their contribution.



I'm pleased to share with you the progress on our business. We are proud to say that AstraZeneca's value of 'Putting Patients First & Doing the Right Thing' has helped us to grow across our focused therapy areas. The consistent achievements in the pipeline, accelerating performance of our business, the extraordinary commitment of our people and continued supply of our medicines played an important role in fueling our overarching objective of 'No patients left behind'. Our Oncology and Respiratory portfolio are leading the growth. Our Oncology portfolio has been consistently growing in the range of 30% to 50% over the last 3 years. The year 2021-22 registered a growth of 49.3% in Oncology while Respiratory grew by 81.9% in comparison to 2020-21.

In keeping with our 'Beyond the Pill' vision, we conceptualized and augmented select patient centric initiatives with an intent to enable patients to make an informed decision by providing right knowledge, overcoming the hurdles posed by healthcare infrastructure in many geographies of the country and lastly influencing the influencers such as doctors, nurses, care takers, pharmacists et al.

Early diagnosis leading to timely treatment is a cause close to our heart. We have invested considerable amount of time in making this a reality. Our Project SEARCH, SAHAYOG, Heart Beat, Ganga Godavari, Project Gauri Healthy Heart and many more, are specifically crafted to spread the right information on various disease areas and aid in early detection. We are leveraging an array of partners in this journey who offer targeted solutions in addressing this aspect. We are bringing forth a niche 'Skill For Scale' programme focused on enhancing the capabilities of Nurses and Pharmacists in the country which will improve patient connect and experience at the end of the chain. Various government bodies such as All India Institute of Medical Sciences, Ministry of Health and Family Welfare, The Indian Council of Medical Research, DGHS, Indian Nursing Council, and the Kerala state government, have showcased interest and anchored our initiatives.



We strongly believe that there is a scope to capacitate some of the groups that are significant touch points in a patient's healthcare journey.

I am happy to share an update with you regarding our Innovation Hub. This year, we concluded the 2<sup>nd</sup> challenge of identifying compelling healthcare start-up solutions (mostly technology-based) to address some of the glaring gaps in the healthcare ecosystem. We shortlisted and unveiled a set of 10 promising solutions aiming to improve healthcare access, diagnosis and timely treatment at the Dubai Expo in front of decision-makers from multiple countries, including India. The process of accelerating their project plan has begun already, under the aegis of Indo-Sweden Healthcare Innovation Centre, that brings together multiple veterans from the industry who will now mentor the development of solutions to achieve their vision and contribute to the betterment of the ecosystem.

We achieved a remarkable pipeline and scientific performances in the past few years, bringing innovation in treatment strategies with close to 10 approvals of new medicines or life-cycle management indications in India. Despite the pandemic, we were able to register 3 major approvals- Benralizumab in Severe Asthma with eosinophilic phenotype, Osimertinib for adjuvant treatment after complete tumour resection in patients with Non Small-Cell Lung Cancer whose tumours have EGFR mutations, and Acalabrutinib for CLL. We added two new indication approvals to Dapagliflozin with Heart Failure and Chronic Kidney Disease. We are still working on some new indications as well as molecules to address the needs of patients in areas such as breast cancer, diabetes, gastrointestinal cancer, severe asthma etc.

Our focus is on creating the next wave of innovative pipeline and ensuring the sustainable delivery of new products for patients. As a science-led biopharmaceutical company, AstraZeneca wants to be valued and trusted by its stakeholders as a source of great medicines in the long-term.

**Gagandeep Singh**  
MD, AstraZeneca Pharma India Limited






# Accelerating progress with care

Built on the foundations of science and innovation, AstraZeneca develops life-changing medicines for patients. As a global pharmaceutical organisation, the Company delivers excellence through its solutions and interventions, while upholding a culture underpinned by its values. AstraZeneca is repeatedly recognised as a great place to work owing to its commitment to sustainability, inclusion and diversity, along with the relentless passion to inculcate the spirit of lifelong learning.

## Strategic priorities

Reflect how we are working to achieve our purpose

-  Delivering growth and therapy area leadership
-  Accelerate innovative science
-  Be a great place to work

## Our values



We follow science



We play to win



We are entrepreneurial



We do the right thing



We put patients first

## Key therapeutic areas

AstraZeneca is focused on leading in its therapy areas where we believe we can create a meaningful difference in the lives of patients.

### Cardiovascular, Renal and Metabolic Disease (CVRM)

The adverse impacts of CVRM diseases are a global burden on people, economies and healthcare systems. Rising obesity rates coupled with an ageing population will dramatically increase the risk of CVRM diseases over the next decade. Many of these conditions remain underdiagnosed and undertreated. Built on an impressive legacy in CVRM, AstraZeneca is uniquely positioned to build a healthier and longer future for people with CVRM diseases. The Company's CVRM cross-functional team is relentlessly developing patient-centric solutions to deliver innovative, life-changing medicines for the millions affected by the complex spectrum of CVRM diseases. Through its collaborative efforts, AstraZeneca is fundamentally transforming CVRM care, by addressing shared risk factors between these distinct but inter-related disease areas. The Company has a bold ambition to stop and cure CVRM diseases by maximising access to medicines, delivering innovative solutions and advancing its pipeline.

### Oncology

AstraZeneca is leading a revolution in oncology to redefine cancer care. For many people, cancer goes undetected until it is in advanced stages, or returns after initial treatment. The Company's strategy is to transform survival — the earlier cancer is detected and treated, the closer will be the cure. The Company seeks to create medicines and combinations aiming to combat the metastatic or resistant disease and achieve meaningful responses. As the Company defines new biomarkers and therapeutic targets, its Oncology Business Unit is transforming cancer diagnosis and treatment by deploying new strategies and focusing on the properties of a tumour, not just its type. AstraZeneca's ambition is to provide cures for cancer at every stage, in every form. The Company is following the science to understand cancer and all its complexities to discover, develop and deliver life-changing treatments that increase the potential for cure.

### Respiratory & Immunology

AstraZeneca is an established leader in respiratory care across inhaled and biologic medicines. The Company aims to transform the treatment of asthma and chronic obstructive pulmonary disease (COPD) by eliminating preventable asthma attacks across all severities, while removing COPD as a leading cause of death through the earlier biology-led treatments. Its early respiratory research is focused on emerging science involving immune mechanisms, lung damage and abnormal cell repair processes in disease. With common pathways and underlying disease drivers across respiratory and immunology, the Company is following the science from chronic lung diseases to immune-driven diseases. A dedicated workforce in Respiratory and Immunology Unit focuses on AstraZeneca's ambition to achieve disease control and ultimately attain clinical remission in targeted immune-driven diseases.

## Product portfolio

 ticagrelor tablets	 once-daily dapagliflozin tablets	 dapagliflozin XR (extended-release) tablets	 rosuvastatin calcium tablets AT THE CREST OF CV PROTECTION	 osimertinib	 acalabrutinib 100 mg capsules
 olaparib tablets 100/150 mg	 durvalumab injection for intravenous use 50 mg/mL	 budesonide/formoterol	 zoledronic acid injection 4 mg	 benralizumab subcutaneous injection 30 mg	 once-daily escitalopram hydrobromide tablets 10 mg



# Creating holistic impact

Inspired by its Values, AstraZeneca is committed to operating in a manner that recognises the interconnection between business growth, the needs of society and the limitations of the planet. In 2021, the Company continued to strengthen its focus on 'Access to Healthcare' in the underserved communities, enriched the ways in which it can contribute to 'Environmental Protection' and stringently upheld 'Ethics and Transparency' within its business operations.



## Access to Healthcare in Underserved Communities

### 1 Ganga Godavari Screening Programme

The Company's flagship initiative 'Ganga Godavari Screening Programme', continued its focus on early detection via preventive screening of non-communicable diseases.

Launched in the year 2019, AstraZeneca's cancer screening programme entered phase two and was implemented in Tikri village, Uttar Pradesh, in consensus with the National Health Mission and the Ministry of Health and Family Welfare. Indian Cancer Society, the Company's primary partner, worked closely with Banaras Hindu University, to support its mission of conducting specialised health camps for Ovarian, Breast and Cervical cancer for women. Despite multiple interruptions caused by pandemic-induced lockdowns, the camps reached 6000+ beneficiaries, where 220+ suspected positive cases were referred for further medical treatment.

● **6000+**  
**beneficiaries**  
Cancer Screening Programme

AstraZeneca joined hands with Ummeed Foundation to support Gauri Healthy Heart — a project conceptualised by Padma Shri Dr. Upendra Kaul in 2020, to prevent heart attacks and strokes. With a No-heart-attack-mission-2025, the project is a collaboration between central and state/union territory government, health departments, medical education and academic research centres, pharma companies, social and development organisations, the army, and volunteers and civil society at grass root levels. In its early years, it targeted remoter parts of the country starting with the union territory of Jammu and Kashmir and panning out to various parts of the country. These healthy heart screening camps evaluate numerous patients with high Blood Pressure or diabetes, with or without a heart disease, already on treatment. The project's objective is to make quality heart care available to underprivileged people via early identification and treatment of heart attacks and strokes, prevention of reoccurring cardiovascular events and reduction in deaths from cardiovascular ailments.

AstraZeneca continued awareness on cancer prevention and early detection via 'New Normal, Same Cancer', touching ~18.4 million people this year. The campaign was initially developed during the pandemic, alongside a steering committee of advocacy partners from around the world, to raise awareness on the need for people to get back to Cancer care services, despite the disruption. This year, the focus was expanded to create awareness on cancer, its causes, methods for better management and the importance of preventive treatment. To build a recall, multiple influencers from different walks of life were onboarded, such as real-life survivors, celebrities and renowned care takers who have seen the journey of a cancer patient closely. On World Cancer Day, influencers took to multiple media platforms such as the radio, Facebook and Instagram, to disseminate the Company's message — 'Cancer doesn't wait and neither should you'.



## Creating holistic impact

### 2 Young Health Programme (YHP)

This year, the Company's award-winning global 'Young Health Programme' expanded its boundaries from Delhi to Karnataka. Founded in partnership with John Hopkins School of Public Health and Plan International, the programme aims to improve health outcomes of vulnerable youth by building awareness on how the ill-effects of certain behaviours — tobacco and alcohol consumption, smoking, unhealthy lifestyle, etc.— could lead to various NCDs like Cancer, Diabetes and heart ailments, in the long run. The decade old programme implemented in multiple communities of Delhi, helped the Company build a 'community development' model to influence behaviours, especially in youngsters between 10-24 years of age. With the help of this unique model, this project was implemented by developing the youth from the community as 'Peer Educators', who not only believe in the objective of the programme but also act as influencers in driving change within the community. This year, the impact created by the programme garnered immense support from the local government, both in Karnataka and Delhi, including Ministry of Health and Family Welfare, Non-Communicable Disease Cell and the National Health Mission. This not only helped AstraZeneca to implement the programme but also strategically strengthened the grassroot connect with the involvement of community government health offices. Till date, the programme has set up 21 HICs, touched 460,000+ young people with health information and trained 7,800+ Peer Educators who have delivered numerous health promotion activities with the target community, from time to time. Specifically in Karnataka, the aim is to impact ~50,000 lives in its first year.

### 3 Vaccine Hesitancy Programme

Once the vaccination drive against COVID-19 began in India, vaccine hesitancy became the next big matter of concern. Multiple reports emerged from different regions about people being hesitant to administer their doses due to myths, fear of side effects and misconceptions. This needed quick and strong community intervention to ensure that more and more people came forward to get both the doses to curb the spread of the COVID-19 infection. AstraZeneca recognised the gap and made an effort to strengthen community action for the vaccination drive through Plan India.

#### The 'Vaccine Hesitancy Programme' was curated with a two-fold objective —

- Supporting government efforts to combat the outbreak of COVID-19 in the country by addressing vaccination hesitancy (VH)
- Promoting COVID-19 appropriate behaviour through community-led action

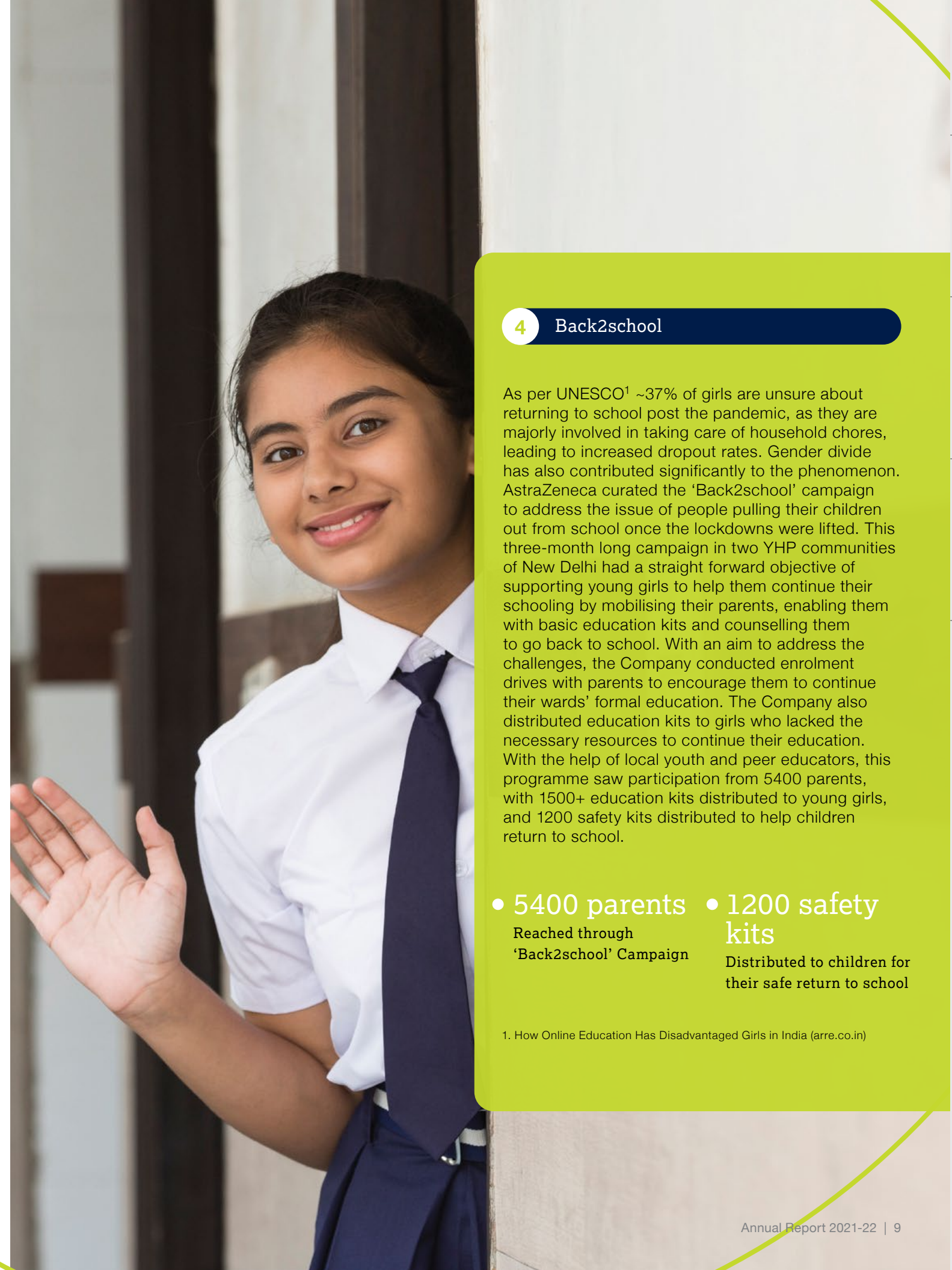
AstraZeneca India collaborated to curate and support the 'COVID Vaccination Campaign' for end-to-end outreach in some of the YHP communities, promote COVID Appropriate Behavior and thereby improve the vaccine uptake through community mobilisation. The target groups in the project included men, women and children from these resettlement colonies. 11,000+ people were vaccinated, ~40,000 reached with targeted messages through 7300 household visits and 395,000+ people were sensitised on COVID Appropriate Behavior and COVID-19 vaccination through mass awareness.

### 4 Back2school

As per UNESCO<sup>1</sup> ~37% of girls are unsure about returning to school post the pandemic, as they are majorly involved in taking care of household chores, leading to increased dropout rates. Gender divide has also contributed significantly to the phenomenon. AstraZeneca curated the 'Back2school' campaign to address the issue of people pulling their children out from school once the lockdowns were lifted. This three-month long campaign in two YHP communities of New Delhi had a straight forward objective of supporting young girls to help them continue their schooling by mobilising their parents, enabling them with basic education kits and counselling them to go back to school. With an aim to address the challenges, the Company conducted enrolment drives with parents to encourage them to continue their wards' formal education. The Company also distributed education kits to girls who lacked the necessary resources to continue their education. With the help of local youth and peer educators, this programme saw participation from 5400 parents, with 1500+ education kits distributed to young girls, and 1200 safety kits distributed to help children return to school.

- 5400 parents Reached through 'Back2school' Campaign
- 1200 safety kits Distributed to children for their safe return to school

1. How Online Education Has Disadvantaged Girls in India (arre.co.in)





## Environmental Protection

### 1 AstraZeneca Forest Initiative

Through this initiative, AstraZeneca looks forward to restoring forests and biodiversity by planting trees worldwide, in partnership with local governments and non-profit organisations. Tree plantation across the globe is often seen as a quantity driven activity, with the goal of planting a certain number of trees in a day or an hour. But this approach is associated with certain maintenance and ownership challenges. With an aim to convert denuded lands in India into lush green forests, AstraZeneca collaborated with SankalpTaru Foundation. The Company flagged off a mass sapling plantation campaign in Bengaluru and committed to planting 5000 smartly geo-tagged trees in Phase 1, to enable individualistic tracking of each plant remotely. This unique model will aid in monitoring the growth and management of a plant, along with timely interventions, as and when required. The approach entails laying the foundation of greenery on a denuded community land, converting a barren land into forest, owning the plantation of trees and maintaining them for an agreed period of three years and finally transferring a healthy and green forest back to the community owner.



### 2 Solar Panels

At the India operations, AstraZeneca consciously took an initiative to accelerate the renewable energy productivity targets in power and heat, by installing 1176+ solar panels in the Company's factory premises. This solar array will meet most of the Company's energy requirements in the manufacturing site at Bengaluru. This will also result in the reduction of 20000+ tons of CO2 emission over the system's lifetime. Currently, ~90% of site's energy is achieved through renewables.

### 1176+ solar panels

Installed in factory premises

### 3 Water Stewardship Programme

To champion this programme, AstraZeneca is reusing RO reject water in purified water system, has integrated rain water harvesting and a water monitoring system for critical areas. Installation of e-pumps have helped the Company conserve and re-use water as much as possible. At the organisation level as well, the Company is working with its partner organisation, Environmentalist Foundation of India, since 2019. The partnership initiated two water body conservation and revival projects that comprised of removing weeds and excess silt and using connecting channels to aid the flow of water, alongside planting native tree saplings, among others.

## Ethics and Transparency

AstraZeneca embeds ethical, transparent, and inclusive policies and practices across the organisation and the value chain. The Company's emphasis on building an ethical business culture is demonstrated by integrity, transparency and fair treatment in everything that is done. AstraZeneca is committed to driving the highest standards of conduct and accountability beyond compliance, to deliver life-changing medicines in a responsible way. The Company's Code of Ethics guides everything that is undertaken and ensures that the highest standards are maintained regarding issues like modern slavery, child labour and minimum working age.





# Enriching patient experience and comfort

Digital technologies continue to create unprecedented opportunities with every passing day. AstraZeneca is leading the way with significant industry collaborations to improve clinical practice and engagement, within clinics and beyond. The Company is mentoring new age solutions to address glaring problems within the healthcare systems. It is scaling capacities and partnering with key patient influencers from the ecosystem to deliver a better patient experience and improved outcomes.

## Project SEARCH

### Screening Early Renal Complications in High-Risk Patients

India has high incidence of Chronic Kidney Disease (CKD), and as per available data, an estimated 150 million people may be in different stages of the disease, at any given point. Some of the major factors causing CKD are Diabetes and hypertension, followed by several other factors. As a result of in-sighting conducted in the healthcare ecosystem, it was found that 70% of the patients were treated in stand-alone physician clinics that lacked expert kidney disease knowledge as well as the correct infrastructure to test a patient for CKD. It was also clear that a huge gap exists in the knowledge and awareness regarding the disease among patients themselves. Together, this has resulted in less than 10% patients getting timely diagnosis and the remaining 90% patients either remaining undiagnosed or under-diagnosed.

This World Kidney Day, AstraZeneca secured support from the Indian Society of Nephrology — the largest professional organisation of nephrologists in the country dedicated to advancing kidney health worldwide. The Company announced a multi-year partnership to create public awareness about kidney care, impart education on early diagnosis at the primary care physician level and aid in nationwide screening of at-risk patients and the general public to promote timely detection and holistic management. So far, the Company has reached out to 1 million+ patients, organised early detection screening for 2,00,000+ at-risk patients and is educating 2000+ physicians with the help of 50+ top nephrologists from the ISN network in the country.

• **1 mn+**  
**patients**

Reached through project search

• **50+**  
**nephrologists**

Engaged to impart training on CKD diagnosis



## Innovation

### Enriching patient experience and comfort

#### Sahayog

Lung Cancer is one of the most common causes of cancer and related deaths in India. The burden of Lung Cancer in India increases every year but there is limited access to pointed information on this disease. Patients often find themselves consumed by a plethora of information available on digital platforms and end up confused regarding the right kind of intervention that they may need. On this #WorldCancerDay, AstraZeneca initiated #ProjectSAHYOG, a step towards providing relevant and important information about Lung Cancer, directly to patients or at-risk patients, over the phone. As part of the initiative, the Company launched a helpline through a toll-free number 1800-2099-069 that could be accessed by anyone, any time. In a period of less than 6 months, we have touched 200+ patients – bursting their myths, clearing doubts and encouraging them to take healthy decisions regarding deeper consultations with their medical advisers.

#### Skill for Scale

- Nurses are the backbone of the healthcare system in India. They play a critical role in helping patients understand diseases and their complications. AstraZeneca formalised an e-learning initiative designed to equip nurses with hands-on practical knowledge and skills. The initiative will enable them to deliver latest patient care for managing non-communicable diseases, and the Company started the project with Diabetes as a subject. This programme is accredited by AIIMS Jodhpur and is now supported by government bodies such as the Directorate General of Health Sciences and the Indian Nursing Council, allowing nurses from across the country to register for free and learn at their own pace. The learning module, created by a team of experts from AIIMS Jodhpur and Delhi, ICMR, DGHS and AstraZeneca, trains nurses to provide standardised and quality counselling, care and support services, with the aim of preventing and managing Diabetes. The Company plans to reach out to 5000+ nurses in the country in the current phase. For its next phase, AstraZeneca is contemplating extension to other non-communicable diseases such as Hypertension, Cardiovascular diseases and Oncology.
- In the Company's collective endeavour to serve patients better, the role of pharmacists is of paramount importance. Pharmacists often have to address basic disease-related queries of patients. There is an opportunity to empower pharmacists with the right education about therapies, so when they are approached, they can encourage patients to make better, more well-informed decisions about a particular therapy as well as about adherence to treatments. AstraZeneca initiated 'i-Pharmacy', an e-learning programme specifically for pharmacists, certified by the European Continuous Medical Education/Continuous Professional Development Academy. It focuses on Inventory Management, Good Pharmacy Practices, Customisation of Pharmacy for patients along with in-depth understanding regarding the roles and responsibilities of a pharmacist, especially in a post-COVID environment. The project gained immediate interest from multiple state-level federations such as 'Neethi', conceptualised by the state of Kerala. Till date, this first-of-a-kind initiative has witnessed 7000+ enrolments from across the country.

#### India-Sweden Healthcare Innovation Centre (ISHIC)

Continuing the Company's focus on cultivating and mentoring promising new-age healthcare solutions, the ISHIC – a collaboration between the Swedish Trade Commissioner's Office, AIIMS Delhi and AIIMS Jodhpur – announced the winners of the second edition of the Innovation Challenge at the World Expo Dubai, in the presence of key dignitaries from MoHFW, ICMR, AIIMS, MoHSW Sweden, etc. The Innovation Challenge 2.0 aimed to identify and support innovative solutions that could help regress critical problems in the healthcare delivery landscape of India. To address the multiple glaring problems in the healthcare ecosystem, the Innovation Challenge focused on identifying best solutions across key focus areas including Diabetes, heart failure, kidney diseases, Oncology, Neurology, COVID-19, etc.

The innovation challenge winners included Acorai, AiNDRA, BrainSightAI, EzeRx, Genitico, Neurofy, Relink (Tada Medical), TeraLumen and innovative ideas from Dr. Pradeep Bhatia and Dr. Naveen Dutt. The winning start-ups have commenced work with the ISHIC platform for a sustainable and faster scale-up. The tie-up provides them access to cross-country mentorship, guidance on funding, opportunity to ideate with like-minded innovators, access to state-of-the-art incubation centre located within AIIMS Jodhpur campus, their own lab facilities and beyond. On-boarded start-ups can also avail the incubation facility at NASSCOM, Bengaluru.

#### Enabling Next-gen Diagnostics to Offer Precise Treatment

One of the core objectives of the Company has been to enable correct diagnoses to help patients avail precise treatments. AstraZeneca's project OESTER (Onsite EGFR Screening for early Therapeutic Recommendation) aims to improve access to EGFR testing in the country and have collaborated with Dr. B. Borooah Cancer Institute, to facilitate local EGFR mutation testing in lung cancer patients. Building capabilities for EGFR mutation testing at Guwahati will benefit patients from the entire north-east belt and a provision of local testing will reduce the turnaround time. This whole process will empower clinicians to take informed treatment decisions and generate local scientific evidence.

In the Ovarian Cancer space, AstraZeneca is making India an HRD testing hub (with the help of experts like Medgenome) in Asia to augment IgHV testing. AstraZeneca's Project Chariot helps to diagnose and treat patients with Chronic Lymphocytic Leukemia (CLL) in India. Our first strategic partnership is with Rajiv Gandhi Cancer Institute to help roll out the programme across North India and Delhi NCR region. AstraZeneca's project LuNGS introduced next generation sequencing based 9 gene biomarker tests for Lung Cancer, helping clinicians to make an informed treatment decision after obtaining all targetable lung cancer biomarkers together.



# Fostering a Holistic and Inclusive Workplace

AstraZeneca has always prioritised the well-being of its people while furthering their career goals through highly focused initiatives. The Company continues to develop top-notch programmes to nurture future leaders, taking care to embed inclusivity into these journeys. Its relentless efforts to build an empowered workforce continue to cement AstraZeneca's position as the employer of choice, with a Great Place to Work certification.



## We Care for You

Safety and Health of employees continued to be an important focus area for the Company, especially in light of the COVID-19 second wave. We expanded 'We Care For You' (WCFY) initiative to awareness sessions, COVID screening, home isolation monitoring and hospitalisation and also organised vaccination camps for our employees across all our locations. Oxygen concentrators and Oxymeters were provided to employees along with quality PPE kits. Virtual teleservices consisting of online physician consultation (General Practitioner/ Specialist) and discounted pharmacy was introduced subsequently. A new improved employee assistance programme was also added. We also introduced 'Celebrating You', a comprehensive wellness programme for our employees focusing on their overall well-being.

## Nurturing a Great Place to Work

At AstraZeneca, efforts are made every day to maintain its position among the top employers of choice. AstraZeneca's representation in Great Place To Work, 2021 Working Mother & Avtar Best Companies for Women in India, and Working Mother & Avtar Most Inclusive Companies Index reflects a commitment to fostering inclusive culture.





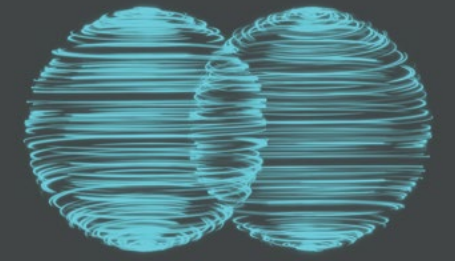
## People

# Fostering a Holistic and Inclusive Workplace

### Building and Sustaining a Diverse Talent Pipeline

AstraZeneca aims to create a workforce that reflects the support it provides to its patients and communities. This is done by attracting, retaining, and developing diverse talent throughout different levels of the organisation. The Company took numerous efforts to ensure that the recruitment drives include diverse applicant slates and interview panels. Empowerment NOW Mentoring Programme of 2021 in India was a learning journey spanning two months. It was designed for women aspiring to commence leadership journeys, providing them access to information and tools that help unlock their potentials, achieve success and attain the confidence required to step into new opportunities.

The Company also created Project iDEA (iDevelop, Engage and Attain 4 Future) with the objective to enhance its brand presence across undergraduate Pharma and Medical schools, creating a talent pipeline for Sales/Medical roles. It also furthers the Inclusion and Diversity philosophy by targeting an underrepresented talent community/group, with 'Women in Science' as the theme for 2021 in India.



### Inhouse Career Development Programmes Leadership Journey

The Company not only trains its employees on different skills and competencies but also provides in-house career development programmes that helps them witness a growth in their career, while performing their day-to-day tasks. The Company is focused on building a culture of Lifelong Learning through the following endeavours — the 3E approach (Experience, Exposure and Education), Annual Learning Calendar with aspirational regional and global offerings, Degreed Learning Experience Platforms and cross-functional stretch assignments beyond their current potential, etc.

### Programmes Furthering Career Development Goals

**Plan 100 Programme:** This is AstraZeneca's global career development programme wherein selected talents are moved across functions and geographies and given meaningful stretch assignments.

**AstraZeneca Development Academy & AstraZeneca Leadership Academy:** These platforms have been designed to provide a structured development path to all employees with the aspiration to rise to mid-managerial or senior managerial roles in sales.

**Medical Accelerate:** Designed to provide a structured development path to all junior management employees with an aspiration to move up to a mid-managerial role in medical affairs.

**Azignite:** Through this platform the Company encourages and recognises employees for new ideation and to explore and try new differentiated initiatives.

### Inclusive Leadership Journey

Inclusive leadership personas were created to define true inclusive behaviours within the workplace. It outlines the expected way of working for everyone, irrespective of career level, to contribute to a psychologically safe environment that nurtures an open mind, active listening, and transparent decision making.

AstraZeneca has launched numerous initiatives, including its conscious inclusion training, activation of its employee resource groups (ERGs), an inclusion council and employee discussion forums. Leaders are committed to providing a safe space to the employees by inculcating an environment in which everyone feels safe to speak their mind. Some of the key enablers driving this agenda include 'Speak Up', 'Ask Me Anything' forum, 'We Heard You', Townhalls, leadership connects and Pulse surveys.

### Performance Management

The new performance management at AstraZeneca brings in simplicity, flexibility, agility, much more continuity, and is deeply development oriented. Under the new system, performance analysis, discussion and development happen throughout the year.

**90% business-critical and line management roles filled internally through strong in-house programmes**



## AstraZeneca Pharma India Limited

Registered Office: Block N1, 12<sup>th</sup> Floor, Manyata Embassy Business Park,  
Rachenahalli, Outer Ring Road, Bengaluru - 560 045  
CIN: L24231KA1979PLC003563, Web: www.astrazeneca.com/india  
E-mail: comp.secy@astrazeneca.com, Tel: +91 80 6774 8000, Fax: +91 80 6774 8557

## Notice

**NOTICE is hereby given that the 43<sup>rd</sup> Annual General Meeting of the Members of AstraZeneca Pharma India Limited will be held on Monday, August 8, 2022 at 3 p.m. through Video Conferencing ('VC')/Other Audio-Visual Means ('OAVM') to transact the following business:**

### ORDINARY BUSINESS

#### Item No. 1

To receive, consider and adopt the financial statements viz., the Audited Balance Sheet as at March 31, 2022, the Statement of Profit and Loss and the Statement of Cash Flows of the Company and Explanatory note annexed thereto or forming part of the above documents, for the financial year ended on that date and the Reports of the Board of Directors and Auditors thereon.

#### Item No. 2

To confirm the payment of interim dividend of ₹ 2/- per equity share for the financial year 2021-22 and to declare Final Dividend of ₹ 8/- per share on equity shares for the financial year 2021-22.

#### Item No. 3

To appoint a Director in place of Mr. Rajesh Marwaha (DIN: 01458768) who retires by rotation, and being eligible, offers himself for re-appointment.

### SPECIAL BUSINESS

#### Item No. 4

To consider and if thought fit, to convey assent or dissent to the following Special Resolution:

**RESOLVED THAT** pursuant to the provisions of Sections 149, 152, Schedule IV and other applicable provisions of the Companies Act, 2013 ('the Act') and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) and applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Ms. Shilpa Shridhar Divekar (DIN: 06619353), who was appointed as an Additional Director of the Company w.e.f. December 29, 2021, who holds office up to the date of Annual General Meeting of the Company in terms of Section 161 of the Companies Act, 2013, be and is hereby appointed as an Independent Director of the Company to hold the office for a term of five consecutive years i.e. from December 29, 2021 to December 28, 2026, not liable to retire by rotation.

#### Item No. 5

To consider and if thought fit, to convey assent or dissent to the following Ordinary Resolution:

**RESOLVED THAT** pursuant to Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2022/40 dated March 30, 2022, including any statutory modification(s) or amendments or re-enactment(s) thereof, approval of the Members be and is hereby accorded, to enter into contracts/ arrangements/ transactions with AstraZeneca UK Limited, a 'Related Party' as defined under Section 2(76) of the Companies Act, 2013 and Regulation 2(zb) of the Listing Regulations for purchase, transfer or receipt of products, goods, materials, services, reimbursement/ recovery costs, reimbursement on account of transfer price or other obligations, if any, on such terms and conditions as may be mutually agreed upon between the Company and AstraZeneca UK Limited, for an amount not exceeding in aggregate ₹ 400 crore for the period from the 43<sup>rd</sup> Annual General Meeting until the 44<sup>th</sup> Annual General Meeting.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorised to do all such acts, deeds, matters and things and to finalise the terms and conditions as may be considered necessary, expedient or desirable, in order to give effect to this resolution.

#### Item No. 6

To consider and if thought fit, to convey assent or dissent to the following Ordinary Resolution:

**RESOLVED THAT** pursuant to Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2022/40 dated March 30, 2022, including any statutory modification(s) or amendments or re-enactment(s) thereof, approval of the Members be and is hereby accorded, to enter into contracts/ arrangements/ transactions with AstraZeneca AB, Sweden, a 'Related Party' as defined under Section 2(76) of the Companies Act, 2013 and Regulation 2(zb) of the Listing Regulations for purchase, transfer or receipt of products, goods, materials, services, reimbursement/ recovery costs, reimbursement on account of transfer price or other obligations, if any, on such terms and conditions as may be mutually agreed upon between the Company and AstraZeneca AB, Sweden, for an amount not exceeding in aggregate ₹ 120 crore for the period from the 43<sup>rd</sup> Annual General Meeting until the 44<sup>th</sup> Annual General Meeting.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorised to do all such acts, deeds, matters and things and to finalise the terms and conditions as may be considered necessary, expedient or desirable, in order to give effect to this resolution.

#### Item No. 7

To consider and if thought fit, to convey assent or dissent to the following Ordinary Resolution:

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

2014, as amended to date, payment of remuneration of ₹ 1,75,000 (Rupees One Lakh Seventy Five Thousand only) plus applicable tax and reimbursement of out-of-pocket expenses at actuals, to M/s. Rao, Murthy & Associates, Cost Accountants, Bengaluru, (Firm Registration No. 000065), appointed by the Board as Cost Auditors of the Company for conducting the cost audit of the cost records for the financial year ending March 31, 2023, be and is hereby confirmed, approved and ratified.

By Order of the Board of Directors  
For **AstraZeneca Pharma India Limited**

Place: Bengaluru  
Date: May 26, 2022

**Pratap Rudra**  
Company Secretary & Legal Counsel

### NOTES:

- In view of the continuing COVID-19 pandemic, the Ministry of Corporate Affairs ('MCA') has vide circular dated May 5, 2020 read with circulars dated April 08, 2020, April 13, 2020, January 13, 2021, December 14, 2021 and May 5, 2022 (collectively referred to as ('MCA Circulars')) permitted the holding of the Annual General Meeting ('AGM') through VC / OAVM, without the physical presence of the Members at a common venue. In compliance with the provisions of the Companies Act, 2013 ('the Act'), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('the Listing Regulations') and MCA Circulars, the AGM of the Company is being held through VC / OAVM.
- This Notice is being sent to the Members whose names appear in the List of Beneficial Owners received from National Securities Depository Limited/Central Depository Services (India) Limited ('Depositories'). In compliance with the aforesaid MCA Circulars and SEBI Circular dated May 12, 2020, January 15, 2021 and May 13, 2022, Notice of the AGM along with Annual Report 2021-22 is being sent only through electronic mode to those Members whose e-mail addresses are registered with the Company/Depository Participants.
- For Members whose e-mail addresses are not registered but mobile numbers are registered with RTA/Depositories, the weblink for downloading the Notice is being sent through SMS.
- Members who have not registered their e-mail address and in consequence could not receive the Notice may get their e-mail address registered with the RTA, by clicking the link: <https://www.integratedindia.in/emailupdate.aspx> and following the registration process as guided thereafter. Post successful registration of the e-mail address, the Member will receive soft copy of the Notice and the procedure for remote e-voting along with the User ID and the Password to enable remote e-voting for this Notice. In case of any queries, Member may write to [giri@integratedindia.in](mailto:giri@integratedindia.in).
- Members are also requested to register their e-mail address, in respect of electronic holdings with the Depositories/Depository Participant and in respect of physical holdings with the RTA.

- With regard to the process of registration of e-mail address with the RTA, Members may get their e-mail address registered with the RTA, by clicking the link: <https://www.integratedindia.in/emailupdate.aspx> and following the registration process as guided thereafter. Otherwise, Members are requested to send a request/ communication till 48 hours prior to the closure of the voting period to the following e-mail address of the Company or RTA, by quoting the Folio No./Demat account No. The e-mail address of the Company and the contact details are [comp.secy@astrazeneca.com](mailto:comp.secy@astrazeneca.com)/080 67748000 and RTA's e-mail address and the contact details are [giri@integratedindia.in](mailto:giri@integratedindia.in)/080 23460815-18.
- Pursuant to the MCA Circulars, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, the Body Corporates are entitled to appoint authorised representatives to attend the AGM through VC / OAVM and participate thereat and cast their votes through e-voting.
- The facility of participation at the AGM through VC / OAVM will be made available for members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
- The attendance of the Members attending the AGM through VC / OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Act.
- Since the AGM will be held through VC / OAVM, the route map is not annexed in this Notice.
- Pursuant to the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and the MCA Circulars, the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose,



the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorised agency. The facility of casting votes by a member using remote e-voting system as well as on the date of the AGM will be provided by NSDL.

12. In line with the MCA Circulars, the Notice calling the AGM and the Annual Report for 2021-22 has been uploaded on the website of the Company at [www.astrazeneca.com/india](http://www.astrazeneca.com/india). The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) respectively and the AGM Notice is also available on the website of NSDL (agency for providing the Remote e-voting facility) i.e. [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
13. The Statement pursuant to Section 102 of the Act/the Listing Regulations, setting out the material facts concerning items 4 to 7 of the Notice, being Special Business, is annexed hereto.
14. Relevant documents referred to in the accompanying Notice calling the AGM, Register of Directors and Key Managerial Personnel and their Shareholding and the Register of Contracts or Arrangements in which the Directors are interested, maintained under the Act are available for inspection by the Members electronically during the 43<sup>rd</sup> AGM. Members seeking to inspect such documents can send e-mail to [comp.secy@astrazeneca.com](mailto:comp.secy@astrazeneca.com).
15. Payment of dividend as recommended by the Board of Directors, if approved at the meeting, will be made to those members whose names are on the Company's Register of Members on July 8, 2022 (record date) and those whose names appear as Beneficial Owners as at the close of business hours on July 8, 2022 as per the details furnished by the Depositories, viz. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) for this purpose.
16. In accordance with the provisions of the Income Tax Act, 1961 as amended by and read with the provisions of the Finance Act, 2020, with effect from April 1, 2020, dividend declared and paid by the Company is taxable in the hands of its members and the Company is required to deduct tax at source (TDS) from dividend paid to the members at the applicable rates. A separate e-mail will be sent at the registered e-mail ID of the members describing about the detailed process to submit the documents/declarations along with the formats in respect of deduction of tax at source on the dividend payout. Sufficient time will be provided for submitting the documents/declarations by the members who are desiring to claim beneficial tax treatment.
17. Members holding shares in electronic form are advised to keep the bank details updated with the respective Depositories viz. NSDL and CDSL. Member holding shares in certificate form are requested to update bank details with the Company's Registrar and Transfer Agents.
18. Members may please note that SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD\_RTAMB/P/CIR/2022/8 dated January 25, 2022, has mandated the listed companies to issue securities in

dematerialised form only while processing service requests viz. issue of duplicate securities certificate; claim from unclaimed dividend account; exchange of securities certificate; sub-division of securities certificate; consolidation of securities certificates/folios; transmission and transposition. Members are requested to contact Integrated Registry Management Services Private Limited at [giri@integratedindia.in](mailto:giri@integratedindia.in) for the same.

19. SEBI vide its notification dated January 24, 2022 has mandated that all requests for transfer of securities including transmission and transposition requests shall be processed only in dematerialised form. In view of the same and to eliminate all risks associated with physical shares and avail various benefits of dematerialisation, Members are advised to dematerialise the shares held by them in physical form. Members can contact the Company or Integrated Registry Management Services Private Limited, for assistance in this regard.
20. To prevent fraudulent transactions, members are advised to exercise due diligence and notify the Company of any change in address or demise of any member as soon as possible. Members are also advised not to leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned Depository Participant and holdings should be verified.
21. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company. Further, the Non-Resident Indian Members are requested to inform to the RTA on change in their residential status on return to India for permanent settlement and particulars of their bank account maintained in India with complete name, branch, account type, account number and address of the bank with PIN Code number, if not furnished earlier.
22. Members are requested to note that dividends not encashed or remaining unclaimed for a period of 7 (seven) years from the date of transfer to the Company's Unpaid Dividend Account, shall be transferred under Section 124 of the Act, to the Investor Education and Protection Fund, established under Section 125 of the Act. Further, as required under the said Act/Rules, the Shares that are unclaimed by members for seven consecutive years or more shall be transferred to the Investor Education and Protection Fund Authority. The Members/claimants whose unclaimed dividends/shares have been transferred to IEPF may claim the shares or apply for refund by making an application to IEPF Authority in Form IEPF 5 (available on [www.iepf.gov.in](http://www.iepf.gov.in)) along with requisite fee.
23. Details as required under the Listing Regulations and Secretarial Standards in respect of the Director seeking appointment/re-appointment at the AGM form an integral part of the Notice. The Directors have furnished requisite declarations for their appointment, as applicable.
24. For any communication, the Members may also write to the Company's investor e-mail ID: [comp.secy@astrazeneca.com](mailto:comp.secy@astrazeneca.com).

## 25. Voting Through Electronic Means

In compliance with the provisions of Section 108 of the Act, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of the Listing Regulations, the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the AGM by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system ('remote e-voting') will be provided by NSDL.

The instructions for e-voting are as under:

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

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

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

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

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<ol style="list-style-type: none"> <li>1. Existing <b>IDeAS</b> user can visit the e-Services website of NSDL viz. <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a Personal Computer or on a mobile. On the e-Services home page click on the "<b>Beneficial Owner</b>" icon under "<b>Login</b>" which is available under '<b>IDeAS</b>' section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on "<b>Access to e-Voting</b>" under e-Voting services and you will be able to see e-Voting page. Click on company name or <b>e-Voting service provider i.e. NSDL</b> and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>2. If you are not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select "<b>Register Online for IDeAS Portal</b>" or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li>3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com">https://www.evoting.nsdl.com</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number 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 <b>e-Voting service provider i.e. NSDL</b> and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>4. Members can also download NSDL Mobile App "<b>NSDL Speede</b>" facility for seamless voting experience.</li> </ol>
Individual Shareholders holding securities in demat mode with CDSL	<ol style="list-style-type: none"> <li>1. Existing users who have opted for Easi/Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi/Easiest are <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on New System Myeasi.</li> <li>2. After successful login of Easi/Easiest the user will be also able to see the e-Voting Menu. The Menu will have links of <b>e-Voting service provider i.e. NSDL</b>. Click on <b>NSDL</b> to cast your vote.</li> <li>3. If the user is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a>.</li> <li>4. Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN from a link in <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; e-mail as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. <b>NSDL</b> where the e-Voting is in progress.</li> </ol>
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL / CDSL for e-Voting facility. Upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL / CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

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



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

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

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

- (i) Open internet browser by typing the URL: <https://www.evoting.nsdl.com/>
- (ii) Click on 'Shareholder/Member' – 'Login'.
- (iii) Type in your User ID, your password and a verification code as shown on the screen.  
  
Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

(iv) Your User ID details are given below:

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

- (v) Your password details are given below:
  - (a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
  - (b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
  - (c) How to retrieve your 'initial password'?
    - If your e-mail ID is registered in your demat account or with the Company, your 'initial password' is communicated to you on your e-mail ID. Trace the e-mail sent to you from NSDL from your mailbox. Open the e-mail and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
    - If your e-mail ID is not registered, you may get your e-mail address registered with the RTA, by clicking the link: <https://www.integratedindia.in/emailupdate.aspx> and follow the registration process as guided thereafter. Post successful registration of the e-mail address, you will receive soft copy of the Notice and the procedure for remote e-voting along with the User ID and the Password to enable remote e-voting for this Notice.
- (vi) If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
  - (a) Click on 'Forgot User Details/Password?' (If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - (b) Click on 'Physical User Reset Password?' (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - (c) If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) mentioning your demat account number/folio number, your PAN, your name and your registered address.
  - (d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
- (vii) After entering your password, tick on Agree to 'Terms and Conditions' by selecting on the check box.

- (viii) Now, you will have to click on 'Login' button.
- (ix) After you click on the 'Login' button, Home page of e-Voting will open.

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

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

**Other instructions:**

- (i) Institutional Members (other than Individuals, HUF, NRI, etc.) are also required to send a scanned copy (PDF/JPG format) of the relevant Board Resolution/Authority Letter, etc. together with an attested specimen signature of the duly authorised signatory(ies) who are authorised to vote, to the Scrutiniser through e-mail on [vijaykt@vjkt.in](mailto:vijaykt@vjkt.in) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).
- (ii) It is strongly recommended that you do not share your new password and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the 'Forgot User Details/Password?' or 'Physical User Reset Password?' option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) to reset the password.
- (iii) In case of any queries, you may refer to the Frequently Asked Questions (FAQs) for Members and remote E-voting User Manual for Members available at the 'Downloads' section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or contact NSDL on toll free no. 1800-1020-990/1800 224 430 or send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in). Any query or grievance connected with the remote e-voting may be addressed to Mr. Soni Singh, Assistant Manager or Ms. Sarita Mote, Assistant Manager at 1080-1020-990/1800-224-430, or send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).

- (iv) You can also update your mobile number and e-mail ID in the user profile details of the folio which may be used for sending future communication(s).
- (v) The remote e-voting period commences on August 4, 2022 (9.00 a.m. IST) and ends on August 7, 2022 (5.00 p.m. IST) for four days. During this period, Members of the Company, holding shares either in physical form or in dematerialised form, as on the cut-off date August 1, 2022 may cast their vote through remote e-voting.
- (vi) The voting rights of Members shall be in proportion to their shares of the paid-up equity share capital of the Company as on the cut-off date of August 1, 2022.
- (vii) Any person, who acquires shares of the Company and becomes member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. August 1, 2022, may obtain the login ID and password by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or [giri@integratedindia.in](mailto:giri@integratedindia.in). However, if you are already registered with NSDL for remote e-voting, then you can use your existing user ID and password for casting your vote. If you have forgotten your password, you can reset your password by using 'Forgot User Details/Password' option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or contact NSDL at toll free no. 1800-1020-990/1800-224-430.
- (viii) 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 through e-voting. For the purpose of e-voting, a person who is not a Member as on cut-off date should treat this Notice for information purpose only.
- (ix) **The instructions for members for e-voting on the day of the AGM are as under:-**
  - (a) The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
  - (b) Only those Members/shareholders, who will be present in the AGM through VC / OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
  - (c) Members who have voted through remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
  - (d) The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for remote e-voting.
- (x) The Board of Directors has appointed Mr. K. T. Vijaykrishna, Practising Company Secretary, (Membership No. FCS 1788) as the Scrutiniser to scrutinise the e-voting process in a fair and transparent manner. Mr. Vijaykrishna has conveyed to the Company his willingness to act as such.



- (xi) The Scrutiniser shall, immediately after the conclusion of voting at the meeting, first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and make not later than two (2) days of conclusion of the meeting, a consolidated Scrutiniser's Report of the total votes cast in favor or against, if any, to the Chairman or a person authorised by him in writing, who shall countersign the same and declare the resolution of the voting, forthwith.
- (xii) The Results declared along with the Scrutiniser's Report shall be placed on the Company's website [www.astrazeneca.com/india](http://www.astrazeneca.com/india) and on the website of NSDL, immediately after the result is declared by the Chairman and communicated to the stock exchanges, where the equity shares of the Company are listed.
- (xiii) **Instructions for members for attending the AGM through VC / OAVM are as under:**
- (a) Member will be provided with a facility to attend the AGM through VC / OAVM through the NSDL e-Voting system. Members may access the same at <https://www.evoting.nsd.com> under shareholders/members login by using the remote e-voting credentials. The link for VC / OAVM will be available in shareholder/members login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
- (b) Facility of joining the AGM through VC / OAVM shall open 30 minutes before the time scheduled for the AGM and will be available for Members on first cum first served basis.
- (c) Members are encouraged to join the Meeting through Laptops for better experience.
- (d) Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
- (e) Please note that participants connecting from mobile devices or tablets or through laptop connecting via Mobile Hotspot may experience Audio/Video loss due to fluctuation in their respective network. It is therefore recommended to use stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
- (f) Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker and send their request mentioning their name, demat account number/folio number, e-mail id, mobile number at [comp.sec@astrazeneca.com](mailto:comp.sec@astrazeneca.com) before 5 p.m. IST on August 2, 2022.
- (g) Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting. Members are requested to submit their questions at the times of registration, to enable the Company to respond appropriately.
- (h) The Company reserves the right to restrict the number of questions and number of speakers, depending upon availability of time as appropriate for smooth conduct of the AGM.
- (i) Members who need assistance before or during the AGM, can contact NSDL at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or contact Mr. Soni Singh, Assistant Manager or Ms. Sarita Mote, Assistant Manager at 1800-1020-990/1800-224-430.

## EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 AND SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

### Item No. 4

Based on the recommendation of the Nomination and Remuneration Committee and in terms of the provisions of Sections 149, 150, 152 read with Schedule IV and other applicable provisions of the Companies Act, 2013 ('the Act') and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('the Listing Regulations'), Ms. Shilpa Shridhar Divekar who was appointed as an Additional Director (Independent) on the Board of the Company with effect from December 29, 2021 to hold office till the date of the ensuing Annual General Meeting, is proposed to be appointed as an Independent Director for a term of five consecutive years from December 29, 2021 to December 28, 2026, not liable to retire by rotation.

The Company has received declaration from Ms. Shilpa Shridhar Divekar stating that she meets the criteria of Independence as prescribed under sub-section (6) of Section 149 of the Act and Regulation 16(1)(b) of the Listing Regulations. She has also given her consent to act as Director of the Company. The Company has received notice in writing from a member under Section 160 of the Act proposing the appointment of Ms. Shilpa Shridhar Divekar as an Independent Director of the Company.

The Board considers that her continued association would be of immense benefit to the Company and it is desirable to avail services of Ms. Shilpa Shridhar Divekar as an Independent Director. In the opinion of the Board, she fulfils the conditions of independence for appointment as an Independent Director and is independent of the Management. Her appointment factors her diverse skills, leadership capabilities, understanding of Indian market, strategic outlook, operational experience, government affairs, financial and general management expertise etc., as being key requirement for this role.

Ms. Shilpa Shridhar Divekar is not related to any Director or Key Managerial Personnel of the Company. None of the Directors, Key Managerial Personnel and their relatives except Ms. Shilpa Shridhar Divekar and her relatives, are concerned or interested in the above resolution.

The Board recommends the Resolution as set out at Item No. 4 of this Notice for the approval of the Members.

### Item No. 5

The Company is engaged in the business of manufacturing and marketing of pharmaceutical products. The Company in its ordinary course of business and on arms' length basis enters into contracts/agreements/arrangements for purchase, transfer or receipt of products, goods, materials, services, reimbursement/recovery costs, reimbursement on account of transfer price or other obligations with AstraZeneca UK Limited.

The above activities have been essential for the Company to carry out its business operations and maximise its growth and performance. The aggregate value of these transactions in a year has been exceeding 10% of the Company's turnover. Being "material" in nature, pursuant to Regulation 23 of the Listing Regulations, the Company had taken approval of members through postal ballot on March 29, 2022 for entering into transactions with AstraZeneca UK Limited for a period of 3 years i.e. April 1, 2022 to March 31, 2025, up to an amount not exceeding in aggregate ₹ 600 crore for each financial year.

However, in accordance with the SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2022/40 dated March 30, 2022 and SEBI/HO/CFD/CMD1/CIR/P/2022/47 dated April 8, 2022 the validity of the Related Party Transactions which has been approved by the members in meetings other than in AGM shall not exceed one year.

In view of the same, the Company is seeking the approval of members for the Related Party Transactions to be entered into by the Company with AstraZeneca UK Limited.

The Company estimates that transactions of above nature will be recurrent in each year in the future course of Company's business and are estimated to exceed the materiality threshold of 10% of turnover in the future, pursuant to Regulation 23(1) of the Listing Regulations. Considering the historical levels of such transitions, anticipated business transactions and business environment, it is proposed to seek members' approval by way of an ordinary resolution for related party transactions for an aggregate value of an amount not exceeding ₹ 400 crore for purchase, transfer or receipt of products, goods, materials, services, reimbursements, recovery costs, reimbursement on account of transfer price or other obligations, for the period from the 43<sup>rd</sup> Annual General Meeting till the 44<sup>th</sup> Annual General Meeting.

The purchases of materials and traded goods by the Company were based on agreement executed by the Company with AstraZeneca UK Limited and that the transactions were fair and at arms' length basis and are being done in the course of normal business of selling imported products in the Indian market and other expense reimbursements are charged as per the agreed contract respectively. There is no special or unusual benefits, rights or privileges which are extended or given by the Company to the related party.

None of the Directors or Key Managerial Personnel of the Company and their relatives except Mr. Ankush Nandra and Ms. Weiyang Sarah Wang, being representatives of AstraZeneca group on the Board of the Company may be deemed to be concerned or interested in the resolution.

The Board recommends the Resolution as set out at Item No. 5 of this Notice for the approval of the Members.



The particulars of the contracts/ arrangements/ transactions are as under:-

Sl. No.	Particulars	Information
1.	Name of the Related Party	AstraZeneca UK Limited
2.	Names of Directors or KMP who is related	Mr. Ankush Nandra Ms. Weiyang Sarah Wang (being representatives of AstraZeneca Group on the Board of the Company)
3.	Nature of Relationship	AstraZeneca UK Limited is the Parent Company of AstraZeneca Treasury Limited, United Kingdom, which is the Holding Company of AstraZeneca AB, Sweden, which in turn is the Holding Company of AstraZeneca Pharmaceuticals AB, Sweden and which in turn is the Holding Company of AstraZeneca Pharma India Limited.
4.	Nature, material terms, monetary value and particulars of the transactions	Purchase, transfer or receipt of products, goods, materials, services, reimbursement/ recovery costs, reimbursement on account of transfer price or other obligations on arm's length basis, not exceeding ₹ 400 crore for the period from of the 43 <sup>rd</sup> Annual General Meeting till the 44 <sup>th</sup> Annual General Meeting. The limit represents 49% of the annual turnover of the Company for the financial year 2021-22.
5.	Any other information relevant or important for the members	All important information forms part of the statement setting out material facts pursuant to Section 102(1) of the Companies Act, 2013 which has been mentioned in the foregoing paragraphs.

#### Item No. 6

The Company is engaged in the business of manufacturing and marketing of pharmaceutical products. The Company in its ordinary course of business and on arms' length basis enters into contracts/agreements/arrangements for purchase, transfer or receipt of products, goods, materials, services, reimbursement/ recovery costs, reimbursement on account of transfer price or other obligations with AstraZeneca AB, Sweden.

The above activities have been essential for the Company to carry out its business operations and maximise its growth and performance. The aggregate value of these transactions in a year might exceed 10% of the Company's turnover. Being "material" in nature, pursuant to Regulation 23 of the Listing Regulations, the Company is seeking the approval of members for the related party transactions to be entered into by the Company with AstraZeneca AB, Sweden by way of an ordinary resolution for an aggregate value of an amount not exceeding ₹ 120 crore for purchase, transfer or receipt of products, goods, materials, services, reimbursements, recovery costs, reimbursement on account of transfer price or other obligations, for the period from the 43<sup>rd</sup> Annual General Meeting till the 44<sup>th</sup> Annual General Meeting.

The purchases of materials and traded goods by the Company are based on agreement executed by the Company with AstraZeneca AB, Sweden and that the transactions are fair and at arms' length basis and are being done in the course of normal business of selling imported products in the Indian market and other expense

reimbursements are charged as per the agreed contract respectively. There is no special or unusual benefits, rights or privileges which are extended or given by the Company to the related party.

None of the Directors or Key Managerial Personnel of the Company and their relatives except Mr. Ankush Nandra and Ms. Weiyang Sarah Wang, being representatives of AstraZeneca group on the Board of the Company may be deemed to be concerned or interested in the resolution.

The Board recommends the Resolution as set out at Item No. 6 of this Notice for the approval of the Members.

The particulars of the contracts/ arrangements/ transactions are as under:-

Sl. No.	Particulars	Information
1.	Name of the Related Party	AstraZeneca AB, Sweden
2.	Names of Directors or KMP who is related	Mr. Ankush Nandra Ms. Weiyang Sarah Wang (being representatives of AstraZeneca Group on the Board of the Company)
3.	Nature of Relationship	AstraZeneca AB, Sweden is the Holding Company of AstraZeneca Pharmaceuticals AB, Sweden, which in turn is the Holding Company of AstraZeneca Pharma India Limited.
4.	Nature, material terms, monetary value and particulars of the transactions	Purchase, transfer or receipt of products, goods, materials, services, reimbursement/ recovery costs, reimbursement on account of transfer price or other obligations on arm's length basis, not exceeding ₹ 120 crore for the period from the 43 <sup>rd</sup> Annual General Meeting till the 44 <sup>th</sup> Annual General Meeting. The limit represents 15% of the annual turnover of the Company for the financial year 2021-22.
5.	Any other information relevant or important for the members	All important information forms part of the statement setting out material facts pursuant to Section 102(1) of the Companies Act, 2013 which has been mentioned in the foregoing paragraphs.

#### Item No. 7

The Board of Directors of the Company, on the recommendation of the Audit Committee, approved the appointment and remuneration of M/s. Rao, Murthy & Associates, Cost Accountants (Firm Registration No. 000065) to conduct the audit of the cost records of the Company for the financial year ending March 31, 2023. In terms of the provisions of Section 148(3) of the Companies Act, 2013 read with Rule 14(a)(ii) of the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditor is required to be ratified by the Members of the Company. Accordingly, consent of the Members is sought to ratify the remuneration payable to the Cost Auditors.

None of the Directors or Key Managerial Personnel or their relatives, is concerned or interested in this resolution.

The Board recommends the Resolution set out at Item No. 7 of this Notice for the approval of the Members.

## Annexure – I to Notice

### Additional information on director(s) recommended for appointment/re-appointment as required under Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standards on General Meetings

Particulars	Ms. Shilpa Shridhar Divekar	Mr. Rajesh Marwaha
Age (years)	48	59
Date of Appointment/ Re-appointment	December 29, 2021	December 2, 2019
Qualification(s)	Master of Business Administration, Chartered Accountant, Cost & Works Accountant, Post Graduate Degree in Commerce	Degree in Commerce and Member of Institute of Chartered Accountants of India
Brief profile and nature of their expertise in specific functional areas	Ms. Shilpa Shridhar Divekar has over two decades of rich experience across consulting and food & agriculture sectors. As part of her leadership journey, she led Regional Business Strategy for Asia Pacific and co-led Global Smallholder Strategy at Bayer CropScience. She served as the Chief Executive Officer of Monsanto India from 2014 to 2018 and was also responsible as Managing Director of the publicly listed entity in India. Prior to her 12 years stint at Bayer and Monsanto, she was the Head of Strategy & Business Development for Bunge India, a US headquartered multinational involved in oilseeds, commodity trading & foods.  She started her career journey in 1996 at Arthur Andersen and KPMG, and gained significant experience serving clients in diverse industry sectors. Since April 2020, she has chosen to be a mentor to businesses seeking to turnaround, grow or start-up. In 2017, she was recognised among the Top 50 Most Powerful Women Leaders by Fortune India.	Mr. Rajesh Marwaha has been the Chief Financial Officer of the Company since August 2014.  He has over two decades of Indian and International working experience. His experience includes varied roles in FMCG, Home Appliances, Pharmaceutical and Retail Mall sector. During his past work tenure, his main experience has been to set up new subsidiaries in different countries which has developed a strong business enabling approach in him.  He is a member of the Institute of Chartered Accountants of India.  Prior to joining AstraZeneca, he had worked with PepsiCo for seven years. He joined Groupe SEB SA, a French company in home appliances business in 1996. There, he worked in different functions; finance in India, Global internal audit at headquarter in France, Regional Controller Sales & Commercial in Dubai. Post a successful stint, he came back to India to join MSD pharmaceuticals in India in 2008 and worked there for 6 years.
Terms and conditions of Appointment/ Reappointment	As set out in item no. 4 of the accompanying Notice read with the Explanatory Statement. The draft terms and conditions for appointment of independent directors are set out in the Company's website at <a href="https://www.astrazeneca.in/content/dam/az-in/pdf/files/Terms-and-Conditions-of-Appointment-of-Independent-Director.pdf">https://www.astrazeneca.in/content/dam/az-in/pdf/files/Terms-and-Conditions-of-Appointment-of-Independent-Director.pdf</a>	As per the resolution passed by the shareholder at the Annual General Meeting held on August 10, 2020, Mr. Rajesh Marwaha was appointed as a Whole-time Director, liable to retire by rotation.
Remuneration last drawn	NIL*	As disclosed in the Corporate Governance Report
Number of meetings of Board attended during the year	1	5
Remuneration proposed to be paid	NA*	As per existing terms and conditions as approved by shareholders in the Annual General Meeting of the Company held on August 10, 2020
Directorships held in other listed companies	NIL	NIL
Membership/ Chairmanships of Committees of other listed companies	NIL	NIL
Shareholding in the Company (No. of shares)	NIL	NIL
Relationship between Directors, inter-se	None	None

\* Ms. Shilpa Shridhar Divekar is eligible for sitting fee for attending each meeting of the Board and Committee. For details of sitting fee paid in the financial year 2021-22, refer Corporate Governance Report.

By Order of the Board of Directors  
For **AstraZeneca Pharma India Limited**

**Pratap Rudra**  
Company Secretary & Legal Counsel

Place: Bengaluru  
Date: May 26, 2022



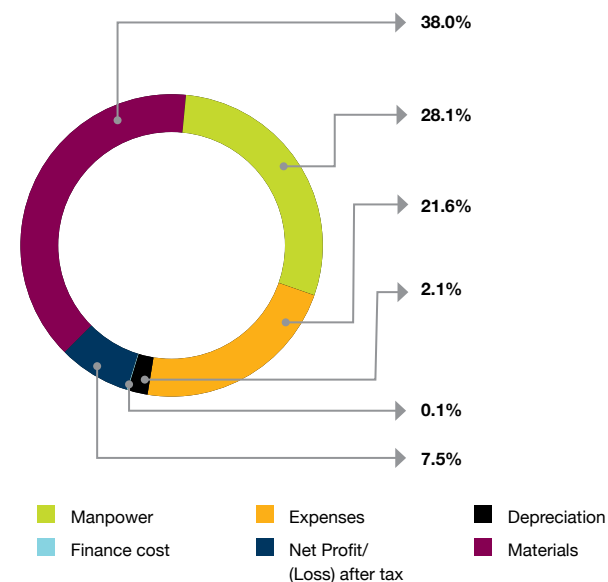
# Board's Report

Your Directors are pleased to present the 43<sup>rd</sup> Annual Report together with the Audited Financial Statements of the Company for the financial year ended March 31, 2022.

## Financial Results

Particulars	₹ in million	
	2021-22	2020-21
<b>Sales and Other Income</b>	8,204	8,264
Profit/(Loss) Before Tax	830	1,271
Provision for Taxation		
- Income Tax	226	348
- Adjustment for Deferred Tax	(12)	(10)
Total Tax	214	338
Profit/(Loss) after Taxation	616	933
Other comprehensive income/(loss) for the year	(17)	34
Total comprehensive income for the year	599	967
Surplus brought forward from the previous year	3,241	2,324
Impact of Ind AS 116	-	-
<b>Total amount available for appropriation</b>	<b>3,840</b>	<b>3,291</b>
<b>Appropriation made by Directors</b>		
Transfer to General Reserve	-	-
<b>Appropriation recommended by Directors</b>		
Dividend	(50)	(50)
Tax on proposed Dividend	-	-
Surplus carried over	3,790	3,241

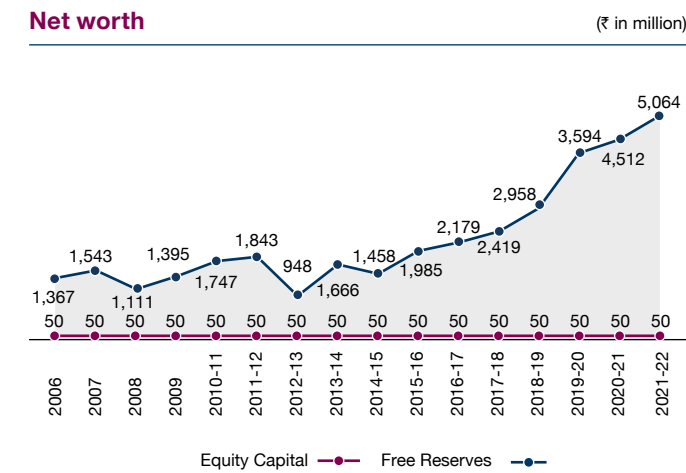
## Distribution of Total Revenue (%)



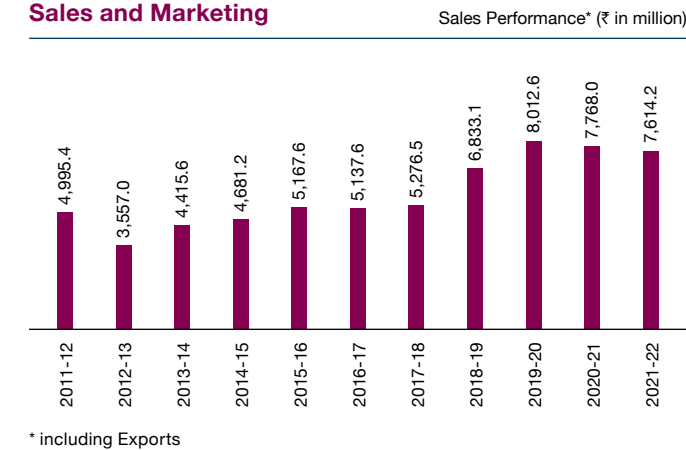
## Dividend

During the year, the Board recommended an interim dividend of ₹ 2/- per equity share which was paid out during the year. The Board is pleased to recommend a final dividend of ₹ 8/- per equity share of ₹ 2 each, which if approved at the forthcoming Annual General Meeting, will be paid to all those equity shareholders of the Company whose names appear in the Register of Members and whose names appear as beneficial owners as per the beneficiary list furnished for the purpose by National Securities Depository Limited and Central Depository Services (India) Limited as on record date fixed for this purpose. The total dividend for the year would be ₹ 10/- per equity share carrying face value of ₹ 2 each.

## Net worth



## Sales and Marketing



\* including Exports

## Business

The Company registered sales of ₹ 7,614 million versus last year sales of ₹ 7,768 million and achieved a total comprehensive income of ₹ 599 million, during financial year 2021-22. The performance for the current year was impacted due to generic proliferation of low priced products in the Dapagliflozin market.

The second wave of COVID-19 during the year 2021 had very serious and unprecedented effects across various parts of the country and led to tremendous stress on healthcare and health delivery system.

The growth platform of the Company keeps performing well with innovative molecules like Osimertinib, Olaparib, Durvalumab and Acalabrutinib. Brilinta (Ticagrelor) is approved for treatment in Acute Coronary Syndrome and high-risk Post MI patients and gained momentum with an achievement of 6.8% growth y-o-y despite Loss of Exclusivity by parent company. Brilinta continues to be the market leader with value share of 16.5% as against 15.8% last year in Oral Anti Platelets market as per IQVIA report MAT March 2022.

In the current year, the Company introduced Benralizumab (Fasenra) which is an innovative therapy to treat Severe Uncontrolled Asthma. Fasenra is also the Company's first Monoclonal Antibody to target Eosinophilic Pathway of Asthma (One of the Phenotype). Launched in the beginning of the year, Fasenra has gained significant advocacy amongst the Pulmonologists, it is being regarded as effective and safer therapy. Since launch, it has touched the lives of more than 200 patients.

Forxiga, as part of the SGLT2 class of drug (Sodium Glucose Cotransporter Inhibitors), also experienced volume growth of 9.3% in trade channel despite strong headwinds from a number of companies who launched generic versions of Dapagliflozin. The efficacy of the Company's molecule and its wide acceptance among physicians and benefits to numerous diabetic patients is quite evident. Dapagliflozin after getting approval in Chronic Kidney Disease & Heart failure with reduced ejection fraction is helping the patients of these two chronic diseases of high unmet need and is now also being endorsed by Global guidelines in these indications.

The Oncology Business Unit continues to expand its access, helping more patients gain access to novel treatment solutions. ADAURA indication (adjuvant treatment after complete tumor resection in patients with early non-small cell lung cancer (NSCLC) whose tumors have epidermal growth factor receptor (EGFR) exon 19 deletions or exon 21 (L858R) substitution mutations), which was approved by the regulatory authorities in India during month of March 2021, benefitted 17 number of patients during the year [ADAURA Trial, presented in 2020, had revealed a 79% reduction in the risk of disease recurrence or death with Tagrisso (osimertinib), a third-generation EGFR inhibitor, versus placebo in the adjuvant setting in EGFR mutant patients with early-stage disease (stage IB, II and IIIA)]. The newer launch of previous year Acalabrutinib started gaining strong traction with the top Physicians preferring the molecule over the competing alternative treatment solutions, due to long term safety. The molecule is promoted in India under the brand name of "Calquence".

Tagrisso (Osimertinib) maintained its leadership as the largest brand in the area of lung cancer treatment in India as per the IPSOS report released in December 2021. In February 2022, the brand reduced its MRP as a part of strategy to increase the access of the novel solution, considering the affordability challenge in the India market. The reduction in the pricing has been received well in the market and brand continues to see strong growth momentum consequent to the price dilution.

Lynparza (Olaparib), an Oral PARP Inhibitor used to treat PARP dependent tumors like ovarian cancer, breast cancer, prostate cancer and for pancreatic cancer, which was launched in February 2019, is now a leader in Ovarian Cancer market. After having established BRCA testing as a Standard procedure in Ovarian Cancer patients, the Company has now created partnerships with ecosystem in bringing Homologous Recombination Deficiency testing capability in the market, helping more number of patients getting benefitted from the available targeted treatment therapies like Olaparib.



Imfinzi (Durvalumab) was launched in October 2019 for the patients with unresectable Stage III non-small cell lung cancer (NSCLC) whose disease has not progressed following platinum-based chemotherapy and radiation therapy and in extensive stage small cell lung cancer continues to progress well. The brand registered a growth of 133.4% during the year.

During the year, two new global clinical studies (HIMALAYA and TOPAZ-1) were read out. Positive results from Himalaya Phase III trial showed a single, high priming dose of Tremelimumab added to Imfinzi demonstrated improved overall survival (OS) versus sorafenib in 1<sup>st</sup>-line unresectable hepatocellular carcinoma (HCC). Positive results from TOPAZ-1 Phase III trial showed Imfinzi plus Chemotherapy improved OS versus Chemotherapy alone in 1<sup>st</sup> – Line advanced biliary tract cancer. The Company is preparing for regulatory submission for getting the indication approved in India for promotion.

We are delighted to announce that in the Therapeutic Area of Oncology, the Company continues to strengthen its ranking and is now ranked fourth largest MNC in India as per the latest IPSOS report MAT Dec'2021 (released in May'2022).

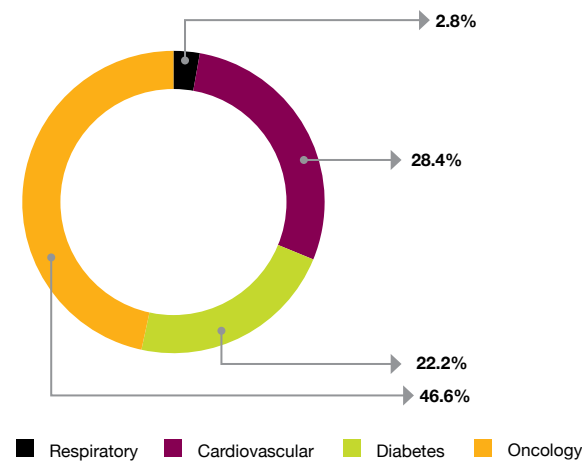
As COVID-19 changed the working conditions across industries, at the Company too, we relooked at our day-to-day operations and adopted to the new situation very effectively. Technology played a key role in ensuring a continuous connect with both healthcare professionals (HCPs), patients and providing the vital support that they needed. Our multi-channel engagement model ensured a high-level engagement with our stakeholders via diverse digital touch points. We utilised virtual platforms to launch our products and organised knowledge sharing sessions with doctors. Employees too continued to receive relevant training and education online.

The Company undertook a vaccination drive for all its employees and their immediate families. A structured process was designed to conduct the vaccination drive across the country. The vaccination drive received a good response from the employees and the proactive efforts of the team that was involved in running the drive was very well appreciated. This drive resulted in 96% of our colleagues getting vaccinated against the COVID-19 virus.

We made sure that our manufacturing plant remained fully operational despite the challenges around us, because we know that our medicines are helping patients to lead a healthier life. Our resilient manufacturing operations, supply chain, robust inventory management process and efficient distribution network enabled us to maintain business continuity.

Management has considered its liquidity position as at March 31, 2022 and over the next twelve months, by performing cash flow assessments and a sensitivity analysis thereon and has concluded that the Company will have adequate liquidity in the ordinary course of business.

### Therapeutic Area wise Sales contribution (%)



### Manufacturing

In Operations, as COVID challenges with Wave 3 continued, we maintained strict Covid appropriate behaviours. Despite the ongoing challenges the factory delivered strong results for 2021. Our excellent safety and quality performance at manufacturing site continued with zero Lost Time Injury and no critical observations in both internal and external quality audits.

Our supply performance was strong with 100% stock availability and zero stockouts, ensuring unrestricted supply to patients.

Our lean and digital journey continues, focusing on low cost/no cost digital solutions. Multiple power apps dashboards have been deployed, giving us real time data, making our processes more efficient and providing significant tangible benefits.

Major projects executed were:

- Solar Panels Installation – Approx 1100 panel - >90% Green energy usage at site.
- Boiler fuel changed from Diesel to LPG.

People development and building capability of our people is also a focus for the site. In 2021 the Operations deployed virtual job rotation programme and local job rotations.

### Material changes and commitment, if any, affecting financial position of the Company from the end of the Financial Year and till the date of this Report

There has been no material change and commitment affecting the financial performance of the Company which occurred between the end of the financial year of the Company to which the financial statements relate and the date of this Report.

### Deposits

During the year under review, the Company has neither accepted nor renewed any deposits from the public within the meaning of Section 73 of the Companies Act, 2013 and The Companies (Acceptance of Deposits) Rules, 2014.

### Safety, Health and Environment

Safety, Health and well-being of employees continued to be an important focus area for the Company, especially in light of the Covid Wave 2. 'We Care For You' initiative was ramped up. In addition to awareness sessions, Covid screening, Home Isolation monitoring & hospitalisation introduced in 2020, vaccination camps were conducted in PAN India locations and Oxygen concentrators provided to employees on SOS basis. Oximeters were provided to employees. We continued to distribute quality PPE on a regular basis to all teams in order to provide a safe working environment for our employees. Additional state of the art Covid precautions were introduced in the Head Office.

### Human Resources and Employee Relations

The Company is committed to provide career opportunities for its employees and enable their growth and development. In the year 2021-22, to enable our workforce readiness in the new normal context, digital has been a key area of focus both for Sales Force and functional teams. To support our colleagues in the digital skill-set, there has been an extensive investment on capability building to strengthen virtual/remote connect skills, along with scientific and technical knowledge across the business.

There is continued focus on enabling career development and learning opportunities for the employees. During the year, we continued with India Development Week for all employees which was focused on building capabilities and competencies aligned to our future portfolio. We also had a dedicated "Power of Diversity" Week to embed an inclusive culture and reinforce our commitment to nurturing and building a diverse organisation with employees from different backgrounds and cultures. We also transitioned from rating based Performance Management approach to Performance Development approach focused on continuous coaching and feedforward culture. The Company also continued to invest in talent development programmes to accelerate our talent pipeline for country leadership role with continued investment on education, exposure and experience through Global, Regional and Local programme.

### Number of Employees

The total number of employees of the Company as on March 31, 2022 was 1,183 as against 1,283 as on March 31, 2021.

### Legal Matters

In the last year's Board's Report, members were *inter alia* informed about Arbitration proceedings initiated by National Highway Authority of India (NHAI) before Arbitrator at Bengaluru in relation to first acquisition of land made by NHAI in 2004 and the arbitration proceedings invoked by the Company seeking, *inter alia*, enhancement of compensation from NHAI in respect of second acquisition of land made by NHAI in 2011. Further, the members were also informed about Writ Petition filed by the Company before the Hon'ble High Court of Karnataka challenging demand notice received from Bruhat Bengaluru Mahanagar Palike dated August 7, 2014 demanding improvement charges from the Company and the interim stay granted by the Hon'ble High Court of Karnataka. During the financial year under review, there have been no reportable developments on the above matters.

During the year, the Company received a demand notice for an amount of ₹ 157.39 crore (and interest thereupon) under Trade Margin Rationalisation notification (TMR notification) from National Pharmaceutical Pricing Authority (NPPA) alleging overcharging of a patented anti-cancer drug sold during the period of March 8, 2019 to January 31, 2021. The said drug has been included with certain other anti-cancer medicines, on which trade margin caps are applicable under TMR notification. Based on evaluation, management is of the view that the TMR notification is not applicable to the aforesaid patented drug and all applicable laws relating to the pricing of the product have been complied with. The Company has filed a Writ Petition before the High Court of Delhi challenging the NPPA's demand notice, and the Writ Petition is currently pending hearing.

### Transfer to Investor Education and Protection Fund

There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company in the financial year 2021-22.

### Directors' Responsibility Statement

To the best of our knowledge and belief and according to the information and explanations obtained by us, your Directors state in terms of Section 134 (5) of the Companies Act, 2013 (the Act):

- that in the preparation of the annual financial statements for the year ended March 31, 2022, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any.
- that they had selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2022 and of the profit of the Company for the year ended on that date.
- that they had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- that they had prepared the annual financial statements on a going concern basis.
- that they had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively.
- that they had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

The details in respect of internal financial controls and their adequacy are included in the Management Discussion & Analysis Report, which forms part of this Report.



### Disclosure as required under Section 22 of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

The Company is committed to provide a healthy environment to all its employees. There is zero tolerance of discrimination and/or harassment in any form. The Company has in place a Prevention of Sexual Harassment Policy and an Internal Complaints Committee as per the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

During the financial year under review, there was 1 complaint received by the Internal Complaints Committee and the same was resolved.

The Company has complied with provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

### Board Meetings

During the financial year, 5 meetings of the Board were held. For details of the meetings of the Board, please refer to the Corporate Governance Report, which forms part of this Report.

### Board Evaluation

Pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), performance evaluation exercise was carried out for evaluation of the performance of the Board as a Whole, the Chairman, Independent Directors and the Non-Independent Directors.

The Company had formulated a questionnaire to carry out the evaluation exercise. The questionnaire has been structured to embed various parameters based on identified criteria such as composition, functioning of board/committees, process, individual roles/obligations etc. and framework to carry out the evaluation effectively.

Further as part of the process, the Chairman of the Board provided feedback to the Board members on the evaluation carried.

As required under Listing Regulations, the Independent Directors held a separate meeting on February 8, 2022. All Independent Directors attended the meeting. The Independent Directors discussed/reviewed the matters specified in Regulation 25(4) of the Listing Regulations.

### Nomination and Remuneration Policy of the Company

The Company has adopted a Nomination and Remuneration Policy relating to appointment and remuneration of Directors, Key Managerial Personnel and Senior Executives of the Company, which *inter alia* govern the selection/nomination of Board members, appointment to Senior Management levels, review and approval of their remuneration etc. The policy is available at <https://www.astrazeneca.in/content/dam/az-in/pdf/files/AprNomination%20and%20Remuneration%20Policy.pdf>.

### Vigil Mechanism/Whistle-Blower Policy

The Company has a vigil mechanism for Directors and Employees to report their concerns about unethical behaviour, actual or suspected fraud or violation of the Company's code of conduct. The mechanism provides for adequate safeguards to Director(s)/

Employee(s) who avail of the mechanism. In exceptional cases, Directors and Employees have direct access to the Chairman of the Audit Committee. The Whistle Blowing Policy is available at <https://www.astrazeneca.in/content/dam/azin/pdf/2019/Whistle%20Blowing%20Policy.pdf>.

### Dividend Distribution Policy:

The Company has adopted a Dividend Distribution Policy which is annexed herewith as Annexure – I, which forms part of this Report. The Dividend Distribution Policy is also available at <https://www.astrazeneca.in/content/dam/az-in/pdf/2017/Dividend%20Distribution%20Policy.pdf>.

### Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo

The information on Conservation of Energy, Technology Absorption and Foreign Exchange earnings and outgo stipulated under Section 134 (3) (m) of the Companies Act, 2013 read with Rule 8 of The Companies (Accounts) Rules, 2014 is annexed as Annexure – II, which forms part of this Report.

### Related Party Transactions

There are no materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel and Senior Management which may have a potential conflict with the interest of the Company at large.

The Company entered into materially significant related party transactions with AstraZeneca UK Limited for purchase, transfer and receipt of products, goods, material, services and reimbursement on account of transfer price or other obligations. The same is within the limits duly approved by the members at the 40<sup>th</sup> Annual General Meeting.

Further, the Company has taken the approval of members of the Company through postal ballot for the transactions to be entered by the Company with AstraZeneca UK from March 31, 2022.

All related party transactions are placed before the Audit Committee for its prior approval. Omnibus approval of the Audit Committee is obtained for transactions which are repetitive in nature or when the need for them cannot be foreseen in advance.

The Company has adopted a Policy for dealing with Related Party Transactions. The Policy as approved by the Board is available at <https://www.astrazeneca.in/content/dam/az-in/pdf/files/Policy%20on%20Related%20Party%20TransactionsS.pdf>

Details of the related party transactions as required under Section 134(3)(h) read with Rule 8 of the Companies (Accounts) Rules, 2014, are attached as Annexure – III, which forms part of this Report.

### Risk Management

The Company has in place a mechanism to inform the Board about the risk assessment and minimisation procedures and periodical review is carried out to ensure that executive management controls risks by means of a properly defined framework.

The Company has formulated a Risk Management Policy which will guide the Risk Management Committee and the internal team to effectively manage the risks that the business faces.

The details of Risk Management Committee and its terms of reference are set out in the Corporate Governance Report which forms part of this report.

### Corporate Social Responsibility

Inspired by our Values and what science can do, the Company focused on accelerating the delivery of life-changing medicines that create enduring value for patients and society. The Company committed to operating in a way that recognises the interconnection between business growth, the needs of society and the limitations of our planet. In the year 2021, while at one end the Company continued our focus on access to healthcare, the Company also looked at ways we can contribute in protecting the environment.

The Company's flagship initiative "Ganga Godavari Screening Programme" continued its focus on early detection via preventive screening of non-communicable diseases in the under resourced communities.

- (a) At one end, the Company cancer screening programme that were launched in the year 2019, entered phase 2. In consensus with National Health Mission and the Ministry of Health and Family Welfare the programme moved and was implemented in Tikri village in Uttar Pradesh. In order to make the programme more sustainable, the Company created a tri-party support model that could bring in local medical support for patient reference and community-based intelligence to catalyse field work and outreach. Indian Cancer Society being the Company's primary partner worked closely with Banaras Hindu University that supported our mission to conduct specialised health camps that focused on checking women for Ovarian, Breast and Cervical cancer. Despite multiple interruptions given the pandemic-based lockdowns, the camps touched about 5,500 beneficiaries where over 220 suspected positive cases were referred for further medical treatment.
- (b) The initiative was supported by a public facing campaign 'New Normal, Same Cancer' that was developed in collaboration between AstraZeneca and the global cancer patient community touched about 18.4 million people this year. The campaign that was initially developed alongside a steering committee of advocacy partners from around the world during the pandemic to raise awareness on the need for people to get back to cancer care services despite the disruption caused by the COVID-19, expanded its focus on bringing about awareness on Cancer, its causes, better management and importance of preventive treatment. This was implemented by on-boarding multiple influencers from different walks of life such as real-life survivors, celebrities, renowned care takers who have seen the journey of a cancer patient closely to build awareness. This World Cancer Day, these influencers helped the Company disseminate its message that 'Cancer doesn't wait and neither should you' directly through multi-media such as radio, facebook, Instagram etc.
- (c) The Company entered into cardiac care as another area posing a significant burden on the healthcare ecosystem of the country. AstraZeneca joined hands with Ummeed Foundation to support Gauri Healthy Heart a project that was conceptualised by Padma Shri Dr. Upendra Kaul in the year 2020 that focuses on preventing heart attacks and strokes. With a No-heart-attack-mission-2025, the project is a collaboration between central & state/union territory government, health departments, medical education & academic research centres, pharma companies, social & development organisations, army, volunteers and civil society at grass root levels. In its early years, it has targeted

remoter parts of the country starting with union territory of Jammu and Kashmir and fanning out to various selected parts of India. These healthy heart screening camps evaluate numerous patients with high blood pressure or diabetes with or without a heart disease already on treatment. The project is driven by an objective of making quality heart care available to underprivileged people by early identification and treatment of heart attacks and strokes, prevention of reoccurring cardiovascular events and reduction in deaths from cardiovascular ailments.

Our global 'Young Health Programme' expanded its boundaries from Delhi to Karnataka this year. An over a decade old programme implemented in multiple communities of Delhi helped us build a model 'community development' approach that could influence behaviours especially in youngsters between 10-24 years of age. This programme founded in partnership with John Hopkins School of Public Health and Plan International, AstraZeneca global aims at improving health outcomes of vulnerable youth, by building awareness on ill-effects of behaviours such as tobacco and alcohol consumption, smoking, unhealthy lifestyle etc. that could lead to NCDs such as Cancer, Diabetes, heart ailments etc. in the long run. With a unique working model, this project is implemented by developing youth from the community itself as 'Peer Educators' who not only believe in the objective of the programme but also act as influencers in driving change within the community. Thus far, the programme has over 21 'Health Information Centers' - that are the focal points in identified communities helping us spread the right information on NCD Prevention and Management from generating awareness to identifying sustainable solutions to influence behaviour. This year with the help of the impact we have created, we garnered support from the local government both in Karnataka and Delhi including MoHFW, NCD Cell, national health mission in not only implementing the programme but also strategically strengthening our grassroot connect by involving community government health offices to be able to engage with the community. This programme has thus far touched more than 460,000 young people with health information and trained more than 7,800 Peer Educators who have delivered numerous health promotion activities with the target community from time to time. Specifically in Karnataka, we aim to touch about 50,000 lives in its first year.

Once the vaccination drive against COVID-19 began in India, vaccine hesitancy became the next big matter of concern. There were multiple reports emerging from different regions where general public was hesitant to administer their dose due to myths, fear of side effects and misconceptions. This needed quick and strong community intervention to ensure that more and more people came forward for vaccination of both the doses to curb the spread of COVID-19 infection. The Company recognising the gap, made an effort to strengthen community action for the COVID vaccination drive through Plan India. 'Vaccine Hesitancy Programme' was curated with two-fold objectives: supporting government efforts to combat the outbreak of COVID-19 in the country by addressing vaccination hesitancy and promoting COVID appropriate behaviour through community-led action. The Company collaborated to curate and support "COVID Vaccination Campaign" for end-to-end outreach in Bawana and Jahangirpuri area of North Delhi to promote COVID appropriate behaviour and thereby improve the vaccine uptake through community mobilisation. The target groups in the project included men, women and children from these resettlement colonies. Over 11,000 people were vaccinated, about 40,000



reached with targeted messages through 7,300 household visits and over 395,000 people were sensitised on COVID appropriate behaviour and COVID-19 Vaccination through mass awareness.

'AZ Forest' initiative by the Company looks forward to restoring forests and biodiversity by planting trees worldwide in partnership with local governments and non-profit organisations. Tree plantation across globe is often seen as a quantity driven activity with the goal of planting a certain number of trees in a day or an hour. But this is associated with certain maintenance and ownership challenges. In India with an aim to convert a denuded area of land into a lush green forest to create an ecosystem involving community, the Company collaborated with SankalpTaru Foundation, focused on afforestation throughout India and providing livelihood to farmers along the way. We flagged off a mass sapling plantation campaign in Bengaluru and committed to planting 5,000 smartly geo-tagged trees in phase 1 that would enable individualistic tracking of each plant remotely. This unique model will help in ensuring that the growth and management of a plant is well monitored, and timely interventions can be planned as and when required. The approach here was to lay the foundation of greenery on a denuded community land, convert a barren land into forest, owning the plantation of trees and maintaining them for an agreed period of three years of time and lastly transferring a healthy and green forest back to the community owner at the end of its agreed tenure.

The Company's 'Back2school' campaign was curated given a need found at the ground level where people started putting their children away from school once the lockdown were lifted. This 3 month long campaign in two communities of New Delhi had a straight forward objective to mobilise parents and nudge them to ensure that the education for their children continued. With the help of local youth and peer educators, this programme saw a participation from 5,400 parents, over 1,500 education kits distribution to young girls, and 1,200 safety kits were distributed to help children return to school.

Taking the promise of care forward with an underlying objective of adherence to treatment, the Company committed to fulfil the wishes of about 830 children suffering from critical ailments across the country in collaboration with Make-A-Wish Foundation. It has proven to have created an impact in a patient's treatment cycle as indicated during the interactions with multiple health professionals treating children. This support is an important adjunct to medical treatment, and health experts have observed their patients feel better and comply more readily with treatment protocols when they experience their wish come true. The community volunteers who grant wishes say the wish granting process heightens both their ability to see the best in others, and their commitment to actively help more people in need. The Company supported a series of 11 events organised either virtually or on-ground across Bengaluru, Goa, Mumbai, Kolkata, Jaipur, Delhi, Pune, Hyderabad, Chennai, Ahmedabad and Baroda in an effort to reach out as many children between the age of 3 to 18 years as possible and leave them with joyous memories.

The Corporate Social Responsibility Policy is available at <https://www.astrazeneca.in/content/dam/az-in/pdf/files/Corporate%20Social%20Responsibility%20PolicyS.pdf>.

The Annual Report on CSR activities in terms of the requirements of Companies (Corporate Social Responsibility Policy) Rules, 2014 is annexed herewith as Annexure – IV, which forms part of this Report.

### Annual Return of the Company

In terms of the requirements of Section 92(3) of the Act read with Rule 12 of the Companies (Management and Administration) Rules, 2014, the Annual Return is available at [www.astrazeneca.com/india](http://www.astrazeneca.com/india).

### Details of remuneration of Directors/Key Managerial Personnel

The information relating to remuneration of Directors/ Key Managerial Personnel as required under Section 197(12) read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 of the Act, is given in Annexure - V, which forms part of this Report.

### Particulars of Employees

The statement under Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, are set out in Annexure – VI, which forms part of this Report.

However, the said Annexure shall be provided to Members on a specific request made in writing to the Company. The said information is open for inspection and any member interested in obtaining the copy of the same may write to the Company Secretary.

### Management Discussion and Analysis Report

Management Discussion and Analysis Report as required under the Listing Regulations is annexed as Annexure - VII, which forms part of this Report.

### Corporate Governance

A detailed report on corporate governance as required under the Listing Regulations is annexed as Annexure – VIII, which forms part of this Report. Certificate of the Practicing Company Secretary regarding compliance with the conditions stipulated in the Listing Regulations forms part of the Report on Corporate Governance.

### Reporting of Frauds

There was no instance of fraud during the year under review, which required the Statutory Auditors to report to the Audit Committee and/or the Board, as required under Section 143(12) of the Act and Rules framed thereunder.

### Particulars of Loans, Guarantees or Investments

During the year under review, the Company has not granted any Loan, Guarantees or made Investments within the meaning of Section 186 of the Companies Act, 2013.

### Significant and material orders passed by the Regulators or Courts or Tribunals

During the year under review, there was no significant and material orders passed by the Regulators or Courts or Tribunals impacting the going concern status of the Company.

### Committees

Pursuant to Section 178 of the Companies Act, 2013 and the rules made thereunder, the Board of Directors at its meeting held on May 30, 2014, had constituted the Nomination & Remuneration Committee and the Stakeholders' Relationship Committee.

Pursuant to Section 135 of the Companies Act, 2013 and the rules made thereunder, the Board of Directors at its meeting held on August 12, 2014 had constituted the Corporate Social Responsibility Committee. Further, pursuant to Regulation 21 of the Listing Regulations, the Board of Directors at its meeting held on February 6, 2019 had constituted the Risk Management Committee. Details of these Committees including the Audit Committee are given in the Corporate Governance Report.

### Directors and Key Managerial Personnel

The Companies Act, 2013 provides for appointment of Independent Directors, who shall hold office for a term of up to 5 consecutive years on the Board of the Company and shall be eligible for re-appointment on passing of a special resolution by the Company. Further, the provisions of retirement by rotation as envisaged under Section 152 of the Companies Act, 2013, shall not apply to such Independent Directors. The Independent Directors of the Company Mr. Narayan K. Seshadri, Ms. Revathy Ashok and Ms. Shilpa Shridhar Divekar, have furnished the required declaration under the provisions of Section 149 of the Companies Act, 2013, affirming that they meet the criteria of independence.

### Changes to the Board of Directors

Pursuant to Section 152 of the Companies Act, 2013, Mr. Rajesh Marwaha (Executive Director), will retire by rotation at the ensuing Annual General Meeting and being eligible, offer himself for re-appointment. A resolution in this behalf is set out at Item No. 3 of the Notice of the Annual General Meeting.

Based on the recommendations of the Nomination & Remuneration Committee Ms. Shilpa Shridhar Divekar (Non-Executive Independent Director) was appointed as an Additional Director of the Company by the Board of Directors on December 29, 2021. A proposal is placed before the members for appointment of Ms. Shilpa Shridhar Divekar as a Director to hold office for a term of 5 consecutive years i.e. up to December 28, 2026.

Pursuant to the provisions of regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meetings, brief resume and other disclosures relating to the Directors who are proposed to be appointed/re-appointed are given in the Annexure to the Notice of the 43<sup>rd</sup> Annual General Meeting.

The details of familiarisation programme and annual board evaluation process for Directors have been provided in the Corporate Governance Report.

As on date, Mr. Gagandeep Singh Bedi, Managing Director, Mr. Rajesh Marwaha, Chief Financial Officer & Director and Mr. Pratap Rudra, Company Secretary & Legal Counsel, are the Key Managerial Personnel of the Company.

### Auditors

#### Statutory Auditors:

At the Annual General Meeting held on August 9, 2021, the present statutory auditors, M/s. Price Waterhouse & Co. Chartered Accountants LLP (Firm Registration No. 304026E/E-300009), were re-appointed as statutory auditors of the Company for a period of 5 years viz., till the conclusion of 47<sup>th</sup> Annual General Meeting.

### Secretarial Auditors:

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and amendments made thereto, the Company engaged the services of Mr. Vijayakrishna K.T., Practicing Company Secretary to conduct the Secretarial Audit of the Company for the financial year ended March 31, 2022. The Secretarial Audit Report in Form MR-3 is annexed as Annexure – IX, which forms part of this Report.

The Company has complied with the Secretarial Standards issued by the Institute of Company Secretaries of India on Board Meetings and Annual General Meetings.

### Cost Auditors:

The Board of Directors of the Company, based on recommendation of the Audit Committee, has appointed M/s. Rao, Murthy & Associates, Cost Accountants, Bengaluru, (holding Registration No.000065), as Cost Auditor of the Company, for conducting the Cost Audit for the financial year 2022-23, on a remuneration as mentioned in the Notice convening the 43<sup>rd</sup> Annual General Meeting.

A Certificate from M/s. Rao, Murthy & Associates, Cost Accountants, has been received to the effect that their appointment as Cost Auditor of the Company is in accordance with the limits specified under Section 141 of the Act and Rules framed thereunder.

Cost Audit Report for the year 2020-21 was filed with the Ministry of Corporate Affairs on September 6, 2021.

The Company maintains the cost records as specified by the Central Government under Section 148 (1) of the Act.

### Acknowledgements

Your Directors take this opportunity to thank AstraZeneca Pharmaceuticals AB, Sweden and AstraZeneca PLC, UK for their valuable guidance and strong support to the Company's operations during the year.

Your Directors would also like to thank the Central and the State Governments, other Statutory and Regulatory Authorities, the Company's Bankers, the Medical Profession and Trade, Vendors & Business Associates and the Members for their continued valuable support to the Company's operations.

Your Directors place on record their sincere appreciation of the significant contribution and continued support of the employees at all levels to the Company's operations during the year.

For and on behalf of the Board of Directors

Place: Bengaluru  
Date: May 26, 2022

**Narayan K. Seshadri**  
Chairman



## Annexure I to Board's Report

### Dividend Distribution Policy

#### Background

The Securities and Exchange Board of India ('SEBI') has, vide its notification dated July 8, 2016 amended the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('the Listing Regulations') by inserting a new Regulation 43A which mandates the top 500 listed companies based on market capitalization calculated as on March 31, of every financial year to formulate a Dividend Distribution Policy.

AstraZeneca Pharma India Limited ('the Company') being one of such top 500 listed companies is accordingly required to formulate a Dividend Distribution Policy ('the Policy').

This Policy has been approved by the Board of Directors of the Company ('the Board') at its meeting held on November 11, 2016. The Policy will be applicable from the Company's Financial Year 2016-17.

#### (a) Objective

The objective of the Policy is to reward the Company's shareholders by sharing profits earned by the Company through payment of dividend, after ensuring that adequate funds are retained for sustaining its operations, needed capital expenditure and future growth of the Company.

The Policy is aimed at striking the right balance between the quantum of dividend paid to its shareholders and the amount of profits retained for its business requirements, present and future.

The Company will make dividend payments in line with this Policy.

#### (b) Types of Dividend

There are two types of dividend that may be paid by the Company to its Shareholders:-

##### (i) Final Dividend

The Board shall have the power at its meeting to recommend to the Shareholders for their approval at an Annual General Meeting, the declaration of dividend and the quantum of final dividend payable. The Board's recommendation shall be based on the Company's profits arrived at in accordance with the applicable provisions of the Companies Act, 2013 and the Rules made thereunder (Collectively, 'the Act'), as per its annual audited financial statement and in line with this Policy. Upon the Shareholders approving at the Annual General Meeting the final dividend recommended by the Board, the Dividend shall be paid to all the Shareholders entitled to receive the same as on the Record Date/Book Closure Date determined by the Board in accordance with the applicable provisions of the Act.

##### (ii) Interim Dividend

The Board has the power to declare, at its complete discretion, one or more Interim dividends to the Shareholders during any Financial Year based on the Company's financial position as per its quarterly/half yearly financial statements, in line with this Policy.

The Company shall pay applicable Dividend Distribution Tax on dividends declared and paid.\*

The Board may at its sole discretion declare a Special dividend under certain circumstances such as extraordinary profits from sale of investments or on the Company attaining a significant milestone in its journey.

##### (iii) Declaration and Payment of Dividend (including Interim Dividend)

The declaration and payment of Dividend to the Shareholders shall be in accordance with the applicable provisions of the Act and the Rules framed thereunder for the time being and from time to time in force and in line with this Policy.

#### (c) Factors to be considered when declaring/paying Dividend

The decision regarding dividend pay-out is a crucial one, as it determines the amount of profit to be distributed amongst the Shareholders and the amount of profit to be retained in the Company's business.

The dividend pay-out decision would depend upon the following external and internal factors:-

##### External Factors

- (a) **State of Indian Economy** – in case of uncertain or recessionary economic and business conditions, the Board will endeavour to retain larger part of profits to build up reserves for the future.
- (b) **Capital Markets** – when the markets are favourable, dividend pay-out can be liberal. However, in case of unfavourable market conditions, the Board may resort to a conservative dividend pay-out in order to conserve cash outflows.
- (c) **Statutory Restrictions** – The Board will keep in view the restrictions imposed by the Act and the Rules made thereunder in force from time to time and any other applicable statutory restrictions, obligations or impositions with regard to declaration of dividend.
- (d) **Corporate Tax** – The rate of Corporate Tax on dividend could be also a determining factor in deciding whether or not to declare dividend and/or its quantum.

\*Note: Tax treatment shall be subject to applicable regulations.

##### Internal Factors

Apart from various external factors above-mentioned, the Board will take into account various internal factors when declaring dividend such as the following:-

- (i) Profits earned during the financial year;
- (ii) Present and future capital requirements of the existing businesses;
- (iii) Brand/Business Acquisitions;
- (iv) Expansion/Modernization of existing businesses;
- (v) Additional investments of the Company;
- (vi) Obligations to creditors;
- (vii) Capital adequacy and liquidity maintenance;
- (viii) Any other factor as deemed fit by the Board.

#### (d) How retained earnings to be utilized by the Company

The profits earned by the Company may as per the Board's assessment in the light of the above factors, may be retained in business or utilized for projected expansion/diversification, brand/business acquisitions, capital expenditure and for the growth of the business and the balance shall be distributed amongst the Shareholders by way of dividend in line with this Policy.

#### (e) Types of Capital

The Company has only equity share capital as on date. If in future, the Company issues preference share capital and if dividend is declared by the Board, the preference share capital will have priority to receive dividend in accordance with the terms of its issue before any dividend is paid in respect of equity capital in accordance with the applicable provisions of the Act and the Articles of Association of the Company.

#### (f) Disclosure of this Policy

The Company shall disclose this Policy on its website and in its Annual Report.

#### (g) Amendment

The Board may amend this Policy as and when deemed fit. Any and all provisions of this Policy shall be amended as needed due to business and economic conditions or regulatory changes from time to time.

#### (h) Review

This Policy shall be reviewed periodically by the Board.



## Annexure II to Board's Report

### Details on Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo

#### A. Conservation of Energy-

##### (i) The steps taken or impact on conservation of energy:

The Company's plant is accredited with Gold Standard Rating under LEED (Leadership in Energy and Environmental Design) certification. The facility uses energy-saving HVAC System, all the HVAC operations is controlled by the building management system which enables the facility to be energy efficient.

Inhouse solar plant is commissioned in 2021 and the plant generates 80,000 to 90,000 KWH annually which caters to 10-15% of the site energy needs.

As part of sustainability, LPG is being used as a fuel to boiler in place Diesel. The LPG bank is commissioned in 2021; Use of LPG is more environment friendly and cost effective.

##### (ii) The steps taken by the Company for utilising alternate sources of energy:

The Company is using renewable energy concepts like:

- Solar power is catering to more than 90% of site power requirements
- Usage of environment friendly LPG in place of Diesel as Boiler fuel
- Rainwater Harvesting
- Condensate water recovery system
- Natural air ventilation systems for Boiler house
- Usage of transparent roofing in utility areas to conserve lighting load.

##### (iii) The capital investment on energy conservation equipment:

- The Company's investment into the existing Tablet Facility includes investments made on energy conservation equipment and systems
- Usage of power saving LED fixtures in production, warehouse and street lighting

- In-house solar plant encompassing more than 1,100 PV panels completed in 2021
- Project for usage of energy efficient LPG for Boiler instead of Diesel completed
- Auto tube cleaning system for chiller condenser cleaning installation done
- Proposal for Heat pump installation for our HVAC system under evaluation
- Chemical less cooling tower proposal under evaluation
- Water stewardship plan in place for reducing water usage.

#### B. Technology Absorption

1. The efforts made towards technology absorption N.A.
2. The benefits derived like product improvement, cost reduction, product development or import substitution N.A.
3. In case of imported technology (imported during the last three years reckoned from the beginning of the financial year)
  - (a) The details of technology imported
  - (b) The year of import
  - (c) Whether the technology has been fully absorbed
  - (d) If not fully absorbed, areas where absorption has not taken place and reasons thereof N.A.
4. The expenditure incurred on Research and Development N.A.

#### C. Foreign exchange earnings and outgo

- (a) Foreign Exchange earned in terms of actual inflows - ₹ 442 million.
- (b) Foreign exchange outgo in term of actual outflows - ₹ 2,552 million.

On Behalf of the Board of Directors

Place: Bengaluru  
Date: May 26, 2022

**Narayan K. Seshadri**  
Chairman

## Annexure III to Board's Report

### Form No. AOC-2

(Pursuant to clause (h) of sub-section (3) of Section 134 of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014)

#### Form for disclosure of particulars of contracts / arrangements entered into by the Company with related parties referred to in sub-section (1) of Section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto.

##### 1. Details of contracts or arrangements or transactions not at arm's length basis:

During the financial year 2021-22, there was no contract or arrangement or transaction with the related parties, which was not at arm's length and in the ordinary course of business.

##### 2. Details of material contracts or arrangement or transactions at arm's length basis:

- (a) Name of the related party: AstraZeneca UK Limited (AZ UK).
- (b) Nature of relationship: AstraZeneca UK Limited, is the Parent Company of AstraZeneca Treasury Limited, United Kingdom which is the Holding Company of AstraZeneca AB, Sweden, which in turn is the Holding Company of AstraZeneca Pharmaceuticals AB, Sweden and which in turn is the Holding Company of AstraZeneca Pharma India Limited.
- (c) Nature of contracts/ arrangements/ transactions: Purchase of raw materials and traded goods by the Company from AZ UK and Reimbursement by AZ UK, the cost of employees deputed by the Company outside India.
- (d) Duration of the contracts/arrangements/transactions: (i) Agreement dated June 20, 2005 entered into by the Company with AZ UK, is ongoing.
- (e) Salient terms of the contract including value if any:
  - (i) Formulation, Packaging and Distribution Agreement dated June 20, 2005:  
Nature: Formulation, packaging and resale of the products by the Company  
Credit Period: 120 days

Transactions to take place at agreed transfer pricing  
Termination of Agreement by 6 months written notice by either party.

Monetary value of transaction(s) during 2021-22 is ₹ 2,225 million.

- (ii) The Company has entered into an Agreement dated March 24, 2015 with AZ UK and later extended, the material terms of which are as follows:

Nature: Reimbursement of pre-launch cost for new launch products, on arm's length basis.

Credit Term: 45 days

Termination of Agreement by 6 months written notice by either party.

Monetary value of transaction(s) during 2021-22 is ₹ 6.2 million.

- (iii) The Company had sent its personnel to the Related Party vis., AZ UK, on deputation. The Related Party has reimbursed the Company, cost of deputation of such personnel. The aggregate reimbursement made by the Related Party to the Company and is ₹ 17 million.

The aggregate value of transactions with AZ UK, a Related Party during the financial year 2021-22 was ₹ 2,248.2 million.

- (f) Date of approval by the Board: Not applicable, as the transactions referred to above are in the ordinary course of business and on arm's length basis.

- (g) Amount paid as advances, if any: Nil

On Behalf of the Board of Directors

Place: Bengaluru  
Date: May 26, 2022

**Narayan K. Seshadri**  
Chairman



**Annexure IV to Board's Report**  
**Annual Report on CSR Activities**

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

Inspired by our Values and what science can do, the Company is focused on accelerating the delivery of life-changing medicines that create enduring value for patients and society. The Company is committed to operating in a way that recognises the interconnection between business growth, the needs of society and the limitations of our planet. In the year 2021, while at one end the Company continued our focus on access to healthcare, the Company also looked at ways we can contribute in protecting the environment.

The Company's flagship initiative "Ganga Godavari Screening Programme" continued its focus on early detection via preventive screening of non-communicable diseases in the under resourced communities.

(a) At one end, the Company's cancer screening programme that were launched in the year 2019, entered phase 2. In consensus with National Health Mission and the Ministry of Health and Family Welfare the programme moved and was implemented in Tikri village in Uttar Pradesh. In order to make the programme more sustainable, the Company created a tri-party support model that could bring in local medical support for patient reference and community-based intelligence to catalyse field work and outreach. Indian Cancer Society being the Company's primary partner worked closely with Banaras Hindu University that supported our mission to conduct specialised health camps that focused on checking women for Ovarian, Breast and Cervical cancer. Despite multiple interruptions given the pandemic-based lockdowns, the camps touched about 5,500 beneficiaries where over 220 suspected positive cases were referred for further medical treatment.

(b) The initiative was supported by a public facing campaign 'New Normal, Same Cancer' that was developed in collaboration between AstraZeneca and the global cancer patient community touched about 18.4 million people this year. The campaign that was initially developed alongside a steering committee of advocacy partners from around the world during the pandemic to raise awareness on the need for people to get back to cancer care services despite the disruption caused by the COVID-19, expanded its focus on bringing about awareness on Cancer, its causes, better management and importance of preventive treatment. This was implemented by on-boarding multiple influencers from different walks of life

such as real-life survivors, celebrities, renowned care takers who have seen the journey of a cancer patient closely to build awareness. This World Cancer Day, these influencers helped the Company disseminate its message that 'Cancer doesn't wait and neither should you' directly through multi-media such as radio, facebook, Instagram etc.

(c) The Company entered into cardiac care as another area posing a significant burden on the healthcare ecosystem of the country. AstraZeneca joined hands with Ummeed Foundation to support Gauri Healthy Heart a project that was conceptualised by Padma Shri Dr. Upendra Kaul in the year 2020 that focuses on preventing heart attacks and strokes. With a No-heart-attack-mission-2025, the project is a collaboration between central & state/ union territory government, health departments, medical education & academic research centres, pharma companies, social & development organisations, army, volunteers and civil society at grass root levels. In its early years, it has targeted remoter parts of the country starting with union territory of Jammu and Kashmir and fanning out to various selected parts of India. These healthy heart screening camps evaluate numerous patients with high blood pressure or diabetes with or without a heart disease already on treatment. The project is driven by an objective of making quality heart care available to underprivileged people by early identification and treatment of heart attacks and strokes, prevention of reoccurring cardiovascular events and reduction in deaths from cardiovascular ailments.

Our global 'Young Health Programme' expanded its boundaries from Delhi to Karnataka this year. An over a decade old programme implemented in multiple communities of Delhi helped us build a model 'community development' approach that could influence behaviours especially in youngsters between 10-24 years of age. This programme founded in partnership with John Hopkins School of Public Health and Plan International, AstraZeneca global aims at improving health outcomes of vulnerable youth, by building awareness on ill-effects of behaviours such as tobacco and alcohol consumption, smoking, unhealthy lifestyle etc. that could lead to NCDs such as Cancer, Diabetes, heart ailments etc. in the long run. With a unique working model, this project is implemented by developing youth from the community itself as 'Peer Educators' who not only believe in the objective of the programme but also act as influencers in driving change within the community. Thus far, the programme has over 21 'Health Information Centers'- that are the focal points in identified communities helping us spread the right information on NCD Prevention and Management from generating awareness to identifying sustainable solutions to influence

behaviour. This year with the help of the impact we have created, we garnered support from the local government both in Karnataka and Delhi including MoHFW, NCD Cell, national health mission in not only implementing the programme but also strategically strengthening our grassroots connect by involving community government health offices to be able to engage with the community. This programme has thus far touched more than 460,000 young people with health information and trained more than 7,800 Peer Educators who have delivered numerous health promotion activities with the target community from time to time. Specifically in Karnataka, we aim to touch about 50,000 lives in its first year.

Once the vaccination drive against COVID-19 began in India, vaccine hesitancy became the next big matter of concern. There were multiple reports emerging from different regions where general public was hesitant to administer their dose due to myths, fear of side effects and misconceptions. This needed quick and strong community intervention to ensure that more and more people came forward for vaccination of both the doses to curb the spread of COVID-19 infection. The Company recognising the gap, made an effort to strengthen community action for the COVID vaccination drive through Plan India. 'Vaccine Hesitancy Programme' was curated with two-fold objectives: supporting government efforts to combat the outbreak of COVID-19 in the country by addressing vaccination hesitancy and promoting COVID appropriate behaviour through community-led action. The Company collaborated to curate and support "COVID Vaccination Campaign" for end-to-end outreach in Bawana and Jahangirpuri area of North Delhi to promote COVID appropriate behaviour and thereby improve the vaccine uptake through community mobilisation. The target groups in the project included men, women and children from these resettlement colonies. Over 11,000 people were vaccinated, about 40,000 reached with targeted messages through 7,300 household visits and over 395,000 people were sensitised on COVID appropriate behaviour and COVID-19 Vaccination through mass awareness.

'AZ Forest' initiative by the Company looks forward to restoring forests and biodiversity by planting trees worldwide in partnership with local governments and non-profit organisations. Tree plantation across globe is often seen as a quantity driven activity with the goal of planting a certain number of trees in a day or an hour. But this is associated with certain maintenance and ownership challenges. In India with an aim to convert a denuded area of land into a lush green forest to create an ecosystem involving community, the Company collaborated with SankalpTaru Foundation, focused on afforestation throughout India and providing livelihood to farmers along the way. We flagged off a mass sapling plantation campaign in Bengaluru and committed to planting 5,000 smartly geo-tagged trees in phase 1 that would enable individualistic tracking of each plant remotely. This unique model will help in ensuring that the growth and management of a plant is well monitored, and timely interventions can be planned as and when required. The approach here was to lay the foundation of greenery on a denuded community land, convert a barren land into forest, owning the plantation of trees and maintaining them for an agreed period of three years of time and lastly transferring a healthy and green forest back to the community owner at the end of its agreed tenure.

The Company's 'Back2school' campaign was curated given a need found at the ground level where people started putting their children away from school once the lockdown were lifted. This 3 month long campaign in two communities of New Delhi had a straight forward objective to mobilise parents and nudge them to ensure that the education for their children continued. With the help of local youth and peer educators, this programme saw a participation from 5,400 parents, over 1,500 education kits distribution to young girls, and 1,200 safety kits were distributed to help children return to school.

Taking the promise of care forward with an underlying objective of adherence to treatment, the Company committed to fulfil the wishes of about 830 children suffering from critical ailments across the country in collaboration with Make-A-Wish Foundation. It has proven to have created an impact in a patient's treatment cycle as indicated during the interactions with multiple health professionals treating children. This support is an important adjunct to medical treatment, and health experts have observed their patients feel better and comply more readily with treatment protocols when they experience their wish come true. The community volunteers who grant wishes say the wish granting process heightens both their ability to see the best in others, and their commitment to actively help more people in need. The Company supported a series of 11 events organised either virtually or on-ground across Bengaluru, Goa, Mumbai, Kolkata, Jaipur, Delhi, Pune, Hyderabad, Chennai, Ahmedabad and Baroda in an effort to reach out as many children between the age of 3 to 18 years as possible and leave them with joyous memories.

2. The Composition of the CSR Committee.

Name of Director	Designation/ Nature of Directorship	Number of meeting of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
Weiyang Sarah Wang	Chairman	1	1
Revathy Ashok	Member	1	1
Gagandeep Singh Bedi	Member	1	1

- The details of the CSR is available at [www.astrazeneca.com/](http://www.astrazeneca.com/) india
- Average net profit of the Company as per Section 135(5): ₹ 1,037.09 million
- (a) Two percent of average net profit of the company as per Section 135(5): ₹ 20.74 million
- (b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: NIL
- (c) Total CSR obligation for the financial year 2021-22: ₹ 20.74 million



6. (a) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year (in ₹ million)	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per Section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to Section 135(5)		
	Amount	Date of transfer	Name of the fund	Amount	Date of transfer
20.74	NA				

(b) Details of CSR spent against ongoing projects for the financial year:

Sl. No.	Name of the project	Item from the list of activities in schedule VII of the Act	Local area (Yes/No)	Location of the project		Project duration	Amount allocated for the project (in ₹ million)	Amount spent in the current financial Year (in ₹ million)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in ₹)	Mode of Implementation - Direct (Yes/No)	Mode of Implementation - Through Implementing Agency	
				State	District						Name	CSR Registration
1.	YHP Bangalore	Promoting Health Care	Yes	Karnataka	Bangalore	>1 year	2.94	2.94	NA	No	CAF India	CSR00001692
2.	AZ Forest	Environment Sustainability	Yes	Karnataka	Bangalore	>1year	2.29	2.29	NA	No	CAF India	CSR00001692
3.	Ganga Godavari Cancer Screening	Promoting Health Care	No	Jammu & Kashmir	Udhampur, Katra, RS Pura, Pulwama, Baramulla, Kupwara	>1 year	5.19	5.19	NA	No	CAF India	CSR00001692

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

Sl. No.	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 allocated for the project	Mode of Implementation - Direct (Yes/No).	Mode of Implementation - Through Implementing Agency	
				State	District			Name	CSR Registration
1.	Grant A Wish	Promoting Health Care	No	Telangana, Karnataka, Tamil Nadu, Goa, Gujarat, Maharashtra, Rajasthan, Delhi, West Bengal	Across States	6.63	No	CAF India	CSR00001692
2.	Vaccine Hesitancy	Promoting Health Care	No	Delhi	Delhi	0.87	No	CAF India	CSR00001692
3.	Back2School	Promoting Health Care	No	Delhi	Delhi	2.83	No	CAF India	CSR00001692

(d) Amount spent in Administrative Overheads: NIL

(e) Total amount spent for the Financial Year: ₹ 20.74 million

(f) Excess amount for set off, if any:

Sl. No.	Particulars	Amount (in ₹ million)
(i)	Two percent of average net profit of the company as per Section 135(5)	20.74
(ii)	Total amount spent for the Financial Year	20.74
(iii)	Excess amount spent for the financial year [(ii)-(i)]	NIL
(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)]	NIL

7. (a) Details of Unspent CSR amount for the preceding three financial years:

Sl. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under Section 135(6) (in ₹)	Amount spent in the Reporting Financial Year (in ₹)	Amount transferred to any fund specified under Schedule VII as per Section 135(6), if any	Amount remaining to be spent in succeeding financial years (in ₹)
					NIL

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):

Sl. No.	Project ID	Name of the project	Financial year in which project was commenced	Project duration	Total amount allocated for the project (in ₹)	Amount spent on the project in the reporting financial year (in ₹)	Cumulative amount spent at the end of reporting financial year (in ₹)	Status of the project Completed/ Ongoing
								NIL

8. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per Section 135(5): N.A.

9. The implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the Company.

**Gagandeep Singh Bedi**  
Managing Director

Place: Bengaluru  
Date : May 26, 2022

**Weiyng Sarah Wang**  
Chairperson of CSR Committee



## Annexure V to Board's Report

### The information relating to remuneration of Directors/KMP as required under Section 197(12) read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

1. The ratio of remuneration of each director to the median remuneration of the employees of the company for the financial year	Ratio
Managing Director – Gagandeep Singh Bedi	42:1
Whole-time Director – Rajesh Marwaha	24:1

The Independent Directors of the Company were entitled to sitting fee as per the statutory provisions. The ratio remuneration and percentage increase for Independent Directors' remuneration is therefore not considered for the above purpose. Non- Executive Directors who are employees of the AstraZeneca group do not receive any sitting fee.

2. The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any in the financial year	Ratio
Mr. Gagandeep Singh Bedi, Managing Director	7.00%
Mr. Rajesh Marwaha, Chief Financial Officer & Director	9.30%
Mr. Pratap Rudra, Company Secretary & Legal Counsel	8.00%

- Percentage increase in the median remuneration of employees in the financial year: **9.30%**.
- Number of permanent employees on rolls of the Company as on March 31, 2022: **1,183**
- Average percentile increase already made in the salaries of employees other than managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and to point out if there are any exceptional circumstances for increase in the managerial remuneration: **The Average increase is 9.30%. No exceptional circumstances in increase of remuneration. The increase is as per Company's increment guidelines.**
- Affirmation that the remuneration is as per remuneration policy of the Company: **It is affirmed that the remuneration is as per remuneration policy of the Company.**

On behalf of the Board of Directors

Place: Bengaluru  
Date: May 26, 2022

**Narayan K. Seshadri**  
Chairman

## Annexure VII to Board's Report

# Management Discussion & Analysis Report

### Indian Economy

India is the 6<sup>th</sup> largest economy in terms of 2022 GDP rankings, with an estimated GDP of USD 3.29 trillion.<sup>(1)</sup> When adjusted for purchasing power, it is ranked third - only behind China, and United States.<sup>(1)</sup> India was the fastest growing major economy in 2021 with a GDP growth of 8.9%; however, India was one of the worst impacted economies in terms of GDP growth during the pandemic with an estimated GDP contraction of 6.6% for the year 2020. The sharp rebound of the economy is reflective of the country's resilience against the COVID-19 pandemic, and the innate growth prospects of the Indian economy<sup>(1)</sup>. In terms of future estimated growth, India will continue to remain the fastest-growing major economy in the coming years - with a projected GDP growth averaging 7% a year in the years 2022 to 2027.<sup>(1)</sup>

An increase in private consumption, and investments is expected to drive growth amidst an improving business environment, rising incomes, and expanding workforce. Several key initiatives and structural reforms are expected to exert a positive influence on the economy. A few notable ones include: PM Gatishakti (aimed at developing infrastructure for improving connectivity, and commerce); Aatmanirbhar Bharat; focus on augmenting capacity for sustainable energy; and proliferation of technology, and digital solutions across sectors. While the broader economy seems to have moved past the pandemic, the COVID-19 resurgence in the form of new variants of concern - does continue to pose headwinds for the economy. High inflation is a key macro concern which most economies including India are grappling with, and will continue to steer monetary policy in the near term.

### Indian Healthcare Environment

The healthcare sector on a broad level comprises of pharmaceuticals, diagnostics, medical devices, equipment and supplies, healthcare delivery, clinical trials, and health insurance segments. The industry is forecasted to grow at 22% annually, and touch USD 372 billion in 2022.<sup>(3)</sup>

A growing burden of Lifestyle or Non-Communicable Diseases (NCDs), aging demographics, rising income, and awareness towards health & wellness coupled with improving access to healthcare, increased diagnostic rates and health insurance coverage are a few of the notable trends contributing to the increased healthcare expenditure.

The country has witnessed the importance of digitally enabled healthcare solutions against the constraints imposed by the COVID-19 pandemic. Hence, a renewed focus remains on creating more resilient, agile, and innovative health ecosystem that embraces digital. The use of digital channels is expected to intensify across major facets of the industry – including healthcare delivery. Industry reports forecast the digital healthcare solutions in India to be a USD 10.6 billion market by 2025.

Two indigenously produced vaccines – Covishield (the Oxford-AstraZeneca vaccine which is manufactured and distributed by Serum Institute of India), and Covaxin (manufactured and distributed by Bharat Biotech) - have proved to be instrumental in safeguarding the Indian population and numerous low and middle income countries against COVID-19 - thereby strengthening India's position as a global vaccine and biologics manufacturing powerhouse.<sup>(3)</sup>

Out of pocket expenditure continues to account for the majority of the healthcare expenditure; around 65% of national healthcare costs are paid directly from the patient's pocket.<sup>(6)</sup> Public healthcare expenditure during 2021-22 stood at 2.1% of GDP<sup>(3)</sup>, which is a sizeable increase from last year, and it is nearing the National Health Policy (NHP) 2017 vision of 2.5% by 2025<sup>(3)</sup>. A sizeable increase in allocation of public healthcare expenditure has been made in FY 2021-22<sup>(6)</sup>. Significantly higher allocation of ₹ 10,000 crore (USD 1.31 billion) has been granted to the Pradhan Mantri Swasthya Suraksha Yojana in FY 2021-22<sup>(3)</sup>; The funds will see utilisation towards the expansion of healthcare infrastructure, and augmenting the capacity of quality medical education. Similar to last year, substantial allocation continues to be made towards the flagship – Ayushman Bharath Scheme (PMJAY- Pradhan Mantri Jan Arogya Yojana). Three years since the scheme began in 2018, close to 178.6 million Ayushman cards have been issued. The scheme has also supported close to 3 crore hospital admissions till date.<sup>(7)</sup> The National Health Mission (NHM), and the newly introduced National Digital Health Mission (under the aegis of the NHM) have also seen a substantial increase in allocations. Amongst notable new programmes, The National Tele Mental Health programme has been launched for access to quality mental health counselling & care services.<sup>(2)</sup>

### Indian Pharmaceutical Market (IPM)<sup>11</sup>

The estimated size of IPM for FY 2021-22 is ₹ 185,498 crore (USD 24.7 billion). The growth of 18.2% (Value, FY 2021-22 over FY 2020-21) is a significant increase from prior year's growth of 4.3% (Value, FY 2020-21 over FY 2019-20). This increment in growth is directly attributable to the base effect combined with surge in uptake of acute therapies such as respiratory and Covid-related therapies of anti-infectives, pain management and vitamins & supplements. Indian companies account for 82% share of the market (value) with a growth of 19.7% (Value, FY 2021-22 over FY 2020-21), while the MNCs grew at 11.9%.

Therapeutic Areas (TAs) in which AstraZeneca Pharma India Limited (the Company) is actively operating such as oncology & respiratory have registered higher than average market growth for FY 2021-22. On the other hand, diabetes & cardiovascular TAs recorded less than average market growth.



## Pharmaceutical Business Environment – Outlook

The Indian pharmaceutical market is forecasted to grow at a CAGR of 9% between 2022 to 2025 touching ~ USD 36 billion in 2025<sup>(20)</sup>. Some of the factors that would drive the growth include ageing demographics, rising income & affordability, rising incidence and diagnosis of NCDs, better awareness of wellness, diagnostics and preventive care, expansion of healthcare delivery infrastructure, quicker regulatory approvals, increasing health insurance coverage, conducive investment climate, and increasing adoption of digital solutions in healthcare delivery.<sup>(3, 4)</sup> A recent development that allowed a price hike of more than 10% in around 800 drugs including those in the National List of Essential Medicines (NLEM) by the National Pharmaceutical Pricing Authority (NPPA) might have wide-ranging implications on the population's healthcare expenses and in turn lead to further growth of the Indian Pharma Market.<sup>(17,18)</sup>

Key risks that could act as a dampener for growth include: rising inflation and consequent pressure on margins – exacerbated by ongoing geopolitical crisis; associated disruptions in supply chains, and exports; downward pressure on prices – arising out of potential NLEM expansion, and generic proliferation amidst LOE in key brands within IPM; resurgence of Covid due to new variants of concern.<sup>(4,21)</sup>

## Growth and Demand Drivers:

- Shift from communicable to Lifestyle diseases or NCDs:** In India, lifestyle diseases have replaced traditional health problems. India harbours a high NCD burden as a result of increasing urbanization; After China, India has the largest diabetic population. According to the statistics published by the International Diabetes Foundation (IDF) around 77 million people in the country are afflicted with diabetes. It is estimated that only 50% of diabetes cases are currently diagnosed.<sup>(4)</sup> This number is expected to rise to 134 million by 2045.<sup>(9)</sup> Cardiovascular diseases continue to be India's biggest killer – contributing to 28.1% of total deaths.<sup>(10)</sup> The prevalence of cancer has been increasing rapidly: close to 1.39 million new cases were reported in 2020, according to the National Cancer Registry Program. The incidence of new cases of cancer is expected to increase to 1.57 million in 2025. To address this shift, the government has introduced well-thought policies to facilitate early diagnosis and disease management. The NHP 2017 targets a 25% decrease in premature mortality from cardiovascular diseases, cancer, diabetes, and chronic respiratory diseases by 2025. Pharmaceutical companies too have been active in raising awareness, and helping in the management of NCDs. Some of the AstraZeneca led initiatives that have helped to raise awareness and improve diagnostics include the Ganga Godavari Cancer screening program, the Healthy Lung initiative, and the Metabolic Centres of Excellence.
- Quicker regulatory approvals:** To accelerate India's fight against Covid, the Drug Controller General of India (DCGI) issued emergency use authorisation for several COVID-19 vaccines, and other therapies used in the management of COVID-19. Despite the challenges imposed by the pandemic, the Company too had secured quick approvals for a couple of new indications in the recent past.

- Expansion of private healthcare infrastructure in Tier 2 & Tier 3:** Expansion of the private sector in Tier 2 and Tier 3 also remains a key focus area.<sup>(3)</sup> To encourage the private sector to establish hospitals in these cities, the Government has offered tax holiday under Section 80-IB for private healthcare providers in non-metros for facilities over 50 beds. Moreover, benefits such as 100% deduction of profits for up to 5 years under Section 80-IB for new hospitals with 100 beds or more in rural areas will expand access to healthcare in rural areas.<sup>(3)</sup> FDI inflows are expected to remain strong amidst a positive FDI climate. Cumulative FDI inflows into the healthcare delivery sector between April 2000 to December 2021 stood at USD 7.73 billion.<sup>(3)</sup>
- Public initiatives to improve access to healthcare:** In order to realize the NHP 2017 goals of increasing healthcare coverage, and reducing the burden of healthcare costs on the patient, several initiatives have been introduced. Ayushman Bharath, the government's flagship healthcare initiative continues to gain traction. Sizeable allocation of ₹ 6,412 crore has been parked in this year's budget. Around 1.2 lakh Health and Wellness Centers have been created as of date.<sup>(7)</sup> Sizeable allocations in this year's budget are towards strengthening health infrastructure through schemes like the Pradhan Mantri Swasthya Suraksha Yojana (PMSSY) which will play an important role in building hospitals and ramping up the quality of medical education, while initiatives like the National Digital Health Mission will enable establishment of integrated digital health infrastructure in the country.<sup>(14)</sup>
- Increasing health insurance coverage:** The private health insurance sector is expected to grow over the next decade - driven by rising incomes, aging demographics, increasing awareness and preferences for healthcare spending, tax incentives on private health insurance premiums, and an increase in the range and sophistication of plans offered in the private health insurance market. Gross direct premium income underwritten by health insurance grew 13.3% y-o-y to ₹ 58,572 crore (USD 7.9 billion) in FY 2021-22.<sup>(3)</sup> A significant impetus is also expected to come from the continued traction of PMJAY's health insurance scheme (Ayushman Bharath Scheme) with its ambitious long-term target of covering around 500 million people.
- Price hike of essential drugs:** As a result of a recent development by the National Pharmaceutical Pricing Authority (NPPA), prices of around 800 drugs including those in the National List of Essential Medicines (NLEM) will increase by more than 10%. These scheduled drugs constitute about 18% of the total domestic pharma retail market. This may have wide-ranging implications on the population's healthcare expenses and in turn lead to further growth of the Indian Pharma Market.<sup>(17, 18)</sup>
- COVID-19 related therapeutic offerings:** As of March 2022, more than 181 crore vaccine doses have been administered across the country. The World Health Organisation which co-leads Covax, the global vaccine sharing platform has been pushing India to resume supplies, particularly after it sent around 4 million doses to its neighbouring countries. In addition, the GOI is planning to introduce a credit incentive programme worth ₹ 500 million (USD 6.8 billion) to boost COVID-19 related healthcare infrastructure in a smaller towns.<sup>(3)</sup>

- Increasing adoption of telemedicine and digital platforms:** The pandemic-induced constraints and adversities have resulted in the utilisation of innovative models that integrate diagnostics, healthcare delivery as well as engagement with Healthcare Professionals (HCPs) with technology. The increasing proliferation of several health-technology players that offer additional services like EMR, and patient analytics solutions, is clearly indicative of this trend towards the adoption of newer digital platforms in healthcare delivery. Moreover, research has shown that the majority of the HCPs preferred digital connects with pharmaceutical companies during periods of lockdowns, and this behaviour shift of using digital platforms for communication is here to stay.<sup>(11, 12)</sup> Most major organised hospital chains have introduced video consultation services and operate them in tandem with regular in-person consultations. This has increased convenience, improved compliance for follow-up, and ultimately broken physical barriers in accessing quality healthcare advice.
- Increasing proliferation of e-pharmacies:** The pandemic has resulted in accelerating the behavioural shift of using e-commerce-based services such as e-pharmacies. Driven by increased adoption of technology and convenience, all e-pharmacy platforms are observing an unprecedented surge in sales. The e-pharmacy segment in India is expected to reach ₹ 25,000 crore (USD 3.6 billion) in revenues by 2022, growing at a CAGR of 63 per cent from 2018.<sup>(4)</sup>
- Conducive investing climate<sup>(2, 3)</sup>:** There has been an overall focus on facilitating investments – making capital accessible across stages of business - including venture, and early stage. Healthcare sector will certainly be one of the key beneficiaries. Policy focus towards making capital more easily available will only augment the rising interest in India Inc. Notable foreign players in the healthcare sector are setting up R&D centres and hospitals in India. Cumulative FDI inflows into the overall healthcare sector from April 2020 – December 2021 stood at USD 29 billion.

## Risks:

- COVID-19 resurgence:** COVID-19 with its recurring variants has continued to pose a threat to millions of lives and livelihoods. The challenges have been equally tough for the healthcare sector including pharmaceuticals - which has been at the forefront of the pandemic's demands. During the height of the pandemic, many chronic care patients were constrained from availing treatment- with some cancer patients even opting out of chemotherapy sessions. Many patients also put off consultations and thereby causing delayed diagnosis of disease.
- Supply chain disruption, and rising input costs:** The ongoing geopolitical crisis has resulted in supply chain disruption and affected multiple industries, in particular, oil and gas - leading to increased costs of fuel and thereby, making Indian exports less competitive.<sup>(15, 16)</sup> Due to the high reliance on import of APIs, the Indian firms are vulnerable to supply shocks. The government's two Production Linked Incentive schemes will be a major step in the direction to achieve a 25% cut in API import reliance by 2024.<sup>(19)</sup>

- Intensifying downward pressure on prices<sup>(4)</sup>:** Pressure on drug prices will intensify, driven by the imposition of caps on trade mark-ups applied to a growing number of non-scheduled products and an increase in the number of molecules listed on Schedule I of the Drug Price Control Order (DPCO), which are subject to explicit regulatory control. The impact of the DPCO on prices will increase if more products are added to the National List of Essential Medicines (NLEM) and escalate more dramatically if DPCO controls were applied to all forms of molecules on the list.

## Business model

The Company is engaged in the business of manufacture, distribution and marketing of pharmaceutical products and co-ordinates clinical trial services with the overseas group company.

During the year under review, total revenue from operations is amounting to ₹ 8,056.0 million out of which sales of pharmaceutical products is ₹ 7,614.2 million (94.5%) and sale of services from clinical trials is ₹ 441.8 million (5.5%).

Since all the Company's activities fall within a single business segment, separate segment-wise disclosures are not provided in the financials.

## Outlook

Across our therapeutic offerings, The Company has introduced a couple of new indications and products in the recent past. Notable launches in the Cardiovascular – Renal – Metabolics (CVRM) business include – Heart Failure (HF), and Chronic Kidney Disease (CKD) indications for Forxiga (Dapagliflozin). The Company has been instrumental in shaping the market for use of SGLT2i class of drugs in these novel indications. Our recent launches, in oncology is seeing significant traction, and gaining quick acceptance amongst the HCPs. A few notable recent approvals include - use of Tagrisso (Osimertinib) in early-stage Non-Small Cell Lung Cancer (NSCLC) in patients with positive EGFR mutation, and use of Lynparza (Olaparib) in pancreatic, prostate and ovarian cancers. The recent label expansions for our oncology drugs will have profound implications in improving the prognosis of cancer patients in the country. Our respiratory franchise also had a new inclusion into the portfolio last year. Fasentra (Benralizumab) is helping redefine management of severe asthma in the country. The Company hopes to expand its respiratory portfolio further and tap into its global robust asset offering, and pipeline within Respiratory, Immunology & Infectious diseases.

In FY 2022-23, the Company will continue to prioritise investments in its focus areas in-line with its global growth platforms. The Company continues to be committed in making novel therapies/indications available for patients in India. A conducive regulatory pathway remains key for determining feasibility, and speed of new launches, and the Company will continue to pursue accelerated regulatory milestones – leveraging its stellar clinical operations, and evidence generation capabilities wherever applicable.

India harbours a high diabetic burden. An estimated 77 million people in India suffer from diabetes-making India the second-highest country in terms of prevalence of diabetes, after China.<sup>(9)</sup> The Oral Anti-diabetic (OAD) segment constitutes close to 75% of the total anti-diabetic segment in terms of value, and is valued at ₹ 12,466 crore.<sup>(8)</sup>



The Company has a strong portfolio of oral antidiabetic drugs with presence in 2 key drug classes: - SGLT2 inhibitors, and DPP4 inhibitors. DPP4, and SGLT2 are the 2<sup>nd</sup>, and 3<sup>rd</sup> largest category of OAD in IPM. SGLT2i has been the fastest growing category within OAD in recent years. The Company's innovator brands of SGLT2i have felt the impact of 100+ generic brands which have been launched. The portfolio which has traditionally been a growth engine for the Company, with double digit growth, had registered value degrowth for FY21-22. However, the Company will continue to prioritise the brands of Dapagliflozin, and with the new, reduced price geared towards increasing access to the therapy, the Company hopes to kickstart a new growth phase for the brand, and maximise on the potential for the newer indications. Early signs from the market have been encouraging with double digit volume growth attained for Q1-2022. The label expansion of Forxiga in 2020 to include treatment for HF patients, and CKD patients constitutes a paradigm shift in the management of these diseases. HF is one of the leading causes of hospitalisation and the disease imposes a huge burden world over. CKD is also associated with high morbidity and mortality, and in India, it constitutes a very high disease burden. <sup>(13)</sup> The Company's DPP4 offering-comprises of the brands of Onglyza (Saxagliptin) and Kombiglyze (Saxagliptin/Metformin). The Company's diabetic portfolio with its clinical evidences, and endorsements by the latest international guidelines for improving patient outcomes – beyond just HbA1C control, would certainly improve the lives of millions of patients.

Cardiovascular (CV) disease continues to be the leading cause of death in the country. The Company with its strong CV portfolio of drugs is committed to alleviating the burden imposed by CV diseases. Brilinta (Ticagrelor) – belonging to Oral antiplatelet (OAP) category of drugs, used in the management of Acute coronary syndrome (ACS), continues to remain the market leader. The past year has witnessed the launch of over 30 generics following the patent expiry of Ticagrelor in 2019. Brilinta, by virtue of its value proposition, hopes to sustain its market leadership and save even more patient lives in the coming year.

The Company's respiratory portfolio comprise of offerings for both Asthma, and COPD. India has a very high prevalence of chronic respiratory illness. Poor air quality on account of pollution in some of the major cities continues to be a major cause of high respiratory disease burden in the country. Symbicort – the Company's ICS/LABA inhaler with an innovative delivery mechanism continues to be one the fastest growing ICS/LABA brands. Fasenra (Benralizumab) – has seen good patient enrolments, and continues to be gaining a lot of interest from HCPs. We hope that Fasenra with its superior value proposition will redefine the standard of care for the management of severe asthma.

Every year, over a million new patients are diagnosed with cancer, and it has become a major cause of mortality in India. The Company's oncology portfolio spans the areas of women's cancer, lung cancer, prostate, and hematology, and has been the growth engine for the Company. AstraZeneca was the second fastest growing MNC in India last year as per IPSOS market data (Value, Dec MAT 2021), and is ranked fifth in terms of value, moving up in rankings by 2 spots from 2020. The success has been enabled

by the strong ecosystem of market access, scientific & regulatory prowess, and innovation that we have developed in the country. Tagrisso (Osimertinib) is the leading brand in lung cancer by sales value. Lynparza (Olaparib) is the number 1 ovarian cancer brand. Recent label extensions will continue to drive the next phase of growth for both these brands. Imfinzi (Durvalumab) continues to recruit newer patients and make significant contributions to the lung franchise. There has been a growing preference for Calquence, and steady rise in patient enrolments since its launch in October 2020. Calquence is a safer BTKi option for patients suffering with CLL and R/R MCL and it marks our foray into the space of hemat-oncology.

Over a billion people have been vaccinated in the country as of date with over 80% of adults fully vaccinated. Over 95% of them have been vaccinated on the AstraZeneca vaccine (manufactured and distributed by Serum Institute of India).<sup>(22)</sup> AstraZeneca is proud to have made a significant contribution in the fight against COVID-19 on a global scale.

The pandemic has been profoundly disruptive across multiple facets of life. It has greatly altered ways of working, customer interactions, and accelerated the eventual adoption of digital platforms. Virtual connectivity solutions deployed in response to the pandemic imposed constraints are here to stay. Our HCPs continue to be open to using digital channels for interactions with our sales and medical teams. This has increased flexibility, and productivity of customer connect while at the same time facilitated high quality customer interactions. The hybrid working models- integrating work from home alongside physical workspaces has ensured business continuity while at the same time facilitating a more inclusive and engaged workforce. Return to office has been meticulously planned with adequate provisions to ensure safety and well-being of all employees. The Company will continue to invest in remote working, and digital interventions geared towards impactful, yet more efficient means of connecting with our customers. The Company has also launched several initiatives to safeguard the health and well-being of the employees – with special provisions in place for managing COVID related complications. Medical counselling, and helplines – including dedicated ones for mental well-being have been made available for all employees and their families. The Company has also conducted voluntary COVID-19 vaccination drives for all its employees and their dependents across India.

Diverse and committed workforce remain integral to the success of our company. The Company continues to emphasize continuous learning for people development. It has made available multiple avenues and tools to learn new skills, and hone existing expertise. Apart from industry leading educational platforms, the Company also actively offers cross functional/cross country immersion stints/roles to help its people develop cross cultural leadership, build global networks, and replicate best practices, and learnings in various markets. The great place to work certification – 4 times in a row is a testament to our engaged and motivated workforce. The Company also ranks highly amongst inclusive, and best companies for women.

The Company is committed to Innovation and leveraging strategic partnerships to deliver patient centric solutions, and propel sustainable growth for the organisation. The Company had collaborated with innovative health technology players to empower

HCPs with beyond-the-pill solutions geared towards fostering more holistic management of chronic ailments – such as diabetes, and cardiovascular disease. These solutions continue to see increased adoption, and patient enrolments. The India Sweden Healthcare Innovation Center (ISHIC) is a platform envisioned to develop an ecosystem of open innovation that start-ups and the healthcare delivery stakeholders can use to collaborate and address current and future challenges in the healthcare sector in India. This platform will enable incubation of solutions through frugal innovation for affordable and accessible healthcare in line with the objectives of the Government of India. The ISHIC a tripartite collaboration between AIIMS Delhi, AIIMS Jodhpur and the Swedish Trade Commissioner' office. The Company serves as the knowledge partner for ISHIC – facilitating key initiatives, and rendering guidance where applicable. The ISHIC's flagship annual health innovation challenge has seen several innovative and disruptive solutions from start-ups which are geared towards alleviating the burden of NCDs in the country. ISHIC won multiple external awards including Best Public Health Initiative at the 7<sup>th</sup> India Health and Wellness Summit, Tech4Seva Leadership Excellence Award, NASSCOM Award for Transforming Patient Lives through Innovation. In order to improve the prognosis for our patients, the Company has also launched initiatives, and programmes targeted towards improving diagnosis, and facilitating early detection for our patients. The Company had been the first to establish affordable BRCA testing in the country for helping eligible cancer patients avail transformative therapies. More recently, leveraging AI, and via technology partners, The Company has facilitated early nodule detection for early identification and diagnosis of lung cancer.

The Company will continue to emphasize transparency and high standards of ethics in all of its operations. Patient centricity remains at the core of our actions and guides our day-to-day decision-making. The Company will remain committed to high product quality, which underpins the safety and efficacy of its medicines. The Company will maintain a strong focus on cost optimisation and controls. The Company is undertaking measures to reduce unproductive discretionary and non-customer facing spending. It also continues to develop simple and more efficient processes to encourage accountability and improve decision-making and communication.

#### Internal control systems and their adequacy

The Company has internal control systems comprising of authority levels and powers, supervision, checks and balances, policies, procedures and internal audit. During the year, the Company's Internal Finance Control was independently tested and validated by external auditors through the AstraZeneca Financial Control Framework (FCF). The Company ensures that the internal control system is reviewed and updated on an on-going basis through FCF and the use of external management assurance services. The Company monitors and manages risks in its interactions with third parties (Vendors) through its Third-Party Risk Management (3PRM) framework. This framework provides methodology, guidance and tools for managing third-party risks related to Anti-Bribery and Anti-Corruption, Data Privacy, Confidentiality, Trade Control and Competition, Product Communication and Product Security.

Internal audits for the Financial Year 2021-22 were carried out by independent auditors, based on the audit plan approved by the Audit Committee. The plan included the audit of the depots of the Company, key processes within Operations and Marketing units including enabling functions. The Audit Committee and the Management have reviewed the recommendations of the Internal Auditors and appropriate remediation steps are being taken to implement their recommendations.

#### Discussion on financial performance with respect to operational performance

During the year ended March 31, 2022, the Company's total income was at ₹ 8,204 million as against ₹ 8,264 million reported in the corresponding previous year.

The total cost was at ₹ 7,373 million during the year as compared to ₹ 6,993 million in the previous year. The profit after tax was ₹ 616 million during the year compared to ₹ 933 million in the previous year.

#### Significant changes in Financial Ratios

During the year, the significant changes in the financial ratios of the Company, which are more than 25% as compared to the previous year are summarised below:

Financial Ratio	2021-22	2020-21	Change	Reason for change
Operating Profit Margin (%)	10%	15%	-34%	Decrease is on account of change in product mix
Net Profit Margin (%) or sector-specific equivalent ratios	8%	12%	-33%	Decrease is on account of change in product mix and increase in expenses
Return on Net Worth	12%	20%	-41%	Decrease is on account of change in product mix and increase in expenses

#### Development in Human Resources/Industrial Relations

We grew and prospered by recruiting, retaining and developing talented people. We do that by being a great place to work, encouraging and rewarding innovation, entrepreneurship and high performance.

We continued with our new Performance Development approach focused on continuous coaching and feed forward culture. Since 2020, we no longer give performance ratings to employees and have shifted our focus to coaching, development and contribution to the organisation. Managers are accountable for helping to develop individual and team performance targets. In 2021, we trained our line managers in our new performance development approach, focusing on building coaching capabilities. Our recognition platform continues to reward behaviours that reflect company Values, drives engagement across teams and ensures we celebrate our achievements. Following the launch in 2020, the recognition platform has continued to be successful with 73% of employees being rewarded through the platform in 2021.



Employees (1,183 as on March 31, 2022) are encouraged to take ownership of their own development and leaders are expected to spend time supporting and enabling their employees' development needs. In 2021, we invested in developing a culture of lifelong learning to support the up-skilling of our people. Learning for Life is part of our ambition to move from performance management to performance development, which focuses on encouraging people to grow their skills and experience so they can maximise their potential. Our global online learning platform provides employees with access to an extensive amount of educational resources. In addition to providing improved online resources, we offer a range of different learning programmes that have been developed to provide more targeted learning opportunities through Global, Regional and Local programs.

Our biannual employee opinion surveys help us measure employee sentiment and progress in our aim of being a great place to work. In our most recent survey (November 2021), we continued to score highly, achieving an average result of 83% across all questions. Our response rate also reflects the high levels of engagement with 87% of all employees choosing to participate in the survey.

In 2021, we have earned the following external recognitions :

- 'Great Place to Work' certifications
- 'Working Mother & Avtar Best Companies for Women in India' (BCWI)
- 'Exemplars of Inclusion in the Working Mother & Avtar Most Inclusive Companies Index (MICI)'

#### Cautionary Statement

Statements made in the Management Discussion and Analysis Report describing the Company's objectives, projections, estimates, and expectations may be forward-looking statements within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include amongst others, economic conditions affecting demand/supply and price conditions in the domestic and overseas markets in which it operates, changes in government regulations, tax laws, and other statutes and incidental factors.

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#### Annexure VIII to Boards' Report

## Report on Corporate Governance

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

AstraZeneca Pharma India Limited ('the Company') is a subsidiary of AstraZeneca Pharmaceuticals AB, Sweden, which is an indirect subsidiary of AstraZeneca PLC, United Kingdom. The Company's philosophy on Corporate Governance includes sustained growth, increase in stakeholder value, transparency, disclosure, internal controls and risk management, internal and external communications and high standards of safety, health, environment management, accounting fidelity, product and service quality. The Company also complies with the listing requirements mandated by Securities and Exchange Board of India. The Senior Management Team headed by the Managing Director is responsible for implementing board policies and guidelines and has set up adequate review processes.

The Company believes in, and has been practising, high standards of Corporate Governance since its inception. The risk management and internal control functions are being geared up to meet progressive governance standards.

The following is a Report on the status and progress on major aspects of Corporate Governance that marks the operations and management of the Company.

- (v) The names and categories of Directors on the Board, their attendance at the Board Meetings held during the financial year and the number of Directorships and Committee Memberships/Chairmanships held by them in other public companies as on March 31, 2022 are furnished herein below:

Name of the Director	Category	Number of Board Meetings attended during the financial year 2021-22	Whether attended last AGM	Number of Directorships and Committee Memberships/Chairmanships excluding AstraZeneca Pharma India Limited as at March 31, 2022		
				Other Directorships #	Committee Memberships §	Committee Chairmanships §
Narayan K. Seshadri, Chairman	Non-Executive Independent Director	5	Yes	8	6	4
Revathy Ashok	Non-Executive Independent Director	5	Yes	9	9	4
Shilpa Shridhar Divekar*	Non-Executive Independent Director	1	NA	-	-	-
Ankush Nandra	Non-Executive Director	5	Yes	-	-	-
Weiyang Sarah Wang	Non-Executive Director	5	Yes	-	-	-
Gagandeep Singh Bedi	Managing Director	5	Yes	-	-	-
Rajesh Marwaha	Whole-Time Director	5	Yes	-	-	-
Kimsuka Narsimhan**	Non-Executive Independent Director	3	Yes	-	-	-

\*Ms. Shilpa Shridhar Divekar was appointed as a Director w.e.f. December 29, 2021.

\*\*Ms. Kimsuka Narsimhan retired as an Independent Director w.e.f. February 1, 2022.

#Directorships in Private Limited companies, Foreign Companies and Associations are excluded.

§Memberships/Chairmanships of Board Committees include only Audit Committee and Stakeholders' Relationship Committee.



(vi) Name of other listed entities where Directors of the Company are Directors and their category of Directorship:

Name of Director	Name of listed entities in which the concerned Director is a Director	Category of Directorship
Narayan K. Seshadri	Kalpataru Power Transmission Limited	Non-Executive Independent Director
	PI Industries Limited	Non-Executive Independent Director
	SBI Life Insurance Company Limited	Non-Executive Independent Director
Revathy Ashok	ADC India Communications Limited	Non-Executive Independent Director
	Quess Corp Limited	Non-Executive Independent Director
	Welspun Corp Limited	Non-Executive Independent Director
	Barbeque – Nation Hospitality Limited	Non-Executive Independent Director
	Sansera Engineering Limited	Non-Executive Independent Director
Shilpa Shridhar Divekar	-	-
Ankush Nandra	-	-
Weiyang Sarah Wang	-	-
Gagandeep Singh Bedi	-	-
Rajesh Marwaha	-	-

(vii) The Independent Directors, who are from diverse fields of expertise have long standing experience and expert knowledge in their respective fields and are of considerable value for the Company's business. As a part of familiarisation programme as required under the Listing Regulations, the Directors have been apprised during the Board Meetings about the amendments to the various enactments viz., the Companies Act, 2013 ('the Act'), the Listing Regulations, taxation matters and other regulatory updates. Since these being information

about the enactment/updates in the laws/regulation, no separate material has been uploaded on the Company's website. Further, the details of familiarisation programme for Independent Directors in respect of other matters are posted on the website of the Company and can be accessed at [www.astrazeneca.com/india](http://www.astrazeneca.com/india).

(viii) The terms and conditions of appointment of the Independent Directors are disclosed on the website of the Company.

(ix) During the financial year, a separate Meeting of the Independent Directors was held *inter alia* to review the performance of Non-Independent Directors and the Board as a whole.

(x) The Board confirms that the Independent Directors fulfil the conditions of Independence as specified in the Act and the Listing Regulations and are independent of the management.

(xi) The Board periodically reviews compliance reports submitted by the management, in respect of all laws applicable to the Company.

(xii) Skills/ Expertise/ Competencies of Board Members:

The list of core skills/ expertise/ competencies identified by the Board of Directors as required in the context of the Company's business is set out as under:

- Healthcare Industry experience i.e. relevant to an industry understanding and review of the business and strategy.
- Leadership i.e. in specific to successfully advise and oversee the Company's business performance and represent shareholder interests.
- Corporate Governance and Public Company Board i.e. having relevant background and knowledge to perform oversight and governance roles.
- Finance and Accounting i.e. analyzing the financial statement and consider financial transactions.
- Government and Regulatory i.e. an understanding of the regulatory and governmental environment in which the business operates.

In the table below, the specific areas of focus or expertise of individual Board members have been highlighted. These skills/competencies are broad-based, encompassing several areas of expertise/experience. Each director may possess varied combinations of skills/experience within the described set of parameters. In the absence of mark against a member's name does not necessarily mean the member does not possess the corresponding qualification or skill.

Director	Healthcare industry Experience	Leadership	Corporate Governance and Public Company Board	Finance and Accounting	Government and Regulatory
Narayan K. Seshadri	✓	✓	✓	✓	✓
Revathy Ashok		✓	✓	✓	✓
Shilpa Shridhar Divekar		✓	✓	✓	✓
Ankush Nandra	✓	✓	✓	✓	
Weiyang Sarah Wang	✓	✓		✓	✓
Gagandeep Singh Bedi	✓	✓	✓	✓	✓
Rajesh Marwaha	✓	✓	✓	✓	✓

### 3. Audit Committee

#### (i) Brief description of terms of reference

The Board of Directors of the Company has adopted the terms of reference of the Audit Committee, to be in conformity with the requirements of Section 177 of the Act and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as under:

- Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- Recommendation for appointment, remuneration and terms of appointment of auditors of the Company.
- Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
- 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 Act.
  - Changes, if any, in accounting policies and practices and reasons for the same.
  - Major accounting entries involving estimates based on the exercise of judgement by management.
  - Significant adjustments made in the financial statements arising out of audit findings.
  - Compliance with listing and other legal requirements relating to financial statements.
  - Disclosure of any related party transactions.
  - Modified opinion(s) in the draft audit report.
- Reviewing with the Management, the quarterly financial statements before submission to the Board for approval.
- 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.
- Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process.
- Approval or any subsequent modification of transactions of the Company with related parties.
- Scrutiny of inter-corporate loans and investments.
- Valuation of undertakings or assets of the Company, wherever it is necessary.
- Evaluation of internal financial controls and risk management systems.
- Reviewing with the Management, the performance of statutory and internal auditors, adequacy of internal control systems.
- 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.
- Discussion with internal auditors of any significant findings and follow up there on.
- 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.
- 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.
- To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.
- To review the functioning of the whistle blower mechanism.
- Approval of appointment of Chief Financial Officer after assessing the qualifications, experience and background etc. of the candidate.
- Carrying out any other function as is mentioned in the terms of reference of the Audit Committee
- To carry out such other functions as may be entrusted to by the Board of Directors, from time to time.

(ii) The Managing Director, Chief Financial Officer, representatives of Internal Auditors and Statutory Auditors are invitees to all the meetings of the Audit Committee. The Company Secretary acts as the Secretary to the Audit Committee.

(iii) Ms. Shilpa Shridhar Divekar was appointed as the Chairperson of the Audit Committee at the Board meeting held on February 8, 2022. Ms. Revathy Ashok was the Chairperson of the Committee till February 8, 2022 and was present at the previous Annual General Meeting of the Company held on August 9, 2021.



(iv) 6 Meetings of the Audit Committee were held during the year and the gap between two meetings did not exceed 120 days. The dates on which the said meetings were held are: April 20, 2021, May 25, 2021, June 29, 2021, August 9, 2021, November 9, 2021 and February 8, 2022.

(v) The composition of the Audit Committee and the details of meetings attended by its members are furnished below:

Name of the Member	Category	Number of meetings attended during the financial year 2021-22
Shilpa Shridhar Divekar, Chairperson*	Non-Executive Independent Director	N.A.
Narayan K. Seshadri	Non-Executive Independent Director	6
Weiyang Sarah Wang	Non-Executive Director	6
Revathy Ashok**	Non-Executive Independent Director	6

\*Ms. Shilpa Shridhar Divekar was appointed as the Chairperson of the Committee w.e.f. February 8, 2022.

\*\*Ms. Revathy Ashok was the Chairperson of the Committee until February 8, 2022.

#### 4. Nomination and Remuneration Committee

##### (i) Terms of reference:

The terms of reference and the role of the Nomination and Remuneration Committee are as per the provisions of Section 178 of the Act and Regulation 19 of the Listing Regulations which includes the following:

- (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;

##### Policy shall ensure the following:

- the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the company successfully;
- relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
- 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;

(b) 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 to carry out evaluation of every Directors' performance;

(c) Devising a policy on Board diversity;

(d) Recommend to the Board, all remuneration, in whatever form, payable to senior management;

(e) To carry out such other functions as may be entrusted to by the Board of Directors, from time to time.

(ii) During the financial year ended March 31, 2022, 2 meetings of the Nomination and Remuneration Committee of the Board were held i.e. on May 25, 2021 and March 11, 2022.

(iii) The composition of the Nomination and Remuneration Committee and the details of meetings attended by its members are furnished below:

Name of the Member	Category	Number of meetings attended during the financial year 2021-22
Revathy Ashok, Chairperson*	Non-Executive Independent Director	1
Narayan K. Seshadri	Non-Executive Independent Director	2
Ankush Nandra	Non-Executive Director	2
Weiyang Sarah Wang**	Non-Executive Director	1
Kimsuka Narsimhan***	Non-Executive Independent Director	1

\*Ms. Revathy Ashok was appointed as the Chairperson of the Committee w.e.f. February 8, 2022.

\*\*Ms. Weiyang Sarah Wang resigned as a member of the Committee w.e.f. January 1, 2022.

\*\*\*Ms. Kimsuka Narsimhan retired as a Director of the Company w.e.f. February 1, 2022.

(iv) The Nomination and Remuneration Committee has defined the evaluation criteria and procedure for the performance Evaluation process for the Board, its Committees and Directors. Criteria for evaluation of Independent Directors include attendance, participation, constructive contribution, leadership, team work, communication, understanding of the Company and external environment in which it operates etc.

(v) Remuneration to Directors during financial year 2021-22:

(a) Details of remuneration paid to the Non-Executive Directors during the financial year ended March 31, 2022:

Name of the Director	Sitting Fees	Commission	Total
Narayan K. Seshadri	1,300,000	-	1,300,000
Revathy Ashok	1,400,000	-	1,400,000
Kimsuka Narsimhan*	500,000	-	500,000
Shilpa Shridhar Divekar**	200,000	-	200,000
Ankush Nandra	-	-	-
Weiyang Sarah Wang	-	-	-

\*Ms. Kimsuka Narsimhan retired as a Director w.e.f. February 1, 2022

\*\*Ms. Shilpa Shridhar Divekar was appointed as an Additional Director w.e.f. February 8, 2022

The Non-Executive Independent Directors are paid sitting fees of ₹ 100,000/- for attending each meeting of the Board and Committees of the Board.

(b) Details of remuneration paid to the Executive Directors during the financial year ended March 31, 2022:

##### Managing Director

Name of the Director	Salary	Perquisites	P.F and other Funds	Total
Gagandeep Singh Bedi	39,115,508	5,091,172	3,784,642	47,991,322

##### Whole-time Director

Name of the Director	Salary	Perquisites	P.F and other Funds	Total
Rajesh Marwaha	23,285,562	2,755,368	1,343,640	27,384,570

##### Fixed Component/ Performance Linked Incentive/ Criteria

Performance related Bonus is payable to the Executive Directors only, as per the terms of the agreement entered into between the Company and the Executive Directors.

##### Service Contract/ Notice Period/ Severance Fees

(a) The Contracts of Service entered into by the Company with Mr. Gagandeep Singh Bedi, the Managing Director and Mr. Rajesh Marwaha, Chief Financial Officer and Director, provides that the Company and the Executive Directors shall be entitled to terminate the agreement by giving 3

months' notice and 90 days' notice respectively, in writing on either side.

(b) No severance fee is payable by the Company to the Executive Directors on termination of the agreement.

#### 5. Shareholders' Committees

##### (a) Stakeholders' Relationship Committee

The terms of reference of Stakeholders' Relationship Committee are in conformity with the requirements of Section 178 of the Act and the Listing Regulations.

##### Terms of Reference

- Redressal of grievances of shareholders and other security holders of the Company including complaints related to transfer of shares, non-receipt of Annual Report, non-receipt of declared dividends etc.
- Review of measures taken for effective exercise of voting rights by shareholders.
- Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent.
- Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company.
- To carry out such other functions as may be entrusted by the Board of Directors, from time to time.

The Committee is chaired by Ms. Weiyang Sarah Wang, Non-Executive Director. Mr. Pratap Rudra, Company Secretary & Legal Counsel is the Compliance Officer.

The composition of the Stakeholders' Relationship Committee is as under:

Name of the Member	Position	Category
Weiyang Sarah Wang	Chairperson	Non-Executive Director
Revathy Ashok	Member	Non-Executive Independent Director
Gagandeep Singh Bedi	Member	Managing Director
Rajesh Marwaha	Member	Chief Financial Officer & Director

During the financial year, 1 meeting of the Committee was held on November 9, 2021, attended by all the members.



**(b) Details of Shareholders'/Investors' complaints**

The Committee attends *inter alia* to complaints from Shareholders/Investors and for their redressal. All complaints/grievances were also placed before the Board for information. Based on information provided by the Company's Registrar & Share Transfer Agents, the status of investor's grievances for the financial year ended March 31, 2022 is as follows:

Particulars	Non-receipt of Dividend Warrant(s)/interest	Non- receipt of refund Order/ Allotment Letter	Non-receipt of Share Certificate(s)	Non-receipt of Annual Report	Others	Total No. of Complaints received	Complaints not resolved to the satisfaction of shareholder	Complaints pending
Direct	-	-	-	-	1	1	-	1
Through Stock Exchange/SEBI	-	-	-	-	1	1	-	-

**(c) Share Transfer Committee**

The Board also has constituted a Share Transfer Committee comprising of Mr. Gagandeep Singh Bedi, Managing Director, Mr. Rajesh Marwaha, Chief Financial Officer and Director and Mr. Pratap Rudra, Company Secretary & Legal Counsel. The Chairman is elected at each meeting.

The Share Transfer Committee deals with matters relating to transfers/ transmissions/ transposition/ consolidation/ deletion of name/ issue of share certificates in exchange for sub-divided/ consolidated/ defaced share certificates/ issue of duplicate share certificates, re-materialisation of shares, etc.

During the financial year, 8 meetings of the said Committee were held. The Minutes of the Share Transfer Committee Meetings were tabled and noted at the Board Meetings.

An Independent Practising Company Secretary carries out the Secretarial Audit at the office of the Registrar and Share Transfer Agent, and furnishes the requisite reports/certificates which are submitted to the Stock Exchanges.

(c) To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;

(d) To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;

(e) To keep the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken;

(f) The appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee

During the financial year, 2 meetings of the Committee were held on November 9, 2021 and March 29, 2022 attended by all the members.

The composition of the Risk Management Committee and the details of meetings attended by its members are furnished below:

Name of the Member	Category	Number of meetings attended during the financial year 2021-22
Shilpa Shridhar Divekar, Chairperson*	Non-Executive Independent Director	1
Gagandeep Singh Bedi	Managing Director	2
Rajesh Marwaha	Chief Financial Officer & Director	2
Mina Patel	Site Lead, India Operations	2
Amarpreet Kaur Ahuja	Country HR Director, India	2
Kimsuka Narsimhan**	Non-Executive Independent Director	1

\*Ms. Shilpa Shridhar Divekar was appointed as the Chairperson of the Committee w.e.f. February 8, 2022

\*\*Ms. Kimsuka Narsimhan retired as a Director of the Company w.e.f. February 1, 2022

During the financial year, 2 meetings of the Committee were held on November 9, 2021 and March 29, 2022 attended by all the members.

**6. Risk Management Committee**

The terms of reference of the Risk Management Committee are as in conformity with the requirements of the Listing Regulations.

**Terms of Reference**

- (a) To formulate a detailed risk management policy which shall include:
  - i. A framework for identification of internal and external risks specifically faced by the listed entity, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee.
  - ii. Measures for risk mitigation including systems and processes for internal control of identified risks.
  - iii. Business continuity plan.
- (b) To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;

**7. General Meetings**

**(a) Date, time and location of the last three Annual General Meetings held:**

Date	Year	Venue/Mode	Time
August 9, 2021	2020-21	Video conference and other audio visual means	3.00 p.m.
August 10, 2020	2019-20	Video conference and other audio visual means	3.00 p.m.
August 7, 2019	2018-19	Conrad, Bengaluru	3.00 p.m.

**(b) Whether any Special Resolutions passed in the last three Annual General Meetings**

The following Special Resolutions were passed in the last three Annual General Meetings:

Date of AGM	Particulars of Special Resolution(s) passed
August 9, 2021	Consent of Member for re-appointment of Ms. Revathy Ashok as an Independent Director for a second term of 5 years
August 10, 2020	(a) Consent of Members for re-appointment of Mr. Gagandeep Singh Bedi as the Managing Director of the Company and payment of remuneration to him. (b) Consent of Members for re-appointment of Mr. Rajesh Marwaha as a Whole-time Director of the Company and payment of remuneration to him.
August 7, 2019	Consent of Members for appointment of Mr. Narayan K. Seshadri, Independent Director for a second term of 5 years

**(c) Whether any Special Resolution passed last year through Postal Ballot, details of the voting pattern, person who conducted the Postal Ballot exercise, whether any Special Resolution proposed to be conducted through Postal Ballot and procedure for Postal Ballot:**

None

**8. Certificate from Practising Company Secretary:**

A Certificate from Mr. Vijayakrishna K. T., Practising Company Secretary, Bengaluru confirming that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of companies by Securities and Exchange Board of India/Ministry of Corporate Affairs or any such Statutory Authority, forms part of this report.

**9. Disclosures**

**(i) Related Party Transactions**

Transactions with related parties, as per the requirements of Ind AS 24 are disclosed in the notes to accounts annexed to the financial statements.

All the transactions with related parties were in the ordinary course of business and on arm's length basis. All Related Party

Transactions are placed before the Audit Committee for its prior approval. Omnibus approval of the Audit Committee is obtained for the transactions which are repetitive in nature.

The Company has adopted a Policy for dealing with Related Party Transactions. The Policy, as approved by the Board is available at <https://www.astrazeneca.in/content/dam/az-in/pdf/files/Policy%20on%20Related%20Party%20TransactionsS.pdf>.

Materially significant related party transactions during the financial year ended March 31, 2022:

Name of the Entity	Relationship	Nature of transaction	Amount (₹ in million)
AstraZeneca UK Limited	AstraZeneca UK Limited (AZ UK) is the Parent Company of AstraZeneca Treasury Limited, United Kingdom, which is the Holding Company of AstraZeneca AB, Sweden, which in turn is the Holding Company of AstraZeneca Pharmaceuticals AB, Sweden and which in turn is the Holding Company of AstraZeneca Pharma India Limited	i) Purchase of raw materials and traded goods by the Company from AZ UK ii) Reimbursement by AZ UK, the cost of employees deputed by the Company outside India iii) Reimbursement of pre-launch expenses of new products	2,225.0 17.0 6.2
<b>Total</b>			<b>2,248.2</b>

(ii) Details of non-compliance by the Company, penalties and structures imposed on the Company by the Stock Exchanges or SEBI or any authority on any matter related to capital markets during the last three years : NIL

(iii) The Company has a vigil mechanism for Directors and Employees to report their concerns about unethical behaviour, actual or suspected fraud or violation of the Company's code of conduct. The mechanism provides for adequate safeguards for victimisation of Director(s) / Employee(s) who avail of the mechanism. In exceptional cases, Directors and Employees have direct access to the Chairperson of the Audit Committee. No personnel of the Company have been denied access to the Chairperson of the Audit Committee, for making complaint on any integrity issue. The Whistle Blowing Policy is available at <https://www.astrazeneca.in/content/dam/az-in/pdf/2019/Whistle%20Blowing%20Policy.pdf>.

(iv) Details in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

- (a) Number of complaints filed during the financial year: 1
- (b) Number of complaints disposed of during the financial year: 1
- (c) Number of complaints pending as on end of the financial year: 0



- (v) Details of compliance with mandatory requirements and adoption of non-mandatory requirements:

The Company has complied with all the mandatory requirements of the Listing Regulations. The Company has also fulfilled the following discretionary requirements:

- (a) The Auditor's opinion on the financial statements is Unmodified.
- (b) The positions of Chairman and Managing Director are separate.
- (c) The Internal Auditor reports directly to the Audit Committee.
- (vi) Code of Conduct – The Company has adopted a Code of Conduct for its employees including the Managing Director. In addition, the Company has adopted a Code of Conduct for its Board Members. Both these Codes are available on the Company's website. All the Members of the Board and Senior Management Personnel of the Company have affirmed compliance with the Code applicable to them, for the financial year ended March 31, 2022. A declaration to this effect, duly signed by the Managing Director is annexed to this report.
- (vii) As the Company has no subsidiary as on date, the requirement of formulating a specific policy on dealing with material subsidiaries does not arise.

- (viii) The Company follows Accounting Standards specified under Section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Act. The Company has not adopted a treatment different from that prescribed in any Accounting Standard.

- (ix) Commodity Price Risk and Commodity hedging activities: The Company is not exposed to material foreign exchange risk on account of import and export transactions entered, as import of goods is happening in Indian Rupees. Also, it is not a sizable user of various commodities, hence not exposed to the price risk on account of procurement of commodities.

- (x) Total fees paid by the Company to the Statutory Auditors and all the entities in their network firm/network entities for all services rendered by them during the financial year 2021-22 is ₹ 5.7 million.

- (xi) The Company has not granted any loans and advances to firms/companies in which directors are interested.

## 10. Means of Communication

- (i) The quarterly, half yearly and annual financial results of the Company are sent to the Stock Exchanges immediately after the Board's approval, by uploading the same on NEAPS portal and BSE Listing Centre portal, from time to time. The same are published in 'The Business Standard' (English) and 'Prajavani' (Kannada) newspapers.
- (ii) The financial results and such other information that are required to be displayed on the Company's website pursuant to Listing Regulations/the Act are displayed on the website of the Company at [www.astrazeneca.com/india](http://www.astrazeneca.com/india).

- (iii) The website also displays official news releases and the presentation made by the Company to the institutional investors, if any.

## 11. Shareholder Information

### (i) Annual General Meeting

Date & Time of AGM	August 8, 2022 at 3 p.m. IST
Mode	Video Conference/Other Audio Visual Means
Financial Year	2021-22
Dividend Payment Date	On or before September 6, 2022

### (ii) Financial Calendar and announcement of financial results

The financial accounts and annual report are drawn out from April to March next.

The announcement of financial results during the financial year 2022-23 shall be as follows:

First Quarter Results	On or before August 14, 2022
Second Quarter Results	On or before November 14, 2022
Third Quarter Results	On or before February 14, 2023
Fourth Quarter & Annual Results	On or before May 30, 2023

### (iii) Listing on Stock Exchanges

The Company's Equity Shares are listed on:

#### BSE Limited (BSE)

25<sup>th</sup> Floor, P. J. Towers, Dalal Street, Fort, Mumbai - 400 001

#### National Stock Exchange of India Limited (NSE)

Exchange Plaza, C-1, Block G, Bandra-Kurla Complex, Bandra (East), Mumbai - 400 051

The Company has paid till date, appropriate listing fee to both the stock exchanges.

### (iv) Unclaimed Suspense Account

As on April 1, 2021, there were 75 shareholders in respect of whom 27,180 shares were lying in the AstraZeneca Pharma India Limited – Unclaimed Suspense Account. During the year there were three claims in respect of 750 shares in the said account. Consequently as on March 31, 2022, there are 72 shareholders in respect of whom the outstanding shares aggregating 26,430 shares are lying in the AstraZeneca Pharma India Limited- Unclaimed Suspense Account.

The voting rights in respect of such 26,430 shares remain frozen till the shares are claimed by the rightful owners.

### (v) Stock Code

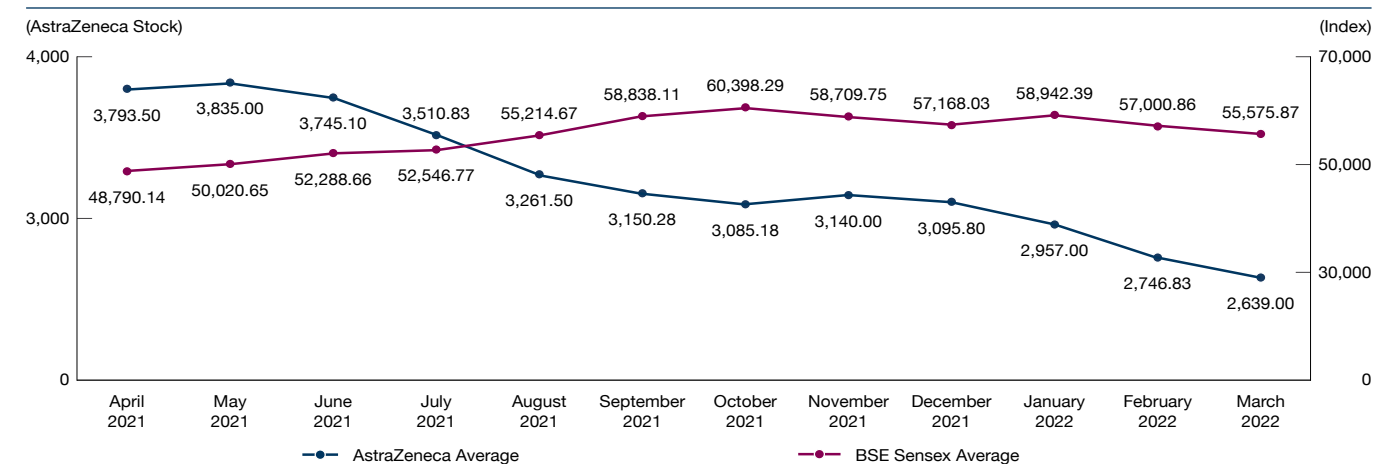
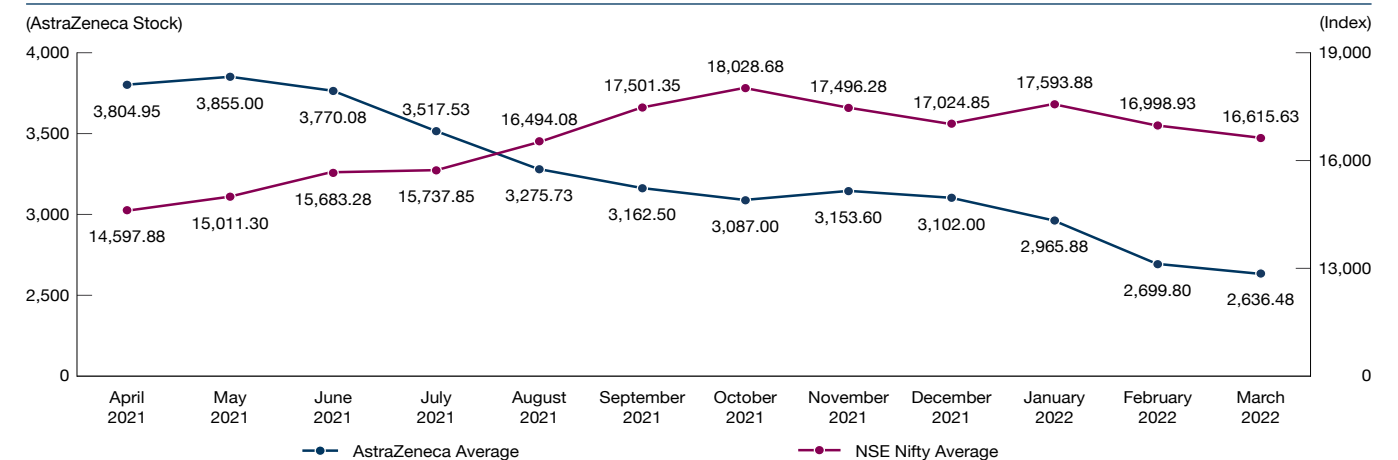
BSE Limited	506820
National Stock Exchange of India Limited	ASTRAZEN
ISIN for NSDL and CDSL	INE203A01020

### (vi) Monthly High/Low of market price of the Company's shares traded on BSE and NSE for the financial year ended March 31, 2022:

Period	BSE		BSE Sensex Index		NSE		NSE Nifty Index	
	High (₹)	Low (₹)	High	Low	High (₹)	Low (₹)	High	Low
April 2021	4,580.00	3,007.00	50,375.77	47,204.50	4,579.85	3,030.05	15,044.35	14,151.40
May 2021	3,959.00	3,711.00	52,013.22	48,028.07	3,960.00	3,750.00	15,606.35	14,416.25
June 2021	3,940.20	3,550.00	53,126.73	51,450.58	3,939.00	3,601.15	15,915.65	15,450.90
July 2021	3,674.95	3,346.70	53,290.81	51,802.73	3,675.00	3,360.05	15,962.25	15,513.45
August 2021	3,498.00	3,025.00	57,625.26	52,804.08	3,500.00	3,051.45	17,153.50	15,834.65
September 2021	3,248.80	3,051.75	60,412.32	57,263.90	3,250.00	3,075.00	17,947.65	17,055.05
October 2021	3,195.35	2,975.00	62,245.43	58,551.14	3,197.00	2,977.00	18,604.45	17,452.90
November 2021	3,350.00	2,930.00	61,036.56	56,382.93	3,349.00	2,958.20	18,210.15	16,782.40
December 2021	3,225.00	2,966.60	59,203.37	55,132.68	3,232.00	2,972.00	17,639.50	16,410.20
January 2022	3,158.00	2,756.00	61,475.15	56,409.63	3,157.90	2,773.85	18,350.95	16,836.80
February 2022	2,964.50	2,529.15	59,618.51	54,383.20	2,869.90	2,529.70	17,794.60	16,203.25
March 2022	2,749.00	2,529.00	58,890.92	52,260.82	2,747.00	2,525.95	17,559.80	15,671.45

Source: [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com)

### (vii) Performance of the Company's equity shares in comparison to BSE Sensex and NSE Nifty during the financial year 2021-22





**(viii) Registrar & Transfer Agent**

Integrated Registry Management Services Private Limited  
30, Ramana Residency, 4<sup>th</sup> Cross  
Sampige Road, Malleshwaram  
Bengaluru – 560 003  
Tel: (080) 23460815-8  
Fax: (080) 23460819

**(ix) Share Transfer System**

Share Transfer Committee comprising the Directors and officials of the Company considers requests received for duplicate certificates, split/consolidation, dematerialization, rematerialization and transmission of shares. All the requests received as specified above, are normally processed as per the prescribed timelines upon receipt of complete set of documents.

**Reconciliation of Share Capital Audit:**

A qualified Practising Company Secretary carries out Share Capital Audit to reconcile the total admitted equity share capital with the National Securities Depository Limited (NSDL) and the Central Depository Services (India) Limited (CDSL) and the total issued and listed equity share capital. The audit report confirms that the total issued/paid-up capital is in agreement with the total number of shares in physical form and the total number of dematerialised shares held with NSDL and CDSL.

**(x) Distribution of Shareholding as on March 31, 2022**

No. of equity shares held	No. of Shareholders	%	No. of Shares	%
Up to 5,000	57,682	99.86	2,638,453	10.55
5,001 to 10,000	29	0.05	214,599	0.86
10,001 to 20,000	20	0.03	286,278	1.15
20,001 to 30,000	7	0.01	186,250	0.75
30,001 to 40,000	1	0.00	34,812	0.14
40,001 to 50,000	6	0.01	283,330	1.13
50,001 to 100,000	7	0.01	553,052	2.21
100,001 and above	8	0.01	20,803,226	83.21
<b>Total</b>	<b>57,760</b>	<b>100.00</b>	<b>25,000,000</b>	<b>100.00</b>

**(xi) Shareholding Pattern as on March 31, 2022**

Particulars	Physical Holdings	Electronic Holdings	Total Holdings	%
AstraZeneca Pharmaceuticals AB	-	18,750,000	18,750,000	75.00
Banks	125	250	375	-
Insurance Companies	-	7,356	7,356	0.03
Alternative Investment Funds	-	42,650	42,650	0.17
Trusts	-	158	158	-
Mutual Funds	-	247,785	247,785	0.99
FIs	-	594,544	594,544	2.38
Non-Resident Indians	500	101,334	101,834	0.41
Clearing Member	-	19,646	19,646	0.08
Indian Corporate Bodies	-	433,068	433,068	1.73
Investor Education and Protection Fund Authority	-	112,567	112,567	0.45
Others – Public	168,395	4,521,622	4,690,017	18.76
<b>Total</b>	<b>169,020</b>	<b>24,830,980</b>	<b>25,000,000</b>	<b>100.00</b>
<b>Percentage:</b>	<b>0.68</b>	<b>99.32</b>	<b>-</b>	<b>100.00</b>

**(xii) Dematerialisation of shares and liquidity**

The Company's equity shares are compulsorily traded in the dematerialised form. As on March 31, 2022, out of 25,000,000 equity shares of the Company, 24,830,980 equity shares representing 99.32% of the total equity share capital is held in dematerialised form with National Securities Depository Limited and Central Depository Securities (India) Limited.

**(xiii) Outstanding GDR/ ADR/ Warrants or any convertible instruments, conversion date and likely impact on equity**

None

**(xiv) Plant location**

12<sup>th</sup> Mile on Bellary Road  
Venkatala, Kattigenahalli Village  
Yelahanka, Bengaluru - 560 063

**(xv) Company's Address for correspondence**

Company Secretary/Compliance Officer  
AstraZeneca Pharma India Limited  
Block N1, 12<sup>th</sup> Floor, Manyata Embassy Business Park,  
Rachenahalli, Outer Ring Road, Bengaluru - 560 045  
Tel: (080) 67748000  
Fax: (080) 67748557  
E-mail: comp.secy@astrazeneca.com

**(xvi) Dividend declared in earlier years**

Dividend for Financial year	%
2016-17	-
2017-18	-
2018-19	-
2019-20	₹ 1/- per share (50%)
2020-21	₹ 2/- per share (100%)

**(xvii) Nomination Facility**

Section 72 of the Companies Act, 2013, offers the facility of nomination. Members are advised to avail of this facility, to avoid the lengthy process of transmission formalities.

The nomination form may be obtained from the Company/ Registrar & Transfer Agent. However, if the shares are held in dematerialised form, the nomination has to be conveyed by the Members to their respective Depository Participant directly, as per the format prescribed by them.



## Declaration Regarding Compliance by Board Members and Senior Management Personnel with the Company's Code of Conduct

This is to confirm that the Company has adopted a Code of Conduct for its employees including the Managing Director. In addition, the Company has adopted a Code of Conduct for the Board of Directors. These Codes are available on the Company's website.

I confirm that the Company has in respect of the year ended March 31, 2022, received from the Senior Management Team of the Company and the Members of the Board a declaration of compliance with the Code of Conduct as applicable to them.

On behalf of the Board of Directors

Place: Bengaluru  
Date: May 26, 2022

**Gagandeep Singh Bedi**  
Managing Director

## Certificate on Compliance with the conditions of Corporate Governance as required under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To  
The Members  
AstraZeneca Pharma India Limited  
Bengaluru

I have examined all the relevant records of AstraZeneca Pharma India Limited ('the Company') for the purpose of certifying the compliances of the conditions of Corporate Governance by the Company, for the year ended March 31, 2022 as stipulated under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('the Listing Regulations').

The compliance of the conditions of Corporate Governance is the responsibility of the Management. My examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In my opinion and to the best of my information and explanations given to me, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in the Listing Regulations.

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

**Vijaykrishna K. T.**  
Practising Company Secretary  
FCS-1788  
CP-980  
UDIN-F001788D000392002

Place: Bengaluru  
Date: May 26, 2022

## Certificate as required under schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To,  
The Members  
AstraZeneca Pharma India Limited  
Bengaluru

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of AstraZeneca Pharma India Limited having CIN - L24231KA1979PLC003563 and having registered office at Block N1, 12<sup>th</sup> Floor, Manyata Embassy Business Park, Rachenahalli, Outer Ring Road Bengaluru - 560 045 (hereinafter referred to as 'the Company'), produced before me 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 my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on March 31, 2022 has been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, the Ministry of Corporate Affairs, or any such other Statutory Authority:

Name of Director	DIN	Date of appointment in Company
Narayan Keelveedhi Seshadri	00053563	December 6, 2012
Revathy Ashok	00057539	December 2, 2016
Rajesh Marwaha	01458768	December 2, 2016
Shilpa Shridhar Divekar	06619353	December 29, 2021
Gagandeep Singh Bedi	07844333	July 1, 2017
Weiyang Sarah Wang	08369289	March 13, 2019
Ankush Nandra	08737981	May 18, 2020

Ensuring the eligibility for the appointment/continuity of every Director on the Board is the responsibility of the Management of the Company. My responsibility is to express an opinion on these based on my 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.

Place: Bengaluru  
Date: May 26, 2022

**Vijaykrishna K. T.**  
Practising Company Secretary  
FCS-1788  
CP-980  
UDIN-F001788D000392123

Annexure IX to Board's Report

**FORM NO. MR-3**  
**SECRETARIAL AUDIT REPORT**

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2022

Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

To,  
The Members  
AstraZeneca Pharma India Limited  
(CIN: L24231KA1979PLC003563)

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by AstraZeneca Pharma India Limited (CIN: L24231KA1979PLC003563) (hereinafter called 'the Company'). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on March 31, 2022 complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by AstraZeneca Pharma India Limited for the financial year ended on March 31, 2022 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) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
  - (i) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
  - (ii) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;

- (iii) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- (iv) Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018;
- (v) Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;
- (vi) Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- (vii) Securities and Exchange Board of India (Issue and Listing of Non-Convertible and Redeemable Preference Shares) Regulations, 2013;
- (viii) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- (ix) 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;
- (x) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021;
- (xi) Circulars/Guidelines issued thereunder;
- (vi) The other following laws as may be applicable specifically to the Company:
  - (a) Pharmacy Act, 1948
  - (b) Drugs and Cosmetics Act, 1940
  - (c) The Indian Copyright Act, 1957
  - (d) The Patents Act, 1970
  - (e) The Trade Marks Act, 1999
- (vii) The other following general laws as may be applicable to the Company during the audit:
  - (1) **Employer/Employee Related Laws & Rules:**
    - i. The Factories Act, 1948
    - ii. The Employment Exchanges (Compulsory notification of Vacancies) Act, 1959
    - iii. The Apprentices Act, 1961
    - iv. The Employees Provident Fund & Miscellaneous Provisions Act, 1952
    - v. The Employees State Insurance Act, 1948
    - vi. The Maternity Benefits Act, 1961

- vii. The Payment of Gratuity Act, 1972
- viii. The Payment of Bonus Act, 1965
- ix. The Payment of Wages Act, 1936
- x. The Minimum Wages Act, 1948
- xi. The Contract Labour (Regulation & Abolition) Act, 1970
- xii. The Industrial Employment (Standing Orders) Act, 1946
- xiii. Equal Remuneration Act, 1976
- xiv. The Sexual Harassment of Women at Work Place (Prevention, Prohibition & Redressal) Act, 2013
- xv. The Karnataka Industrial Establishments (National and Festival Holidays) Act, 1963
- xvi. The Karnataka Labour Welfare Fund Act, 1965
- xvii. The Karnataka Public Safety (Measures) Enforcement Act, 2017

**(2) Environment Related Acts & Rules:**

- i. The Environment Protection Act, 1986
- ii. The Water (Prevention & Control of Pollution) Act, 1974
- iii. The Air (Prevention & Control of Pollution) Act, 1981
- iv. Hazardous Wastes (Management, Handling and Transboundary Movement) Rules, 2008

I have also examined compliances with the applicable clauses of Secretarial Standards on Board and General Meetings (SS - 1 and SS - 2) issued by the Institute of Company Secretaries of India.

During the period under review, the Company has complied with the provisions of the Acts, Rules, Regulations, Guidelines, Standards, etc. mentioned above and filings of the returns were undertaken in time or within the extended time limits.

Further, I report that with regard to financial and taxation matters, I have relied on the Audit Report, Limited Review Report and the Internal Audit Report provided by the Statutory/Internal Auditor as the case may be.

I further report that the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors which took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notices are given to all the Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, 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.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes as per the practice followed. However, during the period under report, there was no such case instance.

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.

**Vijaykrishna K. T.**  
Practising Company Secretary

Place: Bengaluru  
Date: May 26, 2022

FCS - 1788  
CP - 980  
UDIN: F001788D000392057

Note: This report is to be read with my letter of even date which is annexed as Annexure and forms an integral part of this report.



## Annexure

My report of even date is to be read along with this letter:

1. Maintenance of secretarial records is the responsibility of the Management of the Company. My responsibility is to express an opinion on these secretarial records based on our audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of Secretarial Records. The verification was done on test basis to ensure that correct facts are reflected in the secretarial records. I believe that the processes and practices, I have followed provide a reasonable basis for our opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company including records under Income Tax Act, Customs Act and Goods and Services Tax Act.
4. Wherever required, the Company has represented about the compliance of laws, rules and regulations and happening of events, etc. as applicable from time to time.
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 procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the Management has conducted the affairs of the Company.

**Vijaykrishna K. T.**  
Practising Company Secretary  
FSC - 1788  
CP - 980  
UDIN: F001788D000392057

Place: Bengaluru  
Date: May 26, 2022

# Business Responsibility Report

## SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

Sl. No.	Particulars	Details
1.	Corporate Identity Number (CIN) of the Company	L24231KA1979PLC003563
2.	Name of the Company	AstraZeneca Pharma India Limited
3.	Registered address	Block N1, 12 <sup>th</sup> Floor, Manyata Embassy Business Park, Rachenahalli, Outer Right Road, Bengaluru, Karnataka – 560 045
4.	Website	www.astrazeneca.com/india
5.	E-mail	comp.secy@astrazeneca.com
6.	Financial Year reported	March 31, 2022
7.	Sector(s) that the Company is engaged in (industrial activity code-wise)	21001 (Manufacture of Pharmaceuticals)
8.	List three key products/services that the Company manufactures/provides (as in balance sheet)	Tagrisso Brilinta Lynparza
9.	Total number of locations where business activity is undertaken by the Company	
	(a) Number of International Locations	Nil
	(b) Number of National Locations	The Company has 1 plant situated at Bengaluru. The Company has 1 Central Warehouse with depot in Bengaluru and 12 Carrying & Forwarding Agents across the country (Mumbai, Delhi, Kolkata, Chennai, Lucknow, Guwahati, Ahmedabad, Kochi, Indore, Hyderabad, Cuttack and Chandigarh)
10.	Markets served by the Company – Local/ State/ National/ International	India & Nepal

## SECTION B: FINANCIAL DETAILS OF THE COMPANY

Sl. No.	Particulars	Details
1.	Paid-up Capital (₹ in million)	50
2.	Total Turnover (₹ in million)	8,204
3.	Total profit after taxes (₹ in million)	616
4.	Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%)	3.4%
5.	List of activities in which expenditure in 4 above has been incurred	<ul style="list-style-type: none"> <li>– Ganga Godavari Cancer Screening</li> <li>– AZ Forest</li> <li>– YHP Bangalore</li> <li>– Grant A Wish</li> <li>– Vaccine Hesitancy</li> <li>– Back2school</li> </ul>

### SECTION C: OTHER DETAILS

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

No

**2. Do the Subsidiary Company/Companies participate in the Business Responsibility Initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s)**

NA

**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 Code of Conduct is applicable to all the business entities who do business with the Company. The Business associates do not directly participate in Business Responsibility Initiative of the company.

### SECTION D: BR INFORMATION

**1. Details of Director/Directors responsible for BR**

(a) Details of the Director responsible for implementation of the BR policy/policies

- 1. DIN : 01458768
- 2. Name : Rajesh Marwaha
- 3. Designation : Chief Financial Officer & Director

(b) Details of the BR head

Sl. No.	Particulars	Details
1.	DIN	01458768
2.	Name	Rajesh Marwaha
3.	Designation	Chief Financial Officer & Director
4.	Telephone number	080 - 67748000
5.	E-mail	Rajesh.Marwaha@astrazeneca.com

**2. Principle-wise (as per NVGs) BR Policy/policies**

(a) Details of compliance (Reply in Y/N)

Sl. No.	Question	P1	P2	P3	P4	P5	P6	P7	P8	P9
1.	Do you have a policy/policies for	Y	Y	Y	Y	Y	Y	Y	Y	Y
2.	Has the policy being formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
3.	Does the policy conform to any national/international standards? If yes, specify?	Most of the Company's policies are aligned with AstraZeneca PLC's global best practices. The Company adhered to Indian laws and regulations, in cases where it is more stringent.								
4.	Has the policy being approved by the Board? If yes, has it been signed by MD/owner/CEO/appropriate Board Director?	Y	Y	Y	Y	Y	Y	Y	Y	Y
5.	Does the Company have a specified committee of the Board/Director/Official to oversee the implementation of the policy?	Y	Y	Y	Y	Y	Y	Y	Y	Y
6.	Indicate the link for the policy to be viewed online?	www.astrazeneca.com/india								
7.	Has the policy been formally communicated to all relevant internal and external stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y

Sl. No.	Question	P1	P2	P3	P4	P5	P6	P7	P8	P9
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?	Y	Y	Y	Y	Y	Y	Y	Y	Y

(b) If answer to the question at serial number 1 against any principle is 'No', please explain why:

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

**3. Governance related to BR**

(a) **Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year.**

The Board of Directors of the Company assesses business responsibility initiatives 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?**

The Company has published a BR Report for the financial year ended March 31, 2021 as required under the Listing regulations read with SEBI Circular CIR/CFD/CMD/10/2015 dated November 04, 2015. The Company publishes the Business Responsibility Report in its Annual Report. The current report can be found in the link [www.astrazeneca.com/india](http://www.astrazeneca.com/india).

way it works. Human rights, safety and health, environmental protection and business ethics are core to the Company's approach to sustainability. To that extent AstraZeneca requires all members of the AstraZeneca group and their directors, officers and employees to observe high standards of integrity and honesty, and to act with care, diligence and fairness in all its business activities. The Company works only with Third Parties whose ethical standards are consistent with its own.

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

Stakeholder complaints received by the company are investigated as per the Whistle-Blowing Policy that has been approved by the Board. AstraZeneca is committed to appropriate enquiry of matters raised in good faith through available reporting channels. As of March 31, 2022, no significant complaints were received as per the Whistle Blowing Policy as approved by the Board.

**Principle 2: Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle**

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

The Company manufactures and packs at its state of the art facility at Bengaluru, India, products which have been developed taking environmental aspects into perspective.

The products are: Betaloc, Imdur, Forxiga, Crestor, Brilinta, Xigduo and Seloken.

### SECTION E: PRINCIPLE-WISE PERFORMANCE

**Principle 1: Businesses should conduct and govern themselves with Ethics, Transparency and Accountability**

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

The ethical standards expected of everyone who work at AstraZeneca is part of the Company's Code of Ethics while The Expectations of Third Parties document outlines the ethical standards for external partners. The Company wants to be valued for the medicines it provides and trusted for the



**2. Does the Company have procedures in place for sustainable sourcing (including transportation)? (a) If yes, what percentage of your inputs was sourced sustainably? Also, provide details thereof.**

The Company has a standard operating procedure for the selection of its suppliers for sourcing of materials. There is a system for assessing critical and major suppliers through risk management process for SHE, Compliance and Quality.

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

The Company follows a strict sourcing code of conduct with respect to compliance and quality. The Company procures goods and services from local vendors in the vicinity of the manufacturing location in compliance to the code.

**4. 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.**

The Company has a mechanism to recycle or dispose materials including waste in a responsible manner. All our non-hazardous waste is recycled (around 20% of total waste generated). Hazardous waste from our processing areas and market returns are disposed/incinerated through a pollution control board authorised recycler. Organic composter for composting food and garden waste is installed at the manufacturing site.

**Principle 3: Businesses should promote the wellbeing of all employees**

**1. Please indicate:**

Sl. No.	Particulars	Details
1.	Total number of employees	1,183
2.	Total number of employees hired on temporary/ contractual/ casual basis	74
3.	Number of permanent women employees	159
4.	Number of permanent employees with disabilities	1
5.	Do you have an employee association that is recognised by management	Yes
6.	What percentage of your permanent employees is members of this recognised employee association?	Professional Sales Union: 8.71% Factory Union: 5.49%

**2. 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.**

Sl. No.	Category	No. of Complaints filed during the Financial Year	No. of Complaints pending at the end of the Financial Year
1.	Child labour/ forced labour/ involuntary labour	0	0
2.	Sexual harassment	1	0
3.	Discriminatory employment	0	0

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

- (a) Permanent Employees
- (b) Permanent Women Employees
- (c) Casual/ Temporary/ Contractual Employees
- (d) Employees with Disabilities

100% of employees are covered for Skill Upgradation Intervention aligned to their skill needs and AstraZeneca Talent and Development Framework. Also 100% of all our employees are imparted safety training at the time they join the Company. Procedural Safety trainings are imparted at scheduled intervals based on employee roles. The Company makes no discrimination while imparting training to women employees. No discrimination while imparting training to employees with disabilities. All our contractual employees are imparted with safety trainings and other skill based training basis their role and field of work.

**Principle 4: Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalised.**

- 1. Has the Company mapped its internal and external stakeholders? Yes/No**  
Yes
- 2. Out of the above, has the company identified the disadvantaged, vulnerable & marginalised stakeholders.**  
Yes.
- 3. Are there any special initiatives taken by the Company to engage with the disadvantaged, vulnerable and marginalised stakeholders.**  
Inspired by our Values and what science can do, the Company focused on accelerating the delivery of life-changing medicines that create enduring value for patients and society. The

Company committed to operating in a way that recognises the interconnection between business growth, the needs of society and the limitations of our planet. Our ambition is to be a pioneering leader in sustainable health, environment and ethics where we believe that we have both the capability and the responsibility to implement standards that accelerate our business strategy while delivering wider benefits to society.

Some of our community initiatives include:

- (a) Ganga Godavari Cancer Screening Programme – The Company’s flagship initiative that support preventive cancer screening especially amongst women continued its focus on early detection via preventive screening in the under resourced communities. Since its launch in the year 2019, phase 1 of the programme was implemented in select communities from the state of Maharashtra, Karnataka, Tamil Nadu and Delhi. In consensus with National Health Mission and the Ministry of Health and Family Welfare the programme moved into Phase 2 and was implemented in Tikri village in Uttar Pradesh.
- (b) Young Health programme – Our global initiative expanded its boundaries from Delhi to Karnataka this year. An over a decade old programme implemented in multiple communities of Delhi helped us build a model ‘community development’ approach that could influence behaviours especially in youngsters between 10-24 years of age. With a unique working model, this project is implemented by developing youth from the community itself as ‘Peer Educators’ who not only believe in the objective of the programme but also act as influencers in driving change within the community. Thus far, the programme has over 21 ‘Health Information Centers’ – that are the focal points in identified communities helping us spread the right information on non-communicable diseases Prevention and Management from generating awareness to identifying sustainable solutions to influence behaviour.
- (c) The Company’s patient centric campaign ‘New Normal, Same Cancer’ that was developed in collaboration between AstraZeneca and the global cancer patient community touched about 18.4 million people this year. The campaign that was initially developed alongside a steering committee of advocacy partners from around the world during the pandemic to raise awareness on the need for people to get back to cancer care services despite the disruption caused by the COVID-19, expanded its focus on bringing about awareness on Cancer, its causes, better management and importance of preventive treatment. This was implemented by on-boarding multiple influencers from different walks of life such as real-life survivors, celebrities, renowned care takers who have seen the journey of a cancer patient closely to build awareness.
- (d) India is known to be the Diabetes capital of the world. Our ‘Reverse Diabetes’ project aims to redefine healthcare by improving outcomes and experience of patients living with Diabetes. The Dutch NGO, the Joep Lange

Institute, teamed up with 3 reputable organisations in India: Piramal, Asia Heart Institute, Eternal Heart Center to run a pilot programme that focused on closed group intervention with patients living with Diabetes to help them manage their Diabetes better to avoid its complications and move towards its reversal.

- (e) COVID-19 pandemic proved to be the biggest pandemic of our times and it came with unforeseen challenges. Once the vaccination drive against COVID-19 began in India, vaccine hesitancy became the next big matter of concern. There were multiple reports emerging from different regions where general public was hesitant to administer their dose due to myths, fear of side effects and misconceptions. The Company recognising the gap, made an effort to strengthen community action for the COVID vaccination drive through Plan India. ‘Vaccine Hesitancy Program’ was curated with two-fold objectives: supporting government efforts to combat the outbreak of COVID-19 in the country by addressing vaccination hesitancy and promoting COVID appropriate behaviour through community-led action. We collaborated with Plan India to curate and support “COVID Vaccination Campaign” for end-to-end outreach in Bawana and Jahangirpuri area of North Delhi to promote COVID appropriate behaviour and thereby improve the vaccine uptake through community mobilisation.
- (f) The Company’s ‘Back2school’ campaign was curated given a need found at the ground level where people started putting their children away from school once the lockdown were lifted. This 3 month long campaign in two communities of New Delhi had a straight forward objective to mobilise parents and nudge them to ensure that the education for their children continued. With the help of local youth and peer educators, this programme saw a participation from 5,400 parents, over 1,500 education kits distribution to young girls, and 1,200 safety kits were distributed to help children return to school.
- (g) The Company joined hands with Ummeed Foundation to support Gauri Healthy Heart a project that was conceptualised by Padma Shri Dr. Upendra Kaul in the year 2020 that focuses on preventing heart attacks and strokes. With a No-heart-attack-mission-2025, the project is a collaboration between central & state/union territory government, health departments, medical education & academic research centres, pharma companies, social & development organisations, army, volunteers and civil society at grass root levels. In its early years, it has targeted remoter parts of the country starting with union territory of Jammu and Kashmir and fanning out to various selected parts of India.
- (h) ‘AZ Forest’ initiative by the Company looks forward to restoring forests and biodiversity by planting trees worldwide in partnership with local governments and non-profit organisations. We collaborated with SankalpTaru Foundation, focused on afforestation throughout India and providing livelihood to farmers

along the way. We flagged off a mass sapling plantation campaign in Bengaluru and committed to planting 5,000 smartly geo-tagged trees in phase 1 that would enable individualistic tracking of each plant remotely. The approach here was to lay the foundation of greenery on a denuded community land, convert a barren land into forest, owning the plantation of trees and maintaining them for an agreed period of three years of time and lastly transferring a healthy and green forest back to the community owner at the end of its agreed tenure.

- (i) Taking the promise of care forward with an underlying objective of adherence to treatment, the Company committed to fulfil the wishes of about 830 children between the age of 3 to 18 years suffering from critical ailments across the country in collaboration with Make-A-Wish Foundation. This support is an important adjunct to medical treatment, and health experts have observed their patients feel better and comply more readily with treatment protocols when they experience their wish come true.
- (j) Committed to offer 'beyond the pill' solutions to patients, we have been dedicatedly working with multiple contemporary intelligent solutions that can address some key gaps in improving access to healthcare.
  - (i) Alveo.Fit, an innovative digital spirometry solution helps in effective management of Lung Function. With the help of inbuilt intelligent machine learning system that understands triggers, symptoms, medication usage patterns, it helps provide insights and control asthma better anytime anywhere. This has helped us bring in the practice of early PFT diagnostics clinically and over a period of 1 year, we had over 2,250 patients leverage the benefits.
  - (ii) In partnership with Tricog, we launched Project Heart Beat to address the unmet need for early diagnosis and intervention for patients with suspected heart attacks. With a provision of an InstaECG machine one can take an ECG reading within minutes and the data is available to trained cardiologists who can remotely interpret and identify critical cases. This model has helped us reach thousands of patients, as the model is used across over 80 centres via a Hub & Spoke model.
  - (iii) Qure.ai's AI techniques screen chest X-rays for lung nodules, suspicious cases are referred for further CT scans, where Predible's AI may then support the classification of the nodule. With an aim to facilitate early detection and timely intervention in lung cancer, we collaborated with them to help a patient understand his vulnerabilities better and take a course of best treatment forward. Currently, 56 centres that contribute to 80% of all lung cancer cases in India have been shortlisted to integrate this technology at screening stage, and the goal is to touch 1.1 million+ patients by 2024.
  - (iv) Under our ISHC, we launched 'Skill For Scale', an e-learning initiative to equip nurses with hands-on practical knowledge to practice latest patient care

for managing non-communicable diseases such as Diabetes. Based on a comprehensive curriculum as per NPCDCS guidelines, we target to enroll 5,000 nurses in this initiative.

- (v) Likewise, Pharmacists are an important stakeholder in the healthcare ecosystem, give the nature of patients approaching them for their basis and first level healthcare needs. We have curated a unique and specialised programme called 'iPharmacy', which is a capability building platform. We currently have about 6,400 pharmacist onboarded on the programme thus far.

**Principle 5: Businesses should respect and promote human rights**

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

AstraZeneca's Code of Conduct supports the principles set out in the UN Declaration of Human Rights and our policies detail our high standards of employment practice. These include respecting diversity and as a minimum, complying with national legal requirements regarding wages and working hours. We also support the International Labour Organisation's standards regarding child labour and minimum age.

The Company remains committed to respect and protect human rights. The Company's Code of conduct and the human resource practices cover most of these aspects. The Company does not hire child labour, forced labour or involuntary labour. The Company never discriminates between its employees.

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

Stakeholder complaints, if any, are investigated in terms of Whistle Blowing Policy as approved by the Board. AstraZeneca is committed to appropriate review of inquiries raised in good faith through available reporting channels. During the financial year, as of March 31, 2022, Company did not receive any significant whistle blowing complaints.

**Principle 6: Business should respect, protect, and make efforts to restore the environment**

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

The Company has a well-defined Safety, Health and Environmental Policy. The Company has been engaging and involving every stakeholder across the organisation in creating a unique culture in Safety Health and Environment.

**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.**

The Company continues to invest substantially towards sustainability and continuously improving standards of environment, occupation health and safety. A robust Safety Health and Environment policy is in place which is encouraging our employees to be more cautious in pre-empting potential threats. Our long-term SHE strategy/commitments include:

- Energy: we are sourcing approximately 75% of our energy needs through Solar Power
- In-house rooftop solar power project completed. More than 90% of manufacturing site energy consumption is through Green energy.
- Reduction in single use plastic
- Carbon: 5 years strategy in place for Zero Carbon by 2025
- Waste: continue to work on reduction against identified baselines
- Water: Water stewardship plan/initiatives for reduction in usage of water in all site operations in progress. Reuse of cooling tower and boiler blowdown water to minimise water wastage are implemented.

Webpage link: <https://www.astrazeneca.com/sustainability.html>

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

The Company aims to integrate environmental considerations into a medicine's complete lifecycle – from R&D, through manufacturing, marketing, use and ultimately disposal. Backed by our global SHE Policy which requires us to prevent, or otherwise minimise the risk of any harmful effects to the environment caused by our activities or products, we work continually to improve the environmental sustainability of our business activities. Environmental risk summaries for the Active Pharmaceutical products can be found at:

<https://www.astrazeneca.com/media-centre/articles/2020/mitigating-the-risk-of-pharmaceuticals-in-the-environment.html>

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

Not applicable.

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

The Company is committed to achieve all the norms within the limits for emission and discharge of air and water, as may be laid down by the regulators. The Company complies with pollution and environmental laws. In-house rooftop solar power project is completed. More than 90% of the site's energy needs are now catered by green energy. Reduction in single use plastic is also another initiative.

**Conservation of Energy:**

- (i) the steps taken or impact on conservation of energy:

The Company's Tablet Facility was the first pharma facility in India to be accredited with Gold Standard Rating under LEED (Leadership in Energy and Environmental Design) certification. The facility uses energy-saving HVAC System, efficient water fixtures and an extensive energy modelling done with 33.67% reduction in power consumption. All the HVAC operations is controlled by the building management system which enables the facility to be energy efficient.

- (ii) the steps taken by the Company for utilising alternate sources of energy:

The Company is using renewable energy concepts like Solar power for factory energy requirement, rainwater harvesting, condensate water recovery system, recycled materials for construction, usage of transparent roofing in engineering stores and other areas to conserve lighting load. Installation of roof top solar plant in the manufacturing site is completed. Use of environment friendly LPG in place of diesel is implemented for Boiler/ steam generation.

- (iii) The capital investment on energy conservation equipment:

The Company's investment into the existing Tablet Facility includes investments made on energy conservation equipment and systems. Usage of power saving LED fixtures for lighting in the production facility, Central warehouse facility and street lighting; natural lighting and air ventilation system are adopted in the utility areas, usage of motion sensors for office and some production areas to conserve lighting load. As part of global Natural Resource Reduction Governance Group project, evaluation of Heat pump installation for the HVAC system is under progress.

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

Yes, and the same are monitored by both internal and approved external agencies and reports are submitted to local statutory body.

**7. Number of show cause/legal notices received from CPCB / SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year.**

There is no show-cause notice received during & pending during the end of the financial year.

**Principle 7: Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner**

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

Yes, the Company is a member of the following trade, chamber and association:

- (a) Organisation of Pharmaceutical Producers of India
- (b) JETCO – UK India Business Council
- (c) Indian Society of Clinical Research
- (d) Federation of Indian Chambers of Commerce and Industry
- (e) Karnataka Drug Manufacturing Association

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



The Company is a member of various industry and trade groups. These groups represent the biopharmaceutical industry with governments and other stakeholders, defending and supporting public policies that are consistent with AstraZeneca's health care principles. While the Company may not always share the specific views of the industry and trade groups to which we belong, we continue to value our memberships in these organisations as they work to gain consensus on policy issues, when possible, amongst members to present a broader industry perspective.

**Principle 8: Businesses should support 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.**

Access to Healthcare and Environment protection are two of our core pillars that define our sustainability commitment. Over the past few years, the Company has initiated and carried forward a few unique multi-years community development programmes that bring about direct impact on the target beneficiaries.

Under access to healthcare pillar, the Company have focused on bringing down the burden of non-communicable diseases in the country in a meaningful manner that has been the focus of the country as well. Not only are non-communicable diseases leading causes of death globally and are among the top public health challenges in India. Apart from the pandemic that we faced last two years, India's non-communicable diseases problem is interlaced with multi-faceted challenges such as lack of awareness, myths and misconceptions, lack of infrastructural support and behavioural nature of the community. The Company worked on two fronts: spreading awareness and encouraging preventive care for Oncology, Diabetes, Cardiovascular diseases and supporting government's objectives in bursting myths and misconception regarding COVID-19 vaccine uptake at the under-resourced community level.

Under the environment protection pillar, the Company joined hands with Sankalp Taru Foundation-an organisation focused on afforestation throughout India and providing livelihood to farmers along the way. The Company flagged off a mass sapling plantation campaign in Bengaluru and committed to planting 5,000 smartly geo-tagged trees in phase 1 that would enable individualistic tracking of each plant remotely. This unique model will help in ensuring that the growth and management of a plant is well monitored, and timely interventions can be planned as and when required. The approach here was to lay the foundation of greenery on a denuded community land, convert a barren land into forest, owning the plantation of trees and maintaining them for an agreed period of three years of time and lastly transferring a healthy and green forest back to the community owner at the end of its agreed tenure.

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

The programmes are undertaken in partnership with external not for profit organisations. The Young Health Programme is being implemented by Plan International (India Chapter).

Ganga Godavari Cancer Screening Programme and New Normal Same Cancer is being implemented in partnership with Indian Cancer Society and Charities Aid Foundation India.

AZ forest is implemented in conjunction with SankalpTaru Foundation.

Gauri Healthy Heart is implemented with the help of Ummeed Foundation.

Grant A Wish is implemented via our partner Make A Wish Foundation.

Vaccine Hesitancy and Bck2school campaigns are rolled out with the help of Plan India.

Reverse Diabetes is implemented based on a model curated by the Dutch NGO, the Joep Lange Institute that has locally teamed up with 3 reputable organisations in India: Piramal, Asia Heart Institute, Eternal Heart Center.

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

All of the Company's initiatives are well-supported by a detailed impact assessment undertaken by the partner NGOs that helps us keep a track of the number of beneficiaries reached, progress thereof and impact created at the grassroots level.

The Company's partner organisation Charities Aid Foundation (CAF) also undertakes an independent analysis of the project reports to ascertain best practices, challenges and tweaking of the approach as and when needed.

**4. What is your Company's direct contribution to community development projects – Amount in ₹ and the details of the projects**

₹ in million	
Project supported from CSR funds in 2021-22	Amount
Grant A Wish	6.63
YHP Bangalore	2.94
AZ Forest	2.29
Ganga Godavari initiative – Gauri Healthy Heart	5.19
Vaccine Hesitancy	0.87
Back2School	2.83

**5. Have you taken steps to ensure that this community development initiative is successfully adopted by the community?**

Yes, all of the Company's programmes except Grant A Wish are self-sustainable.

All of the Company's initiatives have a strict aspect of involving community in their implementation framework to be able to cultivate a representative work force from the community who can shoulder the responsibility of driving change in the long-run. Example, in the Company's Young Health Program, the implementation partners have taken ownership of running 8 of the 21 Health Information Centres through their institutional resources.

The project involved training and developing youth from the community as peer educators who themselves believe in the project and its benefits and are leveraged as influencers to augment change at the community level. Thus far we have about 7,800 such ambassadors of the Young Health Program, who are recognised for their continuous and untiring

contribution and support and trained by medical and industry experts from time to time enabling them to strengthen their community engagement approach. Today, many are motivated and ambitious to continue to reach out to their peers and community.

**Principle 9: Businesses should engage with and provide value to their customers and consumers in a responsible manner**

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

As of March 31, 2022, the Company did not receive any significant Whistle Blowing cases.

**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**

The product labelling is updated as per rules and notified/ approved by the Regulatory authority as per rules/regulations.

**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.**

There is no pending case as on March 31, 2022.

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

The Company does carry out periodical survey on the clinical efficacy and experience of the physicians (customers) for its innovative drug launches. The Company undertakes the feedbacks received from the customers seriously and is driven by the perceptive customer value manifested in these customer surveys. The Company also reports the Adverse Events/Product Complaints, if shared during the research. All qualitative and quantitative research follows the compliance guidelines. Real time External Expert is also conducted by our field medical team on scientific leadership and scientific value delivered by our field medical team.

**Rajesh Marwaha**

Place: Bengaluru  
Date: May 26, 2022

Chief Financial Officer & Director  
DIN: 01458768

# Independent auditor's report

To the Members of AstraZeneca Pharma India Limited

## Report on the Audit of the financial statements

### Opinion

- We have audited the accompanying financial statements of AstraZeneca Pharma India Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2022, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of changes in equity and the Statement of cash flows for the year then ended, and notes to the financial statements, including 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 financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the

### Key audit matters

- Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Company as at March 31, 2022, and total comprehensive income (comprising of profit and other comprehensive income), changes in equity and its cash flows for the year then ended.

### Basis for Opinion

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

Key audit matter	How our audit addressed the key audit matter
<p><b>Appropriateness of provisions recognised and contingent liabilities disclosed in respect of certain direct, indirect tax and regulatory matters</b></p> <p>(Refer to the note 19 – "Provisions", note 20 – "Current tax liabilities (net)" and note 32(b) – "Contingent liabilities" to the financial statements)</p> <p>There are certain direct, indirect tax and regulatory matter pending against the Company.</p> <p>Direct tax cases include demands in respect of transfer pricing adjustments on transactions with overseas group companies, disallowance of certain expenses incurred, taxability of subvention receipt and certain expense reimbursements and certain other disallowances.</p> <p>Indirect tax cases include:</p> <ul style="list-style-type: none"> <li>service tax demands raised on expenses incurred in foreign currency, reimbursements from overseas group companies, recovery of notice period pay from former employees and ineligible input tax credit claimed on certain expenses, and,</li> <li>goods and services tax demand pertaining to certain category of medicines supplied by the Company.</li> </ul> <p>Regulatory matters pertains to demand from National Pharmaceutical Pricing Authority (NPPA) in respect of alleged overcharging of a patented drug.</p>	<p>Our procedures included the following:</p> <ul style="list-style-type: none"> <li>Understood, evaluated and tested the design and operating effectiveness of controls in respect of identifying tax and regulatory exposures, its accounting and disclosures thereof.</li> <li>Obtained a listing of the litigation matters and, read the correspondence with tax and regulatory authorities and where relevant, the advice received by the management from its external consultants.</li> <li>Evaluated the independence, objectivity and competence of the management experts involved.</li> <li>Along with auditors' tax and regulatory experts:               <ol style="list-style-type: none"> <li>Gained an understanding of the current status of litigations through our inquiries with management and determined impact, if any, based on recent rulings and latest developments in respective laws.</li> <li>Evaluated management's assessment on the probability of outcome and the magnitude of potential outflow of economic resources in respect of:                   <ol style="list-style-type: none"> <li>provisions for uncertain tax exposures based on case history and other available evidence to challenge the valuation and completeness of the provisions recognised by the Management, and</li> <li>regulatory matter.</li> </ol> </li> </ol> </li> </ul>

### Key audit matter

As at March 31, 2022, the Company has tax demands pertaining to the above direct and indirect tax matters aggregating to ₹ 1,256.2 million (including interest and penalties, where applicable) of which ₹ 42.5 million has been provided for and ₹ 1,213.7 million alongwith regulatory demand of ₹ 1,573.9 million has been disclosed as contingent liabilities, which are significant to the financial statements.

The Company has filed appeals against these demands with various appellate forums and High Court of Delhi which are currently pending for adjudication.

Management judgement is involved in evaluation of the likelihood of ultimate outcome of the tax and regulatory disputes and the probable amount of the provision to be recognised and contingent liabilities to be disclosed and is hence determined to be a key audit matter.

### How our audit addressed the key audit matter

- Examined the evaluation obtained from the Company's internal legal counsel to confirm our understanding of outstanding cases.
- Evaluated the adequacy of disclosures made in the financial statements.

Based on the above procedures, we found the judgements made by the Management in recognising provisions and in determining and disclosing contingent liabilities in respect of the aforesaid tax and regulatory matters, to be reasonable.

### Other Information

- The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis Report, Board's Report including Annexures to Board's Report, Business Responsibility Report and Corporate Governance report, but does not include the financial statements and our auditor's report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### Responsibilities of management and those charged with governance for the 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 financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to

- the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.
- In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

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

- Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.
- As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:
  - Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
  - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are



- appropriate in the circumstances. Under Section 143(3) (i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- c. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
  - d. 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 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.
  - e. Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
10. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
  11. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.
  12. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

#### Report on other legal and regulatory requirements

13. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
14. As required by Section 143(3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - (c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Statement of changes in equity and the Statement of cash flows dealt with by this Report are in agreement with the books of account.
  - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act.
  - (e) On the basis of the written representations received from the directors as on March 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164(2) of the Act.

- (f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:
  - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Notes 19 and 32(b) to the financial statements.
  - ii. The Company has long-term contracts as at March 31, 2022 for which there are no material foreseeable losses. The Company did not have any derivative contracts as at March 31, 2022.
  - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company during the year.
  - iv. (a) The management has represented that, to the best of its knowledge and belief, as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries (Refer Note 44 to the financial statements);
  - (b) The management has represented that, to the best of its knowledge and belief, as disclosed in the notes to the accounts, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries (Refer Note 44 to the financial statements); and
  - (c) Based on such audit procedures that we considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.
  - v. The dividend declared and paid during the year by the Company is in compliance with Section 123 of the Act.
15. The Company has paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

For **Price Waterhouse & Co Chartered Accountants LLP**  
Firm Registration Number: 304026E/ E-300009

Place: Bengaluru  
Date: May 26, 2022

**Prasanna Padar Mahabala**  
Partner  
Membership Number: 206477  
UDIN: 22206477AJQRMV6856

## Annexure A to Independent Auditor's Report

Referred to in paragraph 14(f) of the Independent Auditor's Report of even date to the members of AstraZeneca Pharma India Limited on the financial statements as of and for the year ended March 31, 2022

### Report on the Internal Financial Controls with reference to Financial Statements under Section 143(3)(i) of the Act

- We have audited the internal financial controls with reference to financial statements of AstraZeneca Pharma India Limited ("the Company") as of March 31, 2022 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

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

### Auditor's Responsibility

- Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing deemed to be prescribed under Section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements 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 with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the 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 with reference to financial statements.

### Meaning of Internal Financial Controls with reference to financial statements

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

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

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

### Opinion

- In our opinion, the Company has, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by ICAI.

For **Price Waterhouse & Co Chartered Accountants LLP**  
Firm Registration Number: 304026E/ E-300009

Place: Bengaluru  
Date: May 26, 2022

**Prasanna Padar Mahabala**  
Partner  
Membership Number: 206477  
UDIN: 22206477AJQRMV6856

## Annexure B to Independent Auditors' Report

Referred to in paragraph 13 of the Independent Auditors' Report of even date to the members of AstraZeneca Pharma India Limited on the financial statements as of and for the year ended March 31, 2022

- The Company is maintaining proper records showing full particulars, including quantitative details and situation, of Property, plant and equipment.
      - According to the information and explanations given to us and the records of the Company examined by us, the Company does not have any Intangible assets and accordingly, reporting under this Clause is not applicable.
    - The Property, plant and equipment are physically verified by the Management according to a phased programme designed to cover all the items over a period of three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, a portion of the Property, plant and equipment has been physically verified by the Management during the year and no material discrepancies have been noticed on such verification.
    - The title deeds of all the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee), as disclosed in Note 3 Property, plant and equipment to the financial statements, are held in the name of the Company.
    - The Company has not revalued its Property, plant and equipment (including Right-of-use assets) during the year. Consequently, the question of our commenting on whether the revaluation is based on the valuation by a Registered Valuer, or specifying the amount of change, if the change is 10% or more in the aggregate of the net carrying value of each class of Property, plant and equipment (including Right-of-use assets) does not arise.
    - Based on the information and explanations furnished to us, no proceedings have been initiated or are pending against the Company for holding benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended in 2016) (formerly the Benami Transactions (Prohibition) Act, 1988 (45 of 1988)) and Rules made thereunder, and therefore the question of our commenting on whether the Company has appropriately disclosed the details in its financial statements does not arise.
  - The physical verification of inventory [excluding stocks with third parties] has been conducted at reasonable intervals by the Management during the year and, in our opinion, the coverage and procedure of such verification by Management is appropriate. In respect of inventory lying with third parties, these have substantially been confirmed by them. The discrepancies noticed on physical verification of inventory as compared to book records were not 10% or more in aggregate for each class of inventory.
  - During the year, the Company has not been sanctioned working capital limits in excess of ₹ 5 crores, in aggregate from banks and financial institutions and accordingly, the question of our commenting on whether the quarterly returns or statements are in agreement with the unaudited books of account of the Company does not arise.
- The Company has granted unsecured loans to the employees of the Company. The aggregate amount during the year, and balance outstanding as at the Balance Sheet date with respect of such loans are as per the table given below:

Particulars	Loans - given to employees (in ₹ Million)
Aggregate amount granted during the year	3.4
Balance loan outstanding as at balance sheet date	5.0
  - In respect of the aforesaid interest free loans/advances in nature of the loan, the terms and conditions under which such loans were granted are not prejudicial to the Company's interest.
  - In respect of the aforesaid interest free loans/advances in nature of loans, the schedule of repayment of principal has been stipulated, and the parties are repaying the principal amounts, as stipulated.
  - In respect of the loans/advances in nature of loans, there is no amount which is overdue for more than ninety days.
  - There were no loans /advances in nature of loans which fell due during the year and were renewed/extended. Further, no fresh loans were granted to same parties to settle the existing overdue loans/advances in nature of loan.
  - There were no loans/advances in nature of loans which were granted during the year, including to promoters/ related parties.
- The Company has not granted any loans or made any investments or provided any guarantees or security to the parties covered under Sections 185 and 186 of the Act. Therefore, the reporting under clause 3(iv) of the Order are not applicable to the Company.
- The Company has not accepted any deposits or amounts which are deemed to be deposits within the meaning of Sections 73, 74, 75 and 76 of the Act and the Rules framed there under to the extent notified.
- Pursuant to the rules made by the Central Government of India, the Company is required to maintain cost records as specified under Section 148(1) of the Act in respect of its products. We have broadly reviewed the same and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.
- According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is generally regular in depositing the undisputed statutory dues in respect of provident fund and professional tax, though there has been slight delays in few cases, and is regular in depositing undisputed



statutory dues, including goods and services tax, employees' state insurance, income tax, sales tax, service tax, duty of customs, value added tax and other material statutory dues, as applicable, with the appropriate authorities. Also, refer note 46 to the financial statements regarding management's assessment on certain matters relating to provident fund.

- (b) According to the information and explanations given to us and the records of the Company examined by us, there are no statutory dues of provident fund, employees' state insurance, sales tax, which have not been deposited on account of any dispute. The particulars of other statutory dues referred to in sub-clause (a) as at March 31, 2022 which have not been deposited on account of a dispute, are as follows:

Name of the statute	Nature of dues	Gross demand (in ₹ Million)	Amount paid under protest (in ₹ Million)	Net amount (in ₹ Million)	Period to which the amount relates	Forum where the dispute is pending
The Income Tax Act, 1961	Income Tax	5.1	5.1	-	2009-10	Income Tax Appellate Tribunal
	Income Tax*	6.2	6.2	-	2010-11	Income Tax Appellate Tribunal
	Income Tax**	224.1	224.1	-	2013-14	Income Tax Appellate Tribunal
	Income Tax***	141.4	141.4	-	2014-15	Income Tax Appellate Tribunal
	Income Tax	156.1	-	156.1	2015-16	Income Tax Appellate Tribunal
	Income Tax	312.1	-	312.1	2016-17	Assistant Commissioner of Income Tax
	Income Tax	23.2	-	23.2	2019-20	Commissioner of Income Tax (Appeals)
Punjab Value Added Tax Act, 2005	Value Added Tax (VAT)	1.8	0.2	1.6	2006-07	High Court of Punjab and Haryana
Customs Act, 1962	Custom duty	21.2	-	21.2	2005-06	Customs, Excise and Service Tax Appellate Tribunal, Mumbai
The Finance Act, 1994	Service Tax	25.6	1.8	23.8	2006-07 to 2011-12	Central Excise and Service Tax Appellate Tribunal, Bangalore
	Service Tax	4.9	0.2	4.7	2012-13	Central Excise and Service Tax Appellate Tribunal, Bangalore
	Service Tax	3.4	1.5	1.9	2013-14 to 2015-16	Central Excise and Service Tax Appellate Tribunal, Bangalore
	Service Tax	1.5	0.1	1.4	April 2016 to March 2017	Commissioner of Central Excise (Appeals), Bangalore
	Service Tax	51.6	1.9	49.7	December 2012 to March 2016	Customs Excise and Service Tax Appellate Tribunal, Bangalore
Goods and Services Tax Act, 2017	Goods and Services Tax	51.7	2.1	49.6	2017-18	Joint Commissioner of State Tax (Appeals), Thane
	Goods and Services Tax	211.0	9.2	201.8	2018-19	Joint Commissioner of State Tax (Appeals), Thane
Bruhat Bangalore Mahanagara Palike (BBMP)	Improvement charges	70.8	-	70.8	2014	The High Court of Karnataka

\* The Department has adjusted ₹ 6.2 million against refund of other assessment years and this has been included under "amount paid under protest".

\*\* The Company has paid ₹ 40 million under protest and the department has adjusted ₹ 187.3 million against refund of other assessment years. The amount paid under protest has been restricted to the extent of gross demand.

\*\*\* The Company has paid ₹ 24 million under protest and the department has adjusted ₹ 117.4 million against refund of other assessment years.

- viii. According to the information and explanations given to us and the records of the Company examined by us, there are no transactions, which are not recorded in the books of account, that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.
- ix. (a) As the Company did not have any loans or other borrowings from any lender during the year, the reporting under clause 3(ix)(a) of the Order is not applicable to the Company.
- (b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the Company has not been declared Wilful Defaulter by any bank or financial institution or government or any government authority.
- (c) According to the records of the Company examined by us and the information and explanations given to us, the Company has not obtained any term loans.
- (d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the Company, the Company has not raised funds on short term basis.
- (e) According to the information and explanations given to us and procedures performed by us, we report that the Company did not have any subsidiaries, joint ventures or associate companies during the year. Accordingly, the reporting under clause 3(ix)(e) of the Order is not applicable to the Company.

- x. (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, the reporting under clause 3(x)(a) of the Order is not applicable to the Company.
- (b) The Company has not made any preferential allotment or private placement of shares or fully or partially or optionally convertible debentures during the year. Accordingly, the reporting under clause 3(x)(b) of the Order is not applicable to the Company.
- xi. (a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company, noticed or reported during the year, nor have we been informed of any such case by the Management.
- (b) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, a report under Section 143(12) of the Act, in Form ADT-4, as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 was not required to be filed with the Central Government. Accordingly, the reporting under clause 3(xi)(b) of the Order is not applicable to the Company.
- (c) During the course of our examination of the books and records of the Company carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, the Company has received whistle-blower complaints during the year, which have been considered by us for any bearing on our audit and reporting.
- xii. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the reporting under clause 3(xii) of the Order is not applicable to the Company.
- xiii. The Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act. The details of such related party transactions have been disclosed in the financial statements as required under Indian Accounting Standard 24 "Related Party Disclosures" specified under Section 133 of the Act.
- xiv. (a) In our opinion and according to the information and explanation given to us, the Company has an internal audit system commensurate with the size and nature of its business.
- (b) The reports of the Internal Auditor for the period under audit have been considered by us.
- xv. The Company has not entered into any non-cash transactions with its directors or persons connected with him. Accordingly, the reporting on compliance with the provisions of Section 192 of the Act under clause 3(xv) of the Order is not applicable to the Company.
- xvi. (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the reporting under clause 3(xvi)(a) of the Order is not applicable to the Company.
- (b) The Company has not conducted non-banking financial/housing finance activities during the year. Accordingly, the reporting under clause 3(xvi)(b) of the Order is not applicable to the Company.
- (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, the reporting under clause 3(xvi)(c) of the Order is not applicable to the Company.
- (d) According to the information and explanations given to us and procedures performed by us, we report that the Company did not have any subsidiaries, joint ventures or associate companies during the year. Accordingly, the reporting under clause 3(xvi)(d) of the Order is not applicable to the Company.
- xvii. The Company has not incurred any cash losses in the financial year or in the immediately preceding financial year.
- xviii. There has been no resignation of the statutory auditors during the year and accordingly the reporting under clause (xviii) is not applicable.
- xix. According to the information and explanations given to us and on the basis of the financial ratios (Also refer Note 40 to the financial statements), ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date will get discharged by the Company as and when they fall due.
- xx. As at balance sheet date, the Company does not have any amount remaining unspent under Section 135(5) of the Act. Accordingly, reporting under clause 3(xx) of the Order is not applicable.
- xxi. According to the information and explanations given to us and procedures performed by us, we report that the Company did not have any subsidiaries, joint ventures or associate companies during the year. Accordingly, the reporting under clause 3(xxi) of the Order is not applicable to the Company.

For **Price Waterhouse & Co Chartered Accountants LLP**  
Firm Registration Number: 304026E/ E-300009

**Prasanna Padar Mahabala**  
Partner  
Place: Bengaluru  
Date: May 26, 2022  
Membership Number: 206477  
UDIN: 22206477AJQRMV6856

# Balance Sheet

(All amounts in ₹ million, except per share and share data)

	Note	As at March 31, 2022	As at March 31, 2021
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	3	670.8	699.1
Right-of-use assets	3	74.1	110.5
Capital work-in progress	3	22.0	40.2
<b>Financial assets</b>			
Loans	4	4.1	4.3
Other financial assets	5	29.3	39.0
Non-current tax assets (net)	6	515.7	501.0
Deferred tax assets (net)	7	163.0	145.3
Other non-current assets	8	29.9	20.1
<b>Total non-current assets</b>		<b>1,508.9</b>	<b>1,559.5</b>
<b>Current assets</b>			
Inventories	9	1,402.2	1,598.0
<b>Financial assets</b>			
Trade receivables	10	858.9	851.9
Cash and cash equivalents	11	4,484.2	3,523.4
Bank balances other than cash and cash equivalents	12	0.4	0.1
Loans	4	0.9	2.7
Other financial assets	5	122.7	57.5
Other current assets	8	187.4	154.0
<b>Total current assets</b>		<b>7,056.7</b>	<b>6,187.6</b>
<b>Total assets</b>		<b>8,565.6</b>	<b>7,747.1</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity share capital	13	50.0	50.0
Other equity	14	5,063.9	4,511.7
<b>Total equity</b>		<b>5,113.9</b>	<b>4,561.7</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
<b>Financial liabilities</b>			
Lease liabilities	17	50.2	86.3
Provisions	19	75.0	64.1
<b>Total non-current liabilities</b>		<b>125.2</b>	<b>150.4</b>
<b>Current liabilities</b>			
<b>Financial liabilities</b>			
Lease liabilities	17	36.1	35.1
Trade payables			
Total outstanding dues of micro and small enterprises	15	7.9	3.0
Total outstanding dues of creditors other than micro and small enterprises	15	1,872.7	1,780.7
Other financial liabilities	16	497.2	525.9
Provisions	19	401.7	369.2
Current tax liabilities (net)	20	49.4	56.3
Other current liabilities	18	461.5	264.8
<b>Total current liabilities</b>		<b>3,326.5</b>	<b>3,035.0</b>
<b>Total liabilities</b>		<b>3,451.7</b>	<b>3,185.4</b>
<b>Total equity and liabilities</b>		<b>8,565.6</b>	<b>7,747.1</b>

The accompanying notes are an integral part of these Financial Statements.  
This is the Balance Sheet referred to in our report of even date.

For **Price Waterhouse & Co Chartered Accountants LLP**  
Firm registration number: 304026E/ E-300009

**Prasanna Padar Mahabala**  
Partner  
Membership number: 206477

Place: Bengaluru  
Date: May 26, 2022

For and on behalf of the Board of Directors of  
**AstraZeneca Pharma India Limited**

**Narayan K Seshadri**  
Chairman  
DIN: 00053563  
Place: Bengaluru  
Date: May 26, 2022

**Pratap Rudra B**  
Company Secretary  
Place: Bengaluru  
Date: May 26, 2022

**Gagandeep Singh Bedi**  
Managing Director  
DIN: 07844333  
Place: Bengaluru  
Date: May 26, 2022

**Rajesh Marwaha**  
Director & Chief  
Financial Officer  
DIN: 01458768  
Place: Bengaluru  
Date: May 26, 2022

# Statement of Profit and Loss

(All amounts in ₹ million, except per share and share data)

	Note	For the year ended March 31, 2022	For the year ended March 31, 2021
<b>Income</b>			
Revenue from operations	22	8,056.0	8,135.6
Other income	23	147.6	128.4
<b>Total income</b>		<b>8,203.6</b>	<b>8,264.0</b>
<b>Expenses</b>			
Cost of materials consumed	24	896.1	972.6
Purchase of stock-in-trade	25	2,078.8	1,947.4
Changes in inventories of finished goods, work-in-progress and stock-in-trade	26	144.7	29.5
Employee benefit expense	27	2,302.1	2,195.4
Depreciation and impairment expense	28B	169.5	201.3
Allowance for expected credit loss (net)	38 (ii) (a)	40.0	27.2
Other expenses	28A	1,732.5	1,608.8
Finance costs	29	9.5	10.9
<b>Total expenses</b>		<b>7,373.2</b>	<b>6,993.1</b>
<b>Profit before tax</b>		<b>830.4</b>	<b>1,270.9</b>
<b>Tax expense</b>			
Current tax	21	226.3	348.3
Deferred tax credit	21	(11.9)	(10.4)
<b>Total tax expense</b>		<b>214.4</b>	<b>337.9</b>
<b>Profit for the year</b>		<b>616.0</b>	<b>933.0</b>
<b>Other comprehensive income/(loss)</b>			
Items that will not be reclassified to profit and loss			
Re-measurement gains/(losses) on post employment benefit obligations	35 (iii) (C) (e)	(23.2)	45.8
Income tax effect	7	5.8	(11.5)
<b>Total other comprehensive income/(loss) for the year</b>		<b>(17.4)</b>	<b>34.3</b>
<b>Total comprehensive income for the year</b>		<b>598.6</b>	<b>967.3</b>
<b>Earnings per equity share (equity shares, par value of ₹ 2 each)</b>			
- Basic and diluted	30	24.6	37.3

The accompanying notes are an integral part of these Financial Statements.  
This is the Statement of Profit and Loss referred to in our report of even date.

For **Price Waterhouse & Co Chartered Accountants LLP**  
Firm registration number: 304026E/ E-300009

**Prasanna Padar Mahabala**  
Partner  
Membership number: 206477

Place: Bengaluru  
Date: May 26, 2022

For and on behalf of the Board of Directors of  
**AstraZeneca Pharma India Limited**

**Narayan K Seshadri**  
Chairman  
DIN: 00053563  
Place: Bengaluru  
Date: May 26, 2022

**Pratap Rudra B**  
Company Secretary  
Place: Bengaluru  
Date: May 26, 2022

**Gagandeep Singh Bedi**  
Managing Director  
DIN: 07844333  
Place: Bengaluru  
Date: May 26, 2022

**Rajesh Marwaha**  
Director & Chief  
Financial Officer  
DIN: 01458768  
Place: Bengaluru  
Date: May 26, 2022



# Statement of changes in equity

(All amounts in ₹ million, except per share and share data)

## A. Equity Share Capital

Particulars	Amount
Equity shares of ₹ 2 each issued, subscribed and fully paid	
As at March 31, 2020	50.0
Changes in equity share capital	-
As at March 31, 2021	50.0
Changes in equity share capital	-
As at March 31, 2022	50.0

## B. Other Equity

Particulars	Note	Reserves and Surplus				
		Capital Reserve	General Reserve	Employee share compensation reserve	Retained Earnings	Total Other equity
<b>Balance as on March 31, 2020</b>		<b>723.5</b>	<b>531.3</b>	<b>15.9</b>	<b>2,323.7</b>	<b>3,594.4</b>
Profit for the year		-	-	-	933.0	933.0
Other comprehensive income		-	-	-	34.3	34.3
<b>Total comprehensive income for the year</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>967.3</b>	<b>967.3</b>
Interim dividend		-	-	-	(50.0)	(50.0)
Employee share compensation expense	27	-	-	14.8	-	14.8
Recharge cost (including ₹ 8.4 to an overseas related party)	33	-	-	(14.8)	-	(14.8)
<b>Balance as on March 31, 2021</b>		<b>723.5</b>	<b>531.3</b>	<b>15.9</b>	<b>3,241.0</b>	<b>4,511.7</b>
Profit for the year		-	-	-	616.0	616.0
Other comprehensive income		-	-	-	(17.4)	(17.4)
<b>Total comprehensive income for the year</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>598.6</b>	<b>598.6</b>
Interim dividend		-	-	-	(50.0)	(50.0)
Employee share compensation expense	27	-	-	18.2	-	18.2
Recharge cost (including ₹ 13.2 to an overseas related party which is net off of ₹ 3.6 recharged back to other employees working for other group companies)	33	-	-	(14.6)	-	(14.6)
<b>Balance as on March 31, 2022</b>		<b>723.5</b>	<b>531.3</b>	<b>19.5</b>	<b>3,789.6</b>	<b>5,063.9</b>

This is the Statement of changes in equity referred to in our report of even date.

For **Price Waterhouse & Co Chartered Accountants LLP**  
Firm registration number: 304026E/ E-300009

**Prasanna Padar Mahabala**  
Partner  
Membership number: 206477

Place: Bengaluru  
Date: May 26, 2022

For and on behalf of the Board of Directors of  
**AstraZeneca Pharma India Limited**

**Narayan K Seshadri**  
Chairman  
DIN: 00053563  
Place: Bengaluru  
Date: May 26, 2022

**Pratap Rudra B**  
Company Secretary  
Place: Bengaluru  
Date: May 26, 2022

**Gagandeep Singh Bedi**  
Managing Director  
DIN: 07844333  
Place: Bengaluru  
Date: May 26, 2022

**Rajesh Marwaha**  
Director & Chief  
Financial Officer  
DIN: 01458768  
Place: Bengaluru  
Date: May 26, 2022

# Statement of cash flows

(All amounts in ₹ million, except per share and share data)

	Note	For the year ended March 31, 2022	For the year ended March 31, 2021
<b>A) Cash flow from operating activities</b>			
Profit before tax		830.4	1,270.9
Non-cash adjustments for :			
Depreciation and impairment expense	28B	169.5	201.3
(Profit) on sale of property, plant and equipment (net)	23	(28.2)	(21.7)
Bad debts written off	28A	2.9	-
Interest income on deposits carried at amortised cost	23	(114.8)	(89.3)
Employee stock compensation expense	27	18.2	14.8
Unrealised foreign exchange gain (net)		(0.5)	(1.2)
Allowance for expected credit loss (net)	38 (ii) (a)	40.0	27.2
Finance costs	29	9.5	10.9
<b>Operating profit before working capital changes</b>		<b>927.0</b>	<b>1,412.9</b>
Changes in working capital:			
(Increase)/Decrease in trade receivables		(49.0)	(45.8)
(Increase)/Decrease in inventories		195.8	53.5
(Increase)/Decrease in loans		1.9	1.7
(Increase)/Decrease in other financial assets		(52.0)	53.6
(Increase)/Decrease in other assets		(43.2)	123.1
Increase/(Decrease) in trade payables		96.7	(313.4)
Increase/(Decrease) in provisions		20.2	(18.3)
Increase/(Decrease) in other financial liabilities		(38.2)	51.4
Increase/(Decrease) in other liabilities		196.7	54.7
<b>Cash generated from operations</b>		<b>1,255.9</b>	<b>1,373.4</b>
Income taxes paid (net of refund)		(247.9)	(325.6)
<b>Net cash generated from operating activities (A)</b>		<b>1,008.0</b>	<b>1,047.8</b>
<b>B) Cash flows from investing activities</b>			
Interest income on bank deposits		111.1	93.2
Proceeds from maturity of bank deposits		-	1,690.0
Purchase of property, plant and equipment, including capital work-in-progress		(96.2)	(77.1)
Proceeds from sale of property, plant and equipment		32.5	24.2
<b>Net cash generated from/(used in) investing activities (B)</b>		<b>47.4</b>	<b>1,730.3</b>

# Statement of cash flows

(All amounts in ₹ million, except per share and share data)

	Note	For the year ended March 31, 2022	For the year ended March 31, 2021
<b>C) Cash flows from financing activities</b>			
Principal payment of lease liabilities		(35.1)	(28.8)
Interest cost on lease liabilities	29	(9.5)	(10.9)
Interim dividend paid		(50.0)	(50.0)
<b>Net cash generated from/(used in) financing activities (C)</b>		<b>(94.6)</b>	<b>(89.7)</b>
<b>D) Net increase/(decrease) in cash and cash equivalents (A+B+C)</b>		<b>960.8</b>	<b>2,688.4</b>
<b>E) Cash and cash equivalents at the beginning of the year</b>		<b>3,523.4</b>	<b>835.0</b>
<b>F) Cash and cash equivalents at the end of the year</b>		<b>4,484.2</b>	<b>3,523.4</b>
<b>Components of cash and cash equivalents as at the end of the year</b>	<b>Note</b>	<b>As at March 31, 2022</b>	<b>As at March 31, 2021</b>
Balance with banks :			
Current accounts	11	88.2	30.1
Demand deposits with original maturity of less than 3 months	11	4,396.0	3,493.3
<b>Total cash and cash equivalents</b>		<b>4,484.2</b>	<b>3,523.4</b>

- (a) The Statement of Cash flows has been prepared under the "Indirect Method" as set out in Ind AS 7 on Statement of Cash Flows as notified under Companies (Accounts) Rules, 2015.
- (b) Figures in brackets indicate cash outflow.
- (c) Previous year's figures have been regrouped/reclassified wherever necessary to conform to current year classification.

This is the Statement of Cash flows referred to in our report of even date.

For **Price Waterhouse & Co Chartered Accountants LLP**  
Firm registration number: 304026E/ E-300009

**Prasanna Padar Mahabala**  
Partner  
Membership number: 206477

Place: Bengaluru  
Date: May 26, 2022

For and on behalf of the Board of Directors of  
**AstraZeneca Pharma India Limited**

**Narayan K Seshadri**  
Chairman  
DIN: 00053563  
Place: Bengaluru  
Date: May 26, 2022

**Pratap Rudra B**  
Company Secretary  
Place: Bengaluru  
Date: May 26, 2022

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Managing Director  
DIN: 07844333  
Place: Bengaluru  
Date: May 26, 2022

**Rajesh Marwaha**  
Director & Chief  
Financial Officer  
DIN: 01458768  
Place: Bengaluru  
Date: May 26, 2022

# Notes to the Financial Statements

## 1. General Information

AstraZeneca Pharma India Limited ('the Company') is a public limited company domiciled in India having its registered office in Bangalore. The Company's equity shares are listed on National Stock Exchange of India Limited (NSE) and Bombay Stock Exchange Limited (BSE). The CIN of the Company is L24231KA1979PLC003563.

The Company is engaged in the business of manufacture, distribution and marketing of pharmaceutical products and also provides clinical trial services to an overseas group company.

## 2. Summary of significant accounting policies

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

### 2.1. Basis of preparation

#### (a) Compliance with Ind AS

The financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the 'Act') [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

The financial statements are authorised for issue by the Board of Directors as on May 26, 2022.

#### (b) Historical cost convention

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

- certain financial assets and liabilities measured at fair value;
- defined benefit plans - plan assets measured at fair value; and
- share-based payments - measured at fair value.

All assets and liabilities have been classified as current or non-current as per the Company's operating cycle and other criteria set out in the Schedule III (Division II) to the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets/inputs for processing and their realisation of cash and cash

equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current/non-current classification of assets and liabilities.

Amounts included in the financial statements are reported in millions of Indian rupees except share and per share data, as per the requirement of Schedule III, unless otherwise stated. The sign '0.0' in the financial statements indicates that the amounts involved are below ₹ one lakh and the sign '-' indicates that amounts are Nil.

#### (c) New and amended standards adopted

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

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

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

#### (d) New amendment issued but not effective

The Ministry of Corporate Affairs has vide notification dated March 23, 2022 notified Companies (Indian Accounting Standards Amendment Rules, 2022 which amends certain accounting standards, and are effective April 1, 2022. These amendments are not expected to have a material impact on the Company in the current or future reporting periods and on foreseeable future transactions.

#### (e) Reclassifications consequent to amendments to Schedule III

The Ministry of Corporate Affairs amended the Schedule III to the Companies Act, 2013 on March 24, 2021 to increase the transparency and provide additional disclosures to users of financial statements. These amendments are effective from April 1, 2021. Consequent to above, the Company has changed the classification/presentation of security deposits, in the current year.



# Notes to the Financial Statements

Security deposits (which meet the definition of a financial asset as per Ind AS 32) have been included in 'other financial assets' line item. Previously, these deposits were included in 'loans' line item. The Company has reclassified comparative amounts to conform with current year presentation as per the requirements of Ind AS 1. The impact of such classifications is summarised below:

Balance sheet extract	March 31, 2021 (as previously reported)	Increase/ (Decrease)	March 31, 2021 (restated)
Loans (Financial assets) (Non-current)	43.3	(39.0)	4.3
Loans (Financial assets) (Current)	3.6	(0.9)	2.7
Other financial assets (Non-current)	-	39.0	39.0
Other financial assets (Current)	56.6	0.9	57.5

## 2.2. Critical judgements and estimates

The preparation of financial statements in conformity with Ind AS requires that the management make estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results could differ from those estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Any revision to accounting estimates is recognised prospectively in current and future years. In particular, information about areas of significant estimation uncertainty and critical judgments in applying accounting policies that have a significant effect on the amounts recognised in the financial statements are included below:

- Expected credit losses on financial assets:** The impairment provisions on financial assets are based on assumptions about risk of default and expected timing of collection. The Company uses judgment in making these assumptions and selecting inputs to be used in the impairment calculation, based on the Company's past history, customers' creditworthiness, existing market conditions as well as forward looking estimates at the end of each reporting period. Refer note 38.
- Direct and Indirect Taxes - Provisions and contingent liabilities:** The Company has disputed claims under direct and indirect tax laws. Management discloses amounts claimed by the tax authorities as either contingent liabilities or recognizes them as provisions, based on subject matter under dispute, management's experience with disputes of a similar nature and advice from tax experts. Recognition and disclosure of such disputed claims may vary subsequently. Refer notes 19, 20 and 32(b).

## 2.3. Property, plant and equipment

Freehold land is carried at historical cost.

All other items of Property, plant and equipment are stated at historical cost less depreciation, and impairment loss, if any. Historical cost comprises the purchase price including import

duties and non-refundable taxes, and directly attributable expenses incurred to bring the asset to the location and condition necessary for it to be capable of being operated in the manner intended by management. Subsequent costs are included in an asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the Statement of Profit and Loss during the reporting period in which they are incurred.

An item of Property, plant and equipment is derecognised on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising on derecognition is recognised in the Statement of Profit and Loss within 'Other income' or 'Other expenses'.

The cost of Property, plant and equipment which are not ready for their intended use, are presented as capital work-in-progress.

### Transition to Ind AS

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

Depreciation is calculated using the straight-line method, from the date of capitalisation, to allocate the cost of Property, plant and equipment, net of their residual values, over the estimated useful lives of the assets. The estimate of useful lives have been determined based on a technical evaluation by management's expert, which are different from those specified by Schedule II to the Companies Act, 2013, in order to reflect the actual usage of the assets. The depreciation charge for each period is recognised in the Statement of Profit and Loss. The useful life, residual value and the depreciation method are reviewed at least at each financial year end. If the expectations differ from previous estimates, the changes are accounted for prospectively as a change in accounting estimate.

# Notes to the Financial Statements

The estimates of useful lives of property, plant and equipment are as follows:

Class of asset	Useful life in years
Buildings	6 to 20
Roads and culverts	10
Plant and machinery	5 to 10
Vehicles	5
Office equipment	2 to 10
Furniture and fixtures	10

## 2.4. Impairment of assets

Assessment is done at each Balance Sheet date as to whether there is any indication that an asset may be impaired. If any such indication exists, an estimate of the recoverable amount of the asset or Cash Generating Unit (CGU) is made. Recoverable amount is higher of an asset's or CGU's fair value less cost of disposal and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life. For the purpose of assessing impairment, the recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent from those of other assets or groups of assets. The smallest identifiable group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or groups of assets, is considered as a CGU. An asset or CGU whose carrying value exceeds its recoverable amount is considered impaired and is written down to its recoverable amount. Assessment is also done at each Balance Sheet date as to whether there is any indication that an impairment loss recognised for an asset in prior accounting periods may no longer exist or may have decreased. An impairment loss is reversed to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined if no impairment loss had previously been recognised.

## 2.5. Foreign currency translation

### (a) Functional and presentation currency

Items included in the financial statements are presented in Indian Rupee (₹) which is functional and presentation currency of the Company.

### (b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of transaction. Foreign exchange gains and losses arising from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are recognised in Statement of Profit and Loss.

## 2.6. Segment Reporting

The Company is engaged in the manufacture, distribution and marketing of pharmaceutical products and also provides clinical trial services to an overseas group company. For internal reporting purposes management has organised the Company into a single reportable segment i.e. Healthcare segment.

## 2.7. Inventories

Inventories are stated at the lower of cost or net realisable value. The cost of finished goods, stock-in-trade and work-in-progress comprises cost of raw materials, direct labour, other direct costs and related production overheads (in case of manufactured finished goods and work-in-progress). Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

The provision for inventory obsolescence is assessed regularly based on estimated usage and shelf life of products. Cost of all categories of inventories have been determined using the moving weighted average cost method.

## 2.8. Employee Benefits

### (a) Defined contribution plans

**Provident Fund:** Provident fund contributions for non-management staff are made to the regulatory authorities as per prescribed rules and regulations. The Company has no further obligations beyond the contributions made. Such benefits are classified as defined contribution plans. Such contributions to the Provident Fund Scheme are recognised in Statement of Profit and Loss when due.

**Superannuation:** The Company makes contributions for qualifying management employees to a Superannuation scheme, a defined contribution plan, based on a specified percentage of eligible employees' salary. The Company's obligation to the scheme is restricted to contributions made to the scheme, which are recognised in the Statement of Profit and Loss when due.

### (b) Defined benefit plans

**Provident Fund:** In respect of management staff, the Company makes contributions to a trust administered by the Company. Trust invests in designated investments permitted by Law. The minimum rate at which the annual interest on contributions is payable to the beneficiaries by the trust is administered by the Government. The Company is obligated to make good the shortfall in statutory rate prescribed by the Government and rate of interest declared by the trust. The Company also has an obligation to fund any shortfall in the fair value of plan assets as compared with the defined benefit obligation.

# Notes to the Financial Statements

The Company's obligation is actuarially determined at the end of every year using the projected unit credit method. Remeasurement gains and losses are recognised in the period in which they occur, directly in other comprehensive income (OCI). They are included in the retained earnings in the statement of changes in equity and in the Balance Sheet.

**Gratuity:** The Company provides for gratuity, a defined benefit plan (the "Gratuity Plan"). The Gratuity Plan provides for lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's last drawn salary and tenure of employment with the Company. The Company makes contributions towards gratuity into an approved gratuity fund administered by the Company and managed by an external fund manager. The contributions made to the trust are recognised as plan assets. The net defined benefit obligation, if any, recognised in the Balance Sheet represents the present value of the defined benefit obligation as reduced by the fair value of plan assets.

The Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of the year. Remeasurement gains and losses including those arising from changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income (OCI). They are included in the retained earnings in the statement of changes in equity and in the Balance Sheet. Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised during the same period in the Statement of Profit and Loss as past service cost.

## (c) Other long-term employee benefits

**Compensated Absences:** The employees of the Company are entitled to other long-term benefit in the form of compensated absences as per the policy of the Company. Employees are entitled to accumulate leave balance up to the upper limit as per the Company's policy which can be carried forward up to retirement/resignation. Leave encashment for a certain category of employees gets triggered on an annual basis, if the accumulated leave balance exceeds the threshold as defined in the Company's policy. At the time of retirement, death while in employment or on termination of employment, leave encashment vests equivalent to amount payable for number of days of accumulated leave balance as per the Company policy. Liability for such benefits is provided on the basis of actuarial valuation at the Balance Sheet date, carried out by an independent actuary using projected unit credit method. Actuarial

gains and losses are recognised immediately in the Statement of Profit and Loss.

The obligation for compensated absences are presented under current liabilities in the Balance Sheet as the Company does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

**Long-term service awards :** The employees of the Company are entitled to long term service awards as per the policy of the Company. Liability for such benefits is provided on the basis of actuarial valuation at the Balance Sheet date, carried out by an independent actuary using projected unit credit method. Actuarial gains and losses are recognised immediately in the Statement of Profit and Loss.

## (d) Other short-term employee benefits

Other short-term employee benefits are expected to be paid in exchange for the services rendered by employees and are recognised in the year during which the employee rendered the services. These benefits are in the form of performance incentives and compensated absences.

## (e) Other benefits

**Termination Benefits:** Termination benefits, in the nature of voluntary retirement benefits or those arising from restructuring, are recognised in the Statement of Profit and Loss when the Company has a present obligation as a result of past event, when a reliable estimate can be made of the amount of the obligation and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation.

Termination benefits generally include post-retirement healthcare benefits provided to qualifying employees till the contractual retirement age. Such benefits falling due more than 12 months after the end of the reporting period are discounted to present value. The expected costs of the healthcare benefits are determined based on an actuarial valuation using the Projected Unit Credit (PUC) method.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to the Statement of Profit and Loss in the period in which they arise.

## 2.9. Employee share-based payments

Stock-based compensation cost is measured at fair value at the date when the grant is made to qualifying employees by

# Notes to the Financial Statements

AstraZeneca UK Limited, United Kingdom ('Ultimate holding company') using modified binomial model.

Expense arising from equity-settled share-based payment transactions are recognised over the vesting period as employee benefits expense with a corresponding credit to employee share compensation reserve. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Company's best estimate of the number of equity instruments that will ultimately vest.

The stock-based compensation cost is recharged to the Company upon exercise, which is adjusted against employee share compensation reserve.

## 2.10. Revenue from operations

Revenue is recognised when the control of goods has been transferred to the customer and it is certain that future economic benefits will flow to the entity and specific criteria have been met for each of the activities as described below.

**Sale of products:** Revenue from sale of products is recognised when the control of the goods has been transferred to the customer as per the terms of the contract, which coincides with the delivery/despatch of goods. Revenue is recognised net of trade discounts, volume discounts and Goods and Services Tax (GST) in the Statement of Profit and Loss.

Goods offered free of cost to customers as part of existing sales arrangement are considered as separate performance obligations. Revenue from sale of such free of cost products offered to customers is recognised when the control has been transferred to the customer which coincides with delivery/despatch of goods. Advance consideration received in this respect is classified as deferred revenue (Contract liability).

**Sale of services:** The Company derives its service income from clinical trials provided to an overseas group company. The income from clinical trials is based on a 'cost plus' model as agreed with the said group company. As per the agreement, costs incurred internally are charged with a mark-up and those incurred externally are charged at actual. Revenue from services are recognised at a point in time after the Company's performance obligations are satisfied in accordance with the terms of arrangement with the group company.

**Income from grant of exclusive distribution rights:** The Company recognises income from grant of exclusive distribution rights in the Statement of Profit and Loss at a point in time when the control has been transferred to the customer and the Company has satisfied its performance obligations in relation to transfer of such rights to the customer.

## 2.11. Other Income

Interest income 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 proportionate basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of financial asset. Interest income is included under the head 'Other income' in the Statement of Profit and Loss.

## 2.12. Leases

### As a lessee

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

- fixed payments
- amount expected to be payable under residual value guarantees
- the exercise price of a purchase option if it is reasonably certain that the Company will exercise that option

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability. The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally, the case for lessees, the lessee's incremental borrowing rate used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

To determine the incremental borrowing rate, the Company:

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

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



# Notes to the Financial Statements

Variable lease payments are recognised in statement of profit and loss in the period in which the condition that triggers those payment occurs.

Right of use assets are measured at cost comprising the following:

- a) the amount of the initial measurement of lease liability
- b) any lease payments made at or before the commencement date,
- c) any initial direct costs, and
- d) restoration cost

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

Payments associated with short term leases and all leases of low value assets are recognised on a straight line basis as an expense in the Statement of Profit and Loss. Short term leases are lease with a lease term of 12 months or less.

## 2.13. Earnings per share

Basic earnings per share is calculated by dividing the net profit 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 net profit for the year attributable to equity shareholders and the weighted average numbers of shares outstanding during the year are adjusted for the effects of dilutive potential equity shares, if any.

## 2.14. Current and Deferred tax

Tax expense for the period, comprising current tax and deferred tax, are included in the determination of the net profit or loss for the period.

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

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

Deferred tax liabilities are recognised for all taxable temporary differences except when they arise from initial recognition of goodwill. Deferred income tax is also not recognised if it arises from initial recognition of an asset or liability in a transaction other than business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss).

Deferred tax assets are recognised for all deductible temporary differences, unused tax losses and unused tax credits to the extent that it is probable that future taxable amounts will be available against which such deductible temporary differences, unused tax losses and unused tax credits can be utilised.

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

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

Current and deferred tax relating to items recognised outside the statement of profit and loss are recognised either in other comprehensive income or in equity, in correlation with the underlying transaction.

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

## 2.15. Provisions and Contingent Liabilities

Provisions: Provisions are recognised when there is a present legal or constructive obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the amount of the obligation can be made. Provisions are measured at the best estimate of the expenditure required to settle the obligation at the Balance Sheet date.

Contingent Liabilities: 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 Company 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 or a reliable estimate of the amount cannot be made.

# Notes to the Financial Statements

## 2.16. Cash and cash equivalents

Cash and cash equivalents include cash in hand, demand deposits with banks and other short-term highly liquid investments with original maturities of three months or less.

## 2.17. Financial Instruments

Financial assets and liabilities are recognised when the company becomes a party to the contract that gives rise to financial assets and liabilities. Financial assets and liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability.

### a) Financial Assets :

#### Financial assets at amortised cost

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business model whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset gives rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

#### Financial assets at fair value through other comprehensive income

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset gives rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

#### Financial assets at fair value through profit or loss

Financial assets are measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets at fair value through profit or loss are immediately recognised in Statement of Profit and Loss.

## De-recognition of financial asset and financial liabilities

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109. A financial liability (or a part of a financial liability) is derecognised when the obligation specified in the contract is discharged or cancelled or expires.

## Impairment of financial assets

The Company assesses at each Balance Sheet date whether a financial asset or a group of financial assets is impaired. The Company recognises lifetime expected credit losses for all trade receivables using a provision matrix approach as permitted by Ind AS 109. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

### b) Financial Liabilities :

Financial liabilities are subsequently carried at amortized cost using the effective interest rate method. For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts approximate fair value due to short maturity of these instruments.

## 2.18. Trade and other payables

The amounts represent liabilities for goods and services provided prior to the end of financial year. The amounts are unsecured and are usually paid within the credit period given by the vendors. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

## 2.19. Contributed equity

Equity shares are classified as equity. Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, from the proceeds.

## 2.20. Dividends

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of reporting period.

# Notes to the Financial Statements

## 2.21. Trade receivables

Trade receivables are initially recognised at their transaction price (fair value) and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

## 2.22. Fair value measurement

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

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

The principal or the most advantageous market must be accessible to the Company. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their best economic interests. A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset to its highest and best use or by selling it to another market participant that would use the asset to its highest and best use. The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

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

Level 1 : Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 : Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3 : Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

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

Fair-value related disclosures for financial instruments and non-financial assets that are measured at fair value or where fair values are disclosed, are summarised in note 37 to the financial statements.

# Notes to the Financial Statements

(All amounts in ₹ million, except per share and share data)

## 3. Property, plant and equipment, right-of-use assets and capital work-in-progress

	Freehold Land	Buildings	Roads and culverts	Plant and machinery	Vehicles	Office equipment *	Furniture and fixtures	Total	Right-of-use Assets (Refer note 34)	Capital work-in progress
<b>Gross Carrying Amount</b>										
<b>As at March 31, 2020</b>	<b>4.9</b>	<b>332.8</b>	<b>10.6</b>	<b>498.2</b>	<b>7.8</b>	<b>219.5</b>	<b>110.4</b>	<b>1,184.2</b>	<b>144.2</b>	<b>264.8</b>
Additions	-	50.6	-	166.3	-	45.3	0.3	<b>262.5</b>	31.8	18.5
Disposals/Reversal	-	-	-	15.4	-	9.5	-	<b>24.9</b>	-	22.4
Transfers	-	-	-	-	-	-	-	-	-	216.9
<b>As at March 31, 2021</b>	<b>4.9</b>	<b>383.4</b>	<b>10.6</b>	<b>649.1</b>	<b>7.8</b>	<b>255.3</b>	<b>110.7</b>	<b>1,421.8</b>	<b>176.0</b>	<b>44.0</b>
Additions	-	31.8	-	41.3	-	35.8	0.3	<b>109.2</b>	-	54.9
Disposals/Reversal	-	-	-	15.0	-	3.4	0.3	<b>18.7</b>	-	-
Transfers	-	-	-	-	-	-	-	-	-	73.1
<b>As at March 31, 2022</b>	<b>4.9</b>	<b>415.2</b>	<b>10.6</b>	<b>675.4</b>	<b>7.8</b>	<b>287.7</b>	<b>110.7</b>	<b>1,512.3</b>	<b>176.0</b>	<b>25.8</b>
<b>Accumulated depreciation and impairment</b>										
<b>As at March 31, 2020</b>	<b>-</b>	<b>92.9</b>	<b>5.6</b>	<b>295.6</b>	<b>3.4</b>	<b>132.6</b>	<b>51.4</b>	<b>581.5</b>	<b>31.6</b>	<b>22.4</b>
Depreciation charge/ Impairment loss (Refer note b below)	-	23.4	1.4	76.8	1.4	47.9	12.7	<b>163.6</b>	33.9	3.8
Reversal of Impairment loss (Refer note c below)	-	-	-	-	-	-	-	-	-	22.4
Disposals	-	-	-	13.0	-	9.4	-	<b>22.4</b>	-	-
<b>As at March 31, 2021</b>	<b>-</b>	<b>116.3</b>	<b>7.0</b>	<b>359.4</b>	<b>4.8</b>	<b>171.1</b>	<b>64.1</b>	<b>722.7</b>	<b>65.5</b>	<b>3.8</b>
Depreciation charge	-	25.1	1.4	52.7	1.4	41.2	11.3	<b>133.1</b>	36.4	-
Reversal of Impairment loss	-	-	-	-	-	-	-	-	-	-
Disposals	-	-	-	11.3	-	3.0	-	<b>14.3</b>	-	-
<b>As at March 31, 2022</b>	<b>-</b>	<b>141.4</b>	<b>8.4</b>	<b>400.8</b>	<b>6.2</b>	<b>209.3</b>	<b>75.4</b>	<b>841.5</b>	<b>101.9</b>	<b>3.8</b>
<b>Net Carrying Amount</b>										
<b>As at March 31, 2021</b>	<b>4.9</b>	<b>267.1</b>	<b>3.6</b>	<b>289.7</b>	<b>3.0</b>	<b>84.2</b>	<b>46.6</b>	<b>699.1</b>	<b>110.5</b>	<b>40.2</b>
<b>As at March 31, 2022</b>	<b>4.9</b>	<b>273.8</b>	<b>2.2</b>	<b>274.6</b>	<b>1.6</b>	<b>78.4</b>	<b>35.3</b>	<b>670.8</b>	<b>74.1</b>	<b>22.0</b>

\* Includes IT equipment.

Notes:

- Capital commitments: Refer note 32(a) for capital commitments for the acquisition of property, plant and equipment.
- Includes impairment loss on an item of machinery identified as being unusable by the management.
- Profit on sale of property, plant and equipment (net) includes reversal of impairment loss on an item of machinery which has been sold during the previous year. Refer note 23.



# Notes to the Financial Statements

(All amounts in ₹ million, except per share and share data)

## Capital work-in progress

### (a) Ageing schedule

As at March 31, 2022	Amount in capital work-in progress for				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	4.0	18.0	-	-	22.0
Projects temporarily suspended	-	-	-	-	-
<b>As at March 31, 2021</b>	<b>Amount in capital work-in progress for</b>				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	13.2	4.6	-	22.4	40.2
Projects temporarily suspended	-	-	-	-	-

(b) There are no capital work-in-progress during the year ended March 31, 2022 and year ended March 31, 2021 whose completion is overdue or has exceeded its cost compared to its original plan.

## 4. Loans

	As at March 31, 2022	As at March 31, 2021
<b>Non-current</b>		
Loans to employees	4.1	4.3
	<b>4.1</b>	<b>4.3</b>
<b>Current</b>		
Loans to employees	0.9	2.7
	<b>0.9</b>	<b>2.7</b>
<b>Break-up of security details for loans</b>		
Loans receivables considered good - secured	-	-
Loans receivables considered good - unsecured	5.0	7.0
Loans receivables which have significant increase in credit risk	-	-
Loans receivables - Credit impaired	-	-
<b>Total</b>	<b>5.0</b>	<b>7.0</b>
Less: Loss allowance	-	-
<b>Total Loans receivables</b>	<b>5.0</b>	<b>7.0</b>

# Notes to the Financial Statements

(All amounts in ₹ million, except per share and share data)

## 5. Other financial assets

	As at March 31, 2022	As at March 31, 2021
<b>Non-current</b>		
Unsecured, considered good		
Security deposits	29.3	39.0
	<b>29.3</b>	<b>39.0</b>
Unsecured, considered doubtful		
Security deposits	10.5	10.5
Less: Loss allowance for doubtful deposits	(10.5)	(10.5)
	-	-
	<b>29.3</b>	<b>39.0</b>
<b>Current</b>		
Unsecured, considered good		
Security deposits	0.9	0.9
Interest accrued on deposits with banks	18.2	14.5
Receivable from related parties [Refer note 33(iv)]	103.6	42.1
	<b>122.7</b>	<b>57.5</b>

## 6. Non-current tax assets (net)

	As at March 31, 2022	As at March 31, 2021
Advance tax [net of provision for income tax ₹ 774.1 (2021: ₹ 440.9)]	515.7	501.0
	<b>515.7</b>	<b>501.0</b>

## 7. Deferred tax assets (net)

### (a) The balance comprises temporary differences attributable to:

	As at March 31, 2022	As at March 31, 2021
<b>Deferred tax assets</b>		
Provision for employee benefits	90.9	83.3
Other expenses allowance on payment for tax purposes	15.8	13.3
Provision for doubtful advances	8.7	8.7
Allowance for expected credit loss (net)	38.0	27.9
Lease Liability	21.7	30.5
Difference between tax base and carrying amounts of property, plant and equipment	6.6	9.4
<b>Total deferred tax assets</b>	<b>181.7</b>	<b>173.1</b>
<b>Deferred tax liabilities</b>		
Right-of-use assets	(18.7)	(27.8)
<b>Net deferred tax assets</b>	<b>163.0</b>	<b>145.3</b>

# Notes to the Financial Statements

(All amounts in ₹ million, except per share and share data)

## (b) Movement in the deferred tax assets/(liabilities) :

	As at March 31, 2021	(charge)/benefit to the Profit or Loss	(charge)/benefit to Other Comprehensive Income	As at March 31, 2022
<b>Deferred tax assets</b>				
Provision for employee benefits	83.3	1.8	5.8	90.9
Other expenses allowance on payment for tax purposes	13.3	2.5	-	15.8
Provision for doubtful advances	8.7	-	-	8.7
Allowance for expected credit loss (net)	27.9	10.1	-	38.0
Lease Liability	30.5	(8.8)	-	21.7
Difference between tax base and carrying amounts of property, plant and equipment	9.4	(2.8)	-	6.6
	<b>173.1</b>	<b>2.8</b>	<b>5.8</b>	<b>181.7</b>
<b>Deferred tax liabilities</b>				
Right-of-use assets	(27.8)	9.1	-	(18.7)
	<b>(27.8)</b>	<b>9.1</b>	<b>-</b>	<b>(18.7)</b>
<b>Net deferred tax assets</b>	<b>145.3</b>	<b>11.9</b>	<b>5.8</b>	<b>163.0</b>
	As at March 31, 2020	(charge)/benefit to the Profit or Loss	(charge)/benefit to Other Comprehensive Income	As at March 31, 2021
<b>Deferred tax assets</b>				
Provision for employee benefits	100.2	(5.4)	(11.5)	83.3
Other expenses allowance on payment for tax purposes	12.4	0.9	-	13.3
Provision for doubtful advances	9.6	(0.9)	-	8.7
Allowance for expected credit loss (net)	21.0	6.9	-	27.9
Lease Liability	29.8	0.7	-	30.5
Difference between tax base and carrying amounts of property, plant and equipment	1.7	7.7	-	9.4
	<b>174.7</b>	<b>9.9</b>	<b>(11.5)</b>	<b>173.1</b>
<b>Deferred tax liabilities</b>				
Right-of-use assets	(28.3)	0.5	-	(27.8)
	<b>(28.3)</b>	<b>0.5</b>	<b>-</b>	<b>(27.8)</b>
<b>Net deferred tax assets</b>	<b>146.4</b>	<b>10.4</b>	<b>(11.5)</b>	<b>145.3</b>

The tax impact for the above purpose has been arrived at by applying the tax rate of 25.17 % (2021 - 25.17%) being the prevailing tax rate under the Income Tax Act, 1961.

# Notes to the Financial Statements

(All amounts in ₹ million, except per share and share data)

## 8. Other assets

	As at March 31, 2022	As at March 31, 2021
<b>Non-current</b>		
Unsecured, considered good		
Capital advances	0.0	0.0
Balances with government authorities	29.9	20.0
Prepaid expenses	-	0.1
	<b>29.9</b>	<b>20.1</b>
Unsecured, considered doubtful		
Advances to suppliers	0.6	0.6
Less: Provision for doubtful advances	(0.6)	(0.6)
	-	-
	<b>29.9</b>	<b>20.1</b>
<b>Current</b>		
Unsecured, considered good		
Balances with government authorities	66.5	64.6
Advances to suppliers	11.0	3.8
Prepaid expenses	108.2	83.9
Employee advances	1.7	1.7
	<b>187.4</b>	<b>154.0</b>
Unsecured, considered doubtful		
Balances with government authorities	35.3	35.3
Less: Provision for doubtful balances	(35.3)	(35.3)
	-	-
	<b>187.4</b>	<b>154.0</b>

# 0.0 represents amounts below rounding off norms adopted by the Company.

## 9. Inventories

	As at March 31, 2022	As at March 31, 2021
Raw materials [includes in transit: ₹ 14.9 (2021: ₹ Nil)] [Refer note (a) below]	152.8	200.0
Packing materials [Refer note (b) below]	17.6	21.4
Work-in-progress [Refer note (c) below]	30.6	37.4
Finished goods [Refer note (d) below]	385.3	326.4
Stock-in-trade [includes in transit: ₹ 33.8 (2021: ₹ 59.2)] [Refer note (e) below]	798.2	995.0
Stores and spares	17.7	17.8
	<b>1,402.2</b>	<b>1,598.0</b>

Notes:

- Net of provision for raw materials amounting to ₹ 6.8 (2021: ₹ 6.2)
- Net of provision for packing materials amounting to ₹ 0.3 (2021: ₹ 2.7)
- Net of provision for work-in-progress amounting to ₹ Nil (2021: ₹ Nil)
- Net of provision for finished goods amounting to ₹ 1.8 (2021: ₹ 0.2)
- Net of provision for stock-in-trade amounting to ₹ 14.8 (2021: ₹ 1.8)



# Notes to the Financial Statements

(All amounts in ₹ million, except per share and share data)

## 10. Trade receivables

	As at March 31, 2022	As at March 31, 2021
<b>Current</b>		
Trade receivables considered good - secured	-	-
Trade receivables considered good - unsecured		
Related parties [Refer note 33(iv)]	151.1	85.1
Others	858.7	877.7
Less: Allowance for expected credit loss (net) [Refer note 38(ii)(a)]	(150.9)	(110.9)
Trade receivables which have significant increase in credit risk	-	-
Trade receivables - credit impaired	-	-
	<b>858.9</b>	<b>851.9</b>

### Trade Receivable ageing schedule

As at March 31, 2022	Not due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	689.4	218.9	34.5	41.1	25.2	0.7	<b>1,009.8</b>
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables – considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
As at March 31, 2021	Not due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	698.4	196.3	26.2	35.0	4.7	2.2	<b>962.8</b>
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables – considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-

# Notes to the Financial Statements

(All amounts in ₹ million, except per share and share data)

## 11. Cash and cash equivalents

	As at March 31, 2022	As at March 31, 2021
<b>Balances with banks</b>		
Current accounts	88.2	30.1
Demand deposits with original maturity of less than 3 months	4,396.0	3,493.3
	<b>4,484.2</b>	<b>3,523.4</b>

## 12. Bank balances other than cash and cash equivalents

	As at March 31, 2022	As at March 31, 2021
Unclaimed dividend accounts	0.4	0.1
	<b>0.4</b>	<b>0.1</b>

## 13. Equity share capital

	As at March 31, 2022	As at March 31, 2021
Authorised equity share capital		
<b>Equity share capital of ₹ 2 each</b>		
25,000,000 (2021: 25,000,000) equity shares	50.0	50.0

### Reconciliation of the shares at the beginning and at the end of the reporting period

Equity shares	As at March 31, 2022		As at March 31, 2021	
	Number of shares	Amount	Number of shares	Amount
At the commencement of the year	25,000,000	50.0	25,000,000	50.0
Add: movement during the year	-	-	-	-
<b>As at the end of the year</b>	<b>25,000,000</b>	<b>50.0</b>	<b>25,000,000</b>	<b>50.0</b>

### (a) Issued equity share capital

	As at March 31, 2022	As at March 31, 2021
<b>Equity shares of ₹ 2 each issued, subscribed and fully paid</b>		
25,000,000 (2021: 25,000,000) equity shares	50.0	50.0

### Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

Equity shares	As at March 31, 2022		As at March 31, 2021	
	Number of shares	Amount	Number of shares	Amount
At the commencement of the year	25,000,000	50.0	25,000,000	50.0
Add: shares issued	-	-	-	-
<b>Outstanding at the end of the year</b>	<b>25,000,000</b>	<b>50.0</b>	<b>25,000,000</b>	<b>50.0</b>

### (b) Terms and rights attached to equity shares

The Company has one class of equity shares having a par value of ₹ 2 per share. Each shareholder is eligible for one vote per share held. The Company declares and pays dividends in Indian rupees.

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.

# Notes to the Financial Statements

(All amounts in ₹ million, except per share and share data)

## (c) Details of shareholders holding more than 5% shares in the Company

Particulars	As at March 31, 2022		As at March 31, 2021	
	Number of shares	% holding	Number of shares	% holding
<b>Equity shares of ₹ 2 each fully paid</b>				
AstraZeneca Pharmaceuticals AB, Sweden (Holding Company)	18,750,000	75.0%	18,750,000	75.0%
Tejas B. Trivedi, Minaxi B. Trivedi and Shivani T. Trivedi*	1,644,779	6.6%	1,578,864	6.3%

\* Being 'persons acting in concert' under Regulation 29(1) of SEBI (Substantial Acquisition of Shares and Takeovers) Regulation, 2011.

## (d) Shares held by holding/ultimate holding company

Particulars	As at March 31, 2022		As at March 31, 2021	
	Number of shares	% holding	Number of shares	% holding
AstraZeneca Pharmaceuticals AB, Sweden (Holding Company)	18,750,000	75%	18,750,000	75%

(e) The Company has not allotted any fully paid-up equity shares by way of bonus shares, or pursuant to a contract without payment being received in cash or bought back equity shares during the period of five years immediately preceding the Balance Sheet date.

## (f) Details of shareholding of promoters at the end of the year:

Particulars	As at March 31, 2022		As at March 31, 2021	
	Number of shares	% holding	Number of shares	% holding
Promoter name	AstraZeneca Pharmaceuticals AB, Sweden (Holding Company)		AstraZeneca Pharmaceuticals AB, Sweden (Holding Company)	
No. of Shares	18,750,000		18,750,000	
% of total shares	75.0%		75%	
% Change during the year	0%		0%	

## 14. Other equity

	As at March 31, 2022	As at March 31, 2021
Capital reserve	723.5	723.5
General reserve	531.3	531.3
Employee share compensation reserve	19.5	15.9
Retained earnings	3,789.6	3,241.0
	<b>5,063.9</b>	<b>4,511.7</b>

For movement in other equity, also refer Statement of changes in equity.

### Nature and purpose of reserves:

#### (i) Capital reserve

Capital reserve represents voluntary non repayable grant from AstraZeneca Pharmaceutical AB, Sweden to the Company during FY 2013-14. Consequent to subvention agreement ('the agreement') dated May 7, 2013 between the Company and AstraZeneca Pharmaceutical AB ('the Promoter Company'), the promoter company had provided a voluntary non repayable financial grant in order to assist the Company in its efforts to establish presence and grow in the Indian market.

#### (ii) General reserve

General reserve represents appropriation of profits from retained earnings.

# Notes to the Financial Statements

(All amounts in ₹ million, except per share and share data)

## (iii) Employee share compensation reserve

The employee share compensation reserve is used to recognise the grant date fair value of restricted stock units issued to employees under ultimate holding company's long-term incentive stock compensation plan.

## (iv) Retained earnings

Retained earnings comprises prior and current year's undistributed earnings after tax.

## 15. Trade payables

	As at March 31, 2022	As at March 31, 2021
<b>Current</b>		
Micro and small enterprises (Refer note 42)	7.9	3.0
Related parties [Refer note 33(iv)]	406.5	414.4
Others	1,466.2	1,366.3
	<b>1,880.6</b>	<b>1,783.7</b>

### Trade Payables ageing schedule

As at March 31, 2022	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed dues – Micro and small enterprises	7.9	-	-	-	7.9
(ii) Undisputed dues – Others	1,625.1	34.3	36.9	176.4	1,872.7
(iii) Disputed dues – Micro and small enterprises	-	-	-	-	-
(iv) Disputed dues – Others	-	-	-	-	-
<b>As at March 31, 2021</b>	<b>Less than 1 year</b>	<b>1-2 years</b>	<b>2-3 years</b>	<b>More than 3 years</b>	<b>Total</b>
(i) Undisputed dues – Micro and small enterprises	3.0	-	-	-	3.0
(ii) Undisputed dues – Others	1,474.8	38.3	141.2	126.4	1,780.7
(iii) Disputed dues – Micro and small enterprises	-	-	-	-	-
(iv) Disputed dues – Others	-	-	-	-	-

#### Note:

Ageing has been determined based on transaction date.

## 16. Other financial liabilities

	As at March 31, 2022	As at March 31, 2021
<b>Current</b>		
Dealer deposits	-	2.0
Capital creditors	6.2	11.3
Payable to employees	379.8	380.6
Unclaimed dividends [Refer note below]	0.4	0.1
Other payables	110.8	131.9
	<b>497.2</b>	<b>525.9</b>

#### Note:

There are no amounts due for payment to the Investor Education and Protection Fund under section 125 of The Companies Act, 2013 as at the year end.



# Notes to the Financial Statements

(All amounts in ₹ million, except per share and share data)

## 17. Lease liabilities

	As at March 31, 2022	As at March 31, 2021
<b>Non-current (Refer note 34)</b>		
Lease liability	50.2	86.3
	<b>50.2</b>	<b>86.3</b>
<b>Current (Refer note 34)</b>		
Lease liability	36.1	35.1
	<b>36.1</b>	<b>35.1</b>

	As at March 31, 2022	As at March 31, 2021
<b>Net debt reconciliation</b>		
Non-current lease liability	50.2	86.3
Current lease liability	36.1	35.1
<b>Total net debt</b>	<b>86.3</b>	<b>121.4</b>

<b>Net debt as at March 31, 2020</b>		<b>(118.4)</b>
Repayment of interest and principal		39.7
Interest cost on lease liabilities		(10.9)
Leases acquired during the year		(31.8)
<b>Net debt as at March 31, 2021</b>		<b>(121.4)</b>
Repayment of interest and principal		44.6
Interest cost on lease liabilities		(9.5)
Leases acquired during the year		-
<b>Net debt as at March 31, 2022</b>		<b>(86.3)</b>

## 18. Other liabilities

	As at March 31, 2022	As at March 31, 2021
<b>Current</b>		
Statutory liabilities	115.1	100.1
Refund liabilities for expected sales returns [Refer note below]	38.5	34.5
Deferred revenue	306.9	128.3
Others	1.0	1.9
	<b>461.5</b>	<b>264.8</b>

### Note:

The amount is estimated on the basis of past experience of the pattern of sales returns. The Company has not recognised asset for 'right to recover returned goods' under 'Other current assets' as it estimates the value of the returned inventory to be Nil.

# Notes to the Financial Statements

(All amounts in ₹ million, except per share and share data)

## 19. Provisions

	As at March 31, 2022	As at March 31, 2021
<b>Non-current</b>		
<b>Provision for employee benefits</b>		
Provision for provident fund [Refer note 35(C)(f)]	48.2	40.8
Provision for long term service awards	22.1	19.1
Provision for termination benefits	4.7	4.2
	<b>75.0</b>	<b>64.1</b>
<b>Current</b>		
<b>Provision for employee benefits</b>		
Provision for gratuity [Refer note 35(C)(f)]	23.6	1.3
Provision for provident fund [Refer note 35(C)(f)]	5.4	5.0
Provision for compensated absences	253.1	244.5
Provision for long term service awards	4.8	3.4
Provision for termination benefits	1.5	1.7
	<b>288.4</b>	<b>255.9</b>
<b>Others</b>		
Provision for indirect tax matters [Refer note (a)]	42.5	42.5
Provision for other obligations [Refer note (b)]	70.8	70.8
	<b>113.3</b>	<b>113.3</b>
	<b>401.7</b>	<b>369.2</b>

### Movement of other provisions:

	Indirect tax matters	Other obligations
<b>Balance as on March 31, 2020</b>	<b>41.0</b>	<b>70.8</b>
Provisions during the year	1.5	-
Amount written back during the year upon settlement of cases	-	-
<b>Balance as on March 31, 2021</b>	<b>42.5</b>	<b>70.8</b>
Provisions during the year	-	-
Amount written back during the year upon settlement of cases	-	-
<b>Balance as on March 31, 2022</b>	<b>42.5</b>	<b>70.8</b>

### Notes:

- (a) Provision for indirect tax matters is created in respect of likely adverse outcome of indirect tax cases pending against the Company. The provision is based on management's estimate of probable outflow on account of settlement after considering advice obtained from external consultants of the Company, where considered necessary. Management cannot estimate with certainty the timing of the final outcome.
- (b) The Company had received a notice from Bruhat Bangalore Mahanagara Palike (BBMP) on August 7, 2014, followed by reminder notices, demanding ₹ 70.8 as improvement charges for its factory land. The Company filed a writ petition with the Honourable High Court of Karnataka ('Court') challenging the levy of aforesaid improvement charges. The Court had granted an interim order of stay on said demand notice. The Company's writ petition remains pending in the Court, but based on legal advice, management, as a prudent accounting practice has provided for the amount claimed. The Company intends to pursue the necessary legal recourse in this matter. Management cannot estimate with certainty the timing of the final outcome.

# Notes to the Financial Statements

(All amounts in ₹ million, except per share and share data)

## 20. Current tax liabilities (net)

	As at March 31, 2022	As at March 31, 2021
Current tax liabilities [net of advance tax ₹ 596.5 (2021: ₹ 699.3)]	49.4	56.3
	<b>49.4</b>	<b>56.3</b>

## 21. Income tax

(i) The major components of income tax expense for the years ended March 31, 2022 and March 31, 2021 are:

### Income tax expense

	For the year ended March 31, 2022	For the year ended March 31, 2021
Current tax	226.3	336.0
Tax provision relating to earlier year*	-	12.3
<b>Total Current tax</b>	<b>226.3</b>	<b>348.3</b>
Deferred tax		
Decrease/(Increase) in deferred tax assets	(2.8)	(9.9)
(Decrease)/Increase in deferred tax liabilities	(9.1)	(0.5)
<b>Total deferred tax (benefit)/charge</b>	<b>(11.9)</b>	<b>(10.4)</b>
<b>Income tax expense</b>	<b>214.4</b>	<b>337.9</b>

\* Pertains to settlement of demand under the Direct tax Vivaad Se Vishwas scheme for an earlier year.

### Tax recognized in Other Comprehensive Income (OCI)

	For the year ended March 31, 2022	For the year ended March 31, 2021
Deferred tax related to items recognised in OCI during the year:		
Remeasurement of defined benefit plans	(5.8)	11.5
<b>Income tax charged/(credited) to OCI</b>	<b>(5.8)</b>	<b>11.5</b>

### (ii) Effective tax reconciliation

	As at March 31, 2022	As at March 31, 2021
Profit before tax	830.4	1,270.9
Enacted tax rate in India (%)	25.17%	25.17%
Expected tax expense (computed)	209.0	319.9
Add/(Less): Reconciling items:		
Expenses disallowed for tax purposes	5.4	5.7
Tax provision relating to an earlier year	-	12.3
<b>Income tax expense</b>	<b>214.4</b>	<b>337.9</b>

# Notes to the Financial Statements

(All amounts in ₹ million, except per share and share data)

## 22. Revenue from operations

	For the year ended March 31, 2022	For the year ended March 31, 2021
<b>Revenue from contracts with customers</b>		
Sale of pharmaceutical products		
Finished goods	3,087.6	3,467.5
Traded goods	4,526.6	4,300.4
Sale of services to related parties - Clinical trials [Refer note 33(ii)]	441.8	317.7
Income from grant of exclusive distribution rights (Refer note 45)	-	50.0
	<b>8,056.0</b>	<b>8,135.6</b>

## 23. Other income

	For the year ended March 31, 2022	For the year ended March 31, 2021
Interest income		
Interest income on deposits carried at amortised cost	114.8	89.3
Interest income on income tax refund	-	15.3
Other income		
Profit on sale of property, plant and equipment (net)	28.2	21.7
Miscellaneous income	4.6	2.1
	<b>147.6</b>	<b>128.4</b>

## 24. Cost of materials consumed

	For the year ended March 31, 2022	For the year ended March 31, 2021
Raw materials consumed	829.3	896.1
Packing materials consumed	66.8	76.5
	<b>896.1</b>	<b>972.6</b>

## 25. Purchase of stock-in-trade

	For the year ended March 31, 2022	For the year ended March 31, 2021
Stock-in-trade purchased	2,078.8	1,947.4
	<b>2,078.8</b>	<b>1,947.4</b>



# Notes to the Financial Statements

(All amounts in ₹ million, except per share and share data)

## 26. Changes in inventories of finished goods, work-in-progress and stock-in-trade

		For the year ended March 31, 2022	For the year ended March 31, 2021
<b>Inventories at the beginning of the year</b>			
Finished goods		326.4	230.2
Work-in-progress		37.4	12.2
Stock-in-trade		995.0	1,145.9
	<b>A</b>	<b>1,358.8</b>	<b>1,388.3</b>
<b>Inventories at the end of the year</b>			
Finished goods		385.3	326.4
Work-in-progress		30.6	37.4
Stock-in-trade		798.2	995.0
	<b>B</b>	<b>1,214.1</b>	<b>1,358.8</b>
<b>Changes in inventories</b>	<b>(A-B)</b>	<b>144.7</b>	<b>29.5</b>

## 27. Employee benefit expense

		For the year ended March 31, 2022	For the year ended March 31, 2021
Salaries, bonus and allowances		1,992.1	1,917.5
Gratuity [Refer note 35(iii)(C)(d)]		46.7	43.9
Contribution to provident and other funds (Refer note 35(i) and 35(iii)(C)(d))		114.8	105.5
Employee stock compensation expense [Refer note (a) below]		18.2	14.8
Staff welfare expenses		130.3	113.7
		<b>2,302.1</b>	<b>2,195.4</b>

### Notes:

- (a) Represents charge in respect of Restricted Stock Units issued by AstraZeneca Plc, United Kingdom "the ultimate holding company" to the qualifying employees of the Company [Refer note 36].
- (b) Employee benefit expenses shown above is net of reimbursable expenses recovered from related parties under appropriate line items [Refer note 33].

# Notes to the Financial Statements

(All amounts in ₹ million, except per share and share data)

## 28A. Other expenses

	For the year ended March 31, 2022	For the year ended March 31, 2021
Selling, marketing and distribution	507.2	452.1
Travel and conveyance	100.3	57.8
Legal and professional [Refer note (b)]	220.5	240.7
Clinical trials	391.9	287.6
Power and fuel	81.0	73.7
Rent [Refer note 34]	0.4	3.9
Carriage outwards	62.7	59.9
Repairs and maintenance		
– Buildings	7.4	8.8
– Plant and machinery	33.7	40.7
– Others	8.3	11.3
Rates and taxes	19.7	26.3
Remuneration to clearing and forwarding agents	51.0	47.4
Consumption of stores and spare parts	31.1	30.3
Communication expenses	32.5	47.8
Insurance	27.0	30.4
Bad debts written off	2.9	-
Net loss on foreign currency transactions	1.3	5.4
Expenditure towards Corporate Social Responsibility (CSR) activities (Refer note 41)	20.7	16.1
Royalty	32.0	38.0
Miscellaneous expenses	100.9	130.6
	<b>1,732.5</b>	<b>1,608.8</b>

### Notes:

- (a) Other expenses shown above are net of reimbursable expenses recovered from related parties under appropriate line items (Refer note 33).
- (b) **Payments to auditors (\*):**

	For the year ended March 31, 2022	For the year ended March 31, 2021
<b>As auditor</b>		
Audit fees	4.5	4.1
Tax audit fees	0.4	0.4
Reimbursement of out of pocket expenses	0.8	0.8
	<b>5.7</b>	<b>5.3</b>

(\*) Excludes GST

# Notes to the Financial Statements

(All amounts in ₹ million, except per share and share data)

## 28B. Depreciation and impairment expense

	For the year ended March 31, 2022	For the year ended March 31, 2021
Depreciation on property, plant and equipment	133.1	163.6
Depreciation on right of use assets	36.4	33.9
Impairment on capital work in progress	-	3.8
	<b>169.5</b>	<b>201.3</b>

## 29. Finance costs

	For the year ended March 31, 2022	For the year ended March 31, 2021
Interest cost on lease liabilities (Refer note 34)	9.5	10.9
	<b>9.5</b>	<b>10.9</b>

## 30. Earnings per share

	For the year ended March 31, 2022	For the year ended March 31, 2021
Profit after tax	616.0	933.0
Weighted average number of equity shares outstanding during the year considered for basic and diluted EPS	25,000,000	25,000,000
Basic and diluted earnings per share	24.6	37.3

## 31. Segment reporting

The Company is engaged in the business of manufacture, distribution and marketing of pharmaceutical products and provides clinical trial services to an overseas group company. Chief Operating Decision Maker (CODM) reviews the Company level data for resource allocation and assessment of the Company's performance. As the Company's activities fall within a single business segment, separate segment wise disclosures are not applicable. The additional disclosures as required by IND AS 108 are as below:

### (a) Revenue from major products and services

The following is an analysis of the Company's revenue from major products and services:

	For the year ended March 31, 2022	For the year ended March 31, 2021
<b>Revenue from external customers</b>		
Sale of pharmaceutical products		
- Tablets	6,490.9	7,102.6
- Injectables	937.3	546.3
- Inhalation	186.0	119.0
Income from grant of exclusive distribution rights (Refer note 45)	-	50.0
<b>Revenue from related parties</b>		
Sale of services to related parties- Clinical trials [Refer note 33(ii)]	441.8	317.7
	<b>8,056.0</b>	<b>8,135.6</b>

# Notes to the Financial Statements

(All amounts in ₹ million, except per share and share data)

## (b) Geographic information

Revenues generated from operations are from sales to customers both within and outside of India. Details of the same are stated below. The information below is based on the location of the customers.

	For the year ended March 31, 2022	For the year ended March 31, 2021
India	7,591.7	7,793.9
Outside India	464.3	341.7
	<b>8,056.0</b>	<b>8,135.6</b>

## (c) Information about major customers

Revenue from sale of tablets of ₹ Nil (2021: ₹ 1,241.4) are derived from a single customer operating in the pharma industry.

## (d) Location of non-current assets

Non-current operating assets including property, plant and equipment and capital work-in-progress are all located in India.

## 32. Commitments and contingencies

Particulars	As at March 31, 2022	As at March 31, 2021
<b>(a) Commitments</b>		
<b>Capital commitments</b>		
Estimated amount of contracts remaining to be executed on capital account (net of advances) and not provided for	18.6	35.1

## (b) Contingent liabilities

Claims against the company not acknowledged as debts

## (i) Taxation matters

Particulars	As at March 31, 2022	As at March 31, 2021
Indirect tax matters *	350.7	292.1
Income tax matters #	863.0	550.8

### \* Indirect tax matters:

The matters are related to demands (including interest and penalties, where applicable) raised by the Indirect tax authorities related to service tax and goods and services tax (GST) received in the current year and in earlier financial years.

The demands relating to service tax have been raised on expenses incurred in foreign currency, reimbursements from overseas group companies, recovery of notice period pay from former employees and ineligible input tax credit claimed on certain expenses. The GST demand pertains to certain category of medicines supplied by the Company. The Company has filed appeals before the relevant authorities against the above demands, which are pending for adjudication.

The Company believes that it has a strong case on merits to contest the aforesaid demands and that the ultimate outcome of these proceedings will not have a material adverse effect on the Company's financial position and results of operations.

### # Income Tax:

These matters are related to demands (including interest, where applicable) raised during the current year and in earlier years by the Income tax authorities in respect of transfer pricing adjustments on transactions with overseas group companies, disallowance of certain expenses incurred, taxability of subvention receipt and certain expense reimbursements and certain other disallowances. These adjustments are largely of a repetitive nature across multiple assessment years. The Company has filed appeals against these demands with various appellate forums, which are currently pending for adjudication.



# Notes to the Financial Statements

(All amounts in ₹ million, except per share and share data)

The aforesaid contingent liabilities do not include any possible liabilities arising from a draft order issued to the Company, during the year, by the assessing authority which contains certain transfer pricing adjustments aggregating to ₹ 475.8 (2021: ₹ 542.4) with approximate tax effect of ₹ 164.7 (2021: ₹ 187.7) (excluding interest and penalty, if any). The company has challenged the matter before the dispute resolution panel and the final order is yet to be passed by the Income Tax department.

The Company believes that its position on the aforesaid demands will likely be upheld in the appellate process and accordingly no provision has been made in the financial statements for such demands.

- (ii) During the year, the Company received a demand notice for an amount of ₹ 1,573.9 million (and interest thereupon) under Trade Margin Rationalisation notification ("TMR notification") from National Pharmaceutical Pricing Authority (NPPA) alleging overcharging of a patented anti-cancer drug sold during the period of 8 March 2019 to 31 January 2021. The said drug has been included with certain other anti-cancer medicines, on which trade margin caps are applicable under TMR notification. Based on evaluation, Management is of the view that the TMR notification is not applicable to the aforesaid patented drug and all applicable laws relating to the pricing of the product have been complied with. The Company has filed a Writ Petition before the High Court of Delhi challenging the NPPA's demand notice and the matter is pending adjudication. Based on assessment, supported by external legal advice, Management has concluded that it has a strong case and the Company can defend its position. Accordingly, no provision has been made in these financial statements.

## (c) Guarantee

Particulars	As at March 31, 2022	As at March 31, 2021
Bank guarantee issued to National Highways Authority of India	13.7	13.7

## 33. Related party disclosures

### (i) Names of related parties and related party relationship

#### (a) Related parties where control exists and/or where transactions have occurred:

Name of the entity	Name of relationship
Holding Company	AstraZeneca Pharmaceuticals AB, Sweden
Holding Company of AstraZeneca Pharmaceuticals AB, Sweden	AstraZeneca AB, Sweden
Holding Company of AstraZeneca AB, Sweden	AstraZeneca Treasury Limited, United Kingdom
Holding Company of AstraZeneca Treasury Limited, United Kingdom	AstraZeneca UK Limited, United Kingdom
Holding Company of AstraZeneca UK Limited, United Kingdom	AstraZeneca Intermediate Holdings Ltd
Ultimate Holding Company	AstraZeneca Plc, United Kingdom
Fellow subsidiaries with whom the Company had transactions during the year or in the previous year	AstraZeneca Singapore Pte Ltd, Singapore
	AstraZeneca Pharmaceuticals LP, USA
	P.T. AstraZeneca Indonesia, Indonesia
	AstraZeneca Pty Ltd, Australia
	AstraZeneca SDN Bhd, Malaysia
	AstraZeneca India Private Limited, India
	AstraZeneca Canada Inc., Canada
	AstraZeneca Pharmaceuticals (Phils.) Inc., Philippines
	AstraZeneca Pharma Poland Sp.z.o.o, Poland
Employees' Benefit Plans	AstraZeneca Pharma India Limited Employees Gratuity Fund Trust
	AstraZeneca Pharma India Limited Management Staff Provident Fund Trust
	AstraZeneca Pharma India Limited Management Staff Superannuation Fund Trust

# Notes to the Financial Statements

(All amounts in ₹ million, except per share and share data)

## b) Key Management Personnel

- Managing Director	Mr. Gagandeep Singh Bedi
- Director and Chief Financial Officer	Mr. Rajesh Marwaha
- Non-Executive Directors	Ms. Weiying Sarah Wang
	Mr. Ankush Nandra (w.e.f May 18, 2020)

## c) Independent Directors

Mr. Narayan K Seshadri
Ms. Revathy Ashok
Ms. Kimsuka Narasimhan (upto February 01, 2022)
Ms. Shilpa Sridhar Divekar (w.e.f. December 29, 2021)

## (ii) Details of the transactions with the related parties during the year ended :

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
<b>Purchase of raw materials and stock-in-trade</b>		
AstraZeneca UK Limited, United Kingdom	2,225.0	2,188.3
AstraZeneca AB, Sweden	209.7	153.3
<b>Payment towards reimbursement of expenses</b>		
AstraZeneca Pty Ltd, Australia	14.6	12.2
AstraZeneca Pharma Poland Sp.z.o.o, Poland	1.5	-
<b>Payment towards employee stock compensation expense, net of withholding tax</b>		
AstraZeneca UK Limited, United Kingdom	13.2	8.4
<b>Sale of services</b>		
AstraZeneca AB, Sweden [Refer notes 22 and 31(a)]	441.8	317.7
<b>Recovery of reimbursable expenses</b>		
AstraZeneca UK Limited, United Kingdom	122.8	110.5
AstraZeneca AB, Sweden	-	10.7
P.T. AstraZeneca Indonesia	5.5	18.0
AstraZeneca Singapore Pte Ltd, Singapore	34.6	23.0
AstraZeneca Pharmaceuticals LP, USA	19.6	86.8
AstraZeneca SDN Bhd, Malaysia	11.9	10.2
AstraZeneca India Private Limited, India	0.7	-
AstraZeneca Pharmaceuticals (Phils) Inc, Philippines	5.5	-
AstraZeneca Canada Inc., Canada	1.1	-
<b>Contribution to Trusts</b>		
AstraZeneca Pharma India Limited Employees Gratuity Fund Trust [Refer note 35(iii)(C)(b)]	20.0	90.0
AstraZeneca Pharma India Limited Management Staff Provident Fund Trust [Refer note 35(iii)(C)(b)]	88.6	68.7
AstraZeneca Pharma India Limited Management Staff Superannuation Fund Trust [Refer note 35(i)]	12.2	12.8

# Notes to the Financial Statements

(All amounts in ₹ million, except per share and share data)

## (iii) (a) Transactions with Key Management Personnel

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
<b>Salary and perquisites</b>		
Short-term employee benefits	62.6	64.1
Long-term employee benefits	10.9	10.3
Post employment benefits	21.1	19.0
Employee share compensation expenses	5.6	5.6
	<b>100.2</b>	<b>99.0</b>

## (iii) (b) Transactions with Independent Directors

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Sitting fees paid to independent directors	3.4	3.2

## (iv) Details of balances receivable from and payable to related parties are as follows:

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
<b>Other current financial assets (Refer note 5)</b>	<b>103.6</b>	<b>42.1</b>
AstraZeneca AB, Sweden	50.2	-
AstraZeneca UK Limited, United Kingdom	34.3	27.1
AstraZeneca Pharmaceuticals LP, USA	6.2	5.0
AstraZeneca Singapore Pte Ltd, Singapore	7.2	7.2
AstraZeneca SDN Bhd, Malaysia	4.4	2.8
AstraZeneca Pharmaceuticals (Phils) Inc, Philippines	1.3	-
<b>Trade receivables (Refer note 10)</b>	<b>151.1</b>	<b>85.1</b>
AstraZeneca AB, Sweden	151.1	85.1
<b>Trade payables (Refer note 15)</b>	<b>406.5</b>	<b>414.4</b>
AstraZeneca UK Limited, United Kingdom	362.8	361.7
AstraZeneca AB, Sweden	39.6	49.0
AstraZeneca Pty Ltd, Australia	4.1	3.7

# Notes to the Financial Statements

(All amounts in ₹ million, except per share and share data)

## 34. Leases

The Company has entered into leasing arrangements for office premises and depots which are for a period ranging between 11 months and 10 years. All leases are cancellable at the option of the lessee.

### (i) Amounts recognised in balance sheet

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Right-of-use assets (Refer note 3)</b>		
Building	74.1	110.5
	<b>74.1</b>	<b>110.5</b>
<b>Lease liabilities (Refer note 17)</b>		
Current	36.1	35.1
Non-current	50.2	86.3
	<b>86.3</b>	<b>121.4</b>
<b>Additions to Right-of-use asset during the financial year</b>	<b>-</b>	<b>31.8</b>

### (ii) Amount recognised in the statement of profit and loss

The statement of profit and loss shows the following amounts relating to leases:

	Notes	For the year ended March 31, 2022	For the year ended March 31, 2021
Depreciation charge of right-of-use assets			
Building	3	36.4	33.9
Interest expense on lease liabilities	29	9.5	10.9
Expense relating to short-term leases (included as 'rent' in other expenses)	28A	-	3.6
Expenses relating to lease of low value assets (included as 'rent' in other expenses)	28A	0.4	0.3
Expenses relating to variable lease payments		-	-
Total cash outflow for leases (excluding payments relating to short-term and low value leases)		44.6	39.7

### Extension and termination options

Extension and termination options are included in various leasing arrangements for buildings. These are used to maximise operational flexibility in terms of managing assets used in the operations. All the extension and termination options are exercisable only by the Company.

The Company has not provided any residual value guarantees in any of the leasing arrangements.



# Notes to the Financial Statements

(All amounts in ₹ million, except per share and share data)

## 35. Employee benefits

### (i) Defined contribution plans (Refer note 27)

The Company contributes to defined contribution plans such as provident fund, superannuation and other funds as mentioned below as required by statute or Company policy.

In respect of such contributions, the Company has recognised the following amounts in the Statement of Profit and Loss:

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Provident fund	32.4	30.2
Superannuation fund	12.2	12.8
Others*	1.4	0.0
	<b>46.0</b>	<b>43.0</b>

\*0.0 represents amounts below rounding off norms adopted by the Company.

### (ii) Compensated absence

The leave obligation covers the Company's liability for earned leave and sick leave granted to the employees. This is an unfunded scheme.

The amount of the provision of ₹ 253.1 (2021: ₹ 244.5) is presented as current, since the Company does not have an unconditional right to defer settlement for any of these obligations. However, based on past experience, the Company does not expect all employees to avail the full amount of accrued leave or require payment within the next 12 months.

	For the year ended March 31, 2022	For the year ended March 31, 2021
Compensated absence recorded in the Statement of Profit and Loss	8.6	32.9
Significant assumptions used in estimating obligation for Compensated absence:		
Discount rate	6.6%	6.2%
Salary increase rate	10.0%	10.0%
Sensitivity analysis for significant assumptions:		
Discount rate		
1% Increase	(12.6)	(12.5)
1% Decrease	14.0	13.9
Salary increase rate		
1% Increase	12.8	12.7
1% Decrease	(10.7)	(11.9)

# Notes to the Financial Statements

(All amounts in ₹ million, except per share and share data)

## (iii) Post employment defined benefit plans

### (A) Gratuity

#### Benefits payable for employees who have joined before 01 August 2014:

Employees who are in continuous service for a period of 3 years are eligible for gratuity benefit as per the terms of the Trust Deed. Terms of the benefit are as below:

#### Payable on voluntary exit/termination:

For Management Staff:

Completed years of service (years)	Number of days eligible for every completed year of service
3 to 9	15 days salary for every year of service subject to the maximum limit as per The Payment of Gratuity (Amendment) Act, 2018.
10 to 14	3/4 <sup>th</sup> of month's salary for every year of service, without limit.
15 and above	One month's salary for every year of service, without limit.

For Non-Management staff: 15 days salary for each year of service, subject to maximum limit specified as per The Payment of Gratuity (Amendment) Act, 2018.

For Field Staff [Professional Sales Representative (PSR)]: 15 days salary for each year of service, subject to maximum limit specified as per The Payment of Gratuity (Amendment) Act, 2018.

#### Payable on retirement, death or disability:

For Management staff: One month's salary last drawn by member for each year of service, without limit.

For Non-Management staff: One month's salary last drawn by member for each year of service, subject to maximum limit specified as per The Payment of Gratuity (Amendment) Act, 2018.

For Field Staff (PSR): 15 days salary for each year of service, subject to maximum limit specified as per The Payment of Gratuity (Amendment) Act, 2018.

#### Benefits payable for employees who have joined on or after 01 August 2014:

Gratuity is payable in accordance with the provisions of The Payment of Gratuity (Amendment) Act, 2018.

### (B) Provident fund (Defined benefit plan):

The Company operates a defined benefit plan for Provident fund for management staff. The minimum statutory rate at which the annual rate of interest is payable to the beneficiaries of such plan is administered by the Central Government. The Company is obligated to make good the shortfall in statutory rate prescribed by the Government and rate of interest declared by the trust. The Company also has an obligation to fund any shortfall in the fair value of plan assets as compared with the defined benefit obligation.

# Notes to the Financial Statements

(All amounts in ₹ million, except per share and share data)

## (C) Amount recognised in balance sheet and movement in the net defined benefit obligation during the year :

### a) Changes in the present value of the defined benefit obligation

	Gratuity		Provident Fund	
	For the year ended March 31, 2022	For the year ended March 31, 2021	For the year ended March 31, 2022	For the year ended March 31, 2021
<b>Obligations at the beginning of the year</b>	<b>576.9</b>	<b>526.5</b>	<b>1,158.7</b>	<b>973.6</b>
Current service cost	48.7	40.3	65.9	58.8
Interest cost	33.7	31.3	74.9	64.6
Benefits paid	(40.6)	(29.4)	(142.3)	(97.8)
Contribution by employees	-	-	102.1	101.0
Transfer in	-	-	74.1	41.6
Actuarial (gain)/loss	(2.1)	8.2	28.8	16.9
<b>Obligations at end of the year</b>	<b>616.6</b>	<b>576.9</b>	<b>1,362.2</b>	<b>1,158.7</b>

### b) Change in fair value of plan assets

	Gratuity		Provident Fund	
	For the year ended March 31, 2022	For the year ended March 31, 2021	For the year ended March 31, 2022	For the year ended March 31, 2021
<b>Fair value of plan assets as at the beginning of the year</b>	<b>575.6</b>	<b>440.3</b>	<b>1,112.9</b>	<b>914.5</b>
Return on plan assets	35.7	27.7	72.0	60.9
Employer contributions	20.0	90.0	88.6	68.7
Transfer in	-	-	74.1	41.7
Employee contributions	-	-	102.1	101.0
Benefits paid	(40.6)	(29.4)	(142.3)	(97.8)
Asset gain/(loss)	2.3	47.0	1.2	23.9
<b>Fair value of plan assets as at the end of the year</b>	<b>593.0</b>	<b>575.6</b>	<b>1,308.6</b>	<b>1,112.9</b>

### c) Effect Due to Asset Ceiling

	Gratuity		Provident Fund	
	For the year ended March 31, 2022	For the year ended March 31, 2021	For the year ended March 31, 2022	For the year ended March 31, 2021
<b>Asset ceiling at the beginning of the year</b>	-	-	-	-
Interest on Asset Ceiling	-	-	-	-
Changes in Asset Ceiling	-	-	-	-
<b>Asset ceiling at the end of the year</b>	-	-	-	-

# Notes to the Financial Statements

(All amounts in ₹ million, except per share and share data)

## d) Amount recognised in statement of profit or loss under employee cost:

	Gratuity		Provident Fund	
	For the year ended March 31, 2022	For the year ended March 31, 2021	For the year ended March 31, 2022	For the year ended March 31, 2021
Current service cost	48.7	40.3	65.9	58.8
Interest cost	33.7	31.3	74.9	64.6
Return on plan assets	(35.7)	(27.7)	(72.0)	(60.9)
<b>Net employee benefit expense/Net Provident fund cost (Refer note 27)</b>	<b>46.7</b>	<b>43.9</b>	<b>68.8</b>	<b>62.5</b>

## e) Re-measurement (gain)/loss recognised in other comprehensive income

	Gratuity		Provident Fund	
	For the year ended March 31, 2022	For the year ended March 31, 2021	For the year ended March 31, 2022	For the year ended March 31, 2021
Actuarial (gain)/loss on liability	(2.1)	8.2	28.8	16.9
Asset (gain)/loss on assets	(2.3)	(47.0)	(1.2)	(23.9)
<b>Net actuarial (gain)/loss</b>	<b>(4.4)</b>	<b>(38.8)</b>	<b>27.6</b>	<b>(7.0)</b>

## f) Net defined benefit asset/(liability)

	Gratuity		Provident Fund	
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
Fair value of plan assets	593.0	575.6	1,308.6	1,112.9
Present value of the defined benefit obligations	616.6	576.9	1,362.2	1,158.7
(Deficit) / Surplus	(23.6)	(1.3)	(53.6)	(45.8)
Effect due to Asset Ceiling	-	-	-	-
<b>Benefit asset/(liability)</b>	<b>(23.6)</b>	<b>(1.3)</b>	<b>(53.6)</b>	<b>(45.8)</b>
Recognised under Provisions:				
Non-current provision (Refer note 19)	-	-	48.2	40.8
Current provision (Refer note 19)	23.6	1.3	5.4	5.0

## g) Major category of plan assets are as follows :

	Gratuity		Provident Fund	
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
Insurer Managed funds	100.0%	100.0%	0.0%	0.0%
Equity instruments	0.0%	0.0%	4.3%	3.7%
Government securities	0.0%	0.0%	34.5%	40.9%
Debt instruments	0.0%	0.0%	61.2%	54.6%
Others	0.0%	0.0%	0.0%	0.9%



# Notes to the Financial Statements

(All amounts in ₹ million, except per share and share data)

## h) The principal assumptions used in estimating defined benefit obligations are as below:

Assumptions	Gratuity		Provident Fund	
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
Discount rate	6.6%	6.2%	6.6%	6.2%
Outstanding term of the liabilities	6.4 years	6.5 years	6.4 years	6.5 years
Attrition rate	5% to 16.5% based on the employee designation	5% to 16.5% based on the employee designation	5% to 16.5% based on the employee designation	5% to 16.5% based on the employee designation
Retirement Age	60 Years	60 Years	60 Years	60 Years
Salary increase rate	10%	10%	NA	NA
Mortality rate	IALM (2012-14) Ultimate	IALM (2012-14) Ultimate	IALM (2012-14) Ultimate	IALM (2012-14) Ultimate

### Notes:

- The discount rate is based on the prevailing market yield on Government securities as at the balance sheet date for the estimated term of obligations.
- The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors such as supply and demand factors in the employment market.
- IALM represents Indian Assured Lives Mortality.

## i) Actuarial risk and sensitivity

These plans typically expose the Company to actuarial risks such as: investment risk, interest rate risk, longevity risk and salary risk.

Investment risk	The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on Government bonds. If the plan assets underperform this yield, this will create a deficit. The Company maintains plan asset for Gratuity through insurance company and for Provident fund is managed through trust.
Interest risk	A decrease in the bond interest rate will increase the plan liability.
Longevity risk	The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.
Salary risk	The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

The Company ensures that the investment positions are managed within the asset-liability matching framework that has been developed to achieve long-term investments that are in line with the obligations under employee benefit plans. Within this framework, the Company's asset-liability matching objective is to match assets to the defined benefit obligations by investing in plan asset managed by an insurance company and through the Provident Fund trust.

# Notes to the Financial Statements

(All amounts in ₹ million, except per share and share data)

## A sensitivity analysis for significant assumptions:

Impact on defined benefit obligation	Gratuity		Provident fund	
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
<b>Discount rate</b>				
1% Increase	(32.9)	(32.3)	(1.9)	(1.5)
1% Decrease	37.0	36.4	2.6	2.2
<b>Salary increase rate</b>				
1% Increase	27.4	27.1	-	-
1% Decrease	(23.1)	(26.1)	-	-
<b>Interest Rate Guarantee</b>				
1% Increase	-	-	42.7	37.9
1% Decrease	-	-	(20.2)	(17.0)

Sensitivities due to mortality and withdrawals are not material and hence impact of change is not disclosed.

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the balance sheet.

## j) The following payments are expected contribution to the defined benefit plans in future years:

	Gratuity		Provident Fund	
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
Expected contribution for the next one year	75.7	66.5	73.2	69.1
Weighted average duration of defined benefit plan (years)	6.4	6.5	6.4	6.5

The expected maturity analysis of undiscounted gratuity and provident fund is as below:

	Gratuity		Provident fund	
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
Within next 12 months	75.7	66.5	261.4	157.9
Between 2 to 5 years	328.2	299.4	656.5	602.8
Between 6 to 10 years	793.6	787.4	633.6	524.4
Beyond 10 years	-	-	-	-
	<b>1,197.5</b>	<b>1,153.3</b>	<b>1,551.5</b>	<b>1,285.1</b>

# Notes to the Financial Statements

(All amounts in ₹ million, except per share and share data)

## 36. Employees Restricted Stock Plan

The Ultimate Holding Company, AstraZeneca Plc. United Kingdom (AZUK), listed on London Stock Exchange had introduced a Long-Term Incentive Stock Compensation Plan in the form of Restricted Stock Units (RSUs) to attract and retain the employees. As per the plan, the awards are granted to qualifying management employees of the Company. One restricted stock unit represents one AZUK share. When the stock units vests after three years, restricted stock units are automatically exchanged for the same number of AZUK shares. Moreover, the RSUs do not expire. There is no performance criteria. After the vesting period, the employees are free to either hold or sell the shares.

The expense recognised for employee services received during the year is shown in the following table:

	For the year ended March 31, 2022	For the year ended March 31, 2021
Expense arising from equity-settled share-based payment transactions (Refer note 27)	18.2	14.8

## Movements during the year

The following table illustrates the number and Weighted Average Fair Value (WAFV) of, and movements in RSUs during the year:

	As at March 31, 2022		As at March 31, 2021	
	Number	WAFV (GBP)	Number	WAFV (GBP)
<b>Outstanding at beginning of the year</b>	8,250	68.9	7,718	62.0
Granted during the year	3,108	91.5	3,375	68.4
Forfeited during the year	(184)	71.0	(232)	60.6
Exercised during the year	(2,052)	62.9	(2,611)	48.7
<b>Outstanding at end of the year</b>	<b>9,122</b>		<b>8,250</b>	
Vested and exercisable at 31 March	2,052		2,611	

## Details of RSUs granted during the year:

	For the year ended March 31, 2022	For the year ended March 31, 2021
Date of Grant	March 4, 2022	March 5, 2021
Number of RSUs granted	3,108	3,375
Fair market value per RSU (in GBP)	91.5	68.4
Fair value (in GBP)	2,84,382	2,30,850
Expense recognised during the year	18.2	14.8

## Fair value of RSUs granted

The fair values were determined using a modified version of the binomial model. This method incorporated expected dividends but no other features into the measurements of fair value. The grant date fair values of share awards does not take into account service and non-market related performance conditions.

# Notes to the Financial Statements

(All amounts in ₹ million, except per share and share data)

## 37. Financial instruments- accounting classification and fair value measurement

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

### Financial instruments by category and hierarchy

	As at March 31, 2022		
	Amortised cost	FVTPL	FVTOCI
<b>Financial assets</b>			
Loans	5.0	-	-
Trade receivables	858.9	-	-
Cash and cash equivalents	4,484.2	-	-
Bank balance other than cash and cash equivalents	0.4	-	-
Other financial assets	152.0	-	-
	<b>5,500.5</b>	-	-
<b>Financial liabilities</b>			
Trade payables	1,880.6	-	-
Other financial liabilities	497.2	-	-
	<b>2,377.8</b>	-	-

	As at March 31, 2021		
	Amortised cost	FVTPL	FVTOCI
<b>Financial assets</b>			
Loans	7.0	-	-
Trade receivables	851.9	-	-
Cash and cash equivalents	3,523.4	-	-
Bank balance other than cash and cash equivalents	0.1	-	-
Other financial assets	96.5	-	-
	<b>4,478.9</b>	-	-
<b>Financial liabilities</b>			
Trade payables	1,783.7	-	-
Other financial liabilities	525.9	-	-
	<b>2,309.6</b>	-	-

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

In respect of other financial assets, the difference between the carrying amounts and fair value is not expected to be material.



# Notes to the Financial Statements

(All amounts in ₹ million, except per share and share data)

## 38. Financial risk management objectives and policies

The Company's principal financial liabilities comprise trade payables and other financial liabilities. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include loans, trade and other receivables, cash and cash equivalents and other financial assets that derive directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Board of Directors review and agree on policies for managing each of these risks, which are summarised below.

### i. Market risk

#### Foreign Currency Exposure

Foreign currency risk is the risk that the future cash flows of a financial asset or a financial liability will fluctuate because of changes in foreign exchange rates. The operations of the Company are carried out mainly in India. However, the Company exports services to foreign customers and receives certain services from foreign vendors which are denominated in USD, GBP, EUR and AUD. Hence the Company is currently exposed to the currency risk arising from fluctuations in the exchange rates between the above currencies and Indian rupee. The Company does not enter into any forward contracts considering the total exposure is not material to the operations of the Company. Foreign currency exposure which was not hedged, are as follows:

Underlying asset / liability	Currency	As at March 31, 2022		As at March 31, 2021	
		Amount in foreign currency	Amount in ₹	Amount in foreign currency	Amount in ₹
Financial assets (current)	USD	-	-	0.0	0.4
	EUR	0.0	0.0	-	-
Trade receivables	USD	2.0	151.1	1.2	85.1
Trade payables	GBP	-	-	(0.0)	(1.3)
	USD	(0.0)	(0.4)	(0.0)	(2.4)
	EUR	(0.0)	(0.1)	(0.1)	(5.6)
	AUD	(0.1)	(4.1)	(0.1)	(3.7)

\*(0.0) represents amount below rounding off norms adopted by the company

#### Foreign currency sensitivity

The following table demonstrates the sensitivity to a reasonable possible change in USD exchange rates, with all other variables held constant. The Company's exposure to foreign currency changes for all other currencies is not material.

	Change in exchange rate	As at March 31, 2022		As at March 31, 2021	
		Effect on profit before tax	Effect on equity	Effect on profit before tax	Effect on equity
<b>USD</b>					
Increase	5%	7.5	5.6	4.2	3.1
Decrease	-5%	(7.5)	(5.6)	(4.2)	(3.1)

The Company is not subject to any other market risk.

# Notes to the Financial Statements

(All amounts in ₹ million, except per share and share data)

## ii. Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities primarily with respect to trade receivables, including balances with banks and other financial assets.

### a. Trade Receivables

Credit risk arises from the possibility that counter party may not be able to settle their obligations as agreed. Customer credit risk is managed by each business unit subject to the Company's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on credit rating scorecard and individual credit limits are defined in accordance with this assessment. To manage this, the company periodically assesses the financial reliability of customers, taking into account the financial condition, current economic trends, and analysis of historical bad debts and ageing of account receivable.

An impairment analysis is performed at each reporting date on an individual basis for third party receivables. The calculation is based on actual incurred historical data. The maximum exposure to credit risk at the reporting date is the carrying value of trade receivables, Refer note 10.

The ageing analysis of the receivables (gross of provision) has been considered from the date the invoice.

	Gross carrying amount	Expected loss rate	Allowance for expected credit loss
<b>As at March 31, 2022</b>			
Upto 6 months	875.7	0%-37%	29.1
6 to 12 months	41.8	63%-100%	29.5
More than 12 months	92.3	100%	92.3
	<b>1,009.8</b>		<b>150.9</b>
<b>As at March 31, 2021</b>			
Upto 6 months	866.2	0%-27%	21.7
6 to 12 months	41.4	55%-100%	34.0
More than 12 months	55.2	100%	55.2
	<b>962.8</b>		<b>110.9</b>

The following table summarizes the change in the loss allowances measured using life-time expected credit loss model:

	As at March 31, 2022	As at March 31, 2021
Opening balance	110.9	83.7
Impairment recognised (net of bad debt expense)	40.0	27.2
<b>Closing balance (Refer note 10)</b>	<b>150.9</b>	<b>110.9</b>

# Notes to the Financial Statements

(All amounts in ₹ million, except per share and share data)

## b. Cash and Bank balances, other financial assets

Credit risk from balances with banks and other financial assets is managed by the Company's treasury department in accordance with the Company's policy. Investments of surplus funds are made only with approved counter parties and within the limits assigned. Company follows a conservative philosophy and shall aim to invest surplus rupee funds in India only in time deposits with well-known and highly rated banks. The duration of such time deposits will not exceed 365 days other the margin money deposits.

The following table summarizes the change in the loss allowances for other financial assets:

	As at March 31, 2022	As at March 31, 2021
Allowance for Impairment		
Opening balance	10.5	10.5
Impairment (reversal)/recognised	-	-
<b>Closing balance</b>	<b>10.5</b>	<b>10.5</b>

## iii. Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and to close out market positions. The Company maintains flexibility in funding by maintaining appropriate level of funds in bank and liquid deposits. Financial liabilities includes trade payables and other financial liabilities, the amount is repayable generally in a period of 3 months to 1 year.

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

	Less than 1 year	More than 1 year	Total
<b>March 31, 2022</b>			
Lease liabilities	42.3	54.8	97.1
Trade payables	1,880.6	-	1,880.6
Other financial liabilities	497.2	-	497.2
	<b>2,420.1</b>	<b>54.8</b>	<b>2,474.9</b>
<b>March 31, 2021</b>			
Lease liabilities	44.6	97.1	141.7
Trade payables	1,783.7	-	1,783.7
Other financial liabilities	525.9	-	525.9
	<b>2,354.2</b>	<b>97.1</b>	<b>2,451.3</b>

## 39. Capital management

### a. Risk management

For the purpose of the Company's capital management, capital includes issued equity capital and all other equity reserves. The primary objective of the Company's capital management is to maximise the shareholder value. The Company has not availed any borrowings and mainly funded through equity. The Company is subsidiary of AstraZeneca Pharmaceuticals AB, Sweden (Holding Company), the existing surplus funds along with the cash generated by the Company are sufficient to meet its current/non-current obligation and working capital requirements.

The below table depicts the companies net debt to equity ratio.

Particulars	As at March 31, 2022	As at March 31, 2021
Net debt*	86.3	121.4
Total equity	5,113.9	4,561.7
Net debt to equity ratio	1.7%	2.7%

\* Net debt includes only lease liabilities (Refer note 17)

# Notes to the Financial Statements

(All amounts in ₹ million, except per share and share data)

## b. Dividend

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Equity shares</b>		
Interim dividend of ₹ 2 (2021: ₹ 2) for fully paid up shares	50.0	50.0

## 40. Financial Ratios

Ratios	Numerator	Denominator	Current period	Previous period	% of variance	Reason for variance
(a) Current Ratio	Current Assets	Current Liabilities	2.1	2.0	4.1%	Not applicable
(b) Debt-Equity Ratio	Total Debt (*)	Shareholder's equity	2%	3%	-36.6%	Decrease is on account of lease payments made during the year
(c) Debt Service Coverage Ratio	Earning available for Debt Service (^)	Debt Service (**)	23.1	39.9	-42.2%	Decrease is on account of lease payments made during the year
(d) Return on Equity Ratio	Net profit after taxes	Average Shareholders equity	12%	20%	-41.1%	Decrease is on account of lower net profit due to change in product mix
(e) Inventory turnover ratio	Cost of Goods sold or sales	Average Inventory	2.1	1.8	14.6%	Not applicable
(f) Trade Receivables turnover ratio	Net Credit Sales	Average Trade Receivables	8.9	9.2	-3.5%	Not applicable
(g) Trade payables turnover ratio	Net Credit Purchases	Average Trade Payables	1.6	1.6	-3.4%	Not applicable
(h) Net capital turnover ratio	Net Sales	Working Capital	2.0	2.5	-17.2%	Not applicable
(i) Net profit ratio	Net Profit	Net Sales	8%	12%	-32.6%	Decrease is on account of lower net profit due to change in product mix
(j) Return on Capital employed	Earnings before Interest & Taxes	Capital Employed (#)	16%	27%	-41.0%	Decrease is on account of lower net profit due to change in product mix
(k) Return on investment	Income generated from investments	Time weighted average investments	Not applicable (***)	Not applicable (***)	Not applicable (***)	Not applicable

(\*) - Debt represents only lease liabilities

(^)- Net Profit after taxes + Non-cash operating expenses + Interest + other adjustments like loss/(profit) on sale of Property, plant and equipment etc.

(\*\*)- Lease payments

(#)- Tangible net worth + Lease Liabilities

(\*\*\*) - The Company does not have any investments. Hence return on investment ratio is not applicable.

## 41. Corporate Social Responsibility

(a) Gross amount required to be spent by the Company during the year: ₹ 20.7 (2021: ₹ 15.2).

(b) Amount unspent during the year: ₹ Nil (2021: ₹ Nil).

	Opening balance	Amount deposited in Specified Fund of Sch.VII within 6 months	Amount required to be spent during the year	Amount spent during the year	Closing balance
For the year ended March 31, 2022	-	-	20.7	20.7	-
For the year ended March 31, 2021	-	-	15.2	16.1	-



# Notes to the Financial Statements

(All amounts in ₹ million, except per share and share data)

(c) Amount spent during the year on:

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
(i) Construction/acquisition of any asset	-	-
(ii) On purposes other than (i) above (Refer note 28A)		
- Charities Aid Foundation	20.7	16.1

(d) Details of excess CSR expenditure under Section 135(5) of the Act:

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Balance excess spent	-	-
Add: Amount required to be spent during the year	20.7	15.2
Less: Amount spent during the year	20.7	16.1
<b>Balance excess spent</b>	<b>-</b>	<b>(0.9)</b>

(e) There are no ongoing CSR projects under Section 135(6) of the Act.

## 42. Dues to micro and small enterprises

The Company has certain dues to micro and small enterprises registered under Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED Act'). The disclosures pursuant to the said MSMED Act are as follows:

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
i) Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end.*	7.9	3.0
ii) Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end.	-	-
iii) Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the year. ^	2.8	0.3
iv) Interest paid, other than under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year.	-	-
v) Interest paid, under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year. #	0.0	0.0
vi) Interest due and payable towards suppliers registered under MSMED Act, for payments already made.	-	-
vii) Further interest remaining due and payable for earlier years.	-	-

\* The principal amount represents amount outstanding (due as well as not due) as on the Balance Sheet date.

# 0.0 represents amounts below rounding off norms adopted by the Company.

^ Based on periodic circularisations by the Company and responses received from the suppliers, the Company identifies Micro and Small parties registered under the MSMED Act. The information above has been compiled by the management basis such identification. Delays in payments beyond the stipulated date prescribed under the MSMED Act have been identified for relevant vendors based on the acceptance dates for such goods/services.

# Notes to the Financial Statements

(All amounts in ₹ million, except per share and share data)

## 43. Revenue from contract with customers

(i) Disaggregation of revenue from contract with customers

The Company believes that this disaggregation best depicts how the nature, amount, timing and uncertainty of the Company's revenue and cash flows are affected by market and other economic factors.

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
<b>Domestic:</b>		
Sale of products:		
Tablets	6,468.4	7,078.6
Injectables	937.3	546.3
Inhalation	186.0	119.0
	<b>7,591.7</b>	<b>7,743.9</b>
Income from grant of exclusive distribution rights (Refer note 45)	-	50.0
	<b>-</b>	<b>50.0</b>
<b>Export:</b>		
Sale of products:		
Tablets	22.5	24.0
Revenue from sale of services- Clinical trials	441.8	317.7
	<b>464.3</b>	<b>341.7</b>
<b>Total</b>	<b>8,056.0</b>	<b>8,135.6</b>
Disaggregation of revenue from sale of products on the basis of therapeutic area is as below:		
Cardiovascular	28.4%	27.4%
Diabetes	22.2%	40.5%
Oncology	46.6%	30.6%
Respiratory	2.8%	1.5%
	<b>100.0%</b>	<b>100.0%</b>

All revenues of the Company are recognised at a point in time.

(ii) Revenue from sale of tablets and injectables includes an amount of ₹ 128.3 (2021 : ₹ 86.2) which was classified as deferred revenue as at the end of previous year. Refer note 18.

(iii) Performance obligations and remaining performance obligations

Performance obligations of the Company to deliver goods are required to be satisfied within a period of 12 months or less. Accordingly, management has elected to use the practical expedient provided in Ind AS 115 and has not disclosed the transaction price of unsatisfied performance obligations as at the year end.

Sale of services:

In respect of clinical services, the Company is entitled to charge the customer an amount that corresponds directly with the value to the customer of the entity's performance completed to date, measured based on the actual costs incurred by the Company in providing clinical services. Considering the nature of the arrangement, management has used the practical expedient in Ind AS 115 and has not disclosed the transaction price of unsatisfied performance obligations in respect of clinical trial services as at the year end.

(iv) Reconciliation of revenue recognised with Contract price

	For the year ended March 31, 2022	For the year ended March 31, 2021
Contract price	8,094.5	8,170.1
Adjustments for:		
Refund liabilities for sales returns (Refer note 18)	38.5	34.5
<b>Revenue from operations</b>	<b>8,056.0</b>	<b>8,135.6</b>

# Notes to the Financial Statements

(All amounts in ₹ million, except per share and share data)

## 44. Additional regulatory information required by Schedule III

- (i) **Details of benami property held:** No proceedings have been initiated on or are pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.
- (ii) **Wilful defaulter:** The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (iii) **Borrowings secured against current assets:** The Company did not have any loans or other borrowings availed from banker or financial institutions during the current or previous year.
- (iv) **Compliance with number of layers of companies:** The Company does not have any subsidiary company and hence provisions relating to layers prescribed under Companies Act, 2013 and Companies (Restriction on Number of Layers) Rules, 2017 ('Layering Rules') are not applicable to the Company.
- (v) **Compliance with approved scheme(s) of arrangements:** The Company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.
- (vi) **Utilisation of borrowed funds and share premium:** The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the group (Ultimate Beneficiaries) or
  - provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.

The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
  - provide any guarantee, security or the like on behalf of the ultimate beneficiaries.
- (vii) **Undisclosed income:** There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.
- (viii) **Details of crypto currency or virtual currency:** The Company has not traded or invested in crypto currency or virtual currency during the current or previous year.
- (ix) **Valuation of Property, plant and equipment and investment property:** The Company has not revalued its Property, plant and equipment (including right-of-use assets) during the current or previous year.
- (x) **Title deeds of immovable properties not held in name of the Company:** The title deeds of all the immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee), as disclosed in Note 3 to the financial statements, are held in the name of the Company.
- (xi) **Registration of charges or satisfaction with Registrar of Companies:** There are no charges or satisfaction which are yet to be registered with the Registrar of Companies beyond the statutory period.

- (xii) **Relationship with struck off companies:** The Company has following transactions with the companies struck off under Companies Act, 2013 or Companies Act, 1956:

### For the year ended March 31, 2022

Name of Struck off Company	Nature of transactions	Transactions during the year	Balance outstanding at the end of the year	Relationship with the Struck off company, if any, to be disclosed
Trackon Ewaste Recyclers Private Limited	Trade receivable	2.6	-	E-waste vendor
Cream Packs Private Limited	Interim dividend	0.0 (*)	-	Shareholder
Digsha Holdings Pvt Ltd	Interim dividend	0.0 (*)	-	Shareholder

# Notes to the Financial Statements

(All amounts in ₹ million, except per share and share data)

## For the year ended March 31, 2021

Name of Struck off Company	Nature of transactions	Transactions during the year	Balance outstanding at the end of the year	Relationship with the Struck off company, if any, to be disclosed
Trackon Ewaste Recyclers Private Limited	Trade receivable	1.5	-	E-waste vendor
Digsha Holdings Pvt Ltd	Interim dividend	0.0 (*)	0.0 (#)	Shareholder

\* 0.0 represents amount below rounding off norms adopted by the company  
# represents amount included under unclaimed dividend account in Note 12

## 45. Grant of Exclusive Distribution Rights

During the previous year, the Company had entered into a distribution agreement (the 'agreement') with a customer for specified products ("Products"). Pursuant to this agreement, an upfront fee of ₹ Nil (2021: ₹ 50.0) was received from the customer towards marketing and promotion already carried out by the Company in order to create market presence for the products. Management determined that such marketing and promotion was a distinct service provided to the customer. The said upfront fee met the point in time recognition criteria as per Ind AS 115 and was recognised separately from the sale of products envisaged in the agreement.

## 46. Provident Fund - Supreme Court Judgement

The Company has evaluated the impact of Supreme Court ("SC") judgement dated 28 February, 2019 in the case of Regional Provident Fund Commissioner (II) West Bengal v/s Vivekananda Vidyamandir and Others, in relation to exclusion of certain allowances from the definition of "basic wages" of the relevant employees for the purposes of determining contribution to Provident Fund ("PF") under the Employees' Provident Fund & Miscellaneous Provisions Act, 1952. There

are interpretation issues relating to the said SC judgement. Based on such evaluation, management has concluded that affect of the aforesaid judgement on the Company is not material and accordingly, no provision has been made in the financial statements.

## 47. Impact of COVID-19 pandemic

The Company has not experienced any significant impact on its operations, recoverability of carrying amounts of financial and non-financial assets and liquidity due to COVID 19 pandemic. As the pandemic continues to evolve, the Company will continue to closely monitor for any material changes to future economic conditions.

48. The Board of Directors, at its meeting dated 26 May, 2022, have recommended a final dividend of ₹ 8 per equity share aggregating to ₹ 200.0 which is subject to approval of shareholders at the ensuing Annual General Meeting.

49. Previous year's figures have been regrouped/ reclassified wherever necessary, to conform with the current year classification.

For **Price Waterhouse & Co Chartered Accountants LLP**  
Firm registration number: 304026E/ E-300009

**Prasanna Padar Mahabala**  
Partner  
Membership number: 206477

Place: Bengaluru  
Date: May 26, 2022

For and on behalf of the Board of Directors of  
**AstraZeneca Pharma India Limited**

**Narayan K Seshadri**  
Chairman  
DIN: 00053563  
Place: Bengaluru  
Date: 26 May, 2022

**Pratap Rudra B**  
Company Secretary  
Place: Bengaluru  
Date: 26 May, 2022

**Gagandeep Singh Bedi**  
Managing Director  
DIN: 07844333  
Place: Bengaluru  
Date: 26 May, 2022

**Rajesh Marwaha**  
Director & Chief  
Financial Officer  
DIN: 01458768  
Place: Bengaluru  
Date: 26 May, 2022



# Ten Year Summary

(₹ in Million)												
Particulars	Unit	2021-22 Ind AS	2020-21 Ind AS	2019-20 Ind AS	2018-19 Ind AS	2017-18 Ind AS	2016-17 Ind AS	2015-16	2014-15	2013-14	2012-13	
<b>Sales &amp; Earnings</b>												
Total income	₹	8,203.6	8,264.0	8,448.0	7,445.8	5,842.4	5,630.5	5,705.0	5,229.2	4,831.8	4,008.8	
Profit before depn, int & tax	₹	1,009.4	1,483.1	1,336.9	876.0	585.3	513.3	231.9	(55.6)	(37.6)	(579.9)	
Profit before int & tax	₹	839.9	1,281.8	1,151.1	726.7	438.0	355.0	57.6	(208.4)	-	(702.7)	
Profit before tax	₹	830.4	1,270.9	1,139.7	726.7	438.0	355.0	57.6	(208.4)	-	(702.7)	
Profit after tax	₹	616.0	933.0	722.1	544.5	259.1	200.5	52.6	(208.4)	(5.1)	(895.3)	
Dividend paid	₹	50.0	50.0	30.1	-	-	-	-	-	-	-	
Retained earnings	₹	598.6	967.3	672.9	538.5	259.1	200.5	52.6	(208.4)	(5.1)	(895.3)	
<b>Capital Employed</b>												
Fixed Assets ( PPE* + CWIP#)	₹	692.8	739.3	845.1	817.3	790.3	916.5	1,036.7	1,131.9	1,035.3	982.4	
Right-of-use assets	₹	74.1	110.5	112.6	-	-	-	-	-	-	-	
Investments	₹	-	-	-	-	-	-	0.0	0.0	0.0	0.1	
Deferred tax assets	₹	163.0	145.3	146.4	233.6	325.5	402.2	-	-	-	-	
Current Tax asset	₹	515.7	501.0	488.4	464.4	235.6	284.4	-	-	-	-	
Other non current assets	₹	63.3	63.4	47.9	55.5	44.8	36.3	-	-	-	-	
Working capital	₹	3,730.2	3,152.6	2,150.8	1,457.2	1,139.6	612.1	523.5	375.6	680.6	15.1	
<b>Total</b>		<b>5,239.1</b>	<b>4,712.1</b>	<b>3,791.2</b>	<b>3,028.0</b>	<b>2,535.8</b>	<b>2,251.5</b>	<b>1,560.1</b>	<b>1,507.6</b>	<b>1,716.0</b>	<b>997.5</b>	
<b>Represented by</b>												
Networth	₹	5,113.9	4,561.7	3,644.4	3,008.0	2,469.3	2,228.7	1,560.1	1,507.6	1,716.0	997.5	
Share capital	₹	50.0	50.0	50.0	50.0	50.0	50.0	50.0	50.0	50.0	50.0	
Reserves	₹	5,063.9	4,511.7	3,594.4	2,958.0	2,419.3	2,178.7	1,510.1	1,457.6	1,666.0	947.5	
<b>Total</b>		<b>5,113.9</b>	<b>4,561.7</b>	<b>3,644.4</b>	<b>3,008.0</b>	<b>2,469.3</b>	<b>2,228.7</b>	<b>1,560.1</b>	<b>1,507.6</b>	<b>1,716.0</b>	<b>997.5</b>	
<b>Ratios</b>												
<b>Measures of Performance</b>												
PBT to total income	%	10.1	15.4	13.5	9.8	7.5	6.3	1.0	(4.0)	-	(17.5)	
PAT to total income	%	7.5	11.3	8.5	7.3	4.4	3.6	0.9	(4.0)	(0.1)	(22.3)	
Material consumption to sales	%	41.0	38.0	38.1	33.8	34.5	34.8	38.5	42.7	37.6	43.1	
Employee cost to sales	%	30.2	28.3	27.0	28.9	29.1	31.5	32.8	34.1	36.3	41.7	
Net fixed assets to net worth	%	13.5	16.2	23.2	27.2	32.0	41.1	66.4	75.1	60.3	98.5	
Fixed assets usage	Times	12.2	11.8	14.0	10.0	7.7	6.5	5.9	5.2	5.1	16.3	
<b>Measures of Investments</b>												
Return on Networth	%	12.0	20.5	19.8	18.1	10.5	9.0	3.4	(13.8)	(0.3)	(89.8)	
Earnings per share <sup>®</sup>	₹	24.6	37.3	28.9	21.8	10.4	8.0	2.1	(8.3)	(0.2)	(35.8)	
Dividend payout ratio	%	8.1	5.4	4.2	-	-	-	-	-	-	-	
Dividend coverage ratio	Times	12.3	18.7	24.0	-	-	-	-	-	-	-	
<b>Measures of Financial Status</b>												
Current ratio	Unit	2.1	2.0	1.7	1.6	1.6	1.3	1.1	1.0	1.1	0.8	
Quick ratio	Unit	1.7	1.5	1.2	1.1	1.0	1.0	0.8	0.7	0.7	0.4	
Inventory holding (on sales)	Days	67	75	75	63	78	41	54	67	79	88	
<b>Other information</b>												
Contribution to exchequer	₹	1,344.6	1,159.8	1,445.8	1,014.6	884.2	878.1	773.1	634.7	568.7	761.3	
Employee												
- Cost	₹	2,302.1	2,195.4	2,167.0	1,974.0	1,535.3	1,620.4	1,693.5	1,598.4	1,604.6	1,484.6	
- Numbers		1,183	1,283	1,325	1,452	1,356	1,138	1,587	1,654	1,559	1,588	
Number of shareholders		57,760	63,753	17,768	14,591	13,179	15,970	14,402	12,978	13,978	14,571	
Dividend	%	100.0	100.0	50.0	-	-	-	-	-	-	-	
Book value = net worth per share <sup>®</sup>	₹	204.6	182.5	145.8	120.3	98.8	89.1	62.4	60.3	68.6	39.9	

\* PPE refers to Property, plant and equipment.

# CWIP refers to Capital work-in progress.

## Corporate Information

### Board of Directors

#### Independent Directors

Mr. Narayan K. Seshadri, Chairperson  
Ms. Revathy Ashok  
Ms. Shilpa Shridhar Divekar

#### Non-Executive Directors

Mr. Ankush Nandra  
Ms. Weiyang Sarah Wang

#### Executive Directors

Mr. Gagandeep Singh Bedi  
Mr. Rajesh Marwaha

### Committees of Board

#### Audit Committee

Ms. Shilpa Shridhar Divekar, Chairperson  
Mr. Narayan K. Seshadri  
Ms. Weiyang Sarah Wang

#### Nomination and Remuneration Committee

Ms. Revathy Ashok, Chairperson  
Mr. Narayan K. Seshadri  
Mr. Ankush Nandra

#### Stakeholders' Relationship Committee

Ms. Weiyang Sarah Wang, Chairperson  
Ms. Revathy Ashok  
Mr. Gagandeep Singh Bedi  
Mr. Rajesh Marwaha

#### Corporate Social Responsibility Committee

Ms. Weiyang Sarah Wang, Chairperson  
Ms. Revathy Ashok  
Mr. Gagandeep Singh Bedi

#### Risk Management Committee

Ms. Shilpa Shridhar Divekar, Chairperson  
Mr. Gagandeep Singh Bedi  
Mr. Rajesh Marwaha  
Ms. Amarpreet Kaur Ahuja  
Ms. Mina Patel

#### Corporate and Registered Office

Block N1, 12<sup>th</sup> Floor, Manyata Embassy  
Business Park, Rachenahalli, Outer Ring  
Road, Bengaluru - 560 045

#### Factory

12<sup>th</sup> Mile on Bellary Road,  
Kattigenahalli Village, Yelahanka  
Bengaluru – 560 063

#### Sales Outlets

Ahmedabad, Bengaluru\*, Chandigarh,  
Chennai, Cuttack, Delhi, Guwahati,  
Hyderabad, Indore, Kochi, Kolkata,  
Lucknow and Mumbai.

\* Company outlets (Bengaluru)

#### Auditors

Price Waterhouse & Co Chartered  
Accountants LLP

#### Bankers

The Hongkong and Shanghai Banking  
Corporation Limited

#### Chief Financial Officer

Mr. Rajesh Marwaha

#### Company Secretary & Legal Counsel

Mr. Pratap Rudra

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**Annual General Meeting  
at 3:00 p.m. IST on Monday,  
August 8, 2022 through  
Video Conference/ Other  
Audio-Visual Mode**





AstraZeneca Pharma India Limited  
Block N1, 12<sup>th</sup> Floor, Manyata Embassy Business Park,  
Rachenahalli, Outer Ring Road, Bengaluru - 560 045

This Annual Report is also available on our website  
[www.astrazeneca.com/india](http://www.astrazeneca.com/india)