



Brooks
LABORATORIES LIMITED

19th

ANNUAL REPORT

2020-2021

CORPORATE INFORMATION

BOARD OF DIRECTORS

Mr. Atul Ranchal	Chairman
Mr. Rajesh Mahajan	Managing Director
Mrs. Kaushalya Singh	Additional Director
Mr. Manpreet Singh Maroo	Additional Director
Mr. Rajnish Kumar Bedi	Independent Director
Mr. Deepak Mahajan	Independent Director
Mrs. Sonia Gupta	Independent Director

CHIEF FINANCIAL OFFICER

Mr. Prashant Rathi

COMPANY SECRETARY

Mrs. Jyoti Sancheti

BANKERS

Kotak Mahindra Bank
Indian Bank

AUDITORS

M/s SGCO & Co. LLP
Chartered Accountants
4A, Kaledonia-HDIL, 2nd Floor, Sahar Road,
Near Andheri Station, Andheri (East)
Mumbai – 400 069
Tel: 022 66256363

REGD. OFFICE & WORKS

Unit 1: Village Kishanpura
Nareshwar Road, Taluka
Baddi, Distt. Solan, H.P.- 174101
Telefax.: 01795-236939

CORPORATE OFFICE

201, "The Summit Business Bay"
Behind Guru Nanak Petrol Pump,
Off Andheri Kurla Road, Andheri (East)
Mumbai – 400093
Tel.: 022-69073100
Email: investors@brookslabs.net
Website: www.brookslabs.net
CIN:L24232HP2002PLC000267

REGISTRAR & SHARE TRANSFER AGENT

Link Intime India Pvt. Ltd.
C-101, 247 Park, LBS Marg, Vikhroli (West)
Mumbai -400083
Tel.: 022-49186000/ Fax.: 022-49186060
email: rnt.helpdesk@linkintime.co.in
website: www.linkintime.co.in

Installed - Ertapenem Project

Ertapenem Injection facility



Lyophilizer with Automatic loading and unloading system



CHAIRMAN'S LETTER



Dear Shareholders,

It is my pleasure once again to welcome you all on 19th AGM of Brooks Laboratories Ltd.

When I addressed you last year I was hoping to see you all in person for this AGM, but long trail of second wave and due to precautions to keep the third wave in check we have to settle with online AGM, I hope that coming year would give us opportunity to have large gatherings with vaccination done with majority.

For your Company the year 2020-2021 was not only challenging due to covid 19 restrictions but also amazing how people of your company came together to put best efforts to only to keep the mills rolling but achieved satisfactory results and achieved some wonderful goals.

On corporate front we have signed a term sheet with our existing partner Steriscience for Brooks Steriscience Limited ("BSL"), seeking your approval, where Steriscience would now invest a total of 114.5 crores in our existing JV BSL. Part of these proceeds already resulted in new penem formulations production lines like Ertapenem for regulated markets like USA, & we would be using part of these proceeds to have our own API capabilities for all Penems to have indigenous supply chain to be a world class Penem player in more than \$2 billion Penem market, this shall make BSL a world class player in regulated markets with 49% economic interest of BLL and 51% of Steriscience. This should be a big game changer for your company.

On domestic front with our marketing divisions launched in critical care segment, things are in better growth curve, we have increased our presence to 6 states and doubled our marketing teams which shall reap better yields and giving stronger presence to our range of products in corporate hospitals of India, We are enthusiastic to increase this division by many folds in coming years to reap domestic Pharma growth story and building our own brand names & image.

Your company is also now more focussed with our own marketing in both domestic & exports of injectables to ROW countries from our Baddi Himachal Plant and ready to cater regulated markets like USA and Europe from our Vadodara Plant along with our internationally well acclaimed JV partner in our associate company BSL. BSL have already successfully filed its first ANDA in US market & have filed 30 "Marketing Authorizations" all over Europe.

By virtue of above steps we are hopeful of creating bigger value to our esteemed shareholders in coming years.

Before concluding, I once again wish to convey my sincere thanks to the dedicated employees of your Company, Our visionary JV partner, to our valuable shareholders and to all directors. Without their efforts and commitment, the Company could not have performed and sustained during these challenging conditions.

I wish and pray that this world emerges victorious from the crisis created by the pandemic. I urge each and every one of you to stay safe and take care of your loved ones.

Place : Mumbai
Date : 03.09.2021

Atul Ranchal
Chairman
Brooks Laboratories Ltd.

MANAGING DIRECTOR'S MESSAGE



Dear Shareholders,

Pharmaceuticals industry has evolved a lot after Covid pandemic. Supply of most of the medicines worldwide including vaccine has placed Indian pharma market many notches up compared to pre Covid era. Indian pharma has been recognized worldwide as reliable & capable of pharma supplies in short notice which can lead to increase in exports from india to most of the countries. Also 2 PLI schemes offered by govt. of India for pharma industry will make it even more competitive worldwide. We foresee new opportunities in different geographies of the globe for FDF & API both.

At Brooks we are moving from B2B towards B2C with our own marketing setup. The Brooks marketing team was rolled out in 2018 & it is continuously growing. We have marketing operations in 6 indian states now which will be expanded further to pan india in next 3 years. Our target is to achieve 50% of our total sales from B2C through our own marketing team in next few years. Our international business has started picking up now. With more approvals from various countries in current year the sales are likely to improve substantially.

The new joint venture with Steriscience has helped Vadodra facility to expand its manufacturing capability with addition of Ertapenem injection facility which is likely to start commercial production by Q3 2021. We have successfully filed our first ANDA for meropenem in US market with support of capable & efficient team of steriscience. New agreement with steriscience for further investment towards setting up of API facility will further strengthen Brooks capability in Carbapenem market.

As we celebrate our 20th year of existence of Brooks Laboratories Limited, I take this opportunity to thanks all our colleagues, creditors, customers & various government agencies & investors.

With Joint ventures in place we expect this financial year to be much better compared to last year. We welcome to interact with you at Annual General Meeting.

Place: Mumbai
Date: 03.09.2021

Rajesh Mahajan
Managing Director,
Brooks Laboratories Ltd.

To be installed in next one year - API Facility

Sterile API Carbapenem Facility



API Carbapenem



CONTENTS

	Page No.
Notice	6
Management Discussion and Analysis.....	19
Directors' Report.....	24
Standalone	
Independent Auditor's Report.....	64
Annexure "A" to Independent Auditor's Report.....	67
Annexure "B" to Independent Auditor's Report.....	69
Balance Sheet	70
Statement of Profit & Loss.....	71
Cash Flow Statement	73
Notes forming part of the Financial Statements	75
Consolidated	
Independent Auditor's Report.....	111
Annexure "A" to Independent Auditor's Report.....	114
Balance Sheet	116
Statement of Profit & Loss.....	117
Cash Flow Statement	118
Notes forming part of the Financial Statements	121

NOTICE

Notice is hereby given that the 19th Annual General Meeting of Brooks Laboratories Limited will be held on Wednesday, 29th September 2021 at 9 a.m. through Video Conference/Other Audio-Visual Means, to transact the following business:

ORDINARY BUSINESS:

1. Adoption of annual audited Standalone and Consolidated financial statements and reports thereon

To receive, consider and adopt the audited Standalone and Consolidated financial statements of the Company for the financial year ended 31st March 2021 and the Report of directors and Auditors thereon.

2. Appointment of Director in place of those retiring by rotation

To reappoint Mr. Atul Ranchal (DIN: 01998361), who retires by rotation, and being eligible, offers himself for reappointment.

SPECIAL BUSINESS:

3. To ratify the remuneration of the Cost Auditors

To consider and, if thought fit, to pass the following Resolution as an **Ordinary Resolution:**

“RESOLVED THAT under the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, (including any statutory modification(s) or re-enactment thereof), the Company hereby ratifies the remuneration payable to M/s. Balwinder & Associates, Cost Accountants, Mohali (Firm Reg No. 000201), as recommended by the Audit Committee and approved by the Board of Directors of the Company as Cost Auditors to conduct the audit of the cost records of the Company for the financial year ending 31st March 2022, amounting to Rs. 60,000/- plus taxes.”

4. Appointment of Mr. Manpreet Singh Naroo (DIN: 02926574) as a Whole-time Director designated as Technical Director.

To consider and, if thought fit, to pass the following Resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of sections 152, 160, 196, 197, 203, Schedule V and other applicable provisions of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification or re-enactment thereof for the time being in force) and on the recommendation of Nomination and Remuneration Committee and Board of Directors, consent of the members be and is hereby accorded for the appointment of Manpreet Singh Naroo (DIN:02926574) as a Whole-time Director to be designated as Technical Director for 5 years with effect from 29th September 2021 to 28th September 2026, who shall be liable to retire by rotation and on terms and conditions as agreed between the Board and Mr. Manpreet Singh Naroo.”

“RESOLVED FURTHER THAT pursuant to Section 197 and Schedule V of the Companies Act, 2013, the consent of the members be and is hereby accorded for his remuneration up to a maximum of Rs. 3,00,000/- per month for the period from 29th September 2021 to 28th September 2024 on the recommendation of Nomination and Remuneration Committee.”

5. Appointment of Mrs. Kaushalya Singh (DIN: 0009244596) as a Whole-time Director.

To consider and, if thought fit, to pass the following Resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of sections 152,160,196, 197, 203, Schedule V and other applicable provisions of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification or re-enactment thereof for the time being in force) and on the recommendation of Nomination and Remuneration Committee and Board of Directors, consent of the members be and is hereby accorded for the appointment of Mrs. Kaushalya Singh (DIN: 0009244596) as a Whole-time Director for 5 years with effect from 29th September 2021 to 28th September 2026, who shall be liable to retire by rotation and on terms and conditions as agreed between the Board and Mrs. Kaushalya Singh.”

“RESOLVED FURTHER THAT pursuant to Section 197 and Schedule V of the Companies Act, 2013, the consent of the members be and is hereby accorded for her remuneration up to a maximum of Rs. 1,50,000/- per month for the period from 29th September 2021 to 28th September 2024 on the recommendation of Nomination and Remuneration Committee.”

6. Approval for Related Party Transactions

To consider and if thought fit, to pass, with or without modification(s), the following resolution, as an **Ordinary Resolution;**

“RESOLVED THAT pursuant to the provisions of Section 188 and all other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014 and pursuant to Regulation 23(4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) and the Company’s Policy on Related Party Transaction(s) (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and subject to

such other approvals, consents, permissions and sanctions of any authorities as may be necessary, consent of the members be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the "Board" which term shall include any Committee constituted by the Board or any other person(s) authorized by the Board to exercise its powers, including the powers conferred by this resolution) to enter into contract(s)/arrangement(s)/transaction(s) with the related party as detailed in the table forming part of the Explanatory Statement annexed to this notice with respect to the Sale, purchase or supply of goods or materials leasing of property of any kind, availing or rendering of any services, appointment of agent for purchase or sale of goods, materials, services or property or appointment of such parties to any office or place of profit in the Company or any other transactions of whatever nature, at arm's length basis and in ordinary course of business, notwithstanding that such transactions may exceed 10% of the consolidated turnover of the Company in any financial year or such threshold limit as may be specified by the listing regulations from time to time up to such extent and on such terms and conditions as specified in the table forming part of the explanatory statement annexed to this notice.

"RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds, matters, and things and to delegate all or any of the powers conferred on it by or under this resolution to any Committee of Directors of the Company and to do all acts and take such steps as may be considered necessary or expedient to give effect to the aforesaid resolution".

7. Approval for reduction of stake in Brooks Steriscience Limited, a Wholly-Owned Subsidiary of the Company

To consider and if thought fit, to pass, with or without modification(s), the following resolution, as a **Special Resolution**:

"RESOLVED THAT pursuant to the provisions of Regulation 24 and other applicable regulations of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 "SEBI (LODR) Regulations" and the applicable provisions of the Companies Act, 2013 read with the Rules made thereunder, (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and other applicable notifications, clarifications, circulars, rules and regulations issued by the Government of India or any other governmental or statutory authorities and subject to such other requisite approvals, consents, permissions and sanctions as may be required and the Memorandum and Articles of Association of the Company, consent of the members of the Company be and is hereby accorded to the Board of Directors ("the Board", which term shall be deemed to mean and include any Committee constituted by the Board) of the Company, to effect the reduction of its shareholding to less than or equal to 50% held in Brooks Steriscience Limited, a Wholly-Owned Material Subsidiary of the Company, on such terms and conditions and in such manner as the Board of Directors of the Company at its absolute discretion may determine".

"RESOLVED FURTHER THAT the Board be and is hereby authorised to finalize, settle and execute the required transactional documents concerning the said reduction of its shareholding to less than or equal to 50% including but not limited to agreements, arrangements (including with respect to indemnities, guarantees, etc.), undertakings, letters, and any other documents as may be required from time to time and to do and perform all such acts, deeds, matters and things, as may be required or deemed necessary and in the best interest of the Company to give effect to the resolution for completion of the divestment, without being required to seek any further consent or approval of the shareholders of the Company, and to delegate all or any of the powers or authorities herein conferred or to engage any Committee of the Board, employee or officer of the Company, advisor, consultant, agent or intermediary, as may be deemed necessary."

Place: Mumbai
September 3, 2021

By Order of the Board of Directors
For **Brooks Laboratories Limited**

Sd/-

Jyoti Sancheti
Company Secretary & Compliance Officer

Registered Office:
Village Kishanpura,
Nalagarh Road, Baddi, Distt. Solan, H.P.
CIN: L24232HP2002PLC000267
Email id: investors@brookslabs.net

NOTES:

1. An Explanatory Statement according to Section 102(1) of the Companies Act, 2013, in respect of the items of Special Business given in this Notice, is annexed hereto.
2. In case of joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.
3. The Register of Members and Share Transfer Books will remain closed from Thursday, September 23, 2021, to Wednesday, September 29, 2021 (both days inclusive).
4. Members who have not registered their e-mail addresses so far are requested to register the same with their respective Depository Participants, in case of shares held in dematerialised form and with the Registrar and Share Transfer Agent in case of shares held in physical form so that all communication including Annual Report, Notices, Circulars, etc. can be sent to them electronically.
5. SEBI has mandated submission of Permanent Account Number (PAN) by every member of the Company. Members holding shares in dematerialised form are requested to submit their PAN to their respective Depository Participants. Members holding shares in physical form can submit their PAN to the Registrar and Share Transfer Agent.
6. For any assistance or information about shares, dividends, etc. Members may contact the Registrar and Share Transfer Agents viz. Link Intime India Private Limited, C-101,247 Park, L.B.S.Marg, Vikhroli (W), Mumbai- 400083 (Tel: 022-49186000; Fax: 022-49186060; Email: rnt.helpdesk@linkintime.co.in; Website: www.linkintime.co.in)
7. All documents referred to in the Notice and accompanying Statements are open for inspection at the Registered Office of the Company on all working days of the Company between 10 a.m. and 12 noon up to the date of the Meeting.
8. In case of any queries regarding the Annual Report, the Members may write to investors@brookslabs.net to receive an email response.

CDSL e-Voting System – For Remote e-voting and e-voting during AGM/EGM

1. As you are aware, in view of the situation arising due to COVID-19 global pandemic, the general meetings of the companies shall be conducted as per the guidelines issued by the Ministry of Corporate Affairs (MCA) vide Circular No. 14/2020 dated April 8, 2020, Circular No.17/2020 dated April 13, 2020 and Circular No. 20/2020 dated May 05, 2020. The forthcoming AGM/EGM will thus be held through through video conferencing (VC) or other audio visual means (OAVM). Hence, Members can attend and participate in the ensuing AGM/EGM through VC/OAVM.
2. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and MCA Circulars dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM/EGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting's agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the EGM/AGM will be provided by CDSL.
3. The Members can join the EGM/AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the EGM/AGM through VC/OAVM will be made available to atleast 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the EGM/AGM without restriction on account of first come first served basis.
4. The attendance of the Members attending the AGM/EGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.
5. Pursuant to MCA Circular No. 14/2020 dated April 08, 2020, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM/EGM. However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the members such as the President of India or the Governor of a State or body corporate can attend the AGM/EGM through VC/OAVM and cast their votes through e-voting.
6. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM/EGM has been uploaded on the website of the Company at www.brookslabs.net. 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 and www.nseindia.com respectively. The AGM/EGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM/EGM) i.e. www.evotingindia.com.

7. The AGM/EGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 8, 2020 and MCA Circular No. 17/2020 dated April 13, 2020 and MCA Circular No. 20/2020 dated May 05, 2020.
8. In continuation of this Ministry's **General Circular No. 20/2020**, dated 05th May, 2020 and after due examination, it has been decided to allow companies whose AGMs were due to be held in the year 2020, or become due in the year 2021, to conduct their AGMs on or before 31.12.2021, in accordance with the requirements provided in paragraphs 3 and 4 of the General Circular No. 20/2020 as per MCA circular no. 02/2021 dated January 13, 2021.

THE INTRUCTIONS OF SHAREHOLDERS FOR REMOTE E-VOTING AND E-VOTING DURING AGM/EGM AND JOINING MEETING THROUGH VC/OAVM ARE AS UNDER:

- (i) The voting period begins on <Date and Time> and ends on <Date and Time>. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of <Record Date> may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) Pursuant to SEBI Circular No. **SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020**, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

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

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

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

Pursuant to abovesaid SEBI Circular, Login method for e-Voting and joining virtual meetings **for Individual shareholders holding securities in Demat mode** is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with CDSL	<p>Users of who have opted for CDSL's Easi / Easiest facility can log in through their existing user id and password. The option will be made available to reach the e-Voting page without any further authentication. The URLs for users to log in to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on Login icon and select New System Myeasi.</p> <p>After successful login thesis / Easiest user will be able to see the e-Voting Menu. On the clicking the e-voting menu, the user will be able to see his/her holdings along with links of the respective e-Voting service provider i.e. CDSL/NSDL/ KARVY/ LINK INTIME as per information provided by Issuer / Company. Additionally, we are providing links to e-Voting Service Providers, so that the user can visit the e-Voting service providers' site directly.</p> <p>If the user is not registered for Easi/Easiest, an option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration</p> <p>Alternatively, the user can directly access the e-Voting page by providing Demat Account Number and PAN No. from a link on the www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, the user will be provided links for the respective ESP where the e-Voting is in progress during or before the AGM.</p>

Individual Shareholders holding securities in Demat mode with NSDL	<p>If you are already registered for the NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsd.com either on a Personal Computer or mobile. Once the home page of e-Services is launched, click on the “Beneficial Owner” icon under “Login” which is available under the ‘IDeAS’ section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.</p> <p>If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsd.com. Select “Register Online for IDeAS “Portal or click at https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp</p> <p>Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsd.com/ either on a Personal Computer or mobile. Once the home page of the e-Voting system is launched, click on the icon “Login” which is available under the ‘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 the NSDL Depository site wherein you can see the e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to the e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting</p>
Individual Shareholders (holding securities in Demat mode) login through their Depository Participants	<p>You can also log in using the login credentials of your Demat account through your Depository Participant registered with NSDL/CDSL for the e-Voting facility. After successful login, you will be able to see the e-Voting option. Once you click on the e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see the e-Voting feature. Click on the company name or e-Voting service provider name and you will be redirected to the e-Voting service provider’s website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.</p>

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

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

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

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

1. The shareholders should log on to the e-voting website www.evotingindia.com.
2. Click on the “Shareholders” module.
3. Now enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
4. Next enter the Image Verification as displayed and Click on Login.

5. If you are holding shares in Demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any company, then your existing password is to be used.
6. If you are a first-time user follow the steps given below:

For Shareholders holding shares in Demat Form other than individual and Physical Form	
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both Demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> • Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your Demat account or the company records to login. <ul style="list-style-type: none"> • If both the details are not recorded with the depository or company, please enter the member id/folio number in the Dividend Bank details field as mentioned in instruction (v).

- (vi) After entering these details appropriately, click on the “SUBMIT” tab.
- (vii) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (viii) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (ix) Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- (x) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same, the option “YES/NO” for voting. Select the option YES or NO as desired. Option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xi) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xii) After selecting the resolution, you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (xiii) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xiv) You can also take a print of the votes cast by clicking on the “Click here to print” option on the Voting page.
- (xv) If a Demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xvi) **Facility for Non – Individual Shareholders and Custodians –Remote Voting**
 - Non-Individual shareholders (i.e. than Individuals, HUF, NRI, etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the “Corporates” module.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) on which they wish to vote on.
 - The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts, they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
 - Alternatively, Non-Individual shareholders are required to send the relevant Board Resolution/ Authority letter, etc. together with the attested specimen signature of the duly authorized signatory who is authorized to vote, to the Scrutinizer and the Company at the email address viz; investors@brookslabs.net (designated email address by the company), if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

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

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

PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL ADDRESSES ARE NOT REGISTERED WITH THE DEPOSITORIES FOR OBTAINING LOGIN CREDENTIALS FOR E-VOTING FOR THE RESOLUTIONS PROPOSED IN THIS NOTICE:

1. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to investors@brookslabs.net/rnt.helpdesk@linkintime.co.in.
2. For Demat shareholders -, please provide Demat account details (CDSL-16 digit beneficiary ID or NSDL-16 digit DPID + CLID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to investors@brookslabs.net/rnt.helpdesk@linkintime.co.in.

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

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

A statement under Section 102(1) of the Companies Act, 2013 ('Act')**Resolution No.3**

As per Notification dated 31st December 2014 issued by the Ministry of Corporate Affairs, the Companies (Cost Records and Audit) Rules, 2014, provisions relating to the auditing of cost accounting records apply to the Company with effect from the date of the above Notification. Accordingly, the audit of cost accounting records of the Company is mandatory from the financial year 2014-15.

At the recommendation of the Audit Committee, the Board of Directors has approved the appointment of M/s Balwinder & Associates, Cost Accountants, as the Cost Auditors to conduct the audit of the cost records of the Company for the financial year 2021-22 at a remuneration of Rs.60,000/- plus taxes per financial year.

Section 148 (3) of the Companies Act, 2013 read with Rule 14 of the Companies (Audit and Auditor) Rules, 2014, requires the remuneration payable to the Cost Auditors to be ratified by the Members of the Company. Accordingly, the approval of the Members is sought for passing an Ordinary Resolution for ratification of the remuneration to the Cost Auditor payable for the financial year 2021-22.

The Board accordingly recommends the resolutions for the approval of the shareholders by way of an Ordinary resolution.

The Directors recommend the Resolutions for the approval of Members.

Resolution No. 4

Mr. Manpreet Singh Naroo was appointed as an Additional Director by the Board of Directors with effect from 3rd September 2021 pursuant to Section 161 of the Companies Act, 2013. The Company has received from Mr. Manpreet Singh Naroo(DIN:02926574) (i) consent in writing to act as Whole-time Director in Form DIR- 2 pursuant to Rule 8 of Companies (Appointment & Qualification of Directors) Rules, 2014, (ii) intimation in Form DIR-8 in terms of Companies (Appointment & Qualification of Directors) Rules, 2014, to the effect that he is not disqualified under subsection (2) of Section 164 of the Companies Act, 2013.

Mr. Manpreet Singh Naroo aged 50 years, is a Post-Graduate in Chemistry and MBA in Production and Operations. He has vast experience of 28 years in the Pharmaceutical Industry at various levels. His areas of expertise are in the Production of Pharmaceutical Products. His association brings years of professional experience to facilitate operations and maximize the productivity and growth of the Organisation.

The matter regarding the appointment of Mr. Manpreet Singh Naroo as a Whole-time Director to be designated as Technical Director was placed before the Nomination and Remuneration Committee and it has recommended his appointment. The Board of Directors approved the appointment of Mr. Manpreet Singh Naroo as a Whole-time Director to be designated as Technical Director of the Company for a term of up to 5 years from 29th September 2021 to 28th September, 2026 and further approve his remuneration up to a maximum of Rs. 3,00,000/- per month for the period from 29th September 2021 to 28th September 2024 on the recommendation of the Nomination and Remuneration Committee and subject to the approval of members at the ensuing Annual General Meeting of the Company. A statement pursuant to clause (iv) of 2nd proviso of Section II of Part II of Schedule V to the Companies Act, 2013 is given in Annexure 1 in this Notice.

None of the Directors, Key Managerial Personnel of the Company and their relatives, are in any way concerned or interested, except Mr. Manpreet Singh Naroo, in Resolution 4.

The brief profile of Mr. Manpreet Singh Naroo and the detail of shareholding as per requirements of the Companies Act, 2013, the rules made thereunder, and Secretarial Standard (SS-2) is mentioned in Annexure 2.

Resolution No. 5

Mrs. Kaushalya Singh was appointed as an Additional Director by the Board of Directors with effect from 3rd September 2021 pursuant to Section 161 of the Companies Act, 2013. The Company has received from Mrs. Kaushalya Singh (DIN:0009244596) (i) consent in writing to act as Whole-time Director in Form DIR- 2 pursuant to Rule 8 of Companies (Appointment & Qualification of Directors) Rules, 2014, (ii) intimation in Form DIR-8 in terms of Companies (Appointment & Qualification of Directors) Rules, 2014, to the effect that she is not disqualified under subsection (2) of Section 164 of the Companies Act, 2013.

Mrs. Kaushalya Singh aged 55 years, is a Commerce Graduate. She has vast experience of 21 years in the Purchase and Administration of the Pharmaceutical Industry. Her association brings years of professional experience to facilitate operations and maximize the productivity and growth of the Organisation.

The matter regarding the appointment of Mrs. Kaushalya Singh as a Whole-time Director was placed before the Nomination and Remuneration Committee and it has recommended her appointment. The Board of Directors approved the appointment of Mrs. Kaushalya Singh as a Whole-time Director of the Company for a term up to 5 years from 29th September 2021 to 28th September, 2026 and further approve her remuneration up to a maximum of Rs. 1,50,000/- per month for the period from 29th September 2021 to 28th September 2024 on the recommendation of the Nomination and Remuneration Committee and subject to the approval of members at the ensuing Annual General Meeting of the Company. A statement pursuant to clause (iv) of 2nd proviso of Section II of Part II of Schedule V to the Companies Act, 2013 is given in Annexure 1 in this Notice.

None of the Directors, Key Managerial Personnel of the Company and their relatives, are in any way concerned or interested, except Mrs. Kaushalya Singh, in Resolution 5.

The brief profile of Mrs. Kaushalya Singh and the detail of shareholding as per requirements of the Companies Act, 2013, the rules made thereunder and Secretarial Standard (SS-2) is mentioned in Annexure 2.

Resolution No. 6

Section 188 of the Companies Act, 2013 (“the Act”) read with Rule 15 of the Companies (Meetings of the Board and its Powers) Rules, 2015 (“the Rules”) states that no Company shall enter into material related party transactions except with the consent of the members of the Company, where such transactions are either not (a) in the ordinary course of business or (b) on an arm’s length basis.

Regulation 23(4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”) states that all material-related party transactions shall require approval of the shareholders through resolution.

The shareholders’ approval is sought to the related party/material related party transactions entered / to be entered into with the below-mentioned parties. The Company has obtained prior approval of the Audit Committee to the said transactions as required under Regulation 23(2) of the Listing Regulations.

All related party transactions are/shall be at arm’s length basis and in the ordinary course of business of the Company and therefore the provisions of the Act and the Rules made thereunder are not attracted.

However, Regulation 23(4) of the Listing Regulations states that all material related party transactions shall require approval of the shareholders through resolution and related parties shall abstain from voting on such resolution. Member’s approval is therefore sought under relevant provisions of the Act, applicable, if any, and the Listing Regulations.

Information relating to transactions are as under –

Name of the Related Party	Name of Director/KMP interested	Nature of Relationship	Nature, Duration of the Contract and Particulars of the Contract or Arrangement	The estimated amount of transactions during the financial years 2021-22 and 2022-23
Brooks Steriscience Limited (BSL)	Mr. Atul Ranchal, Chairman, and Mr. Rajesh Mahajan, Managing Directors are Director	Wholly Owned Subsidiary Company	Purchase/Sale of Goods, Providing and availing job work services, Cross Charges for shared services, Commission in respect of goods purchased/sold and services availed/ provided	Up to Rs. 70 Crores
SteriBrooks Penems Private Limited	Mr. Atul Ranchal, Chairman is Director	Associate/ Joint Venture Company	Purchase/Sale of Goods	Up to Rs. 70 Crores
Steriscience Specialties Private Limited	None	Joint Venturer Company	Purchase/Sale of Goods	Up to Rs. 70 Crores

Material Terms of the Contract- The proposed contracts/ arrangements/ transactions related to sale /purchase of goods/services or any other transaction(s), which shall be governed by the Company’s Related Party Transaction Policy and shall be approved by the Audit Committee within the overall limits approved by the members. Some of the arrangements could be in the form of Purchase Orders/ Service Orders based on negotiations whose terms and conditions shall satisfy arm’s length criteria.

Material terms of the transactions with Related Parties include the following: 1) All the transactions were continuingly in the ordinary course of business and were undertaken on an arm’s length basis and in the ordinary course of business. 2) The transactions were based on Purchase / Service Orders issued from time to time.

Whether all factors relevant to the contract have been considered, if not, the details of factors not considered with the rationale for not considering those factors: All factors relevant to the contract have been considered.

Any other information relevant or important for the Members to decide on the proposed resolution: None

In view of compliance with Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, approval of members for the above Related Party Transactions is being sought by way of an Ordinary Resolution. The proposal outlined above will contribute to continuous growth in sales & profits of your Company and is in the interest of the Company. Hence, the Audit Committee / Board recommends the resolution set out in the Item as an Ordinary resolution. None of the Related Parties shall vote in the resolution. None of the Director, key managerial personnel, and their relatives, are concerned or interested in the said resolution except to the extent of their directorship and shareholding in the Company.

Resolution No. 7

Pursuant to the joint venture agreement executed on July 22, 2020 between Steriscience Private Limited (vide Novation agreement dated October 16, 2020 Steriscience Private Limited assigned its duties, rights and responsibilities to Steriscience Specialties Private Limited) and Brooks Laboratories Limited (JV Partners), Brooks Steriscience Limited (BSL) was incorporated whereby Brooks Laboratories Limited was to hold 73.33% stake and Steriscience Specialties Private Limited (SSPL) to hold 26.67% stake. The Ertapenem manufacturing line was commissioned with this Investment.

Further to strengthen the manufacturing capability it was decided by JV partners to invest further Rs. 74.5 crores by infusion of Equity by Steriscience Specialties Private Limited. This will change the shareholding ratio to 51% of Steriscience Specialties Private Limited and 49% of Brooks Laboratories Limited.

The new investment of Rs. 74.5 crores will be deployed to set up an API facility for Carbapenems. This will strengthen BSL's position as it will have API as well as FDF in-house. Besides this, BSL will also set up front-end capabilities to market carbapenem products globally, including the US, Europe, Canada, Australia, and India.

Globally, Carbapenems are a \$2 billion-plus opportunity with limited players having dedicated capabilities to manufacture these products for the regulated markets. These fresh investments will bolster our global positioning and fast-track our ability to penetrate new markets with a significant competitive advantage driven by manufacturing, quality, and supply assurance."

We are looking forward to strong impulses from this partnership. This partnership will result in US FDA certification of the facility, Global market reach, Building capabilities in R&D, Backward integration, and Introduction of a new product range. This will have a multifold impact on enterprise value.

However, Regulations 24(5) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 require prior approval of the shareholders by way of special resolution for fresh equity infusion by JV partner SSPL in its material subsidiary resulting in the reduction of its shareholding to less than/equal to fifty percent or cease the exercise of control over its material subsidiary.

Now, the Company requires prior approval of the shareholders by way of special resolution for reduction of shares below 50% in the subsidiary Company Brooks Steriscience Limited.

The Board of Directors recommends the passing of this resolution as mentioned in Item No. 7 as Special Resolution being in the greater interest of all stakeholders including shareholders, employees, and its creditors. It will amount to protect the interest of the stakeholders.

Except to the extent of their shareholding interest, if any, none of the Directors / Key Managerial Personnel of the Company / their relatives are in any way concerned or interested, financially or otherwise in this Special Resolution.

Place: Mumbai
September, 3, 2021

By order of the Board of Directors
For **Brooks Laboratories Limited**

Sd/-

Jyoti Sancheti
Company Secretary &
Compliance Officer

Regd. Office: Village Kishanpura,
Nalagarh Road, Baddi, Distt.Solan, H.P.
CIN: L24232HP2002PLC000267
Email id: investors@brookslabs.net

ANNEXURE 1
STATEMENT under 2ND PROVISIO TO SCHEDULE V [PART II SECTION II (Clause iv)] OF THE COMPANIES ACT, 2013

I. GENERAL INFORMATION					
1.	Nature of Industry	Pharmaceuticals			
2.	Date of commencement of commercial production	The Company was incorporated on 23.01.2002. Its plant at Baddi started its commercial production in June 2006			
3.	In the case of new companies, the expected date of commencement of activities as per project approved by financial institutions appearing in the Prospectus	N.A.			
4.	Financial Performance based on given indicators	Please refer to Exhibit 1.1			
5.	Foreign investments or collaborators, if any	NRI Investment of Rs.12,79,930/- as on 31.03.2021			
INFORMATION ABOUT THE APPOINTEE		Mr. Manpreet Singh Naroo, Director		Mrs. Kaushalya Singh, Director	
1.	Background Details	Refer to the Statement to Resolution No. 4 above and Annexure 2		Refer to the Statement to Resolution No. 5 above and Annexure 2	
2.	Past Remuneration	Year	Remuneration	Year	Remuneration
		2020-21	NIL	2020-21	Rs. 8.28 lakhs
		2019-20	NIL	2019-20	Rs.8.27 lakhs
3.	Recognition or Awards	N.A.		N.A.	
4.	Job Profile and his suitability	Refer the Statement to Resolution No. 4 above and Annexure 2		Refer the Statement to Resolution No. 5 above and Annexure 2	
5.	Remuneration proposed	Up to a Maximum of Rs. 3,00,000/- per month		Up to a Maximum of Rs. 1,50,000/- per month	
6.	Comparative remuneration profile concerning the industry, size of the Company, profile of the position and person (in case of expatriates, the relevant details would be w.r.t. the country of origin)	Please refer to Exhibit 1.2		Please refer to Exhibit 1.2	
7.	Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any	He has no pecuniary relationship with the Company apart from receiving remuneration or relationship with the managerial personnel.		She has no pecuniary relationship with the Company apart from receiving remuneration or relationship with the managerial personnel.	
I. OTHER INFORMATION					
1.	Reasons for loss or inadequate profits	During the Financial Year 2020-21, due to high operational and depreciation costs at Vadodara factory alongwith prior period Income Tax settlement under Vivaad se vishwas scheme of Government of India., the Company has incurred a loss of Rs. 1558.76 lakhs.			
2.	Steps were taken or proposed to be taken for improvement	Our Vadodara plant was loss making due to high operational cost. Now, the Vadodara plant is transferred to Brooks Steriscience Limited on slump exchange basis.			
3.	The expected increase in productivity and profits in measurable terms	In the financial year 2020-21, we are expecting positive P & L of the Company with our profit making Baddi plant.			
IV. DISCLOSURES		Please refer to Exhibit 1.3			

Exhibit 1.1
Financial Position of the Company

The financial position of the Company as per the audited Financial Statements(Standalone) of the last 5 years is as follows:

(Rs. In lakhs)

Particulars	2020-21	2019-20	2018-19	2017-18	2016-17
Sales and Other Income	7823.48	7009.48	5790.77	5714.44	5766.25
Profits after tax	(1558.76)	(2437.60)	(1480.54)	(1381.28)	195.65
Earnings Per Share (in Rs.)	(6.31)	(13.84)	(9.20)	(8.53)	1.21
Fixed Assets	1442.48	11217.70	11717.18	12401.04	11858.96
Capital Work In Progress	-	-	-	52.16	0.00
Long Term Loans & Advances	134.09	1139.93	1386.39	1725.84	2047.39
Current Assets	2534.44	3791.79	3174.09	2964.82	2400.83
Equity Share Capital	2470.28	2470.28	1618.64	1618.64	1618.64
Reserves & Surplus	3950.76	7371.32	8896.43	9828.59	10782.02
Long Term Borrowings	134.09	1139.93	1386.39	1725.84	1080.51
Current Liabilities	2578.87	4579.91	4746.11	3984.97	2482.45

Exhibit 1.2
Industry Trends

Annual Remuneration withdrawn by the Executive Directors of some of the leading Pharmaceutical Companies in India is as follows:

Dr. Sandhu Pharmaceuticals Limited (as per Annual Report 2019-20)

(In lakhs)

S. No.	Name of Director	Designation	Remuneration
1.	Umesh B. Sandu	Managing Director	34.02

Panchsheel Limited (as per Annual Report 2019-20)

(In lakhs)

S. No.	Name of Director	Designation	Remuneration
1.	Mr. Mahendra A. Turakhia	Managing Director	27.6
2.	Mr. Kishor A. Turakhia	Managing Director	26.6

Cipla Ltd. (as per Annual Report 2020-21)

(In crores)

S. No.	Name of Director	Designation	Remuneration
1.	Mr. Umang Vohra	Managing Director	1.95
2.	Ms. SaminaHamied	Executive Vice Chairperson	1.88

Exhibit 1.3
Information on the remuneration of all directors as per Part IV of Clause (iv) of Section II of Part II of Schedule V to the Companies Act, 2013.

The details of proposed remuneration of Mr. Manpreet Singh Naroo & Mrs. Kaushalya Singh, Director of the Company is as given below:

Terms and Conditions:
a) Salary

Upto maximum Rs. 3,00,000/- per month & upto maximum Rs. 1,50,000/- respectively.

b) Reimbursement of expenses:

Expenses incurred for traveling, boarding, and lodging during business trips, entertainment expenses actually and properly incurred for the Company's business.

c) Notice Period- 90days.

The details of the remuneration of all other directors are disclosed in the Corporate Governance Report on page no. 30 and further given under Part VI of Extract of Annual Return in Form No. MGT-9.

ANNEXURE 2
Profile of Directors seeking Appointment/Re-appointment in ensuing Annual General Meeting under SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 are mentioned below

Name of Director	Mr. Manpreet Singh Naroo	Mrs. Kaushalya Singh
Designation	Executive Director	Executive Director
DIN	02926574	0009244596
Date of Birth	29.01.1971	01.01.1966
Age	50	55
Date of Appointment	03.09.2021	03.09.2021
Qualifications	B.Sc & MBA in production and operation	B.com
Brief Resume		
Expertise in Specific Functional Areas	Business Management	Business Management
Number of Board Meetings attended during the year	NA	NA
Relationship with other Directors	Nil	Nil
Shareholding in Brooks Laboratories Limited	Nil	4304 shares
Directorships held in other companies	Nil	Nil
Membership/Chairmanship of Committees in other Companies	Nil	Nil

Management Discussion & Analysis

Company's revenues stood at Rs. 7724.69 lakhs experiencing an increase of 10.85% over the previous year at Rs. 6968.85 lakhs

(Rs in lakhs)

PARTICULARS	STANDALONE		CONSOLIDATED	
	2020-21	2019-20	2020-2021	2019-2020
Turnover	7724.69	6968.85	7724.69	-
Other Income	98.79	40.63	73.55	-
Total Income	7823.48	7009.48	7798.24	-
Expenditure	7648.31	7361.06	7672.6	-
Profit before Depreciation, Interest & Tax (PBDIT)	175.17	(351.58)	125.64	-
Financial Expenses (Interest)	309.41	335.03	309.84	-
Profit before Depreciation and Tax (PBDT)	(134.24)	(686.61)	(184.2)	-
Depreciation and Amortization	709.29	664.76	714.33	-
Profit before Tax (PBT)	(843.53)	(1351.37)	(898.53)	-
Extraordinary items (Gain)	10.79	14.73	-	-
Share of Profit/(loss) of Associate	-	-	(0.80)	-
Income Tax (net of MAT Credit)	715.23	1086.23	1038.22	-
Profit after Tax	(1547.97)	(2422.87)	(1937.55)	-
Earnings per Share (in Rs.)	(6.31)	(13.84)	(7.84)	-

Revenues:

On Standalone basis, the turnover of the company for the year ended March 31, 2021 stood at Rs. 7724.69 lakhs as against Rs. 6968.85 lakhs for the previous year ended March 31, 2020; there was 10.85% increase over the previous year. Increase in revenue at both the facilities was result of growth in international business.

Cost of material:

There has been marginal decrease in the cost of materials as a percentage to Net sales, from 71.05% of sales in FY 2019-2020 to 60.28% of sales for this year. This decrease is due to better realizations in international business.

Employment Cost:

There is an increase in the employment cost by Rs. 98.42 lakhs, a 7.35% rise as compared to the previous year ended March 31, 2020. The increase is due to annual increments & also due to increase in manpower in marketing.

Finance Cost:

There was marginal decrease in the Finance expense of Rs. 309.41 lakhs in FY 2020-21 versus finance cost of Rs. 335.03 lakhs in FY 2019-20.

Depreciation:

There is increase in depreciation due to addition of Fixed Assets.(Rs. 709.29 in 2020-21 and Rs. 664.76 in 2019-20).

Tax:

There is no Tax liability for the financial year 2020-21. During the year company has opted for Vivad se vishwas scheme (VSVS) for the demand amount outstanding of AY 2012-13. The liability amounting to Rs.900.67 lakhs has arised against which company had already recognised Rs.185.45 lakhs in the respective year, remaining amount of Rs. 715.23 lakhs has been recognised as tax for earlier years.

Industry Structure and Developments

Pharma Industry majorly depends on the regulatory approvals. We are in process of getting the approvals from many foreign countries and we are expecting to secure more international approvals in coming year and by the Investment of JV partner Steriscience

Specialties Private Limited (vide Novation agreement dated October 16, 2020 Steriscience Private Limited assigned its duties, rights and responsibilities to Steriscience Specialties Private Limited) 'SSPL' which will be deployed to set up new project of Ertapenem and API facility for Carbapenems, we expect to have multifold increase in sales in Vadodara facility

Opportunities-

Joint Venture Agreement:

The Company looks for opportunities in order to expand its product line either through complimentary or strategic acquisitions of other companies, asset acquisition, licensing agreements or any other arrangement. The Company entered into a joint venture agreement with a strategic partner who have understanding and international reach and strong track record and presence in many regulated countries. This is a significant step to aggregate mutual synergies and would speedup up the Company's footprints in international markets like Europe and America, together with a more accomplished and experienced partner. This will transform the company's credibility in those territories and open up more business opportunities. It shall also enhance the manufacturing capabilities of the company with more innovative products, as a result of fresh investments and richer experience coming in from our Joint Venture partner.

Segment wise and product wise performance

Our sales are primarily from two segments i.e. Domestic and International. Currently, we are focusing on International Market as it is growing faster than Domestic market.

Outlook

Outlook for Domestic Market

As per IQVIA report, the India pharmaceutical market is expected to be one of the fastest growing pharmaceutical markets in the world with underlying growth drivers like rising incidences of lifestyle diseases, higher disposable income, improved access to healthcare facilities and increasing penetration of medical insurance. The Government is also increasing its investments towards the healthcare sector with initiatives like Ayushman Bharat-Pradhan Mantri Jan Aarogya Yojana and Jan Aushadi Kendras, which is improving the affordability and accessibility of quality medical treatment amongst the economically weaker sections of the society. While these drivers will ensure good visibility of growth for the Indian pharmaceutical industry over the medium to long-term horizon, there could be some near-term impact on the Indian pharmaceutical industry due to COVID-19. Due to extended lockdowns in a large part of the country and because of the fear of getting infected, lots of elective surgeries are getting deferred. Many of the hospitals have shut their OPDs and doctors have stopped going to their clinics. This has impacted the generation of new prescriptions which is an important growth driver for the pharma industry. With the gradual relaxation in lockdown rules, activity levels are expected to pick up in hospitals and clinics, which should help the pharma industry to gather momentum. The Company remains positive over the medium to long-term and expects to deliver healthy growth in the Indian Pharmaceutical Market.

Outlook for International Markets

The Company thrives to grow at a similar pace in the international markets. The Company continued to focus on increasing its operational efficiencies and optimising costs to mitigate the risks arising out of tightening rules by the local governments, evolving regulatory environment and volatility in the currency exchange rates. To augment the growth in these markets, the Company is focussing on With more international approvals in coming year to have multifold increase in sales.

Discussion of Financial performance with respect to Operational Performance

The company operated the Baddi plant at almost full capacity, though the production in units was more but realization per unit went down due to stiff competition resulting in lower sales in value terms. Also we have gone selective in government tenders due to delayed payment of various government agencies thus reducing our sales realization. Sales at Vadodara facility have started picking up but at low pace due to delays in approvals from regulatory agencies of different countries. With more international approvals in coming year and by the Investment of JV partner Steriscience Specialties Private Limited (vide Novation agreement dated October 16, 2020 Steriscience Private Limited assigned its duties, rights and responsibilities to Steriscience Specialties Private Limited) 'SSPL' which will be deployed to set up new project of Ertapenem and API facility for Carbapenems, we expect to have multifold increase in sales in Vadodara facility.

Internal Control System and their adequacy

Brooks believes that internal control is a prerequisite for governance and that business plans should be exercised within a framework of checks and balances. The Company has a well-established internal control framework, which is designed to continuously assess the adequacy, effectiveness and efficiency of financial and operational controls. The management is committed to ensuring an effective internal control environment, commensurate with the size and complexity of the business, which provides an assurance on compliance with internal policies, applicable laws, regulations and protection of resources and assets.

Human Resources Policy

Mission Statement

HR supports and upholds Brooks' goals by nurturing a Positive and Engaging work environment while identifying and responding to the changing needs of the Organization and our Society.

Vision Statement

Brooks Human Resources department will serve as a Guardian for Excellence and Leadership through:

- Improving Organizational Effectiveness
- Innovative HR solutions
- Attract, Retain and Develop the talent
- Extraordinary Quality of services
- Building collaborative partnerships (HR as Business Partner)
- Develop a Robust Employee engagement plan for the staff & wage workforce through multiple engagement initiatives across the year.

Core values of HR Department

✓ **Focused Approach**

We advance Brooks mission by thinking and acting in the best interests of the organization and the workforce; in particular, when developing policies, processes, programs and delivering services.

✓ **Innovative**

HR at Brooks would be dedicated to Quality, Excellence and Continuous improvement. We work to ensure the Brooks remains competitive in its Human Resources policies and practices by actively seeking and developing best practices, methods and approaches.

✓ **Being Professional**

We adhere to high professional standards of quality, competency and conduct. We act with honesty and integrity. We anticipate and are proactive, collegial and collaborative in our work. We remain current in professional practice.

✓ **Accountable**

We are accessible and answer to stakeholders for results in accordance with policies, standards, commitments and principles. We document, measure and report performance and evaluate program effectiveness.

✓ **Transparent**

We balance requests to share information clearly and openly while respecting the security of confidential and personal information entrusted to the department.

✓ **Employees**

We have 389 peoples employed on the rolls of the Company.

Risk management

For its operations the Directors believe that, the company has laid down internal financial controls to be followed by the company; and that such internal financial controls are adequate and were operating effectively for Risk Management.

Risk & Concerns:

Risk is a potential event or non-event, the occurrence or non-occurrence of which can adversely affect the objectives of the Company. Impact of risks could either be monetary that is impact on business profits due to increase in costs, decreasing revenue amongst others or non-monetary which is delay in securing regulatory approvals, reputational damage etc. The Company is susceptible to risks arising out of our business strategy, succession planning and decision on innovation or product portfolio. If there is any significant unfavorable shift in industry trend or pattern of demand, our returns on investments might get affected. We have risks associated with clients' and prospective clients' dispositions.

Any delays due to changes in regulatory requirement, clearances or executional failures could materially affect the timing and implementation of our strategy. Further, due to higher profitability in the injectables space and price pressure in the orals because of the competition, we have seen more Companies are eyeing injectables segment as an area to grow, thus increasing some competition from India in various markets like USA. Emerging countries' currencies have become significantly devalued making our products expensive or reduced margins in the emerging countries market.

Regulators across the globe strictly monitor the pharmaceuticals manufacturing facilities. Governing laws across the globe are becoming increasingly stringent over time, with severe penalties or actions in the event of non-compliance or violations to regulatory standards. In the scenario where we or any of our suppliers fail to comply with such regulations, there could be a regulator-enforced shutdown of concerned production facilities, withdrawal of drug approvals previously granted, failure or delay in obtaining approvals for new products, prohibition on the sale or import of noncomplying products etc. Such impact would significantly affect the delivery of our objectives. Given the evolving nature and regulatory complexities relating to Injectables production, there is a continuous challenge in meeting the regulatory requirements. This might also lead to additional requirements from the regulators before granting commercialization approval. The additional requirements would not only increase our financial commitments but also shift the launch timelines, there by impacting Company strategy.

In addition to the above, other key risks relating to our current operations include human capital risk such as loss of key personnel, timely replenishment of critical vacant roles, reliance on third party sole suppliers or service providers including reliance on regional suppliers, disruption of operations from natural disasters, risk arising out of strategic projects, foreign exchange fluctuations, changing landscape of statutory regime etc.

At **BROOKS**, Risk Management is a key strategic focus for the Members of Board. All key functions of the Company are independently responsible to monitor risks associated with in their respective areas of operations such as production, supply chain, marketing, finance, accounting, treasury, legal, human resource and others areas like health, safety and environment.

Brooks Lab Operations:

Manufacturing:

The upgradation of injectables was carried out at the Baddi facility to focus on high profit international markets. All facilities and production lines are upgraded regularly to meet current cGMP, Safety, Health and Environmental Standards. Various initiatives are taken towards energy and water conservation. The Company's journey towards achieving operational excellence across functions was driven through its efforts through automation of operations & upgrading the facility to qualify for higher regulatory approvals. The Vadodara facility which has been transferred to Brooks Steriscience Limited on slump exchange basis in which Brooks Laboratories Limited will held 49% stake is also operational in full capacity. The other two projects of Ertapenem and API facility for Carbapenems are also to be set up in the Vadodara factory, which will strengthen the position of the Company globally.

Environment, Health & Safety (EHS)

Brooks is committed to comply to high standards of environment, health and safety performance and is an integral to its working. Brooks ensures that each employee strives to achieve EHS excellence.

Quality

Brooks assures a culture of compliance and follows systematic interventions to consistently meet and exceed quality standards. Brooks is committed to enhance its quality management systems to meet and exceed the current expectations of regulatory authorities such as CDSCO, US FDA, EU GMP, TGA, MCC, WHO, etc. Its state-of-the-art manufacturing facilities at Vadodara is cGMP & EU GMP compliant and Baddi is cGMP compliant in conformity with national and international standards. Brooks looks forward for implementation of robust and effective quality management systems for continuously monitoring through quality metrics and internal audits.

THREATS, RISKS AND CONCERNS for Brooks Operations:

Drug Price Control:

The Health Ministry keeps on revising the list of Drugs under price control. It is likely that the Government may bring more drugs and formulations under price control or change the mechanism of calculating the ceiling price of the drugs, which are under the ambit of the revised policy, which in turn will affect the net margins of the Company.

Generics:

The Government of India is continuously bringing in policies to shift the market towards generic products. The implementation of this process requires action by all stakeholders. This may have impact on future business strategies of the Company.

Manufacturing & Supplying Risk:

Although a major portion of the Company's finished formulations and injectables are being manufactured at in-house facilities, the Company also depends on its suppliers for sourcing of its raw materials. Any significant disruption at in-house facilities or any of its suppliers locations due to economic, political & social factors or any other event may impair the Company's ability to meet the markets demand on a timely basis. In addition, the Company's manufacturing capabilities could be impacted by quality deficiencies in the products, which its suppliers provide, leading to impact on its financial performance.

New capital investments:

The Company has earmarked all capital investments in financial year 2020-21 towards marketing of our products in domestic & international market. Company has started with own marketing team in Maharashtra, Gujarat, Rajasthan, Uttar Pradesh, chhattisgarh and Orissa and to be followed in other states in phased manner.

Company is in process of registration of its products in various countries by filing Dossiers in regulated markets and semi regulated markets to capture sales in these markets, these are procedural steps which have to be followed and these steps take its own time, but processes are being followed actively.

Currency fluctuation risks:

Foreign currency risks arise out of overseas operations and financing activities. Exchange rate volatility significantly impacts earnings and net equity because of invoicing in foreign currencies, expenditure in foreign currencies, foreign currency borrowings and translation of financial statements of overseas subsidiaries into Indian rupees. The Company has a defined foreign exchange risk management framework to manage these risks excluding translation risks.

International Taxation:

As the Company has potential tax exposure resulting from application of varying laws and interpretations, which include intercompany transactions with related parties in relation to various aspects of business. Although the Company believes its cross border transactions between affiliates are based on internationally accepted practices, tax authorities in various jurisdictions may have different views or interpretations and subsequently challenge the amount of profits taxed in their jurisdiction resulting into increase in tax liability including interest and penalties causing the tax expenses to increase.

Financial Ratios

Ratio	Unit	FY21	FY20	Change %	Reason if variance more than 25% or more
Return on NW	In %	-24%	-25%	-1.39%	
Debtors T/O ratio	In Days	45.32	81.73	-44.55%	Improvement in ratio due to separation of Vadodara Plant
Inventory T/O ratio	In Days	23.54	72.35	-67.46%	Improvement in ratio due to separation of Vadodara Plant
Interest coverage ratio*	In times	0.58	NA	100%	Positive EBITDA in FY21
Current ratio	In times	0.98	0.83	18.70%	
Debt equity ratio	In times	0.17	0.27	-37.11%	Major loan liability associated with Vadodara Plant transferred on account of slump exchange
Operating Profit Margin	In % to Sales	2%	-5%	144.95%	Better performance of Vadodara Plant
Net Profit Margin	In % to Sales	-20%	-35%	41.96%	Better performance of Vadodara Plant

*Negative EBITDA for FY20

For and on Behalf of the Board
 For **Brooks Laboratories Limited**

Sd/-
Atul Ranchal
Chairman
 (DIN: 01998361)

Place: Mumbai
 Date: 03.09.2021

Directors' Report

The Board of Directors of your Company has pleasure in presenting the 19th Annual Report on the affairs of the Company together with the Standalone and Consolidated Financials Audited Accounts of the Company for the year ended 31st March, 2021.

1. Financial Results

The Financial Results for the year are as under: -

(Rs. In lakhs)

PARTICULARS	STANDALONE		CONSOLIDATED	
	2020-21	2019-20	2020-2021	2019-2020
Turnover	7724.69	6968.85	7724.69	-
Other Income	98.79	40.63	73.55	-
Total Income	7823.48	7009.48	7798.24	-
Expenditure	7648.31	7361.06	7672.6	-
Profit before Depreciation, Interest & Tax (PBDIT)	175.17	(351.58)	125.64	-
Financial Expenses (Interest)	309.41	335.03	309.84	-
Profit before Depreciation and Tax (PBDT)	(134.24)	(686.61)	(184.2)	-
Depreciation and Amortization	709.29	664.76	714.33	-
Profit before Tax (PBT)	(843.53)	(1351.37)	(898.53)	-
Extraordinary items (Gain)	10.79	14.73	-	-
Share of Profit/(loss) of Associate	-	-	(0.80)	-
Income Tax (net of MAT Credit)	715.23	1086.23	1038.22	-
Profit after Tax	(1547.97)	(2422.87)	(1937.55)	-
Earnings per Share (in Rs.)	(6.31)	(13.84)	(7.84)	-

2. Performance of the Company

During the year, on standalone basis your Company has achieved a turnover of Rs.7724.69 lakhs as compared to Rs. 6968.85 lakh in the previous year showing an increase in turnover as compare to previous year. The Company has incurred a net Loss after tax and depreciation of Rs. 1547.97 lakhs as compared to loss of Rs. 2422.87 lakhs in the previous year.

3. Operations during the year

The company operated the Baddi plant at almost full capacity, though the production in units was more but realization per unit went down due to stiff competition resulting in lower sales in value terms. Also we have gone selective in government tenders due to delayed payment of various government agencies thus reducing our sales realization. Sales at Vadodara facility have started picking up but at low pace due to delays in approvals from regulatory agencies of different countries. With more international approvals in coming year and by the Investment of JV partner Steriscience Specialties Private Limited (vide Novation agreement dated October 16, 2020 Steriscience Private Limited assigned its duties, rights and responsibilities to Steriscience Specialties Private Limited) 'SSPL' which will be deployed to set up new project of Ertapenem and API facility for Carbapenems, we expect to have multifold increase in sales in Vadodara facility.

4. Dividends

In view of the financial constraints during the year, the Board of Directors has not recommended any dividend for this year.

5. Reserves

The Company has not transferred any amount to reserves and not withdrawn any amount from the reserves.

6. Deposits

During the financial year 2020-21, the Company has not accepted any deposits from the public within the provisions of Chapter V of the Companies Act, 2013 read with Companies (Acceptance of Deposits) Rules, 2014.

7. Joint Venture Agreement

The Company has entered into a joint venture agreement vide the Board resolution passed on July 21, 2020 with a Bengaluru based company, Steriscience Private Limited (vide Novation agreement dated October 16, 2020 Steriscience Private Limited

assigned its duties, rights and responsibilities to Steriscience Specialties Private Limited), a company whose promoters have understanding and international reach and strong track record and presence in many regulated countries. This will transform company's credibility in those territories and open up more business opportunities. It shall also enhance the manufacturing capabilities of the company with more innovative products, as a result of fresh investments and richer experience coming in from our Joint Venture partner.

8. Share Capital

The paid up equity Share capital of the company as on 31st March, 2021 was Rs. 2470.28 lakhs.

9. Change in the nature of business, if any

During the year, there was no change in the nature of business of the company.

- 10. Consolidated Financial Statement Pursuant to Section 129(3) of the Companies Act, 2013 ("Act"), the consolidated financial statements of the Company and its subsidiaries, associates and joint ventures, prepared in accordance with the relevant Accounting Standard specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014, form part of this Annual Report. Pursuant to the provisions of the said section, a statement containing the salient features of the financial statements of the Company's subsidiaries, associates and joint ventures in Form AOC-1 is given in Annexure 6 of this Annual Report. The Annual Report of the Company, containing therein its standalone and the consolidated financial statements has been placed on the website of the Company, www.brrokslabs.net.**

11. Material changes and commitments, if any, affecting the financial position of the company which have occurred between the end of the financial year of the company to which the financial statements relate and the date of the report.

They have been no material changes and commitments, affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the financial statements relate and the date of the report.

12. Details of revision of Financial Statement or the Report

There was no revision in Financial Statement or the Report in respect of any of the three preceding financial years.

13. List of all Credit Ratings

Rating Agency	Instrument Type	Rating	Remarks
CARE Rating Limited	Long Term Bank Facilities	(CARE) B (Stable)	This rating is as on March, 2021.
	Short Term Bank Facilities	(CARE) A4	

14. Changes in Directors and Key Managerial Personnel

In accordance with the provisions of Section 152 of the Companies Act, 2013, Mr. Atul Ranchal (DIN: 01998361), Whole Time Director of the Company retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment.

Mr. Suresh Garg, Whole time Director designated as a Technical Director of the Company resigned from the Board w.e.f September 3, 2021 and Mr. Manpreet Singh Naroo and Mrs. Kaushalya Singh has been appointed as an additional Director of the Company w.e.f September 3, 2021.

15. Statement on declaration given by the Independent Directors

As required under Section 149 (7) of the Companies Act, 2013, all the Independent Directors have given their respective declarations that they meet the criteria of independence as specified in Section 149 (6) of the Companies Act, 2013.

The Independent Directors have complied with the Code of Conduct for Independent Directors as prescribed in Schedule IV of the Companies Act, 2013. They have also given the affirmation for complying the Code of Conduct as formulated by the Company for Directors and Senior Management personnel.

16. Details of significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future

There is no significant and material order passed by the regulators or courts or tribunals during the financial year 2020-21 that impacts the going concern status and company's operations in future.

17. Details of Subsidiary/Joint Ventures/Associate Companies

During the year under review,

- 1) Brooks Steriscience Limited is incorporated on 04.09.2020 as a wholly owned subsidiary of the Company.
- 2) The Company acquired 44.33% shares in SteriBrooks Penems Pvt. Ltd. on 29th September, 2020. Hence, SteriBrooks Penems Pvt. Ltd. becomes the associate company of Brooks Laboratories Limited.

18. Corporate Governance Report and Management Discussion & Analysis

Your Company is committed to good corporate governance practices. The Report on Corporate Governance is given in **Annexure 1** and Management Discussion & Analysis provided above, as stipulated in Regulation 34 of listing Regulations forms part of this Director's Report.

19. Corporate Social Responsibility

The Company has constituted a Corporate Social Responsibility Committee in accordance with Section 135 of the Companies Act, 2013 and rules framed thereunder.

A report on the CSR activities in the prescribed format as set out in Annexure to the Companies (Social Responsibility Policy) Rules, 2014, is given in **Annexure 2** to this Directors' Report. The Policy is disclosed on the Company's website: www.brookslabs.net.

20. Human Resources

Harmonious employees' relations prevailed throughout the year. Your Directors place on record their appreciation to all employees for their hard work and dedication.

21. Number of Meetings of the Board

The details of the number of meetings of the Board and other Committees are given in the Corporate Governance Report in Annexure 1 which forms a part of this Annual Report.

22. Composition of Committees

The details pertaining to composition of Committees are included in the Corporate Governance Report in Annexure 1, which forms part of this Annual Report.

23. Recommendations of Audit Committee

All the recommendations of Audit Committee were accepted by the Board of Directors.

24. Vigil Mechanism

Pursuant to the requirements of the Companies Act, 2013, the Company has established Vigil mechanism/Whistle Blower Policy for directors and employees to report genuine concerns about unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct or ethics policy. The vigil mechanism provides for adequate safeguards against victimization of persons who use such mechanism and make provision for direct access to the Chairman of the Audit Committee in appropriate or exceptional cases. The Policy is disclosed on the Company's website: www.brookslabs.net.

25. Directors' Responsibility Statement

Pursuant to Section 134(5) of the Companies Act, 2013, the Directors confirm that:

- a. in the preparation of the annual accounts for the year ended 31st March, 2021, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- b. the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2021 and of the profit of the Company for that period;
- c. the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- d. the Directors had prepared the annual accounts on a going concern basis;
- e. the Directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively;
- f. the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

26. Internal Financial Controls related to financial statement

The Company has in place adequate internal financial controls related to financial statement. During the year, such controls were tested and no reportable material weaknesses in the design or operation were observed.

27. Fraud Reported by Auditor

There is no fraud reported by the Auditor.

28. Extract of Annual Return

Pursuant to Section 134(3)(a) of the Companies Act, 2013, an extract of Annual Return in the prescribed Form MGT 9 is given as Annexure 9 to this Directors' Report. The Directors' Report as a part of Annual Report is placed on the Company's website: www.brookslabs.net.

29. Statutory Auditors

M/s. SGCO & Co. LLP, Chartered Accountants, Mumbai, were re-appointed as the Statutory Auditors of the Company for a second term of 5(five) consecutive years at the 17th Annual General meeting held on 25th September, 2019 to hold office from the conclusion of 17th Annual General Meeting of the Company till the conclusion of 22nd Annual General Meeting of the Company.

The Report given by the Statutory Auditors on the financial statement of the Company is part of the Annual Report. There has been no qualification, reservation, adverse remark or disclaimer given by the auditors in their Report.

30. Cost Auditors

Pursuant to the provisions of section 148(3) of the Companies Act, 2013, the Board has appointed M/s. Balwinder Singh & Associates (Firm Reg. No. 000201), Cost Accountants, F-125, Phase VIII B, Industrial Area, Mohali- 160071, as the Cost Auditors of the Company to conduct an audit of the cost records of bulk drugs and formulations, maintained by the Company for the financial year ending 31st March, 2022. The Board has approved the remuneration payable to the Cost Auditors subject to ratification of the Members at the forthcoming Annual General Meeting.

The Cost Audit Reports would be submitted to the Central Government within the prescribed time.

31. Secretarial Audit

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, your Company engaged the services of M/s. Sharma Sarin and Associates, Company Secretaries in practice, Chandigarh, to conduct the Secretarial Audit of the Company for the financial year ended 31st March, 2021.

The Secretarial Audit Report (Form MR-3) is given as Annexure 3 to this Directors' Report. The said Report contains remarks/ observations as mentioned below

1. Minutes of Wholly Owned Subsidiary Regulation No. Regulation 24(3) of SEBI (LODR) 2015 is not taken up in following Board Meetings of Brooks Laboratories Limited- Company has taken up the Minutes of Subsidiary Company in its Board Meeting held on 12.04.2021.

Management Reply- Company has taken up the Minutes of Subsidiary Company in its Board Meeting held on 12.04.2021.

2. 2nd Quarter Unaudited Financial Statements (Standalone) Regulation No. 33 (3) A of SEBI (LODR) 2015 were filed after due date of 45 Days from end of Quarter i.e. 14-11-2020. Date of filing 02-12-2020- Unaudited Financial Statements (Standalone) for the 2nd Quarter Of Financial Year 2020-21 is filed after the due date provided in SEBI LODR, 2015.

Management Reply- Company inadvertently failed to file the 2nd quarter standalone full results with Stock exchanges within time period, whereas the Company filed the pdf file of Standalone and Consolidated 2nd quarterly results within 30 minutes of conclusion of Board Meeting (within prescribed time limit) as an outcome of Board Meeting under Regulation 30 of SEBI (LODR), 2015 and Consolidated full results within 24 hours of conclusion of Board Meeting.

Further, the Company filed Standalone 2nd quarterly full results with Stock Exchanges on 02-12-2020.

3. Payment Of Annual Listing Fees For Financial Year 2021-22 under Regulation 14 of SEBI (LODR) 2015, Last Date of Payment was 30/04/2021- Same Has Been Paid Before Signing of the Annual Compliance report.

Management Reply- Annual Listing Fees for financial year 2021-22 of Bombay Stock Exchange and National Stock Exchange was paid on 29.06.2021.

- 32. Secretarial Audit of Material Unlisted Subsidiary-** Pursuant to Regulation 24A of SEBI(LODR), Regulations, 2015 Secretarial Audit Report of Material Unlisted Subsidiary to be annexed with the Annual Report of the Company. Brooks Steriscience Limited, material unlisted subsidiary of the Company engaged the services of M/s. Sharma Sarin and Associates, Company Secretaries in practice, Chandigarh, to conduct the Secretarial Audit of the Company for the financial year ended 31st March, 2021.

The Secretarial Audit Report (Form MR-3) is given as Annexure 4 to this Directors' Report. The Secretarial Audit Report does not contain any qualifications, reservation or adverse remarks

33. Particulars of Loans, Guarantees or Investments

Details of Investments covered under the provisions of Section 186 of the Companies Act, 2013 is given in the Note No. 4 of the Notes to the Standalone Financial Statement.

The Company has given Corporate Guarantee of Rs. 19.39 crores in favour of Brooks Steriscience Limited under the provisions of Section 186 of the Companies Act, 2013.

34. Contracts and arrangements with Related Parties

All transactions of the Company with Related Parties are in the ordinary course of business and at arm's length. Information about the transactions with Related Parties is presented in Note No. 36(b) in Notes to the Accounts.

Form AOC – 2 pursuant to the provisions of Section 134 (3) (h) of the Companies Act, 2013, read with Rule 8 (2) of the Companies (Accounts) Rules, 2014 is given as **Annexure 7** to this Directors' Report.

35. Risk Management Policy

The Company does not have any Risk Management Committee due to the non-applicability of the provisions of Regulation 21 of the Listing Regulations, whereas the Company has Risk Management Plan. Business Continuity Plans are periodically reviewed and tested to enhance their relevance. The Risk Management Framework covering business, operational and financial risk is being continuously reviewed by the Audit Committee. At present, in the opinion of the Board of Directors, there are no risks which may threaten the existence of the Company.

36. Disclosure pursuant to Section 197 of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

The information required pursuant to Section 197 of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is given in Annexure 7 to this Directors' Report.

The Statement pursuant to Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is not applicable to the Company for the financial year 2020-21.

37. Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo

The Statement of conservation of energy, technology absorption, foreign exchange earnings and outgo, as required prescribed in Rule 8(3) of the Companies (Accounts) Rules, 2014 is given in Annexure 5 to this Directors' Report.

38. Policy on appointment and remuneration of Directors

The Nomination and Remuneration Committee of the Company has recommended to the Board a Policy relating to the remuneration for Directors, Key Managerial Personnel and other employees including the criteria for determining the qualification, positive attributes and independence of a Director, as required under Section 178(1) of the Companies Act, 2013 which was adopted by the Board. A brief detail of the policy is given in the Corporate Governance Report in Annexure 1 which forms a part of this Annual Report. The Policy is disclosed on the Company's website: www.brookslabs.net.

39. Evaluation of Performance of Board, its Committees and Individual directors

During the year, a meeting of the Independent Directors was held to review the performance of the non-independent Directors and the Board as a whole and the Chairman on the parameters of effectiveness and to assess the quality, quantity and timeliness of the flow of information between the Management and the Board. Mr. Deepak Mahajan was appointed as the Lead Director to oversee the evaluation process at the meeting of the Independent Directors.

40. Compliance with Secretarial Standards

The Company has complied the applicable Secretarial Standards as listed below-

- a. SS-1 on Meetings of the Board of Directors
- b. SS-2 on General Meeting
- c. SS-3 on Dividend(Company has not declared any Dividend since 2012)
- d. SS-4 on Report of the Board of Directors

41. Corporate Insolvency Resolution Process initiated under the Insolvency and Bankruptcy Code, 2016 (IBC)

There is no such application filed for corporate insolvency resolution process, by a financial or operational creditor or by the company itself under the IBC before the NCLT.

42. Failure to implement any Corporate Action

The Company has not failed to complete or implement any corporate action within the specified time limit.

43. Sexual Harassment of Women at the Workplace(Prevention, Prohibition and Redressal) Act, 2013

The Internal Complaint Committee under the Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013 has been formed.

There is nil case filed and disposed as required under the Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013.

44. Listing With Stock Exchanges Your Company is presently listed with BSE Limited (BSE) and National Stock Exchange of India Limited (NSE). The details of trading, listing fees etc. are given in the Corporate Governance Report.**45. Acknowledgement**

Your Directors are pleased to place on record their sincere gratitude to the Central Government, State Government(s), Financial Institutions, Bankers and Business Constituents for their continuous and valuable co-operation and support to the Company. They also take this opportunity to express their deep appreciation for the devoted and sincere services rendered by the employees at all levels of the operations of the Company during the year.

For and on Behalf of the Board
For **Brooks Laboratories Limited**

Sd/-
Atul Ranchal
Chairman
(DIN: 01998361)

Place: Mumbai
Date: 03.09.2021

Annexure 1

CORPORATE GOVERNANCE REPORT

1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

The company's Corporate Governance system is based on certain key principles, including fairness and integrity, transparency and disclosure, accountability, equal treatment of all shareholders, and social responsibility. Corporate Governance extends beyond corporate laws. Its fundamental objective is not the mere fulfillment of the requirements of the law, but also the institution of, and adherence to, systems and procedures ensuring commitment of the Board in transparently managing a company for the maximization of long-term shareholder value.

Your Company is committed to adopting the best practices of Corporate Governance. The company has adopted an appropriate Corporate Governance framework to ensure timely and accurate disclosure of all material matters, including financial position, performance, ownership, and governance. Its endeavor has always been to maximize the long-term value to the shareholders of the Company.

2. BOARD OF DIRECTORS

- Composition of Board, Category of Directors, and their other Directorships/Committee positions.**

The Board is represented by senior and eminent professionals. The Board consists of seven Directors, of whom Four are Executive and three are Non-Executive Independent Directors including one Woman Director. Thus, the composition of the Board complies with the statutory requirements in this regard. The Chairman and the Executive Directors are liable to retire by rotation. The Day-to-day management of the Company, under the superintendence and control of the Board, is vested with the Managing Director, who is supported by a competent Management Team. Thus, the Company is committed to good corporate governance, based on an effective independent Board, the separation of supervisory role from executive management, and the constitution of committees to oversee critical areas.

There is no relationship between the Directors inter se.

The composition of Board, as on date, and the Directorship/Committee positions of the Directors in other companies are as follows:

Name	Category and Designation	Other Directorships	Other Committee Memberships
Atul Ranchal	Chairman / Executive Promoter Director	2	NIL
Rajesh Mahajan	Managing Director / Executive Promoter Director	1	NIL
Mrs. Kaushalya Singh*	Director	NIL	NIL
Mr. Manpreet Singh Naroo**	Director	NIL	NIL
Suresh Garg***	Executive Director/Technical Director	NIL	NIL
Rajnish Kumar Bedi	Independent Director	1	NIL
Deepak Mahajan	Independent Director	NIL	NIL
Sonia Gupta	Independent Director	NIL	NIL

* Mrs. Kaushalya Singh appointed as an Additional Director on 03.09.2021

** Mr. Manpreet Singh Naroo appointed as an Additional Director on 03.09.2021

***Mr. Suresh Garg resigned on 03.09.2021

- Attendance of each Director at the Board Meeting and the last Annual General Meeting**

During the financial year 2020-21, 8(Eight) Board Meetings were held, that is on 11th April 2020, 21st July 2020, 30th July 2020, 3rd September 2020, 15th September 2020, 12th November 2020, 11th February 2021, and 22nd March 2021. The gap between any two Board Meetings did not exceed 120 days. The Annual General Meeting was held on 28th September 2020. The details of the attendance of the Directors at these meetings are as follows:

Name	Board Meetings attended during the year	Whether last AGM attended
Atul Ranchal	8	YES
Rajesh Mahajan	7	YES
Mr. Suresh Garg	8	YES

Name	Board Meetings attended during the year	Whether last AGM attended
Rajnish Kumar Bedi	7	YES
Deepak Mahajan	7	YES
Sonia Gupta	5	NO

• **Conduct of Board Meetings**

The Board meets at least once in a calendar quarter to, inter alia, review the quarterly financial results, the strategic business plan, and the annual budget. The annual calendar of meetings is tentatively agreed upon at the beginning of each year. Additionally, meetings are convened to transact special business, as and when necessary.

Details of skills/expertise/ competence of the Board of Directors:

Name	Category	Skills/Expertise/Competence
Mr. Atul Ranchal	Promoter and Executive	He has 26 years of rich experience in the pharmaceutical industry. He focuses on strategy and plans, identification of key areas for growth.
Mr. Rajesh Mahajan	Promoter and Executive	He has 21 years of experience in the pharmaceutical industry. He looks after research and development, new product development, and total quality management.
Mrs. Kaushalya Singh	Director	She has 21 years of experience in the Purchase and administration of the pharma industry.
Mr. Manpreet Singh Naroo	Director	He has 28 years of experience in manufacturing technology and he oversees production planning and provides guidance in effective utilization of capacities.
Mr. Rajnish Kumar Bedi	Non-Executive and Independent	He has experience in the Banking sector and expertise in Financial management and strategy.
Mr. Deepak Mahajan	Non-Executive and Independent	He has rich experience in overall management, organisation, etc
Mrs. Sonia Gupta	Non-Executive and Independent	She has good experience in Administration.

The Independent Directors fulfill the conditions specified in the Listing Regulations and are independent of the management.

3. **COMMITTEES**

As mandated by SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, (hereinafter referred to as Listing Regulations) the Company has constituted an Audit Committee, a Nomination and Remuneration Committee, and a Stakeholders' Relationship Committee. The Company Secretary of the Company acts as the Secretary to these Committees. The Minutes of each of the Committee Meetings are placed before the Board for noting /discussions.

AUDIT COMMITTEE

The Audit Committee (the Committee) monitors and provides effective supervision of the Management's financial reporting process to ensure accurate, timely, and proper disclosures and the transparency, integrity, and quality of financial reporting.

i. **Terms of reference:**

The terms of reference of the Audit Committee are in accordance with those specified in Regulation 18 of Listing Regulations and Section 177 of the Companies Act, 2013.

ii. **Composition**

The Audit Committee comprises of three Directors as members, out of which two are Non-executive Independent Directors as given below:

Name	Designation	Category
Rajnish Kumar Bedi	Chairman	Independent Director
Rajesh Mahajan	Member	Executive Director
Deepak Mahajan	Member	Independent Director

iii. Meetings and Attendance

During the financial year 2020-21, the Audit Committee met seven times i.e. on 21st July 2020, 30th July 2020, 1st September 2020, 15th September 2020, 23rd October 2020, 12th November 2020, and 11th February 2021. The gap between the Meetings held on 14.02.2020 and 21.07.2020 was exceeded 120 days but pursuant to SEBI circular no. SEBI/HO/CFD/CMD1/CIR/P/2020/38 dated 19.03.2020 relaxation was received for the maximum time gap between two Board and Audit Committee Meetings due to COVID-19 Pandemic. The Chairman of the Audit Committee was present at the Annual General Meeting held on 28th September 2020. The detail of attendance of Members at these meeting was as follows:

Name	Attendance at the Meetings
Rajnish Kumar Bedi	7
Rajesh Mahajan	7
Deepak Mahajan	5

NOMINATION & REMUNERATION COMMITTEE

The Nomination and Remuneration Committee ensures that the Company's remuneration policy is aligned with the Board's vision, values, and overall business objectives and is appropriately designed to motivate the Executive Directors, Key Management Personnel, and the Senior Management to pursue long term growth and success of the Company.

i. Terms of Reference:

The terms of reference of the Nomination and Remuneration Committee are under those specified in Regulation 19 of Listing Regulations and Section 178 of the Companies Act, 2013.

ii. Composition

The Nomination and Remuneration Committee comprises of three Non-executive Independent Directors in compliance with the applicable statutory requirements, as given below:

Name	Designation	Category
Rajnish Kumar Bedi	Chairman	Independent Director
Deepak Mahajan	Member	Independent Director
Sonia Gupta	Member	Independent Director

iii. Meetings & Attendance

During the financial year 2020-21, the Nomination and Remuneration Committee met three times i.e. on 20th July 2020, 3rd September 2020 & 8th February 2021. The detail of attendance of Members at these meeting was as follows:

Name	Attendance at the Meetings
Rajnish Kumar Bedi	3
Deepak Mahajan	3
Sonia Gupta	3

iv. Remuneration Policy

The Nomination and Remuneration Policy of the Company is performance-driven and is structured to motivate directors and employees, recognize their merits and achievements, and promote excellence in their performance.

For Whole-time/Executive Directors

The remuneration paid to Whole-time/ Executive Directors is recommended by the Nomination and Remuneration Committee and approved by the Board of Directors, subject to the subsequent approval by the shareholders and if required, of the Central Government. The Remuneration paid to Whole-time/ Executive Directors is as follows:

(Rs. In lakhs)

Name	Designation	Remuneration	Sitting Fees
Mr. Atul Ranchal	Chairman cum Whole-Time Director	96.00	1.40
Mr. Rajesh Mahajan	Managing Director	96.00	1.60
Mr. Suresh Garg	Technical Director	18.05	1.00

Notice Period-The Notice Period for the Whole-time/ Executive Directors is 90 days

For Non-Executive/Independent Directors

The Remuneration paid to the Non-executive/ Independent Directors for the financial year 2020-21 is as follows:

Name	Designation	Sitting Fees for the year (in Rs.)
Mr. Rajnish Kumar Bedi	Independent Director	1,40,000
Mr. Deepak Mahajan	Independent Director	1,40,000
Mr. Sonia Gupta	Independent Director	1,00,000

Sitting fees paid to Non-Executive Directors including independent & women directors are not less than Executive Directors.

None of the Non-Executive/Independent Directors has any other pecuniary interest in the Company.

Mr. Deepak Mahajan, Non-Executive Independent Director, holds 785 shares in the Company as of 31st March 2021. None of the other Non-executive Independent Directors holds any shares in the Company.

v. PERFORMANCE EVALUATION OF BOARD

In terms of the provisions of the Companies Act, 2013 and Schedule II part D of the Listing Obligations & Disclosures Regulations, 2015, the Board has carried out the annual performance evaluation of its own including the various Committee and the individual Directors with a detailed questionnaire covering various aspects of Board's functioning like the composition of Board and its Committees, Board culture, performance of specific duties and obligations.

A similar process with a separate exercise was carried out to evaluate the performance of the Independent Directors, who were evaluated on parameters such as the independence of judgment, level of engagement, their contribution, and safeguarding the interests of the Company.

STAKEHOLDERS RELATIONSHIP COMMITTEE

The Stakeholder Relationship Committee considers and resolves the grievances of the security holders of the company including complaints related to transfer of shares, non-receipt of Annual Report, and other such issues.

i. Terms of Reference:

The terms of reference of the Stakeholder Relationship Committee are in accordance with those specified in Regulation 20 of Listing Regulations and Section 178 of the Companies Act, 2013.

ii. Composition:

The Stakeholders Relationship Committee comprises of three Directors as members, out of which two are Non-executive Independent Directors as given below:

Name	Designation	Category
Rajnish Kumar Bedi	Chairman	Independent Director
Rajesh Mahajan	Member	Executive Director
Deepak Mahajan	Member	Independent Director

iii. Meetings & Attendance

During the financial year 2020-21, the Stakeholders Relationship Committee met on 20th January 2021. The detail of attendance of Members at these meeting was as follows:

Name	Attendance at the Meetings
Rajnish Kumar Bedi	1
Rajesh Mahajan	1
Deepak Mahajan	1

iv. Name and Designation of Compliance Officer

Mrs. Jyoti Sancheti is the Company Secretary cum Compliance Officer of the Company as required under Regulation 6 of Listing Regulations.

v. Complaints

During the financial year 2020-21, there was only one complaint received through SCORES in the 1st quarter of the financial year 2020-21 and which has been resolved in the same quarter. Apart, from this, no complaints were received from shareholders, which was resolved and, no complaints were pending as of 31st March 2021.

INDEPENDENT DIRECTORS MEETING

Regulation 25 of the Listing Regulations and Section 149 read with Schedule IV of Companies Act, 2013 mandates that the Independent Directors of the Company shall hold at least one meeting in a year, without the presence of Non-Independent Directors and members of the management and requires all the Independent Directors to be present at such meeting. Our Company recognises the crucial role that the Independent Directors play in ensuring an efficient and transparent work environment, hence all the Independent Directors of the Company separately met once during the FY 2020-2021 without the presence of any of Non-Independent Directors and/or any of the members of the management on 8th Feb 2021.

FAMILIARISATION PROGRAMME OF INDEPENDENT DIRECTORS

The Company keeps its Directors informed of the activities of the Company, its management, and operations and provides an overall industry perspective as well as issues being faced by the industry proactively. The detail of familiarization programs provided to the Independent Directors of the Company is available on the Company's website www.brookslabs.net.

4. GENERAL BODY MEETINGS
i. Location and time of the last three Annual General Meetings

Date	Time	Venue	Special Resolutions, if any
28 th September 2020	9:00 a.m.	Meeting held through VC/OAVM as per MCA circular no. 14/2020 dated April 8, 2020, MCA circular no. 17/2020 dated April 13, 2020, and MCA circular no. 20/2020 dated May 05, 2020.	6
25 th September, 2019	9:00 a.m.	Hotel Gianz, Baddi-Nalagarh Highway, NH-21A, Baddi, Distt. Solan, Himachal Pradesh	Nil
10 th August 2018	9:00 a.m.	Hotel Gianz, Baddi-Nalagarh Highway, NH-21A, Baddi, Distt. Solan, Himachal Pradesh	3

ii. Special Resolution through Postal Ballot

During the year no special Resolution was passed through Postal Ballot.

5. Disclosures
i. Related Party Transactions

During the financial year, 2020-21 Company does not have any related party transactions that may have potential conflict with the interests of the Company at large. All related party transactions are in the ordinary course of business and on an arms-length basis. Further details of related party transactions are presented in Note No. 35(b) in Notes to the Accounts. The Company has formulated a policy on the materiality of related party transactions and disclosed the same on the website of the Company www.brookslabs.net.

ii. Accounting treatment

The financial statements of the Company have been prepared to comply in all material respects with the Indian Accounting Standards ("Ind AS") notified under the Companies (Accounting Standards) Rules, 2015.

iii. Management

The Management Discussion and Analysis, as required under Regulation 34 of Listing Regulations, is given in Annexure-2 to the Directors' Report which forms a part of this Annual Report.

iv. CEO / CFO Certification

The Chief Executive Officer and the Chief Financial Officer of the Company have certified to the Board concerning the financial statements and other matters as required by Regulation 17 of Listing Regulations. The Certificate forms a part of this Annual Report.

v. Code of Conduct for Prevention of Insider Trading

The Company has adopted a Code of Conduct to regulate, monitor, and report trading by insiders and a code of practices and procedures for fair disclosures of unpublished price sensitive information in terms of Regulations 8(1), 9(1), and 9(2) of SEBI (Prohibition of Insider Trading) Regulations, 2015. All the Directors, employees at the senior management level, and other employees who could have access to unpublished price-sensitive information of the Company are governed by this code.

vi. Code of Conduct

The Company has adopted a Code of Conduct for members of the Board and senior management personnel as required under Regulation 26 of Listing Regulations. The said Code has been communicated to all the Directors and Members of the Senior Management. The Code is posted on the Company's website www.brookslabs.net

vii. Whistle Blower Policy

The Company believes in conducting its affairs fairly and transparently by adopting the highest standards of professionalism, honesty, integrity, and ethical behavior. Accordingly, a Whistle Blower Policy ("Policy") has been formulated where employees can voice their genuine concerns about any unethical or unacceptable business practice or any event of misconduct. It provides a mechanism for the employees of the Company to approach the Ethics Officer or the Chairman of the Audit Committee. The Company ensures that genuine Whistle Blowers are accorded complete protection from any kind of unfair treatment.

The Policy is posted on the website of the Company www.brookslabs.net.

No person has been denied access to the Audit Committee.

viii. The Company has complied with all the mandatory requirements of Corporate Governance and the Company has also adopted non-mandatory requirements of Corporate Governance during the financial year 2020-21 as shown below:

- **Chairman:** The Chairman of the Company is the executive chairman.

Shareholder Rights: Though the half-yearly results are not sent to the Shareholders individually, all the results are promptly uploaded on the Company's website www.brookslabs.net

Audit qualifications: The audit report is unmodified opinion.

Separate posts of Chairman and CEO: The post of Chairman is separate from that of Managing Director in the Company.

Reporting of Internal Auditor: The Internal Auditor of the Company has independent direct access to the Audit Committee.

6. MEANS OF COMMUNICATION

i. **Quarterly Results:** The quarterly, half-yearly financial results along with Statement of Assets and Liabilities and annual audited financial results of the Company have been sent to the Stock Exchange immediately after they are approved by the Board of Directors.

ii. **Newspaper:** The Company publishes the statement of financial results (quarterly/half yearly/annual) in prominent English and Hindi newspapers like Financial Express and Jansatta.

iii. **Website:** The financial results are also simultaneously posted on the Company's website www.brookslabs.net.

iv. Any official news relating to investor's information is released to the Stock Exchanges and also available on the website of the Company.

7. Certificate from a company secretary in practice that none of the directors on the board of the Company have been debarred or disqualified from being appointed or continuing as directors of the Company by the Board/Ministry of Corporate Affairs or any such statutory authority has been annexed as Annexure 'B' to the Corporate Governance Report.

8. Total fees for all services paid by the listed entity to the statutory auditor and all entities in the network firm/ network entity of which the statutory auditor is a part was Rs. 13,24,700/- (Rupees Thirteen Lakh Twenty Four Thousand and Seven Hundred only), during the financial year 2020-21.

9. Recommendations of Committees

All the recommendations of the Committees were accepted by the Board of Directors.

10. Sexual Harassment of Women at the Workplace(Prevention, Prohibition and Redressal) Act, 2013

The Internal Complaint Committee under the Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013 has been formed.

There is nil case filed and disposed of as required under the Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013.

11. GENERAL SHAREHOLDERS INFORMATION
(i) Annual General Meeting Information:

Day and Date	:	Wednesday, 29 th September 2021
Time	:	9:00 a.m.
Venue	:	Annual General Meeting through Video conferencing/Other Audio-Visual Means facilities
Book Closure	:	23 rd September 2021 to 29 th September 2021 (both days inclusive)

(ii) Financial year (tentative)

The Company expects to announce the financial results for the financial year 2021-22, as per the following schedule:

1 st quarter ending 30 th June 2021	:	on or before 14 th August, 2021
2 nd quarter ending 30 th September, 2021	:	on or before 14 th November, 2021
3 rd quarter ending 31 st December, 2021	:	on or before 14 th February, 2022
4 th quarter and financial year ending 31 st March, 2022	:	on or before 30 th May, 2022
20 th Annual General Meeting	:	on or before 30 th September, 2022

(iii) Stock Exchange Information:

The Company's Shares are listed on the following Stock Exchanges, having nation-wide trading terminals:

Stock Exchange	Stock Code
BSE Limited (BSE)	533543
National Stock Exchange of India Limited (NSE)	BROOKS

The Listing Fee for the financial year 2021-2022 has been paid to both the above Stock Exchanges.

(iv) Market Price Data (high, low during each month in the financial year 2020-21):

Month	BSE				NSE			
	Price in		S&P BSE SENSEX		Price in		NIFTY 50	
	High	Low	High	Low	High	Low	High	Low
Apr-20	35.05	16	33887.25	27500.79	35.15	15.5	9889.05	8055.8
May-20	40.3	24.5	32845.48	29968.45	39.9	25.75	9598.85	8806.75
Jun-20	34.95	27.25	35706.55	32348.1	34.75	26.40	10553.15	9544.35
Jul-20	37.95	28	38617.03	34927.2	36.75	27.55	11341.4	10299.6
Aug-20	45.4	31	40010.17	36911.23	45.4	31.50	11794.25	10882.25
Sep-20	72.25	37	39359.51	36495.98	72	36.1	11618.1	10790.2
Oct-20	71.85	50.1	41048.05	38410.2	71.65	50	12025.45	11347.05
Nov-20	67.1	47.65	44825.37	39334.92	67.05	47.80	13145.85	11557.4
Dec-20	75.05	59.75	47896.97	44118.1	75.3	59.85	14024.85	12962.8
Jan-21	77.7	60.4	50184.01	46160.46	77.75	60.45	14753.55	13596.75
Feb-21	68.65	54	52516.76	46433.65	68.65	54.2	15431.75	13661.75
Mar-21	62.15	49.95	51821.84	48236.35	61.45	49.8	15336.3	14264.4

(v) Registrars and Share Transfer Agents

Link Intime India Private Limited
 C-101, 247 Park, LBS Marg,
 Vikhroli West, Mumbai-400083
 Tel: 022- 49186000, Fax: 022- 49186060
 Email: rnt.helpdesk@linkintime.co.in
 Contact person: Mr. Mahesh Masurkar
 (Team Leader- Investor Relation Registry)

(vi) Share Transfer System

Effective from April 1, 2019, SEBI has mandated that shares can be transferred only in Demat. Hence no transfer of shares in physical form can be lodged by the shareholders.

(vii) Shareholding Pattern as of 31st March 2021

Category	No. of Shares	% of Shareholding
1. Promoter and Promoter Group	16406249	66.41
2. Bodies Corporate	761100	3.08
3. Resident Individuals and Non Individuals	7407470	29.99
4. Non-resident and FII's	127993	0.52
Total	24702812	100.00

(viii) Distribution of Shareholding as of 31st March 2021

Number of Shares		Shareholders		No. of Shares	
From	To	Number	% of Total	Number	% of Total
1	500	9138	83.6966	1228426	4.9728
501	1000	875	8.0143	724792	2.9340
1001	2000	413	3.7827	635444	2.5724
2001	3000	147	1.3464	377406	1.5278
3001	4000	58	0.5312	201462	0.8155
4001	5000	61	0.5587	292538	1.1842
5001	10000	105	0.9617	773211	3.1301
10001	and above	121	1.1083	20469533	82.8632
TOTAL		10918	100.00	24702812	100.00

(ix) Dematerialization of Shares

As of 31st March 2021, 99.99% of the total Equity Share Capital was held in dematerialized form. Only 2000 shares were held in physical form.

(x) Outstanding GDR/ADR/warrants or any convertible instruments, conversion date, and likely impact on Equity

The Company has not issued any GDR/ADR and there are no outstanding warrants or any convertible instruments.

(xi) Commodity Price Risk or Foreign Exchange risk and hedging activities

The Company has no significant Commodity price risk or Foreign exchange risk. The Company has not undertaken any hedging activities for commodity price risk and foreign exchange risk.

(xii) Plant locations

Village Kishanpura, Nalagarh Road, Baddi, Distt. Solan, Himachal Pradesh-174101

(xiii) Address for correspondence**Registered Office and Works:**

Village Kishanpura
Nalagarh Road
Baddi, Distt. Solan
Himachal Pradesh-174101
Tel: 01795-236939
E-mail: investors@brookslabs.net
Website: www.brookslabs.net

Corporate Office:

201, The Summit Business Park
Behind Guru Nanak Petrol Pump,
Off. Andheri Kurla Road, Andheri (E),
Mumbai – 400 093
Tel: 022 69073100

(xiv) List of all Credit Ratings

Rating Agency	Instrument Type	Rating	Remarks
CARE Rating Limited	Long Term Bank Facilities	(CARE) B (Stable)	This rating is as of March 2021.
	Short Term Bank Facilities	(CARE) A4	

(xv) Disclosures concerning Demat suspense account/unclaimed suspense account

No shares lying in Demat suspense account/unclaimed suspense account

DECLARATION**(As required under Regulation 34 of Listing Regulations)**

As required under Regulation 34 of Listing Regulations with the Stock Exchanges, the Board Members and the Senior Management personnel of the Company have affirmed compliance with the Code of Conduct of the Company for the financial year ended 31st March 2021.

For **Brooks Laboratories Limited**

Sd/-

Rajesh Mahajan
Managing Director
(DIN: 02000634)Place: Mumbai
Date: 03.09.2021**AUDITOR'S CERTIFICATE ON COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE UNDER REGULATION 34 OF LISTING REGULATIONS**

To,

The Members
Brooks Laboratories Limited

We have examined the compliance of Corporate Governance by Brooks Laboratories Limited for the year ended 31st March 2021, as stipulated in the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 of the said Company with Stock Exchange. The compliance of conditions of the Corporate Governance is the responsibility of the Management. Our examination has been limited to the review of the procedures and implementations thereof adopted by the Company for ensuring compliance with the conditions of the certificate of Corporate Governance as stipulated in the said clause. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us and the representations made by the Directors and the management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.

As required by the guidance note issued by the Institute of Chartered Accountants of India, we have to state that no investor complaint is pending for a period exceeding one month as of 31st March 2021 against the Company, as per records maintained by the Investor Grievance Committee of the Company.

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

For **Sharma Sarin & Associates**
Company Secretaries

Sd/-

P.D. SHARMA
Partner

C.P.No. 2692

UDIN: F002285C000883231Place : Chandigarh
Date: 03/09/2021

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

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

TO,

**THE MEMBERS OF
BROOKS LABORATORIES LIMITED
VILLAGE KISHANPURA NALA
GARH ROAD, BADDI NALAGARH
HP 174101 IN**

I have examined the relevant registers, records, forms, returns, and disclosures received from the Directors of **Brooks Laboratories Limited** having CIN L24232HP2002PLC000267 and having registered office at VILLAGE KISHANPURA NALAGARH ROAD, BADDI NALAGARH HP 174101 IN (hereinafter referred to as 'the Company'), produced before me by the Company to issue this Certificate, under 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 31st March 2021 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, any such other Statutory Authority.

Sr. No.	Name of Director	DIN	Date of appointment in Company
1	ATUL RANCHAL	01998361	01.04.2006
2	RAJESH MAHAJAN	02000634	01.04.2006
3	RAJNISH KUMAR BEDI	05287369	23.05.2012
4.	DEEPAK MAHAJAN	06702389	28.09.2013
5.	SONIA GUPTA	06998420	29.09.2014
6.	SURESH GARG	08544308	26.08.2019

Ensuring the eligibility for the appointment/continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For Sharma Sarin & Associates

sd/-

**P. D. Sharma
Partner****FCS 2285, CP No. 2692
UDIN: F002285C000883319**Place: Chandigarh
Date : 02.09.2021

MD/CFO CERTIFICATION**(As required under Regulation 17(8) of the Listing Regulations)**

To,

The Board of Directors
Brooks Laboratories Limited

We, Rajesh Mahajan, Managing Director and Prashant Rathi, Chief Financial Officer of the Brooks Laboratories Limited ("the Company"), hereby certify that:

- (a) We have reviewed financial statements and the cash flow statement for the year ended 31st March, 2021 and based on our knowledge and belief, state that:
- (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (ii) these statements together present a true and fair view of the Company's affairs and are in compliance with the existing accounting standards, applicable laws and regulations.
- (b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's Code of Conduct.
- (c) We accept responsibility for establishing and maintaining internal controls for financial reporting and for evaluating the effectiveness of internal control systems of the Company pertaining to financial reporting and have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- (d) We have indicated to the Auditors and the Audit Committee that:
- (i) there has been no significant changes in internal control over financial reporting during the year under reference;
 - (ii) there has not been any significant changes in accounting policies during the year which need to be disclosed in the notes to the financial statements; and
 - (iii) we are not aware of any material instances of significant fraud during the year and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

For **Brooks Laboratories Limited**

Sd/-

Sd/-

Date: 03.09.2021
Place: Mumbai**Rajesh Mahajan**
Managing Director
(DIN:02000634)**Prashant Rathi**
Chief Financial Officer

Annexure 2

Annual Report on the CSR activities pursuant to Section 135 of the Companies Act, 2013 read with the Companies (Social Responsibility Policy) Rules, 2014

1. A brief outline of the Company's CSR Policy

The Company's philosophy towards Corporate Social Responsibility (CSR) is conducting business by integrating its economic, environmental and social objectives in such a way that it will contribute for the social good together with its operational growth. The Company believes that CSR is a process by which an organization thinks about its relationship with its stakeholders for the common good and demonstrates its commitment to the same. The Company intends to undertake multiple initiatives like promoting healthcare and education, ensuring environment sustainability etc. under its CSR policy.

The Company has adopted a CSR Policy in compliance with the provisions of the Companies Act, 2013 and can be accessed on the Company's website www.brookslabs.net.

2. Composition of the Committee:

The Committee comprises of three Directors as members with one Non-executive Independent Director as given below:

Name	Designation	Category
Rajesh Mahajan	Chairman	Executive Director
Atul Ranchal	Member	Executive Director
Rajnish Kumar Bedi	Member	Independent Director

3. Average Net Profit of the Company of last three financial years: 0

4. Details of prescribed CSR expenditure (2% of the Average Net Profit):

- Total CSR amount to be spent for the financial year 2020-21; Rs. 71,81,661/-
- Total Amount spent during the year; Rs. 72,51,000/-
- Amount unspent, if any; Nil
- Manner in which the amount spent during the financial year is detailed below:

S. No	CSR project or activity identified	Sector in which the Project is covered	Projects or Programs 1) Local area or other 2) Specify the State and district where projects or programs was undertaken	Amount outlay (budget) project or programs wise	Amount spent on the projects or programs Sub-heads: 1) Direct Expenditure on projects or programs 2) Overheads	Cumulative expenditure upto the reporting period	Amount spent: Direct or through implementing agency*
1.	Gaushala for Cow Welfare	Animal Welfare	Gurgaon, Haryana	Rs. 51,000/-	Rs. 51,000/-	Rs. 51,000/-	Direct
2.	Ambulance, Machinery and Equipments required for charitable hospital	Promoting Healthcare	Solapur, Maharashtra	Rs. 27,00,000/-	Rs. 27,00,000/-	Rs. 27,51,000/-	Direct
3.	Purchase of new books and repair and maintenance of the Library Building	Public Libraries	Solapur, Maharashtra	Rs. 45,00,000/-	Rs. 45,00,000/-	Rs. 72,51,000/-	Direct

*Give details of implementing agency

In case the Company has failed to spend the two per cent of the average net profit of the last three financial Years or any part thereof, the company shall provide the reasons for not pending the amount in its Board report.

For the financial year 2020-21, few activities in relation to fulfilling the Corporate Social Responsibility of the Company were shortlisted as per Schedule VII of the Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy), Rules 2014 and the Company has spent total amount of Rs.72.51 lakhs on CSR as on 31st March, 2021. CSR is an on-going initiative and the Company is committed to fulfilling its responsibility and incurs expenditure in accordance with the provisions of Section 135 of the Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy) Rules, 2014.

5. The CSR Committee affirms that the implementation and monitoring of the CSR Policy, is in compliance with CSR objectives and Policy of the Company.

For and on Behalf of the Board
For Brooks Laboratories Limited

Sd/-

Atul Ranchal
(Chairman)
(DIN:01998361)

Place: Mumbai
Date: 03.09.2021

Annexure 3
Form No. MR-3
SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31st MARCH, 2021

[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,
BROOKS LABORATORIES LIMITED

We have conducted the Secretarial Audit of the Compliance of applicable statutory provisions and the adherence to good corporate practices by **BROOKS LABORATORIES LIMITED**. Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/Statutory Compliances and expressing our opinion thereon.

Based on our verification of the **BROOKS LABORATORIES LIMITED**, Books, Papers, Minute Books, Forms and Returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents, and authorized representatives during the conduct of Secretarial Audit, We hereby report that in our opinion, the Company has, during the Audit period covering the Financial Year ended on **31st March 2021** complied with the Statutory Provisions listed hereunder and also that the Company has proper Board-processes and Compliance-Mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the Books, Papers and Minute Books, Forms and Returns filed and other records maintained by **BROOKS LABORATORIES LIMITED** for the Financial Year ended **31st March 2021**, according to the Provisions of:

- (i) The Companies Act, 2013 (the Act) and the Rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment, and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; **No such transaction during the Financial Year 2020-21.**
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992/2015;
During the year certain off-market inter-se transfers between[insiders] were not in possession of the unpublished price sensitive information without being in breach of regulation 3 of SEBI (Prohibition of Insider Trading) Regulations, 2015, and parties had made a conscious and informed trade decision for such transaction.
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009/2018; **No such transaction during the Financial Year 2020-21.**
 - (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; **No such transaction during the Financial Year 2020-21.**
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **No such transaction during the Financial Year 2020-21.**
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with the client;
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **No such transaction during the Financial Year 2020-21.** And
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998/2018, **No such transaction during the Financial Year 2020-21.**

Other laws as informed and certified by the management of the Company which are specifically applicable to the Company based on their sector/industry is ;

- (a) Drugs and Cosmetics Act, 1940 and rules made thereunder
- (b) The Trade Mark Act, 1999

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Listing Agreements entered into by the Company with Stock Exchange(s).
- (iii) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

- a. ***The Company has allocated and transferred the funds to be spent toward CSR policy of the company under Section 135 of Companies Act, 2013 on the activities mentioned in Schedule VII under Section 135 of the Companies Act, 2013. The Company has transferred its total outstanding CSR requirements against the CSR activities, as shown below in the table, as mentioned in Schedule VII under Section 135 of the Companies Act, 2013.***

The manner in which the amount spent during the financial year is detailed below:

S. No	CSR project or activity identified	Sector in which the Project is covered	Projects or Programs Specify the State and district where projects or programs was undertaken	Amount outlay (budget) project or programs wise	Amount spent on the projects or programs Sub-heads: 1) Direct Expenditure	Cumulative expenditure up to the reporting period	Amount spent: Direct or through Implementing agency*
1.	Gaushala For Cow welfare	Animal Welfare	Gurgaon, Haryana	Rs. 51,000/-	Rs. 51,000/-	Rs. 51,000/-	Direct
2.	For Ambulance, Machinery and Equipment's Required for Charitable Hospital	For Promoting Healthcare	Solapur, Maharashtra	Rs. 27,00,000/-	Rs. 27,00,000/-	Rs. 27,00,000/-	Direct
3.	Purchase of new books and Repair and maintenance of library building	Public Libraries	Solapur, Maharashtra	Rs. 45,00,000/-	Rs. 45,00,000/-	Rs. 45,00,000/-	Direct

- b. ***According to the Auditor's Report, disputed dues to Income Tax, sales tax, service tax, the duty of custom, duty of excise, and value-added tax which have not been deposited on accounts of disputes with the related authorities as under:***

Nature of Statute	Demand Amt Raised (Rs. in lakhs)	Stay Amt Paid (Rs. in lakhs)	Period to which matter pertains	Forum at which dispute is pending
Income Tax	339.51	101.00	A.Y 2013-14	Commissioner of Income Tax – Appeals
	142.85	21.45	A.Y 2014-15	Commissioner of Income Tax – Appeals
	0.68	-	A.Y 2015-16	Commissioner of Income Tax – Appeals
	73.45	51.45	A.Y.2016-17	Commissioner of Income Tax – Appeals

C. The listed entity has complied with the provisions of the Regulations and circulars/ guidelines issued by SEBI, except in respect of matters specified below:-

Sr. No.	Compliance Requirement (Regulations/ Circulars/ Guidelines including specific clause)	Deviations	Observations/ Remarks of the Practicing Company Secretary
1.	Minutes Of Wholly Owned Subsidiary Regulation No. Regulation 24(3) Of SEBI (LODR) 2015	Minutes Of Subsidiary Company Is Not Taken Up In Following Board Meetings Of Brooks Laboratories Limited	Company Has Taken Up The Minutes Of Subsidiary Company In Meeting Held On 12/04/2021
2.	Quarterly Unaudited Financial Statements (Standalone) Regulation No. 33 (3) A of Sebi (LODR) 2015	2nd Quarter Unaudited Financial Statements (Standalone) Were Filed After Due Date Of 45 Days From End Of Quarter I.E. 14-11-2020. Date Of Filing 02-12-2020	Unaudited Financial Statements (Standalone) For The 2nd Quarter Of Financial Year 2020-21 Is Filed After The Due Date Provided In SEBI LODR 2015
3.	Payment Of Annual Listing Fees For Financial Year 2021-22 Regulation 14 Of SEBI (LODR) 2015	The last Date Of Payment Was 30/04/2021	Same Has Been Paid Before Signing of the Annual Compliance report.

D. As per the Management Representation, the Company has stated that they have made all labour law Compliances. We further Report That:

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

Adequate notice is given to all directors to schedule the Board Meetings, Agenda and detailed Notes on Agenda were sent 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.

All decisions at the Board Meeting and Committee Meetings are carried out unanimously as recorded in the Minutes Book of the meetings of the Board of Directors or Committee of the Board, as the case may be.

We further report that there are adequate systems and processes in the Company commensurate with the size and its operations to monitor and ensure compliance with Applicable Laws, Rules, Regulations, and Guidelines.

We further report that, During the period under review, the company has entered into a Joint venture agreement with Steriscience private limited (through two different entities) for certain products on (i) the manufacturing front, which will also market the products in India and (ii) the international marketing front, for marketing outside India. As an outcome of the JV, a wholly-owned subsidiary was incorporated on 04th September 2020 in the name of "BROOKS STERISCIENCE LIMITED" and a company named "Steribrooks Penems Private Limited" was incorporated on the 18th day of June 2020 in which Brooks laboratories Limited is holding 44.33% of Equity shares.

Further, the Company has taken Shareholder approval For transfer of certain assets of the company ongoing concern/on a slump sale basis in 18th annual general meeting of the company held on 28th September 2020.

Note:

Due to the COVID-19 pandemic, the timelines were revised for submission of compliance filing under various regulations by the Stock Exchanges. We relied on the representation made to us by the management wherever required through online mode due to several restrictions imposed by the Central and State Govt. on travel and considering public health and safety measures due to limited access to information/ documents/ data as required for audit assessment.

For Sharma Sarin & Associates

Sd/-

P. D. Sharma
Partner

FCS 2285, CP No. 2692
 UDIN: F002285C000882780

Place: Chandigarh
 Date: 02.09.2021

The Secretarial Audit Report is to be read with our letter of even date which is annexed as Annexure A and Forms an integral part of this report.

'Annexure A'

To,

The Members**BROOKS LABORATORIES LIMITED**

Our report of even date is to be read along with this letter.

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

For **Sharma Sarin & Associates**

Sd/-

P. D. Sharma
Partner

FCS 2285, CP No. 2692

UDIN: F002285C000882780

Place: Chandigarh

Date: 02.09.2021

Annexure 4
Form No. MR-3
SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31st MARCH, 2021

**[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,
BROOKS STERISCIENCE LIMITED

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **BROOKS STERISCIENCE LIMITED**. Secretarial Audit was conducted in a manner that provided us areas a reasonable basis for evaluating the Corporate Conducts/Statutory Compliances and expressing our opinion thereon.

Based on our verification of the **BROOKS STERISCIENCE LIMITED**, Books, Papers, Minute Books, Forms and Returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents, and authorized representatives during the conduct of Secretarial Audit, We hereby report that in our opinion, the Company has, during the Audit period covering the Financial Year ended on **31st March 2021** complied with the Statutory Provisions listed hereunder and also that the Company has proper Board-processes and Compliance-Mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the Books, Papers and Minutes Books, Forms and Returns filed and other records maintained by **BROOKS STERISCIENCE LIMITED** for the Financial Year ended **31st March 2021**, according to the Provisions of:

- (i) The Companies Act, 2013(the Act) and the Rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment, and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act,1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations,2011; No such transaction during the Financial Year 2020-21.
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992/2015; No such transaction during the Financial Year 2020-21.
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009/2018; No such transaction during the Financial Year 2020-21.
 - (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; No such transaction during the Financial Year 2020-21.
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations,2008; No such transaction during the Financial Year 2020-21.
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with the client;
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; No such transaction during the Financial Year 2020-21.
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998/2018, No such transaction during the Financial Year 2020-21.
- vi) Other laws as informed and certified by the management of the Company which are specifically applicable to the Company based on their sector/industry is ;
 - (a) Drugs and Cosmetics Act, 1940 and rules made thereunder

(b) The Trade Mark Act, 1999

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

(i) Secretarial Standards issued by The Institute of Company Secretaries of India.

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

NOTE:-

- A) The company has incorporated during the financial year w.e.f 04th September 2020 as a whole owned subsidiary of Brooks Laboratories Limited.**
- B) During the financial year company has issued 10,000/- optionally convertible preference share having a face value of Rs. 10/- (ten) each on a premium of Rs 9,990/- (Nine Thousand Nine Hundred Ninety) on an issue price of 10,000/- (Ten Thousand) each on different dates to Steriscience Specialities Private Limited on total aggregate amounting rupees 10,00,00,000/- (Ten Crores).**
- C) During the year Company, has acquired a Business as a going concern on a slump exchange basis from Brooks Laboratories Limited vide "Business Transfer Agreement" executed on 24-03-2021. The slump exchange closing took place on 31st March 2021. The plant is located at Block No. Survey No. 61/62, village Manglej Nareshwar road, Tehsil Karjan Vadodara, Gujarat-391210. The business acquired includes together with its Immovable and movable assets, Working Capital, books and records, Intellectual property, employee, goodwill, insurance, and all other business rights for an aggregate consideration of Rs. 46.57 Crores. The allotment of 60,000 equity shares as against the Business acquired is pending as on closing of financial year i.e 31.03.2021.**

For Sharma Sarin & Associates

Sd/-

P. D. Sharma
Partner

Place: Chandigarh

Date: 02.09.2021

FCS 2285, CP No. 2692

UDIN: F002285C000883121

The Secretarial Audit Report is to be read with our letter of even date which is annexed as Annexure A and Forms an integral part of this report.

'Annexure A'

To,

**The Members
BROOKS STERISCIENCE LIMITED**

Our report of even date is to be read along with this letter.

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

For **Sharma Sarin & Associates**

Sd/-

P. D. Sharma
Partner

FCS 2285, CP No. 2692
UDIN: F002285C000883121

Place: Chandigarh
Date: 02.09.2021

Annexure 5

Particulars of conservation of energy, technology absorption, foreign exchange earnings and outgo, as prescribed in Rule 8(3) of the Companies (Accounts) Rules, 2014.

A. CONSERVATION OF ENERGY

Your Company has always been conscious of the need to conserve energy and reduce the cost of production. Upgraded new Chillers have been installed in the core production areas which not only provide increased cooling efficiency for controlled areas but are also energy saving.

B. TECHNOLOGY ABSORPTION

Research and Development (R&D)

(a) Specific areas in which Research and Development is carried out by the Company: -

R & D has been carried out in areas of

1. Improvement on product quality.
2. Innovation in manufacturing process to increase yields and reduce reaction time to enhance productivity.

(b) Benefits derived as a result of above R & D:

R & D efforts at Brooks Laboratories Ltd. have yielded positive results, which can be measured from the fast growth of the Company, both in terms of turnover and penetration of geographies.

Generation of Intellectual wealth: Key inventions/ technologies for drug substance synthesis were protected by filing patent applications.

Your Company was able to improve the quality of existing products and develop customer specific materials with stringent specifications, gaining an edge over competition and penetrating global markets.

Technology Absorption, Adaptation and Innovation

1. Efforts in brief, made towards technology absorption, adaptation and innovation:

- Setting up of a new project in Gujarat with world class facilities and infrastructure for development of cost competitive active pharmaceutical ingredients and drug products.
- State-of-the-art development laboratories.
- Further enhancement of technological expertise in the field of complex formulations' manufacturing.

2. Benefits derived as a result of the above efforts:

- These initiatives will result in development of cost effective active pharmaceutical ingredients.
- Speedy introduction of difficult-to-formulate products in all markets upon approval.
- Reduction of raw material cost, time cycle and increased productivity.

Imported Technology: Nil

C. FOREIGN EXCHANGE EARNINGS AND OUTGO

Foreign Exchange Earnings: US \$ 2,106,038.81

Euro 199,402.74

Foreign Exchange Outgo: US \$ 1,054,123.60

Euro 20,009.00

For and on Behalf of the Board
For Brooks Laboratories Limited

Sd/-

Atul Ranchal
(Chairman)
(DIN:01998361)

Place: Mumbai
Date: 03.09.2021

Annexure-6 FORM AOC-1

Statement containing salient features of the financial statement of Subsidiaries/associate companies/joint ventures (Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

(Information in respect of each subsidiary to be presented with amounts in Rs)

1. Name of the subsidiary –Brooks Steriscience Limited
2. Reporting period for the subsidiary -31.03.2021
3. Reporting currency -INR
4. Share capital – Rs. 6,00,000 (Equity-Rs. 5,00,000 and Preference- Rs. 1,00,000)
5. Reserves & Surplus- Rs. 61,57,37,325
6. Total assets – Rs. 115,86,67,272
7. Total Liabilities - Rs. 115,86,67,272
8. Investments- Rs. 0
9. Turnover – Rs. 0
10. Profit before taxation- Rs. (53,78,992)
11. Provision for taxation- Rs. 322,99,482
12. Profit after taxation – Rs. (376,78,474)
13. Proposed Dividend -NIL
14. % of shareholding – 100%
 - Names of subsidiaries which are yet to commence operations –NIL
 - Names of subsidiaries which have been liquidated or sold during the year-NIL

Part "B": Associates and Joint Ventures

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

Name of Associates/Joint Ventures	SteriBrooks Penems Private Limited
1. Latest audited Balance Sheet Date	31.03.2021
2. Shares of Associate/Joint Ventures held by the company on the year end	
No	7,963
Amount of Investment in Associates/Joint Venture	79630
Extend of Holding %	44.33%
3. Description of how there is significant influence	Joint Venture
4. Reason why the associate/joint venture is not consolidated	NA
5. Networth attributable to Shareholding as per latest audited Balance Sheet	NA
6. Profit / Loss for the year	
i. Considered in Consolidation	Loss- Rs. 79,630
i. Not Considered in Consolidation	-

For and on Behalf of the Board
For **Brooks Laboratories Limited**

Sd/-

Atul Ranchal
(Chairman)

Place: Mumbai
Date: 03.09.2021

DIN:01998361

Annexure 7
Form AOC – 2

Pursuant to Section 134(3)(h) of the Companies Act, 2013 read with Rule 8(2) of the Companies (Accounts) Rules, 2014

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

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

There were no contracts or arrangements or transactions entered in to by the Company during the year ended 31st March, 2021, which were not at arm's length basis.

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

There were no material contracts or arrangement or transactions at arm's length basis for the year ended 31st March, 2021.

Information about the transactions with Related Parties are presented in Note No. 36(b) in Notes to the Financial Statement.

For and on Behalf of the Board
For **Brooks Laboratories Limited**

Sd/-

Atul Ranchal
(Chairman)

DIN:01998361

Place: Mumbai
Date: 03.09.2021

Annexure 8

Details pertaining to remuneration as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

- i) The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2020-21:

Name	Designation	Ratio to Median Remuneration
Mr. Atul Ranchal	Chairman	51.57:1
Mr. Rajesh Mahajan	Managing Director	51.57:1
Mr. Suresh Garg*	Technical Director	17.50:1
Mr. Manpreet Singh Naroo**	Additional Director	15.71:1
Mrs. Kaushalya Singh ***	Additional Director	4.41:1

* Mr. Suresh Garg, Technical Director of the Company resigned from the Board w.e.f. 3rd September, 2021.

** Mr. Manpreet Singh Naroo was appointed as an additional Director on 3rd September, 2021 and regularized on 29th September, 2021 as a Technical Director of the Company.

*** Mrs. Kaushalya Singh was appointed as an additional Director on 3rd September, 2021 and regularized on 29th September, 2021 as a Technical Director of the Company.

Apart from above directors, there were three Independent Directors who were paid sitting fees for attending the Meetings.

- ii) Increase in remuneration of any Director, Chief Financial Officer and Company Secretary during the financial year 2020-21.

Name	Designation	% increase in remuneration
Atul Ranchal	Chairman	No Change
Rajesh Mahajan	Managing Director	No Change
Mr. Suresh Garg*	Whole-time Director	12%
Anil Kumar Pillai #	Chief Financial Officer	No Change
Prashant Rathi##	Chief Financial Officer	No Change
Jyoti Sancheti	Company Secretary	12.5%
Mr. Manpreet Singh Naroo**	Additional Director	No Change
Mrs. Kaushalya Singh***	Additional Director	No Change

Mr. Anil Pillai, Chief Financial Officer of the Company resigned from 12th May, 2020.

Mr. Prashant Rathi, Chief Financial Officer of the Company appointed on 24th July, 2021

* Mr. Suresh Garg, Technical Director of the Company resigned from the Board w.e.f. 3rd September, 2021

** Mr. Manpreet Singh Naroo was appointed as an additional director on 3rd September, 2021 and to be regularized on 29th September, 2021 as a Technical Director of the Company.

*** Mrs. Kaushalya Singh was appointed as an additional director on 3rd September, 2021 and to be regularized on 29th September, 2021 as a whole time Director of the Company.

- iii) The median remuneration of employees during the financial year 2020-21 is increased to Rs. 15513 as compared to the last financial year 2019-20 was Rs. 14028.
- iv) The number of permanent employees on the rolls of the Company as on 31st March, 2021 was 389 employees.
- v) Average percentage increase made in the salaries of employees other than the managerial personnel in the last financial year i.e. 2019-20 and its comparison with the increase in the managerial remuneration for the same financial year.

(Amount in Lakhs)

Remuneration paid to employees excluding managerial personnel for the FY 2020-21	Remuneration paid to employees excluding managerial personnel for the FY 2019-20	% change in remuneration paid to employees excluding managerial personnel	Remuneration paid to managerial personnel for the FY 2020-21	Remuneration paid to managerial personnel for the FY 2019-20	(%) change in remuneration paid to managerial personnel
1110.07	1028.08	7.98	232.65	221.93	4.83

- vi) It is affirmed that the Remuneration paid is as per the Remuneration Policy of the Company.

Annexure 9
Form No. MGT-9
Extract of Annual Return

 (As on the financial year ended on 31st March, 2021)

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

I. Registration and Other Details:

1. CIN : L24232HP2002PLC000267
2. Registration Date : 23rd January, 2002
3. Name of the Company : Brooks Laboratories Limited
4. Category : Company limited by shares
5. Sub-Category of the Company : Indian Non-Government Company
6. Address of the Registered office & contact details : Village Kishanpura, Nalagarh Road
Baddi, Distt. Solan, Himachal Pradesh
Telefax.: 01795-236939
Email id: investors@brookslabs.net
Website: www.brookslabs.net
7. Whether listed company : Yes
8. Name, Address and Contact details of Registrar and Transfer Agent : Link In Time India Private Limited
C-101, 247 Park, L.B.S.Marg,
Vikhroli (W), Mumbai- 400083
Tel: 022- 49186000, Fax: 022- 49186060
Email: rnt.helpdesk@linkintime.co.in

II. Principal Business Activities of the Company

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

Name and Description of main products / services	NIC Code of the Product/ Service	% of total turnover of the Company
Pharmaceuticals	210	100%

III. Particulars of Holding, Subsidiary and Associate Companies

Holding Company- Nil

Subsidiary Company- Brooks Steriscience Limited

Associate Companies- SteriBrooks Penems Pvt. Ltd.

IV. Share Holding Pattern (Equity Share Capital breakup as percentage of Total Equity)
(i) Category-wise Shareholding

	Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
	A. Promoter and Promoter Group									
1	Indian									
	Individuals/HUF	16406249	0	16406249	66.4145	16406249	0	16406249	66.4145	19.4231
	Central Government	0	0	0	0.0000	0	0	0	0.0000	0.0000
	State Government(s)	0	0	0	0.0000	0	0	0	0.0000	0.0000
	Banks / Financial Institutions	0	0	0	0.0000	0	0	0	0.0000	0.0000
	Any Other									
	Promoter Group (Individuals)	16406249	0	16406249	66.4145	16406249	0	16406249	0.0000	-13.6270
	Sub Total (A)(1)	16406249	0	16406249	66.4145	16406249	0	16406249	66.4145	0.0000
2	Foreign									
(a)	Non-Resident Individuals/ Foreign Individuals	0	0	0	0.0000	0	0	0	0.0000	0.0000
(b)	Government	0	0	0	0.0000	0	0	0	0.0000	0.0000
(c)	Banks / Financial Institutions	0	0	0	0.0000	0	0	0	0.0000	0.0000
(d)	Foreign Portfolio Investor	0	0	0	0.0000	0	0	0	0.0000	0.0000
(d)	Any Other (specify)	0	0	0	0.0000	0	0	0	0.0000	0.0000
	Sub Total (A)(2)	0	0	0	0	0	0	0	0.0000	0.0000
	Total Shareholding of Promoter (A)=(A)(1)+(A)(2)	16406249	0	16406249	66.4145	16406249	0	16406249	66.4145	0.0000
	(B) Public shareholding									
1	Institutions									
(a)	Mutual Funds/UTI	0	0	0	0.0000	0	0	0	0.0000	0.0000
(b)	Banks / Financial Institutions	262	0	262	0.0011	0	0	0	0.0000	-0.0011
(c)	Alternate Investment Funds	0	0	0	0.0000	0	0	0	0.0000	0.0000
(d)	Foreign Portfolio Investor	0	0	0	0.0000	0	0	0	0.0000	0.0000
(e)	Venture Capital Funds	0	0	0	0.0000	0	0	0	0.0000	0.0000
(f)	Insurance Companies	0	0	0	0.0000	0	0	0	0.0000	0.0000
(g)	Provident Funds/ Pension Funds	0	0	0	0.0000	0	0	0	0.0000	0.0000
(h)	Foreign Venture Capital Investors	0	0	0	0.0000	0	0	0	0.0000	0.0000
(i)	Any Other (specify)	0	0	0	0.0000	0	0	0	0.0000	0.0000
	Sub Total (B) (1)	262	0	262	0.0011	0	0	0	0.0000	-0.0011
2	Central Government/State Government(s)/President of India				0.0000					0.0000
	Total(B)(2)	0	0	0	0.0000	0	0	0	0.0000	0.0000
3	Non-institutions									
(a)	Individuals									
(i)	Individuals - shareholders holding nominal share capital up to Rs 1 Lakh	4203337	700	4204037	17.0185	3809627	700	3810327	15.4247	-1.5938
(ii)	Individual shareholders holding nominal share capital in excess of Rs. 1 Lakh	2806247	0	2806247	11.3600	3290460	0	3290460	13.3202	1.9602
(b)	NBFCs registered with RBI	0	0	0	0.0000	0	0	0	0.0000	0.0000
(c)	Overseas Depositories(holding DRs) (balancing figure)	0	0	0	0.0000	0.0000	0	0	0.0000	0.0000
(c)	Any Other									
i	Non Resident Indians (Repat)	73269	0	73269	0.2966	109611	0	109611	0.4437	0.1471
ii	Non Resident Indians (Non Repat)	23275	0	23275	0.0942	18382	0	18382	0.0744	-0.0198

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
iii Clearing Member	45812	0	45812	0.1855	69814	0	69814	0.2826	0.0971
iv Hindu Undivided Family	438315	0	438315	1.7744	232932	0	232932	0.9429	-0.8315
v Office Bearers	2637	1300	3937	0.0159	2637	1300	3937	0.0159	0.0000
vi Bodies Corporate	701409	0	701409	2.8394	761100	0	761100	3.0810	0.2416
Sub Total (B)(3)	8294301	2000	8296301	33.5844	8294563	2000	8296563	33.5855	0.0011
Total Public Shareholding Public Group (B)=(B)(1)+(B)(2)+(B)(3)	8294563	2000	8296563	33.5855	8294563	2000	8296563	33.5855	0.0000
Total (A)+(B)	24700812	2000	24702812	100.0000	24700812	2000	24702812	100.0000	0.0000
(C) Non Promoter-Non Public									
(C1) Shares underlying DRs									
(1) Custodian/DR Holder	0	0	0	0.0000	0	0	0	0.0000	0.0000
(c2) Shares held by Employee Trust									
(2) Employee Benefit Trust(under SEBI(Share based Employee Benefit)	0	0	0	0.0000	0	0	0	0.0000	0.0000
Sub Total (C)	0	0	0	0.0000	0.0000	0	0	0	0.0000
GRAND TOTAL (A)+(B)+(C)	24700812	2000	24702812	100.0000	24702812	2000	24702812	100.0000	0.0000

ii) Shareholding of Promoters

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the Company	% of Share Pledged/encumbered to total shares	No. of Shares	% of total Shares of the Company	% of Share Pledged/encumbered to total shares	
1	Mr. Atul Ranchal	6263071	25.3537	0.0000	6263071	25.3537	0.0000	0.0000
2	Mr. Rajesh Mahajan	5114151	20.7027	0.0000	5114151	20.7027	0.0000	0.0000

iii) Change in Promoters' Shareholding

During the financial year 2020-21, there was no change in Promoter's Shareholding.

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

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year-2020		Transactions during the year		Cumulative Shareholding At the end of the year-2021	
		No. of Shares held	% of total shares of the Company	Date of transaction	No. of shares	No. of shares held	% of total shares of the Company
1.	GUTTIKONDA VARA LAKSHMI	408597	1.6541			408597	1.6541
	Market Buy			17 Apr 2020	67404	476001	1.9269
	Market Buy			24 Apr 2020	150991	626992	2.5381
	Market Buy			08 May 2020	6329	633321	2.5638
	Market Buy			15 May 2020	3000	636321	2.5759
	Market Buy			31 July 2020	7508	643829	2.6063
	Market Buy			28 Aug 2020	2	643831	2.6063
	Market Buy			27 Nov 2020	40413	684244	2.7699
	Market Buy			04 Dec 2020	26907	711151	2.8788
	Market Buy			11 Dec 2020	22150	733301	2.9685
	Market Sell			19 Feb 2021	(213000)	520301	2.1062
	Market Sell			05Mar 2021	(90000)	430301	1.7419

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year-2020		Transactions during the year		Cumulative Shareholding At the end of the year-2021	
		No. of Shares held	% of total shares of the Company	Date of transaction	No. of shares	No. of shares held	% of total shares of the Company
	Market Buy			12 Mar 2021	128218	558519	2.2610
	Market Sell			19 Mar 2021	(15000)	543519	2.2002
	Market Buy			26 Mar 2021	25000	568519	2.3014
	Market Buy			31 Mar 2021	26100	594619	2.4071
	At the end of the year					594619	2.4071
2	TIPSONS FINANCIAL SERVICES PRIVATE LIMITED	50000	0.2024			50000	0.2024
	Market Buy			25 Sep 2020	22500	72500	0.2935
	Market Buy			30 Sep 2020	1941	74441	0.3013
	Market Buy			09 Oct 2020	56058	130499	0.5283
	Market Buy			16 Oct 2020	58882	189381	0.7666
	Market Buy			23 Oct 2020	23646	213027	0.8624
	Market Buy			30 Oct 2020	7731	220758	0.8937
	Market Sell			06 Nov 2020	(2758)	218000	0.8825
	Market Sell			13 Nov 2020	(1750)	216250	0.8754
	Market Buy			20 Nov 2020	8158	224408	0.9084
	Market Sell			27 Nov 2020	(585)	223823	0.9061
	Market Sell			04 Dec 2020	(4251)	219572	0.8889
	Market Buy			11 Dec 2020	14202	233774	0.9463
	Market Buy			18 Dec 2020	1110	234884	0.9508
	Market Buy			25 Dec 2020	366	235250	0.9523
	Market Buy			31 Dec 2020	50	235300	0.9525
	Market Sell			01 Jan 2021	(3550)	231750	0.9382
	Market Sell			08 Jan 2021	(3145)	228605	0.9254
	Market Buy			15 Jan 2021	11695	240300	0.9728
	Market Buy			22 Jan 2021	500	240800	0.9748
	Market Sell			05 Feb 2021	(3845)	236955	0.9592
	Market Buy			19 Feb 2021	7045	244000	0.9877
	Market Buy			26 Feb 2021	3500	247500	1.0019
	Market Buy			05 Mar 2021	532	248032	1.0041
	Market Buy			12 Mar 2021	1000	249032	1.0081
	Market Buy			19 Mar 2021	968	250000	1.0120
	Market Sell			26 Mar 2021	(4000)	246000	0.9958
	Market Sell			31 Mar 2021	(1000)	245000	0.9918
	AT THE END OF THE YEAR					245000	0.9918
3	VELDI RAMBABU .	0	0.0000			0	0.0000
	Market Buy			25 Sep 2020	25544	25544	0.1034
	Market Sell			11 Dec 2020	(7450)	18094	0.0732
	Market Buy			26 Feb 2021	213000	231094	0.9355
	AT THE END OF THE YEAR					231094	0.9355
4	NIRAV SHACHIKUMAR ADALJA	94401	0.3821			94401	0.3821
	Market Buy			24 Apr 2020	20000	114401	0.4631
	Market Buy			01 May 2020	20000	134401	0.5441
	Market Buy			25 Sep 2020	10000	144401	0.5846

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year-2020		Transactions during the year		Cumulative Shareholding At the end of the year-2021	
		No. of Shares held	% of total shares of the Company	Date of transaction	No. of shares	No. of shares held	% of total shares of the Company
	Market Buy			30 Oct 2020	10000	154401	0.6250
	Market Buy			06 Nov 2020	8630	163031	0.6600
	Market Buy			20 Nov 2020	7442	170473	0.6901
	AT THE END OF THE YEAR					170473	0.6901
5	SARAVANA GLOBAL HOLDINGS LIMITED	153991	0.6234			153991	0.6234
	AT THE END OF THE YEAR					153991	0.6234
6	PINKY NIRAV ADALJA	105365	0.4265			105365	0.4265
	AT THE END OF THE YEAR					105365	0.4265
7	RAJASEKHAR GUTTIKONDA	43500	0.1761			43500	0.1761
	Market Buy			24 Apr 2020	98370	141870	0.5743
	Market Buy			01 May 2020	50000	191870	0.7767
	Market Buy			04 Dec 2020	25000	216870	0.8779
	Market Sell			11 Dec 2020	(14700)	202170	0.8184
	Market Sell			05 Feb 2021	(2650)	199520	0.8077
	Market Sell			05 Mar 2021	(42531)	156989	0.6355
	Market Sell			12 Mar 2021	(30020)	126969	0.5140
	Market Buy			19 Mar 2021	28800	155769	0.6306
	Market Sell			26 Mar 2021	(53800)	101969	0.4128
	AT THE END OF THE YEAR					101969	0.4128
8	VIPUL DEEPAK SHAH	0	0.0000			0	0.0000
	Market Buy			04 Sep 2020	38000	38000	0.1538
	Market Buy			11 Sep 2020	17020	55020	0.2227
	Market Buy			25 Sep 2020	10000	65020	0.2632
	Market Buy			04 Dec 2020	16442	81462	0.3298
	Market Buy			18 Dec 2020	10613	92075	0.3727
	Market Buy			31 Dec 2020	2367	94442	0.3823
	AT THE END OF THE YEAR					94442	0.3823
9	S. HEERA DEV SINGH	81216	0.3288			81216	0.3288
	AT THE END OF THE YEAR					81216	0.3288
10	RAJIV SYAL	75183	0.3043			75183	0.3043
	Market Buy			24 Apr 2020	500	75683	0.3064
	Market Buy			01 May 2020	500	76183	0.3084
	Market Buy			08 May 2020	8500	84683	0.3428
	Market Buy			15 May 2020	5317	90000	0.3643
	Market Buy			22 May 2020	1002	91002	0.3684
	Market Buy			29 May 2020	500	91502	0.3704
	Market Buy			12 Jun 2020	500	92002	0.3724
	Market Sell			26 Jun 2020	(500)	91502	0.3704
	Market Sell			30 Jun 2020	(200)	91302	0.3696
	Market Sell			03 Jul 2020	(30)	91272	0.3695
	Market Buy			17 Jul 2020	10	91282	0.3695
	Market Sell			24 Jul 2020	(282)	91000	0.3684
	Market Sell			31 Jul 2020	(250)	90750	0.3674

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year-2020		Transactions during the year		Cumulative Shareholding At the end of the year-2021	
		No. of Shares held	% of total shares of the Company	Date of transaction	No. of shares	No. of shares held	% of total shares of the Company
	Market Sell			14 Aug 2020	(2950)	87800	0.3554
	Market Sell			21 Aug 2020	(1800)	86000	0.3481
	Market Sell			28 Aug 2020	(500)	85500	0.3461
	Market Sell			04 Sep 2020	(300)	85200	0.3449
	Market Sell			11 Sep 2020	(700)	84500	0.3421
	Market Sell			18 Sep 2020	(1300)	83200	0.3368
	Market Sell			25 Sep 2020	(100)	83100	0.3364
	Market Buy			09 Oct 2020	5	83105	0.3364
	Market Sell			16 Oct 2020	(105)	83000	0.3360
	Market Buy			23 Oct 2020	25	83025	0.3361
	Market Buy			30 Oct 2020	30	83055	0.3362
	Market Sell			06 Nov 2020	(20)	83035	0.3361
	Market Buy			13 Nov 2020	10	83045	0.3362
	Market Sell			20 Nov 2020	(15)	83030	0.3361
	Market Sell			27 Nov 2020	(160)	82870	0.3355
	Market Buy			04 Dec 2020	10	82880	0.3355
	Market Buy			11 Dec 2020	25	82905	0.3356
	Market Sell			18 Dec 2020	(75)	82830	0.3353
	Market Sell			25 Dec 2020	(380)	82450	0.3338
	Market Sell			31 Dec 2020	(985)	81465	0.3298
	Market Sell			01 Jan 2021	(195)	81270	0.3290
	Market Sell			08 Jan 2021	(300)	80970	0.3278
	Market Sell			15 Jan 2021	(125)	80845	0.3273
	Market Buy			22 Jan 2021	25	80870	0.3274
	Market Sell			29 Jan 2021	(70)	80800	0.3271
	Market Sell			05 Feb 2021	(80)	80720	0.3268
	Market Buy			12 Feb 2021	20	80740	0.3268
	Market Buy			19 Feb 2021	130	80870	0.3274
	Market Sell			26 Feb 2021	(70)	80800	0.3271
	Market Sell			05 Mar 2021	(75)	80725	0.3268
	Market Buy			12 Mar 2021	20	80745	0.3269
	Market Sell			19 Mar 2021	(145)	80600	0.3263
	Market Sell			26 Mar 2021	(1330)	79270	0.3209
	Market Sell			31 Mar 2021	(3200)	76070	0.3079
	AT THE END OF THE YEAR					76070	0.3079
11	CHETAN RASIKLAL SHAH	405076	1.6398			405076	1.6398
	Market Sell			03 Apr 2020	(300000)	105076	0.4254
	Market Sell			10 Apr 2020	(100965)	4111	0.0166
	Market Sell			24 Apr 2020	(4111)	0	0.0000
	AT THE END OF THE YEAR					0	0.0000
12	DILIP J SHAH (HUF)	130000	0.5263			130000	0.5263
	Market Sell			18 Sep 2020	(5000)	125000	0.5060
	Market Sell			25 Sep 2020	(19441)	105559	0.4273
	Market Sell			30 Sep 2020	(7500)	98059	0.3970
	Market Sell			09 Oct 2020	(30749)	67310	0.2725

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year-2020		Transactions during the year		Cumulative Shareholding At the end of the year-2021	
		No. of Shares held	% of total shares of the Company	Date of transaction	No. of shares	No. of shares held	% of total shares of the Company
	Market Sell			16 Oct 2020	(56695)	10615	0.0430
	Market Sell			23 Oct 2020	(6615)	4000	0.0162
	Market Sell			30 Oct 2020	(4000)	0	0.0000
	AT THE END OF THE YEAR					0	0.0000
13	K L ENTERPRISES LLP .	100000	0.4048			100000	0.4048
	Market Sell			24 Apr 2020	(100000)	0	0.0000
	AT THE END OF THE YEAR					0	0.0000
14	JOSEPH ANTONY VACHAPARAMBIL	75865	0.3071			75865	0.3071
	Market Sell			17 Apr 2020	(25000)	50865	0.2059
	Market Sell			24 Apr 2020	(10713)	40152	0.1625
	Market Buy			01 May 2020	1	40153	0.1625
	Market Sell			08 May 2020	(30153)	10000	0.0405
	Market Sell			15 Jan 2021	(8500)	1500	0.0061
	Market Sell			26 Feb 2021	(1500)	0	0.0000
	AT THE END OF THE YEAR					0	0.0000

Note:

1. Paid up Share Capital of the company (Face Value Rs.10.00) at the end of the year is 24702812 Equity Shares.
2. The details of holding has been clubbed based on PAN.
3. % of total Shares of the Company is based on the paid up Capital of the Company at the end of the Year.

(v) Shareholding of Directors and Key Managerial Personnel:

Sr No	For each of the Directors and KMP	Shareholding		Date of transaction	Increase / Decrease in shareholding	Reason	Cumulative Shareholding during the year	
		No. of Shares at the beginning (01.04.2019)/ end of the year 31.03.2020	% of total shares of the Company				No. of Shares	% of total shares of the Company
1	Mr. Atul Ranchal, Chairman	6263071	25.35				6263071	25.3537
2	Mr. Rajesh Mahajan, Managing Director	5114151	20.7027				5114151	20.7027
3	Mr. Suresh Garg**, Executive Director	410	0.001				410	0.001
4	Mr. Deepak Mahajan, Independent Director	785	0.003				435	0.001

None of the other Directors and Key Managerial Personnel hold any shares in the Company.

V. Indebtedness

Indebtedness of the Company including interest outstanding / accrued but not due for payment

Rs. in lakhs)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	2,638.44			2,638.44
ii) Interest due but not paid	-			-
iii) Interest accrued but not due	14.23			14.23
Total (i+ii+iii)	2,652.68			2,652.68
Change in Indebtedness during the financial year				
• Addition*	769.77			769.77
• Reduction*	-2,569.10			-2,569.10
Net Change	-1,799.33			-1,799.33
Indebtedness at the end of the financial year				
i) Principal Amount	839.11			839.11
ii) Interest due but not paid	-			-
iii) Interest accrued but not due	0.80			0.80
Total (i+ii+iii)	839.91			839.91

*Secured loan includes CC limits. Increase and decrease in CC limit (ie difference between opening and closing balance) get adjusted under respective head. Loan transferred on account of slump sales shown under reduction.

VI. Remuneration of Directors and Key Managerial Personnel

A. Remuneration to Managing Director, Whole-time Director and/or Manager

(Rs. in lakhs)

Sl. No.	Particulars of Remuneration	Name of the MD/ WTD/ Manager			Total Amount
		Atul Ranchal	Rajesh Mahajan	Suresh Garg	
1	Gross salary a. Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 Value of perquisites u/s 17(2) of the Income-tax Act, 1961 Profits in lieu of salary under section 17(3) Income-tax Act, 1961	96.00	96.00	40.45	232.45
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission - As % of profit - Others, please specify	-	-	-	-
5	Others, please specify	-	-	-	-
	Total A	96.00	96.00	40.45	232.45
	Ceiling as per the Schedule V of Companies Act, 2013 (@ 1 Crore 20 lakh per Managerial Person)				

** Mr. Suresh Garg was appointed as an additional Director on 26th August, 2019 and regularized on 25th September, 2019 as a Technical Director of the Company.

B. Remuneration of Other Directors

(Rs in lakhs)

Sl. No.	Particulars of Remuneration	Name of the Directors			Total Amount
		Rajnish Kumar Bedi	Deepak Mahajan	Sonia Gupta	
1	Independent/Non-Executive Directors				
	Fee for attending board/ committee meetings	1.40	1.40	1.00	3.80
	Commission	-	-	-	-
	Others, please Specify	-	-	-	-
	Total B	1.40	1.40	1.00	3.80
	Total Managerial Remuneration (A+B)				226.33
	Ceiling as per the Schedule V of Companies Act, 2013 (@ 1 Crore 20 lakh per Managerial Person)				

C Remuneration to Key Managerial Personnel other than MD/Manager/WTD

Sr. No.	Particulars of Remuneration	Key Managerial Personnel			Total Amount
		Anil Kumar Pillai*	Prashant Rathi**	Jyoti Sancheti	
1	Gross salary a. Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 Value of perquisites u/s 17(2) of the Income-tax Act, 1961 Profits in lieu of salary under section 17(3) Income-tax Act, 1961	0.34	16.25	7.56	24.15
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission - As % of profit - Others, please specify	-	-	-	-
5	Others, please specify	-	-	-	-
	Total	0.34	16.25	7.56	24.15

 * Mr. Anil Pillai, Chief Financial Officer of the Company resigned from 12th May, 2020.

 ** Mr. Prashant Rathi, Chief Financial Officer of the Company appointed on 24th July, 2021

VII. Penalties/Punishment/ Compounding of Offences

There were no penalties, punishment or compounding of offence for breach of any provisions of the Companies Act, 2013 by the Company during the year under review.

INDEPENDENT AUDITOR'S REPORT

To the Members of Brooks Laboratories Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying Standalone financial statements of **Brooks Laboratories Limited** ("the Company"), which comprise the balance sheet as at 31st March 2021, and the statement of Profit and Loss (Including Other Comprehensive Income), statement of cash flows and statement of changes in equity 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 standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Indian Accounting Statements ("Ind AS"), of the state of affairs of the Company as at March 31, 2021, and loss (Financial performance including other comprehensive income), its cash flows and changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the Standalone financial statements under the provisions of the Companies Act, 2013 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 Matters

1. 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.
2. We have determined that there are no key audit matters to be communicated in our report.

Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors are responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis Board's Report and Report on Corporate governance but does not include the consolidated financial statement, standalone 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 standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the Ind AS and accounting principles generally accepted in India, including the Ind AS specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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 Standalone Financial Statements

1. 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.
2. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also :
 - Identify and assess the risks of material misstatement of the 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 Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
 - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
 - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
 - Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
3. 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.
4. 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.
5. 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

- 1 As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the Annexure "A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
- 2 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 standalone financial statements dealt with by this Report are in agreement with the books of account.
- (d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS as specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (e) On the basis of the written representations received from the directors as on 31st March, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2021 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- (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, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements – Refer Note 37 to the standalone financial statements;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
3. In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.

For S G C O & Co. LLP
Chartered Accountants
FRN. 112081W/W100184

sd/-

Suresh Murarka
Partner
Mem. No. 044739

Place: Mumbai
Date: 30th June, 2021
UDIN : 21044739AAAANK6908

Annexure “A” to Independent Auditor’s Report

Annexure “A” referred to in Paragraph 1 of “Report on Other Legal and Regulatory Requirements” of our Report of even date on the accounts of Brooks Laboratories Limited for the year ended 31st March 2021.

As required by the Companies (Auditors Report) Order, 2016 and according to the information and explanations given to us during the course of the audit and on the basis of such checks of the books and records as were considered appropriate we report that:

- (i) a) The company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets.
- b) As explained to us, the fixed assets have been physically verified by the management in accordance with a phased programme of verification, which in our opinion is reasonable, considering the size of the company and the nature of its assets. In accordance with this program certain fixed assets were verified during the year. The frequency of verification is reasonable and no discrepancies have been noticed on such physical verification.
- c) According to the information and explanations given to us and on the basis of our examination of records of the Company, the title deeds of immovable properties are held in the name of the Company.
- (ii) The inventories have been physically verified by the management during the year at reasonable intervals. Discrepancies noticed on physical verification of inventories as compared to book records were not material and have been properly dealt with in the books of accounts.
- (iii) a) During the year the Company has not granted any Loan, secured or unsecured, to any party covered in the registered maintained under section 189 of the Companies Act, 2013.
- b) In view of our comments in para (iii) (a) above, clauses 3 (iii) (a), (b) and (c) of the said Order are not applicable to the Company.
- (iv) In our opinion and according to the information and explanation given to us, section 185 of the Companies Act, 2013 is not applicable, since the Company has not granted any loan during the year. With regards to investments in securities of other body corporates and guarantees provided to other body corporates, the Company has complied with the provisions of section 186 of the Companies Act, 2013.
- (v) The Company has not accepted any deposits from the public.
- (vi) As per explanation & information given to us, the Company has maintained proper cost records pursuant to the rules prescribed by the Central Government for the maintenance of cost records under section 148 (1) of the Companies Act, 2013. However, the same have not been reviewed by us.
- (vii) a) According to the records of the Company, amount deducted/accrued in the books of accounts in respect of the undisputed statutory dues including Provident Fund, Employee’s State Insurance, Income tax, Goods and Services tax, Duty of Customs, Cess and other Statutory Dues to the extent applicable to the Company, have been regularly deposited with the appropriate authorities. According to the information and explanations given to us, there are no undisputed amount payable in respect of such statutory dues which have remained outstanding as at 31st March, 2021 for a period more than six months from the date they became payable.
- b) According to the information and explanations given to us, disputed dues of Income Tax, Goods and Services Tax, and Duty of Customs which have not been deposited on account of disputes with the related authorities are as under.

Nature of Statute	Demand Amt Raised (Rs. in lakhs)	Stay Amt Paid (Rs. in lakhs)	Period to which matter pertains	Forum at which dispute is pending
Income Tax	339.51	101.00	A.Y 2013-14	Commissioner of Income Tax – Appeals
	142.85	21.45	A.Y 2014-15	Commissioner of Income Tax – Appeals
	0.68	-	A.Y 2015-16	Commissioner of Income Tax – Appeals
	73.45	51.45	A.Y.2016-17	Commissioner of Income Tax – Appeals

- (viii) In our opinion and according to the information and explanation given to us the Company has not defaulted in repayment of its dues to banks and financial institution. The Company did not have any outstanding dues to debenture holders during the year.
- (ix) According to the information & explanations given to us, the Company has not raised any money by way of initial public offer or further public offer (including debt instruments) or term loans during the year. offer or further public offer (including debt instruments) or term loans during the year.

- (x) According to the information & explanations given to us, no fraud by the company or on the company by its officers or employees has been noticed or reported during the course of our audit.
- (xi) According to the information and explanation given to us and based on our examination of the records of the Company, the Company has paid / provided for managerial remuneration in accordance with requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, paragraph 3 (xii) of the Order is not applicable.
- (xiii) According to the information and explanation given to us, all transaction entered into by the Company with the related parties are in compliance with Sections 177 and 188 of Act, where applicable and the details have been disclosed in the financial Statements etc., as required by the applicable Indian Accounting Standards.
- (xiv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, paragraph 3(xiv) of the Order is not applicable to the Company
- (xv) According to the information and explanation given to us and based on our examination of the records of the Company, the Company has not entered into any non-cash transactions with the directors or persons connected with him. Accordingly, paragraph 3 (xv) of the Order is not applicable.
- (xvi) In our opinion and according to the information and explanation given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For S G C O & Co. LLP
Chartered Accountants
FRN. 112081W/W100184

sd/-

Suresh Murarka
Partner
Mem. No. 044739

Place: Mumbai
Date: 30th June, 2021
UDIN : 21044739AAAANK6908

Annexure “B” to the Independent Auditor’s Report of even date on the standalone financial statements of Brooks Laboratories Limited for the year ended 31st March 2021.

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

We have audited the internal financial controls over financial reporting of Brooks Laboratories Limited (“the Company”) as of March 31, 2021 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors’ Responsibility

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

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

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

For S G C O & Co. LLP
Chartered Accountants
FRN. 112081W/W100184

sd/-
Suresh Murarka
Partner
Mem. No. 044739

Place: Mumbai
Date: 30th June, 2021
UDIN : 21044739AAAANK6908

Standalone Balance Sheet as at 31st March, 2021

Particulars	Note No.	Rs. (in Lakhs)	
		As at March 31, 2021	As at March 31, 2020
ASSETS			
Non-current assets			
Property, plant and equipment	3A	1,442.48	11,217.70
Right of use Assets	3B	-	67.48
Intangible Asset	3C	53.38	17.04
Intangible asset under development	3D	2.15	10.99
Financial assets			
Investments	4	4,680.54	2.00
Other financial assets	5	132.85	162.73
Income tax assets (net)	6	201.70	496.55
Deferred tax assets (net)	7	-	-
Other non-current assets	8	-	20.11
Total non-current assets		6,513.10	11,994.60
Current assets			
Inventories	9	1,237.87	1,377.49
Financial assets			
Trade receivables	10	959.07	1,556.20
Cash and cash equivalents	11	6.37	39.60
Other bank balances	12	81.99	113.18
Other financial assets	13	43.68	60.19
Other current assets	14	205.46	645.13
Total current assets		2,534.44	3,791.79
Non current asset held for sale	15	252.06	-
TOTAL ASSETS		9,299.60	15,786.39
EQUITY AND LIABILITIES			
Equity			
Equity share capital	16A	2,470.28	2,470.28
Other equity	16B	3,950.76	7,371.32
Total equity		6,421.04	9,841.60
Liabilities			
Non-current liabilities			
Financial liabilities			
Borrowings	17	134.09	1,139.93
Lease Liabilities	18	-	52.91
Other financial liabilities	19	11.12	-
Provisions	20	154.48	172.04
Total non-current liabilities		299.69	1,364.88
Current liabilities			
Financial liabilities			
Borrowings	21	681.99	1,261.03
Lease Liabilities	22	-	23.12
Trade payables	23	-	-
- Due to micro and small enterprises		316.22	445.56
- Due to others		1,022.38	2,161.05
Other financial liabilities	24	369.91	489.02
Other current liabilities	25	125.73	144.11
Provisions	26	62.64	56.02
Total current liabilities		2,578.87	4,579.91
TOTAL EQUITY AND LIABILITIES		9,299.60	15,786.39

Notes 1 to 47 form an integral part of the financial statements

For S G C O & Co. LLP

 Chartered Accountants
 Firm Registration No : 112081W/W100184
 Sd/-
Suresh Murarka
 Partner
 Mem. No. 44739

 Place: Mumbai
 Date : 30th June 2021

For and on behalf of the Board of Directors

 Sd/-
Atul Ranchal
 Chairman
 Din : 01998361
 Sd/-
Prashant Rathi
 CFO
 Sd/-
Rajesh Mahajan
 Managing Director
 Din : 02000634
 Sd/-
Jyoti Sancheti
 Company Secretary

 Place: Mumbai
 Date : 30th June 2021

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

Particulars	Note No.	Rs. (in Lakhs)	
		Year ended 31 March 2021	Year ended March 31, 2020
Income			
Revenue from operations	27	7,724.69	6,968.85
Other income	28	98.79	40.63
Total income		7,823.48	7,009.48
Expenses			
Cost of materials consumed	29	4,656.93	4,951.17
Purchases of stock-in-trade	30	423.65	61.48
Changes in inventories of finished goods, work - in progress	31	(333.58)	(328.90)
Employee benefits expense	32	1,436.83	1,338.41
Finance costs	33	309.41	335.03
Depreciation and amortisation expense		709.29	664.76
Other expenses	34	1,464.48	1,338.90
Total expenses		8,667.01	8,360.85
Profit / (Loss) before tax		(843.53)	(1,351.37)
Tax expense/ (credit)			
- Current tax		-	-
- Deferred tax [Refer note 8(a)]		-	174.37
- MAT credit reversal [Refer note 8(b)]		-	911.85
- Tax of earlier years [Refer Note no. 6(d)]		715.23	-
Total tax expense/ (credit)		715.23	1,086.23
Profit/ (loss) for the year (A)		(1,558.76)	(2,437.60)
Other comprehensive income (OCI)			
Items not to be reclassified subsequently to profit or loss			
- Measurement of defined employee benefit plans		10.79	19.68
- Income tax relating to above items		-	(4.95)
Other comprehensive income for the year, net of tax (B)		10.79	14.73
Total comprehensive income/ (loss) for the year, net of tax (A+B)		(1,547.97)	(2,422.87)
Earnings per equity share of Rs. 10 each			
Basic and diluted (in Rs.)	35	(6.31)	(13.84)

Notes 1 to 47 form an integral part of the financial statements

This is the statement of profit and loss referred to in our audit report of even date

For S G C O & Co. LLP

Chartered Accountants

Firm Registration No : 112081W/W100184

Sd/-

Suresh Murarka

Partner

Mem. No. 44739

Place: Mumbai

Date : 30th June, 2021

For and on behalf of the Board of Directors

Sd/-

Atul Ranchal

Chairman

Din : 01998361

Sd/-

Prashant Rathi

CFO

Place: Mumbai

Date : 30th June, 2021

Sd/-

Rajesh Mahajan

Managing Director

Din : 02000634

Sd/-

Jyoti Sancheti

Company Secretary

Standalone Statement of Changes in Equity for the Year ended 31st March, 2021

Rs. (in Lakhs)

A) Equity share capital

Particulars	Number	Amount
Equity shares of Rs. 10/- each issued, subscribed and paid		
As at 1 April 2020	2,47,02,812	2,470.28
Changes in Equity Share Capital	-	-
As at 31 March, 2021	2,47,02,812	2,470.28

Money received against share warrants

In terms of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 as amended ("ICDR Regulations"), the Company has converted 6,37,500 Warrants on 9th July, 2019 and 2,12,500 Warrants on 26th July, 2019 into equivalent number of Equity Shares of face value Rs. 10/- each and at a premium of Rs. 85.50 per share in the Company on receipt of full amount.

Shares issued on Rights basis

On March 12, 2020, the Company allotted 76,66,390 Equity Shares of face value of Rs.10 each, at a price of Rs. 20 per equity share (including a premium of Rs.10 per share), aggregating to Rs. 1,533.27 lakhs to the existing shareholders on a "rights" basis in the ratio of 1 Equity Share for every 9 equity shares held by equity shareholders

B) Other equity

Particulars	Reserves and surplus		Other comprehensive income Remeasurement of Defined Benefit Plans	Money received against share warrants	Total equity attributable to equity holders
	Securities premium reserve	Retained earnings			
As at 1 April 2019	5,341.40	2,995.67	3.88	555.49	8,896.44
Impact on adoption of IND AS 116 (Refer Note 37)	-	(5.39)	-	-	(5.39)
Profit/ (Loss) for the Year	-	(2,437.60)	-	-	(2,437.60)
Other Comprehensive Income for the year	-	-	14.73	-	14.73
Money received against share warrants during the period	-	-	-	256.26	256.26
Share Warrants converted into Equity shares	726.75	-	-	(811.75)	(85.00)
Received on allocation of shares on Rights basis	766.64	-	-	-	766.64
Issue expenses written off against Securities Premium	(34.76)	-	-	-	(34.76)
As at 31 March 2020	6,800.03	552.68	18.61	-	7,371.32
Adjustment in retained earning due to Slump sale	-	(1,872.59)	-	-	(1,872.59)
Profit/ (Loss) for the Year	-	(1,558.76)	-	-	(1,558.76)
Other Comprehensive Income for the year	-	-	10.79	-	10.79
As at 31 March 2021	6,800.03	(2,878.67)	29.40	-	3,950.76

Notes 1 to 47 form an integral part of the financial statements

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

For S G C O & Co. LLP

 Chartered Accountants
 Firm Registration No : 112081W/W100184
 Sd/-
Suresh Murarka
 Partner
 Mem. No. 44739

 Place: Mumbai
 Date : 30th June 2021

For and on behalf of the Board of Directors

 Sd/-
Atul Ranchal
 Chairman
 Din : 01998361
 Sd/-
Prashant Rathi
 CFO
 Sd/-
Rajesh Mahajan
 Managing Director
 Din : 02000634
 Sd/-
Jyoti Sancheti
 Company Secretary

 Place: Mumbai
 Date : 30th June 2021

Standalone Cash Flow Statement for the Year ended March 31, 2021

Particulars	Year ended 31 March 2021	Year ended March 31, 2020
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net (loss) / profit before tax	(843.53)	(1,351.37)
Adjustments for		
Depreciation and amortisation expense	709.29	664.76
Finance cost	309.41	335.03
Interest income	(16.95)	(15.12)
Remeasurement of defined benefit obligations	10.79	19.68
Dividend from current investments	(0.30)	(0.35)
Provision for Doubtful Capital Advance	18.65	-
Loss on discarded asset	5.61	135.40
Provision for expected credit loss	4.62	36.16
Unrealised foreign exchange gain	(17.64)	(0.00)
Operating profit before working capital changes	179.95	(175.81)
Adjustments for changes in working capital:		
Decrease / (increase) in trade receivables	878.75	(447.76)
Decrease / (increase) in inventories	(974.05)	(372.15)
Decrease / (increase) in other assets	228.60	53.12
Decrease / (increase) in other financial assets	46.39	(20.44)
(Decrease) / Increase in trade and other payables	(201.64)	(107.31)
(Decrease) / Increase in other financial liabilities	154.38	52.83
(Decrease) / Increase in other liabilities	(18.38)	43.58
(Decrease) / Increase in long term provisions	17.99	24.51
(Decrease) / Increase in short term provisions	18.52	11.93
Cash generated from / (used in) operations	330.51	(937.50)
Direct taxes paid (net of refunds received)	(420.37)	(1.36)
Net cash (used in) / from generated from operating activities (A)	(89.86)	(938.86)
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment (including capital work in progress and capital advances)	(117.16)	(258.37)
Proceeds from sale of property, plant and equipment	-	43.00
Investment in associate company	(0.80)	-
Investment in subsidiary	(5.00)	-
Net (investments in)/ proceeds from bank deposits (having original maturity of more than three months)	31.18	(31.29)
Interest received	16.95	13.70
Dividend received	0.30	0.35
Net cash (used in) / generated from investing activities (B)	(74.53)	(232.60)

C. CASH FLOW FROM FINANCING ACTIVITIES

Money received against share warrants	-	1,754.78
Proceeds/ (Repayments) from borrowings (net)	452.97	(425.99)
Repayment of Lease Liabilities	(20.70)	(28.56)
Finance costs paid	(301.11)	(339.01)
Net cash (used in) / from financing activities (C)	131.16	961.21
Net decrease in cash and cash equivalents (A+B+C)	(33.23)	(210.24)
Cash and cash equivalents at the beginning of the year	39.60	249.85
Cash and cash equivalents at the end of the year	6.37	39.60

Note:

- The above cash flow statement has been prepared under the "Indirect Method" as set out in the Indian Accounting Standard (Ind AS 7) - Statement of Cash Flow.
- Components of cash and cash equivalents considered only for the purpose of cash flow statement as follows :

Particulars	Rs. In Lakhs	
	Year ended 31 March 2021	Year ended March 31, 2020
In bank current accounts	1.44	33.55
Cash on hand	4.93	2.76
Fixed deposits with original maturity of less than 3 months	-	3.29
	6.37	39.60

- Previous year's figures have been regrouped and rearranged wherever necessary in order to confirm to current year's classification.

Notes 1 to 47 form an integral part of the financial statements

This is the Cash Flow Statement referred to in our audit report of even date

For S G C O & Co. LLP

Chartered Accountants
 Firm Registration No : 112081W/W100184
 Sd/-
Suresh Murarka
 Partner
 Mem. No. 44739

Place: Mumbai
 Date : 30th June, 2021

For and on behalf of the Board of Directors

Sd/-
Atul Ranchal
 Chairman
 Din : 01998361
 Sd/-
Prashant Rathi
 CFO

Sd/-
Rajesh Mahajan
 Managing Director
 Din : 02000634
 Sd/-
Jyoti Sancheti
 Company Secretary

Place: Mumbai
 Date : 30th June, 2021

Accompanying notes to the financial statement for the Year ended March 31, 2021

Note 1 Corporate Information

Brooks Laboratories Limited is a public company domiciled in India and incorporated under the provisions of the Companies Act, 1956 and was incorporated on 23rd January, 2002. The shares of the company are listed on BSE & NSE in India. The Company has manufacturing plants at Baddi, Himachal Pradesh and Vadodara, Gujarat. The Company is a pharmaceutical manufacturing company working on contract basis.

Note 2.1 Significant Accounting Policies

i Basis of Preparation

The financial statements of the Company have been prepared to comply in all material respects with the Indian Accounting Standards ("Ind AS") notified under the Companies (Accounting Standards) Rules, 2015.

The financial statements have been prepared under the historical cost convention with the exception of certain financial assets and liabilities which have been measured at fair value, on an accrual basis of accounting.

All the assets and liabilities have been classified as current and non-current as per normal operating cycle of the Company and other criteria set out in as per the guidance set out in Schedule III to the Act. Based on nature of services, the Company ascertained its operating cycle as 12 months for the purpose of current and non-current classification of asset and liabilities.

The Company's financial statements are reported in Indian Rupees, which is also the Company's functional currency, and all values are rounded to the nearest lakhs (INR 00,000), except when otherwise indicated.

ii Accounting Estimates

The preparation of the financial statements, in conformity with the Ind AS, requires the management to make estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities and disclosure of contingent liabilities as at the date of financial statements and the results of operation during the reported period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates which are recognised in the period in which they are determined.

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

Deferred tax assets

In assessing the realisability of deferred income tax assets, management considers whether some portion or all of the deferred income tax assets will not be realized. The ultimate realization of deferred income tax assets is dependent upon the generation of future taxable income during the periods in which the temporary differences become deductible. Management considers the scheduled reversals of deferred income tax liabilities, projected future taxable income, and tax planning strategies in making this assessment. Based on the level of historical taxable income and projections for future taxable income over the periods in which the deferred income tax assets are deductible, management believes that the Company will realize the benefits of those deductible differences. The amount of the deferred income tax assets considered realizable, however, could be reduced in the near term if estimates of future taxable income during the carry forward period are reduced.

Defined benefit plans

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

Accompanying notes to the financial statement for the Year ended March 31, 2021

iii Property, Plant and Equipment

Property, Plant and Equipment are stated at cost of acquisition including attributable interest and finance costs, if any, till the date of acquisition/ installation of the assets less accumulated depreciation and accumulated impairment losses, if any. Subsequent expenditure relating to Property, Plant and Equipment is capitalised 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 costs are charged to the Statement of Profit and Loss as incurred. The cost and related accumulated depreciation are eliminated from the financial statements, either on disposal or when retired from active use and the resultant gain or loss are recognised in the Statement of Profit and Loss.

Capital work-in-progress, representing expenditure incurred in respect of assets under development and not ready for their intended use, are carried at cost. Cost includes related acquisition expenses, construction cost, related borrowing cost and other direct expenditure.

iv Depreciation/ Amortisation

- Depreciation on Property, Plant and Equipment has been provided on a pro-rata basis on the straight-line method over the estimated useful lives of the assets which are in agreement with the rates prescribed under schedule II to the Companies Act 2013, except for the category of assets mentioned in Table B in order to reflect the actual usage of the asset.
- Intangible assets consisting of softwares, licenses and Dossier/ Marketing Rights are amortised over their useful life.

Table A showing category of assets of which useful life are as prescribed under Companies Act

Sr.No.	Asset category	As per Companies Act 2013	Useful life Baddi	Useful life Vadodara
1	Plant & Machinery	20 years	20 years	-
2	Lab Equipments	10 years	10 years	-
3	Computer	3 years	3 years	3 years
4	Office Equipments	5 years	5 years	5 years
5	Furniture	10 years	10 years	10 years
6	Electrical Installation	10 years	10 years	10 years
7	Factory Building	30 Years	30 Years	30 Years
8	Office Premises	60 Years	60 Years	60 Years
9	Server	6 years	6 years	6 years
10	Vehicles	8-10 years	8-10 years	8-10 years

Table B showing category of assets of which useful life are different from what prescribed under Companies Act

Sr.No.	Asset category	As per Companies Act 2013	Useful life Vadodara	Difference
1	Plant & Machinery	20 years	15 years	5 years

The Company, based on technical assessment made by technical expert and management estimate, depreciates certain items of property plant and equipment (as mentioned above) over estimated useful lives which are different from the useful lives prescribed under Schedule II to the Companies Act, 2013. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

v Investment Property

Investment properties are held to earn rentals or for capital appreciation, or both. Investment properties are measured initially at their cost of acquisition. The cost comprises purchase price, borrowing cost if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discount and rebates are deducted in arriving at the purchase price.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company. All other repair and maintenance costs are recognised in statement of profit and loss as incurred.

Accompanying notes to the financial statement for the Year ended March 31, 2021

Though the Company measures investment property using cost based measurement, the fair value of investment property is disclosed in the notes.

Investment Property is initially measured at cost including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any.

Any gain or loss on disposal of investment property calculated as the difference between the net proceeds from disposal and the carrying amount of the item is recognised in Statement of Profit & Loss.

vi Financial Instruments

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

a) Investment in subsidiaries, associate and joint venture :

Investment in subsidiaries, associates and joint ventures are shown at cost in accordance with the option available in Ind AS 27, 'Separate Financial Statements'. Where the carrying amount of an investment is greater than its estimated recoverable amount, it is written down immediately to its recoverable amount and the difference is transferred to the Statement of Profit and Loss. On disposal of investment, the difference between the net disposal proceeds and the carrying amount is charged or credited to the Statement of Profit and Loss.

b) Financial Assets

Initial Recognition

In the case of financial assets, not recorded at fair value through profit or loss (FVTPL), financial assets are recognised initially at fair value plus transaction costs that are directly attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

Subsequent Measurement

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

Financial Assets at Amortised Cost

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business model with an objective to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Interest income from these financial assets is included in finance income using the effective interest rate ("EIR") method. Impairment gains or losses arising on these assets are recognised in the Statement of Profit and Loss.

Financial Assets Measured at Fair Value

Financial assets are measured at fair value through OCI if these financial assets are held within a business model with an objective to hold these assets in order to collect contractual cash flows or to sell these financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in the Statement of Profit and Loss.

Financial asset not measured at amortised cost or at fair value through OCI is carried at FVPL.

Impairment of Financial Assets

In accordance with Ind AS 109, the Company applies the expected credit loss ("ECL") model for measurement and recognition of impairment loss on financial assets and credit risk exposures.

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables. Simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECL at each reporting date, right from its initial recognition.

Accompanying notes to the financial statement for the Year ended March 31, 2021

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

ECL is the difference between all contractual cash flows that are due to the group in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL impairment loss allowance (or reversal) recognised during the period is recognised as income/ expense in the Statement of Profit and Loss.

De-recognition of Financial Assets

The Company de-recognises a financial asset only when the contractual rights to the cash flows from the asset expire, or it transfers the financial asset and substantially all risks and rewards of ownership of the asset to another entity.

If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognizes its retained interest in the assets and an associated liability for amounts it may have to pay.

If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

c) Equity Instruments and Financial Liabilities

Financial liabilities and equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

Equity Instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments which are issued for cash are recorded at the proceeds received, net of direct issue costs. Equity instruments which are issued for consideration other than cash are recorded at fair value of the equity instrument.

Financial Liabilities

1) Initial Recognition

Financial liabilities are classified, at initial recognition, as financial liabilities at FVPL, loans and borrowings and payables as appropriate. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

2) Subsequent Measurement

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

Financial liabilities at FVPL

Financial liabilities at FVPL include financial liabilities held for trading and financial liabilities designated upon initial recognition as at FVPL. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. Gains or losses on liabilities held for trading are recognised in the Statement of Profit and Loss.

Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortisation. Amortisation is recognised as finance income in the Statement of Profit and Loss.

Accompanying notes to the financial statement for the Year ended March 31, 2021

Financial liabilities at amortised cost

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Any difference between the proceeds (net of transaction costs) and the settlement or redemption of borrowings is recognised over the term of the borrowings in the Statement of Profit and Loss.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the Statement of Profit and Loss.

3) De-recognition of Financial Liabilities

Financial liabilities are de-recognised when the obligation specified in the contract is discharged, cancelled or expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as de-recognition of the original liability and recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

d) Offsetting Financial Instruments

Financial assets and financial liabilities are offset and the net amount is reported in the Balance Sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis to realise the assets and settle the liabilities simultaneously.

vii Employee Benefits

a Defined Contribution Plan

Contributions to defined contribution schemes such as provident fund, employees' state insurance, labour welfare are charged as an expense based on the amount of contribution required to be made as and when services are rendered by the employees. The above benefits are classified as Defined Contribution Schemes as the Company has no further obligations beyond the monthly contributions.

b Defined Benefit Plan

The Company also provides for gratuity which is a defined benefit plan, the liabilities of which is determined based on valuations, as at the balance sheet date, made by an independent actuary using the projected unit credit method. Re-measurement, comprising of actuarial gains and losses, in respect of gratuity are recognised in the OCI, in the period in which they occur. Re-measurement recognised in OCI are not reclassified to the Statement of Profit and Loss in subsequent periods. Past service cost is recognised in the Statement of Profit and Loss in the year of plan amendment or curtailment. The classification of the Company's obligation into current and non-current is as per the actuarial valuation report.

c Leave entitlement and compensated absences

Accumulated leave which is expected to be utilised within next twelve months, is treated as short-term employee benefit. Leave entitlement, other than short term compensated absences, are provided based on a actuarial valuation, similar to that of gratuity benefit. Re-measurement, comprising of actuarial gains and losses, in respect of leave entitlement are recognised in the Statement of Profit and Loss in the period in which they occur.

d Short-term Benefits

Short-term employee benefits such as salaries, wages, performance incentives etc. are recognised as expenses at the undiscounted amounts in the Statement of Profit and Loss of the period in which the related service is rendered. Expenses on non-accumulating compensated absences is recognised in the period in which the absences occur.

e Termination benefits

Termination benefits are recognised as an expense as and when incurred.

viii Cash and Cash Equivalents

Cash and cash equivalents in the Balance Sheet comprises of cash at banks and on hand, which are subject to an insignificant risk of changes in value.

Accompanying notes to the financial statement for the Year ended March 31, 2021

ix Borrowing Costs

Borrowing costs consist of interest and other costs that the Company incurs in connection with the borrowing of funds. Also, the EIR amortisation is included in finance costs.

Borrowing costs relating to acquisition, construction or production of a qualifying asset which takes substantial period of time to get ready for its intended use are added to the cost of such asset to the extent they relate to the period till such assets are ready to be put to use. All other borrowing costs are expensed in the Statement of Profit and Loss in the period in which they occur.

x Foreign Exchange Translation and Accounting of Foreign Exchange Transaction

a Initial Recognition

Foreign currency transactions are initially recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction. However, for practical reasons, the Company uses a monthly average rate if the average rate approximate the actual rate at the date of the transactions.

b Conversion

Monetary assets and liabilities denominated in foreign currencies are reported using the closing rate at the reporting date. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction.

c Treatment of Exchange Difference

Exchange differences arising on settlement/ restatement of short-term foreign currency monetary assets and liabilities of the Company are recognised as income or expense in the Statement of Profit and Loss except those arising from investment in Non Integral operations.

xi Revenue Recognition

a) Revenue from contracts with customers is recognized on transfer of control of promised goods or services to a customer at an amount that reflects the consideration to which the Company is expected to be entitled to in exchange for those goods or services.

Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of goods sold and services rendered is net of variable consideration on account of various discounts and schemes offered by the Company as part of the contract. This variable consideration is estimated based on the expected value of outflow. Revenue (net of variable consideration) is recognized only to the extent that it is highly probable that the amount will not be subject to significant reversal when uncertainty relating to its recognition is resolved.

b) Revenue from sales of goods is recognized net of rebates and discounts on transfer of significant risks and rewards of ownership to the buyer. Sales of goods are recognized gross of excise duty but net of Sales Tax and Value Added Tax. From July '17 onwards, Sales are considered net of Goods and Services Tax.

c) Interest is recognised on a time proportion basis taking in to account the amount outstanding and the rate applicable.

d) Dividend income is recognised when right to receive the same is established.

xii Income Tax

Income tax comprises of current and deferred income tax. Income tax is recognised as an expense or income in the Statement of Profit and Loss, except to the extent it relates to items directly recognised in equity or in OCI.

a Current Income Tax

Current income tax is recognised based on the estimated tax liability computed after taking credit for allowances and exemptions in accordance with the Income Tax Act, 1961. Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

b Deferred Income Tax

Deferred tax is determined by applying the Balance Sheet approach. Deferred tax assets and liabilities are recognised for all deductible temporary differences between the financial statements' carrying amount of existing assets and liabilities and

Accompanying notes to the financial statement for the Year ended March 31, 2021

their respective tax base. Deferred tax assets and liabilities are measured using the enacted tax rates or tax rates that are substantively enacted at the Balance Sheet date. The effect on deferred tax assets and liabilities of a change in tax rates is recognised in the period that includes the enactment date. Deferred tax assets are only recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised. Such assets are reviewed at each Balance Sheet date to reassess realisation.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Minimum Alternative Tax ("MAT") credit is recognised as an asset only when and to the extent it is probable that the Company will pay normal income tax during the specified period.

xiii Impairment of Non-Financial Assets

As at each Balance Sheet date, the Company assesses whether there is an indication that a non-financial asset may be impaired and also whether there is an indication of reversal of impairment loss recognised in the previous periods. If any indication exists, or when annual impairment testing for an asset is required, the Company determines the recoverable amount and impairment loss is recognised when the carrying amount of an asset exceeds its recoverable amount.

Recoverable amount is determined:

- In case of an individual asset, at the higher of the assets' fair value less cost to sell and value in use; and
- In case of cash generating unit (a group of assets that generates identified, independent cash flows), at the higher of cash generating unit's fair value less cost to sell and value in use.

In assessing value in use, the estimated future cash flows are discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and risk specified to the asset. In determining fair value less cost to sell, recent market transaction are taken into account. If no such transaction can be identified, an appropriate valuation model is used.

Impairment losses of continuing operations, including impairment on inventories, are recognised in the Statement of Profit and Loss, except for properties previously revalued with the revaluation taken to OCI. For such properties, the impairment is recognised in OCI up to the amount of any previous revaluation.

When the Company considers that there are no realistic prospects of recovery of the asset, the relevant amounts are written off. If the amount of impairment loss subsequently decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, then the previously recognised impairment loss is reversed through the Statement of Profit and Loss.

xiv Trade receivables

A receivable is classified as a 'trade receivable' if it is in respect of the amount due on account of goods sold or services rendered in the normal course of business. Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the EIR method, less provision for impairment.

xv Trade payables

A payable is classified as a 'trade payable' if it is in respect of the amount due on account of goods purchased or services received in the normal course of business. These amounts represent liabilities for goods and services provided to the Company prior to the end of the financial year which are unpaid. These amounts are unsecured and are usually settled as per the payment terms stated in the contract. 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 EIR method.

xvi Inventories

Inventories are valued as follows:

- Finished Goods are valued at lower of cost or net realisable value.
- Raw Material are valued at lower of cost or net realisable value.

Accompanying notes to the financial statement for the Year ended March 31, 2021

- Packing Materials are valued at cost or net realisable value.
- Work in process is valued at lower of cost or net realisable value.
- Stock in trade is valued at a lower of cost or net realizable value.

Cost is arrived at on weighted average cost method.

xvii Leases

Company as a lessee

The Company's lease asset classes primarily consist of leases for land and buildings. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment of whether it will exercise an extension or a termination option.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

Company as a lessor

Leases for which the Company is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

When the Company is an intermediate lessor, it accounts for its interests in the head lease and the sublease separately. The sublease is classified as a finance or operating lease by reference to the right-of-use asset arising from the head lease.

For operating leases, rental income is recognized on a straight line basis over the term of the relevant lease.

xviii Earnings Per Share

Basic earnings per share is computed by dividing the net profit or loss for the period attributable to the equity shareholders of the Company by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares, that have changed the number of equity shares outstanding, without a corresponding change in resources.

Diluted earnings per share is computed by dividing the net profit or loss for the period attributable to the equity shareholders of the Company and weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. The dilutive potential equity shares are adjusted for the proceeds receivable had the equity shares been actually issued at fair value (i.e. the average market value of the outstanding equity shares).

xix Provisions, Contingent Liabilities and Contingent Assets

A provision is recognised when the Company has a present obligation (legal or constructive) as a result of past events and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, in respect of which a reliable estimate can be made of the amount of obligation. Provisions (excluding gratuity and compensated absences) are determined based on management's estimate required to settle the obligation at the Balance Sheet date. In case the time value of money is material, provisions are discounted using a current pre-tax rate that reflects the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost. These are reviewed at each Balance Sheet date and adjusted to reflect the current management estimates.

Accompanying notes to the financial statement for the Year ended March 31, 2021

Contingent liabilities are disclosed in respect of possible obligations that arise from past events, whose existence would be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company. A contingent liability also arises, in rare cases, where a liability cannot be recognised because it cannot be measured reliably.

xx Share Issue Expenses

Share issue expenses are adjusted against the Securities Premium Account as permissible under Section 52(2) of the Companies Act, 2013, to the extent balance is available for utilization in the Securities Premium Account.

xxi Rounding of amounts

All amounts disclosed in the financials statements and notes have been rounded off to the nearest lakhs as per the requirement of Schedule III.

xxii Business Combination Involving Entities Under Common Control

A business combination involving entities or businesses under common control is a business combination in which all of the combining entities or businesses are ultimately controlled by the same party or parties both before and after the business combination and the control is not transitory.

Business Combination involving entities or businesses under common control shall be accounted for using the pooling of interest method based on the predecessor values retrospectively for all periods presented.

The pooling of interest method is considered to involve the following:

- (i) The assets and liabilities of the combining entities are reflected at their carrying amounts.
- (ii) No adjustments are made to reflect fair values, or recognise any new assets or liabilities. The only adjustments that are made are to harmonise accounting policies and tax adjustments if any.
- (iii) The components of other equity of the acquired companies are added to the same components within other equity except that any share capital and investments in the books of the acquiring entity is cancelled and the differences, if any, is adjusted in the opening retained earnings.
- (iv) The financial information in the financial statements in respect of prior periods are restated as if the business combination had occurred from the beginning of the preceding period in the financial statements, irrespective of the actual date of the combination. However, if business combination had occurred after that date, the prior period information shall be restated only from that date.

Accompanying notes to the financial statement for the Year ended March 31, 2021

Note 3A : Property, plant and equipment

Particulars	Land	Factory Building	Office Building	Plant and Machinery	Lab Equipments	Electrical Installations	Furniture & Fixtures	Vehicles	Office Equipment	Computer	Generator	Leasehold Improvement	Server	Total
Year ended March 31, 2020														
Gross carrying value														
Balance as at 1 April, 2019	1,740.69	4,401.22	297.41	5,720.10	7.04	458.83	139.83	225.32	66.61	34.88	23.67	11.05	42.94	13,169.59
Additions	-	4.03	-	237.87	3.09	11.21	7.13	-	1.91	3.32	-	-	-	268.56
Disposals	-	-	-	(292.06)	-	-	-	-	-	-	(8.80)	-	-	(300.86)
Balance as at 31 March 2020	1,740.69	4,405.25	297.41	5,665.91	10.13	470.04	146.96	225.32	68.52	38.20	14.87	11.05	42.94	13,137.29
Accumulated depreciation														
Balance as at 1 April, 2019	-	321.74	14.77	810.92	4.93	97.31	36.51	84.38	29.29	26.53	9.93	1.29	14.80	1,452.41
Depreciation charge during the year	-	150.88	5.05	387.05	0.90	46.81	14.48	4.95	10.37	4.52	3.31	2.22	7.17	637.71
Deletions / Adjustments	-	-	-	(164.33)	-	-	-	-	-	-	(6.20)	-	-	(170.53)
Balance as at 31 March 2020	-	472.62	19.83	1,033.64	5.83	144.12	50.99	89.33	39.66	31.05	7.04	3.51	21.97	1,919.59
Net Carrying Amount as at March, 31, 2020	1,740.69	3,932.63	277.58	4,632.27	4.30	325.92	95.97	135.99	28.87	7.15	7.83	7.54	20.97	11,217.70
Year ended March 31, 2021														
Gross carrying value														
Balance as at 1 April 2020	1,740.69	4,405.25	297.41	5,665.91	10.13	470.04	146.96	225.32	68.52	38.20	14.87	11.05	42.94	13,137.29
Additions	-	-	-	35.06	1.03	-	0.20	-	2.98	5.25	-	-	-	44.53
Disposals	-	-	-	(0.50)	-	-	-	-	-	-	-	(11.05)	-	(11.55)
Less : Transferred to Non current Assets held for sale (Refer Note no 15)	-	-	(275.43)	-	-	-	-	-	-	-	-	-	-	(275.43)
Less : Transfer in slump sales	(1,589.44)	(4,155.24)	(21.98)	(4,586.48)	-	(450.95)	(110.13)	(14.81)	(20.66)	(28.66)	-	-	(42.94)	(11,001.29)
Balance as at 31 March 2021	151.25	250.01	0.00	1,133.99	11.16	19.09	37.03	210.51	50.84	14.79	14.87	-	-	1,893.55
Accumulated depreciation														
Balance as at 1 April 2020	-	472.62	19.83	1,033.64	5.83	144.12	50.99	89.33	39.66	31.05	7.04	3.51	21.97	1,919.59
Depreciation charge during the year	-	150.52	5.04	373.93	0.73	47.01	15.40	54.07	8.80	6.39	2.31	2.21	7.15	673.57
Deletions / Adjustments	-	-	-	(0.23)	-	-	-	-	-	-	-	(5.72)	-	(5.95)
Less : Transferred to Non current Assets held for sale (Refer Note no 15)	-	-	(23.37)	-	-	-	-	-	-	-	-	-	-	-
Less : Transfer in slump sales	(563.43)	(1.49)	(1.49)	(1,237.12)	-	(183.18)	(42.88)	(10.50)	(16.54)	(28.48)	-	-	(29.13)	(2,112.77)
Balance as at 31 March 2021	-	59.71	0.00	170.22	6.57	7.95	23.51	132.90	31.91	8.96	9.35	0.00	-	474.44
Net Carrying Amount as at March 31, 2021	151.25	190.30	-	963.78	4.59	11.14	13.52	77.61	18.93	5.83	5.52	-	-	1,442.48

Accompanying notes to the financial statement for the Year ended March 31, 2021
Note 3B : Right to use of Assets

Particulars	Rs. (in Lakhs)	
	Office Premises	Total
Year ended March 31, 2020		
Gross Carrying Amount		
Balance as at April, 1, 2019	-	-
Transition impact on account of adoption of IND AS 116	91.32	91.32
Additions	-	-
Disposals	-	-
Balance as at March 31, 2020	91.32	91.32
Accumulated Depreciation		
Balance as at April, 1, 2019	-	-
Depreciation charge during the year	23.84	23.84
Disposals	-	-
Balance as at March 31, 2020	23.84	23.84
Net Carrying Amount as at March 31, 2021	67.48	67.48
Year ended March 31, 2021		
Gross Carrying Amount		
Balance as at April, 1, 2020	91.32	91.32
Additions	-	-
Disposals	(91.32)	(91.32)
Balance as at March 31, 2021	-	-
Accumulated Depreciation		
Balance as at April, 1, 2020	23.84	23.84
Depreciation charge during the year	23.77	23.77
Disposals	(47.61)	(47.61)
Balance as at March 31, 2021	-	-
Net Carrying Amount as at March 31, 2021	-	-

Note 3C : Intangible Assets

Particulars	Rs. (in Lakhs)		
	Computer Software	Dossiers/ Marketing rights	Total
Year ended 31 March 2020			
Gross carrying value			
Balance as at 1 April, 2019	10.00	-	10.00
Additions	2.00	10.25	12.25
Balance as at 31 March 2020	12.00	10.25	22.25
Accumulated Amortisation			
Balance as at 1 April, 2019	2.00	-	2.00
Amortisation charge for the year	2.06	1.15	3.21
Balance as at 31 March 2020	4.06	1.15	5.21
Closing Net Carrying Amount as at 31 March 2020	7.94	9.10	17.04

Accompanying notes to the financial statement for the Year ended March 31, 2021

Particulars	Rs. (in Lakhs)		
	Computer Software	Dossiers/ Marketing rights	Total
Year ended 31 March 2021			
Gross carrying value			
Balance as at 1 April, 2020	12.00	10.25	22.25
Additions	0.11	48.60	48.71
Less : Transfer in Slump sales	-	(0.60)	(0.60)
Balance as at 31 March 2021	12.11	58.25	70.36
Accumulated Amortisation			
Balance as at 1 April, 2020	4.06	1.15	5.21
Amortisation charge for the year	2.40	9.56	11.95
Less : Transfer in Slump sales	-	(0.19)	(0.19)
Balance as at 31 March 2021	6.46	10.52	16.98
Closing Net Carrying Amount as at 31 March 2021	5.65	47.73	53.38

Note 3D : Intangible Assets Under Development

Particulars	Rs. (in Lakhs)
	Intangible Assets Under Development
Gross carrying value	
Balance as at 31 March 2020	10.99
Additions	4.01
Less : Transferred to Expenses	-
Less : Transferred to Intangible Assets	-
Less : Transferred to slump sales	(12.85)
Balance as at 31 March 2021	2.15
Net carrying value	
Balance as at 31 March 2020	10.99
Balance as at 31 March 2021	2.15

Note 4 : Investments

Particulars	As at	As at
	31 March 2021	31 March 2020
I. Investments valued at FVTPL (Unquoted)		
Investment in equity shares		
i) In other companies	2.00	2.00
ii) In Subsidiary	4,661.56	-
Add : Other Equity Investment in Subsidiary (Guarantee Obligations)	16.18	-
iii) Investment in Associate	0.80	-
Total non-current investments	4,680.54	2.00

Accompanying notes to the financial statement for the Year ended March 31, 2021
Note 4.1 Detailed list of non-current investments

Face value of Rs. 10 each, unless otherwise stated

Particulars	As at 31 March 2021		As at 31 March 2020	
	Nos	Rs. in lakhs	Nos	Rs. in lakhs
Investments valued at FVTPL, fully paid up (Unquoted), unless otherwise stated				
Investment in equity shares				
i) In other companies				
Shivalik Solid Waste Management Limited (Face Value of Rs. 10/- each, fully paid)	20,000	2.00	20,000	2.00
ii) Investment in Subsidiary				
Brooks Steriscience Limited (Face Value of Rs. 10/- each, fully paid)	50,000	5.00	-	-
Shares pending allotment against the slump sale (Refer note no 44)		4,656.56	-	-
Add : Other Equity Investment in Subsidiary (Guarantee Obligations)		16.18	-	-
iii) Investment in Associate				
Steribrooks Penems Private Limited (Face Value of Rs. 10/- each, fully paid)	7,963	0.80	-	-
Total non-current investments	77,963	4,680.54	20,000	2.00

Particular	As at 31 March 2021	As at 31 March 2020
Aggregate of non-current investments:		
Book value of investments (net of impairment allowance)	4,680.54	2.00
Investments carried at deemed cost	4,680.54	2.00
Investments carried at fair value through profit and loss	-	-

Note 5 : Other financial assets

(Unsecured, Considered Good)

Particular	As at 31 March 2021	As at 31 March 2020
Security Deposits	135.84	187.10
Less : ECL provision	(33.75)	(33.94)
Fixed Deposits	30.76	9.57
	132.85	162.73

* includes Rs. 30.76 lakhs (31 March 2020: Rs. 9.57 lakhs) pledged with bank as margin against bank guarantee.

Note 6 : Income Tax Assets
(a) Amounts recognised in Statement of Profit and Loss

Particulars	As at 31 March 2021	As at 31 March 2020
Current tax expense (A)		
Current year	-	-
Short/(Excess) provision of earlier years	715.23	-
Deferred tax expense (B)		
Origination and reversal of temporary differences [Refer note 8(a)]	-	174.38
Reversal of MAT Credit [Refer note 8(b)]	-	911.85
Tax expense recognised in the income statement (A+B)	715.23	1,086.23

Accompanying notes to the financial statement for the Year ended March 31, 2021
(b) Amounts recognised in other comprehensive income

Particulars	As at 31 March 2021			As at March 31, 2020		
	Before tax	Tax (expense) benefit	Net of tax	Before tax	Tax (expense) benefit	Net of tax
Items that will not be reclassified to profit or loss						
Remeasurements of the defined benefit plans	10.79	-	10.79	19.68	(4.95)	14.73
	10.79	-	10.79	19.68	(4.95)	14.73

(c) Reconciliation of effective tax rate

Particulars	As at 31 March 2021	As at 31 March 2020
Profit before tax	(843.53)	(1,351.38)
Tax using the Company's domestic tax rate (Current year 25.17% and Previous Year 25.17%)	(212.32)	(340.14)
Tax effect of :		
Effect of expenses that is non-deductible in determining taxable profit	(0.36)	(33.45)
Indexed Cost of Land	12.90	7.02
Effect of current year losses for which deferred tax asset is recognised [Refer note 8(a)]	199.77	540.96
Tax expense as per Statement of Profit & Loss (A)	-	174.38
Effective tax rate	0.00%	-12.90%
Tax of earlier years [Refer note 6(d)]	715.23	-
Reversal of MAT Credit [Refer note 8(b)]	-	911.85
	(B)	715.23
Total Tax expense as per Statement of Profit & Loss (A) + (B)	715.23	1,086.23

(d) Income tax assets (net)

Particular	As at 31 March 2021	As at 31 March 2020
Advance income tax and TDS(Net of Provisions)	27.80	31.26
Income Tax paid against dispute*	173.90	465.29
Total income tax assets (Net)	201.70	496.55

* During the year company has opted for Vivad se vishwas scheme (VSVS) for the demand amount outstanding of AY 2012-13. The liability amounting to Rs.900.67 lakhs has arised against which company had already recognised Rs.185.45 lakhs in the respective year, remaining amount of Rs. 715.23 lakhs has been recognised as tax for earlier years.

Note 7 : Deferred tax assets (net)

Particular	As at 31 March 2021	As at 31 March 2020
Deferred income tax liabilities		
Excess of net block of fixed assets as per books over net block for tax	(82.68)	(808.88)
Financial liabilities carried at amortised cost	-	(1.00)
Indexed Cost of Land	(74.77)	(87.67)
	(157.45)	(897.55)
Deferred tax liabilities		
Deferred income tax asset		
Provision for employee benefits	48.56	49.80
Provision for expected credit loss on trade receivables	83.12	82.49
Financial asset carried at amortised cost	-	0.04
Unabsorbed depreciation (to the extent of liabilities) [Refer note (a) below]	25.76	765.22
Deferred tax assets	157.45	897.55
Deferred tax assets (net)	-	-

Accompanying notes to the financial statement for the Year ended March 31, 2021

- a) The company has incurred losses during the current and previous periods. Therefore in view of present uncertainty regarding generation of sufficient future taxable income, the Company has recognised deferred tax assets on unabsorbed depreciation / losses to the extent of liabilities at the year end on the prudent basis as per Ind AS 12 on 'Income Taxes'.
- b) During the previous year, the management had elected to pay under tax under section 115BAA of Income Tax Act, 1961. Accordingly, MAT Credit entitlement amounting to Rs. 911.85 lakhs as at 31st March, 2019 had been reversed.

Note 8 : Other Non Current Assets

(Unsecured, Considered Good)

Particular	As at 31 March 2021	As at 31 March 2020
Prepaid rent	-	1.46
Capital advances	18.65	18.65
Less : Provision for Capital Advances	(18.65)	-
	-	20.11

Note 9 : Inventories

(Valued at lower of cost or net realisable value)

Particular	As at 31 March 2021	As at 31 March 2020
Work-in-progress	147.64	269.26
Finished goods	321.76	420.11
Consumable Stock	8.57	-
Stock in Trade	-	21.85
Raw materials	456.45	359.32
Packing materials	303.45	306.95
	1,237.87	1,377.49

Note 10 : Trade receivables

(Unsecured)

Particular	As at 31 March 2021	As at 31 March 2020
Trade receivables		
- considered good	1,254.74	1,850.00
Less: Provision for expected credit loss	(295.66)	(293.80)
	959.07	1,556.20

Note 11 : Cash and cash equivalents

Particulars

Particulars	As at 31 March 2021	As at 31 March 2020
Balances with banks		
- Current accounts in Indian rupees	0.82	31.50
- Current accounts in Foreign currency	0.62	2.05
Cash on hand	4.93	2.76
Fixed deposits with original maturity of less than 3 months	-	3.29
	6.37	39.60

Accompanying notes to the financial statement for the Year ended March 31, 2021
Note 12 : Other bank balances

Particular	As at 31 March 2021	As at 31 March 2020
Earmarked balances with banks for:		
Margin money deposits with original maturity of more than 3 months and remaining maturities of less than 12 months *	112.75	122.75
Less : Fixed deposits with original maturity of more than one year (refer note no. 5)	(30.76)	(9.57)
	81.99	113.18

* includes Rs. 81.99 lakhs (31 March 2020: Rs. 113.18 lakhs) pledged with bank as margin against bank guarantee.

Note 13 : Other financial assets

(Unsecured)

Particular	As at 31 March 2021	As at 31 March 2020
Accrued Interest on Fixed deposit	2.20	11.84
Export Incentive Receivables	2.69	26.43
Refund receivable from Government Authorities	38.79	21.92
	43.68	60.19

Note 14 : Other current assets

(Unsecured, Considered Good)

Particular	As at 31 March 2021	As at 31 March 2020
Advance to suppliers	42.49	63.56
Duties and Taxes Receivable	145.77	570.84
Prepaid expenses	16.76	10.32
Others	0.44	0.41
	205.46	645.13

Note 15 : Non current asset held for sale

Particular	As at 31 March 2021	As at 31 March 2020
Non current asset held for sale	252.06	-
	252.06	-

Non current asset held for sale includes office premises amounting to Rs. 252.06 (carrying amount) which has been subsequently sold to balance sheet date and advance amounting to Rs 11.00 lakhs received against the same is shown under Other current liabilities.

Accompanying notes to the financial statement for the Year ended March 31, 2021

Note 16A : Equity Share capital

Particulars	As at 31 March 2021	As at 31 March 2020
Authorised share capital		
25,000,000 (P.Y. 25,000,000) Equity Shares of Rs.10/- each	2,500.00	2,500.00
Total authorised share capital	2,500.00	2,500.00

Issued, subscribed and paid-up equity share capital:

2,47,02,812 (P.Y.2,47,02,812) Equity shares of Rs. 10/- each	2,470.28	2,470.28
Total issued, subscribed and paid-up equity share capital	2,470.28	2,470.28

Reconciliation of the equity shares outstanding at the beginning and at the end of the reporting year

Particulars	Number	Amount
As at 1 April 2019	1,61,86,422	1,618.64
Issued during the year	85,16,390	851.64
As at 31 March 2020	2,47,02,812	2,470.28
Issued during the year	-	-
As at 31 March 2021	2,47,02,812	2,470.28

Terms/rights attached to equity shares:

- (i) The company has only one class of equity shares having a par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share.
- (ii) 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, if any. The distribution will be in proportion to the number of equity shares held by the shareholders.

Shareholding of more than 5%:

Name of the Shareholder	As at March 31, 2021		As at March 31, 2020	
	No. of shares	% held	No. of shares	% held
Atul Ranchal	62,63,071	25.35%	62,63,071	25.35%
Rajesh Mahajan	51,14,151	20.70%	51,14,151	20.70%

During the previous year the Company has increased its Authorised Share Capital from Rs.2000 lakhs (divided into 2,00,00,000 equity shares of the face value Rs.10 each) to Rs.2500 lakhs (divided into 2,50,00,000 equity shares of the face value Rs.10 each) at the extraordinary general meeting of the Company held on June 11 , 2019.

Note 16B : Other Equity

Particulars	As at 31 March 2021	As at 31 March 2020
Securities premium reserve	6,800.03	6,800.03
Retained earnings	(2,878.67)	552.68
Items of Other Comprehensive Income		
- Remeasurements of defined benefit plans	29.40	18.60
	3,950.76	7,371.32

Nature and purpose of reserves

Securities premium reserve

The amount received in excess of face value of the equity shares is recognised in Securities Premium Reserve.

Accompanying notes to the financial statement for the Year ended March 31, 2021

Retained earnings

Retained earnings are the profits that the Company has earned till date, less any transfers to general reserve, dividends or other distributions paid to shareholders, if any.

Remeasurements of Net Defined Benefit Plans:

Differences between the interest income on plan assets and the return actually achieved, and any changes in the liabilities over the year due to changes in actuarial assumptions or experience adjustments within the plans, are recognised in 'Other comprehensive income' and subsequently not reclassified to the Statement of Profit and Loss.

Note 17 : Borrowings

Particulars	As at 31 March 2021	As at 31 March 2020
Secured		
Term loan from bank	147.80	1,380.80
Less: Current Maturities of Long Term debts	(14.77)	(252.48)
	133.03	1,128.32
Hire Purchase Loans		
From Banks	-	6.29
Less: Current Maturities of Long Term debts	-	(6.29)
	-	-
From Others	10.12	39.48
Less: Current Maturities of Long Term debts	(9.06)	(27.87)
	1.06	11.61
Total non-current borrowings	134.09	1,139.93

Nature of security and terms of repayment :

Term loan from bank

Rs NIL (PY Rs 969.40 lakhs). The loan is secured by hypothecation of Plant and Machinery at Vadodara unit and collaterally secured by Equitable Mortgage of land and building at Vadodara unit. It is further secured by Personal Guarantee of two Directors of the Company. Term loan from Indian Bank carries interest @ MCLR- 1 year+ 2.40%. The loan is repayable in 32 equal quarterly instalments starting from March, 2018.

Rs NIL (PY Rs 415.37 lakhs). The loan is secured by hypothecation of Plant and Machinery at Vadodara unit and collaterally secured by Equitable Mortgage of land and building at Vadodara unit. It is further secured by Personal Guarantee of two Directors of the Company. The loan from Indian bank carries interest @ MCLR- 1 year + 3.00% and is repayable in 78 monthly installments of Rs. 7.69 lakhs per month commencing from April, 2018. Interest is to be serviced as and when debited to the account

Rs 147.80 lakhs (PY Rs Nil). The loan is secured by Existing and future current assets and moveable fixed assets at Baddi unit and collaterally secured by equitable mortgage of land and building at Baddi unit and Mumbai unit. The loan from Indian bank carries interest @ 8%(K_EBLR + 1.00%) and is repayable in 36 monthly installments (after 12 months of moratorium period) of Rs. 4.58 lakhs per month commencing from December, 2021. Interest is to be serviced as and when debited to the account

Hire Purchase Loans

Rs NIL (PY 6.29 lakhs) Hire purchase loan from Axis Bank Limited. The loan is secured by hypothecation of vehicles financed. Hire purchase loans from Axis Bank Limited carries interest @ 9.5% p.a. The loans are repayable in 60 equal monthly instalments starting from November, 2015.

From Others

Rs. 10.12 lakhs (PY Rs. 39.48 lakhs) vehicle loan Loan from Kotak Mahindra Prime Ltd. The loan is secured by hypothecation of vehicles financed. Hire purchase loans from Kotak Mahindra Prime Ltd carries interest @ 10.67% p.a. The loan is repayable in 60 equal monthly instalments starting from June, 2016.

Accompanying notes to the financial statement for the Year ended March 31, 2021
Note 18 : Lease Liabilities

Particulars	As at 31 March 2021	As at 31 March 2020
Lease Liabilities	-	52.91
	-	52.91

Note 19 : Other financial liabilities

Particulars	As at 31 March 2021	As at 31 March 2020
Guarantee Liability	11.12	-
	11.12	-

Note 20 : Provisions

Particulars	As at 31 March 2021	As at 31 March 2020
Provision for employee benefits		
- Gratuity	101.56	113.39
- Leave entitlement and compensated absences	52.92	58.65
	154.48	172.04

Note 21 : Borrowings

Particulars	As at 31 March 2021	As at 31 March 2020
Secured		
Cash Credit from banks	681.99	1,261.03
	681.99	1,261.03

Secured loans from Banks includes :

- a) Cash Credit facility from Kotak Mahindra Bank amounting to Rs. 681.99 lakhs (PY Rs. 732.06 lakhs) is secured by 1st Hypothecation charge on Stocks, Receivable & all current assets and collaterally secured by Equitable Mortgage of Industrial Property at Baddi & Corporate office, Mumbai. It is further secured by Personal Guarantee of Directors of the Company. It carries interest @ (KMBR as on date 9.50%) + 1% with a minimum of 10.5%.
- b) Cash Credit facility from Indian Bank amounting to Rs. NIL (PY Rs. 528.97 lakhs) is secured by 1st Hypothecation charge on Stocks, WIP and finished goods, book debts/other Receivables of Vadodara unit and collaterally secured by Equitable Mortgage of land and building bearing block no 61 & 62 at Vadodara. It is further secured by Personal Guarantee of Directors of the Company. It carries interest @ MCLR- 1 year (8.60%) + 2.40% i.e. 11%.

Note 22 : Lease Liabilities

Particulars	As at 31 March 2021	As at 31 March 2020
Lease Liabilities	-	23.12
	-	23.12

Note 23 : Trade payables

Particulars	As at 31 March 2021	As at 31 March 2020
- Total outstanding dues of Micro Enterprises and Small Enterprises (Refer note below)	316.22	445.56
- Total outstanding dues of creditors other than Micro Enterprises and Small Enterprises	1,022.38	2,161.05
	1,338.60	2,606.61

Accompanying notes to the financial statement for the Year ended March 31, 2021

The Company has amounts due to micro and small suppliers registered under the Micro, Small and Medium Enterprises Development Act 2006 (MSMED Act).

The disclosure pursuant to the said Act is as under:

Particulars	As at 31 March 2021	As at 31 March 2020
Principal amount due to suppliers under MSMED Act	316.22	445.56
Interest accrued and due to suppliers under MSMED Act on the above amount	-	-
Payment made to suppliers (other than interest) beyond appointed day during the year	1,316.99	1,189.78
Interest paid to suppliers under MSMED Act	-	-
Interest due and payable to suppliers under MSMED Act towards payments already made	-	-
Interest accrued and remaining unpaid at the end of the accounting year	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act.	-	-

Note: Interest paid or payable by the company on the aforesaid principal amount has been waived by the concerned suppliers

Note 24 : Other financial liabilities

Particulars	As at 31 March 2021	As at 31 March 2020
Current maturities of long term borrowings (Refer note 17)	23.83	286.64
Interest accrued and due on borrowings	1.49	14.23
Salary & wages payable	106.03	92.18
Payable for capital goods	-	36.32
Duties & taxes payable	202.76	32.65
Consignee Sales Agents Deposits	31.96	27.00
Guarantee Liability	3.84	-
	369.91	489.02

Note 25 : Other liabilities

Particulars	As at 31 March 2021	As at 31 March 2020
Advance from customer	114.73	144.11
Other Payables	11.00	-
	125.73	144.11

Note 26 : Provisions

Particulars	As at 31 March 2021	As at 31 March 2020
Provision for employee benefits		
- Gratuity	23.06	18.06
- Leave entitlement and compensated absences	15.42	7.77
- Bonus Payable	24.16	30.19
	62.64	56.02

Accompanying notes to the financial statement for the Year ended March 31, 2021
Note 27 : Revenue from operations

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
Sale of drugs*	7,706.78	6,913.25
Other Operating revenue		
Export Incentives	14.52	29.44
Sale of Dossier	3.39	24.73
Sale of scrap	-	1.43
Total Revenue from Operations	7,724.69	6,968.85

* Sales are reported net of discounts, rebates and returns.

Note 28 : Other income

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
Interest income	16.95	15.12
Notional income from corporate guarantee in favour of Subsidiary	1.22	-
Dividend from long term investments	0.30	0.35
Sundry Balance written back	-	21.85
Miscellaneous income	80.32	3.31
Total other income	98.79	40.63

Note 29 : Cost of materials consumed

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
Opening Stock	662.27	623.02
Add: Purchases	5,241.21	4,994.42
Less: Transfer in slump sales	(490.65)	-
Less: Closing stocks	(759.90)	(666.27)
	4,656.93	4,951.17

Note 30 : Purchases of stock-in-trade

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
Purchases of Stock-in-trade	423.65	61.48
	423.65	61.48

Note 31 : Changes in inventories of finished goods, work - in progress

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
Opening inventory		
- Finished Goods	420.11	244.66
- Traded Goods	21.85	-
- Work-in-progress	269.26	137.66
	711.22	382.32
Closing inventory		
- Finished Goods	321.76	420.11
- Traded Goods	-	21.85
- Work-in-progress	147.64	269.26
	469.40	711.22
Less : Transfer in slump sale	(575.40)	-
Changes in inventories	(333.58)	(328.90)

Accompanying notes to the financial statement for the Year ended March 31, 2021

Note 32 : Employee benefits expense

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
Salaries and wages	1,110.07	1,028.08
Contribution to provident and other funds	72.60	67.31
Director Remuneration	232.65	221.93
Staff welfare	21.51	21.09
Total employee benefits expense	1,436.83	1,338.41

Note 33 : Finance costs

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
Interest expense	301.11	327.15
Interest expense on lease liability	8.30	7.88
Total finance costs	309.41	335.03

Note 34 : Other expenses

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
<u>Manufacturing expenses</u>		
Stores & spares consumed	135.72	157.16
Power & fuel	270.23	290.13
<u>Repairs & maintenance :</u>		
- Plant & machinery	29.66	24.71
- Factory building	6.64	7.15
Other factory expenses	320.27	186.16
<u>Administration, selling and distribution expenses</u>		
Rent	1.08	1.19
Insurance expenses	16.79	12.09
Legal and professional fees	62.63	93.26
Auditor's remuneration	9.72	9.53
Travelling & conveyance	95.03	134.68
Advertising & sales promotion expenses	25.51	64.74
Commission paid	128.54	30.30
Transportation, freight & handling charges	23.30	19.81
Loss on sale/ discard of property, plant and equipment	5.61	135.40
Provision for Expected credit loss (net of reversal)	4.62	36.17
Provision for Capital Advance	18.65	-
CSR Expenditure	72.51	-
Miscellaneous Expenses	237.98	136.42
	1,464.48	1,338.90
Auditors' remuneration:		
i) Statutory audit fees	8.40	8.40
ii) Taxation Matters	1.32	1.13
	9.72	9.53

Accompanying notes to the financial statement for the Year ended March 31, 2021

Note 35 : Earnings per equity share of Rs. 10 each

The amount considered in ascertaining the Company's earnings per share constitutes the net loss after tax. The number of shares used in computing basic earnings per share is the weighted average number of shares outstanding during the period. The number of shares used in computing diluted earnings per share comprises the weighted average number of shares considered for deriving basic earnings per share and also the weighted average number of shares which could have been issued on conversion of all dilutive potential shares.

Basic and diluted EPS

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
Profit computation for basic earnings per share of Rs. 10 each		
Net Profit after Tax as per Statement of Profit and Loss attributable to Equity Shareholders	(1,558.75)	(2,437.61)
Weighted average number of equity shares for EPS computation* (Nos.)	2,47,02,812	1,76,10,703
EPS - Basic and Diluted EPS	(6.31)	(13.84)

* after retrospective adjustment for bonus element involved in right issue as per Ind AS 33

Note 36 : Related party disclosures as required under Indian Accounting Standard 24, "Related party disclosures" are given below:

- a) Names of related parties and nature of relationship (to the extent of transactions entered into during the year except for control relationships where all parties are disclosed)

Name of related party

Nature of relation

(A) Directors

Mr. Atul Ranchal	Chairman
Mr. Rajesh Mahajan	Managing Director
Dr. Durga Shankar Maity (Till 26 August, 2019)	Wholetime Director
Mr. Suresh Garg (wef 26 August, 2019)	Wholetime Director
Mr. Rajnish Kumar Bedi	Independent Director
Mr. Deepak Mahajan	Independent Director
Mrs. Sonia Gupta	Independent Director

(B) Key managerial personnel

Mr. Anil Kumar Pillai (Till 12 May, 2020)	Chief Financial Officer
Mr. Prashant Rathi (wef 24 July, 2020)	Chief Financial Officer
Mrs. Jyoti Sancheti	Company Secretary

(C) Relative of Directors

Mrs. Saras Gupta	Relative of Director
Mrs. Rajani Ranchal	Relative of Director
Mr. Savvy Ranchal	Relative of Director
Mr. Aryan Mahajan	Relative of Director
Mr. Manmohanlal Mahajan	Relative of Director
Mr. Erwin Mahajan	Relative of Director
Ms. Selina Ranchal	Relative of Director
Mrs. Davinder Kumari	Relative of Director

Accompanying notes to the financial statement for the Year ended March 31, 2021
(D) Subsidiary

M/s. Brooks Steriscience Limited (w.e.f 4 September, 2020)

Enterprises owned or significantly influenced by Key Management Personnel and / or their Relatives

(E) Associate Concern

M/s. Steribrooks Penems Private Limited (wef 30 September, 2020)

Enterprises owned or significantly influenced by Key Management Personnel and / or their Relatives

b) Transactions carried out with related parties referred to above, in ordinary course of business and balances outstanding:

Particulars		Nature of Transaction	Year ended 31 March 2021	Year ended 31 March 2020
Mr. Atul Ranchal	Director Remuneration		96.00	96.00
	Sitting Fees		1.60	1.40
	Loan taken		-	68.00
	Loan repaid		-	68.00
	Shares issued on Rights basis (including securities premium)		-	430.00
Mr. Rajesh Mahajan	Director Remuneration		96.00	96.00
	Sitting Fees		1.40	1.60
	Loan taken		-	31.05
	Loan repaid		-	31.05
	Shares issued on Rights basis		-	324.20
Dr. Durga Shankar Maity	Director Remuneration		0.19	11.88
	Sitting Fees		-	0.40
Mr. Rajnish Kumar Bedi	Sitting Fees		1.40	1.60
Mr. Deepak Mahajan	Sitting Fees		1.40	1.40
Mrs. Sonia Gupta	Sitting Fees		1.40	1.40
Mr. Suresh Garg	Director Remuneration		40.45	18.05
	Sitting Fees		1.60	1.00
Mrs. Saras Gupta	Salary		28.80	28.80
	Money received against share warrants		-	129.20
	Share warrants converted to Equity shares		-	202.94
	Shares issued on Rights basis		-	60.00
Mrs. Rajani Ranchal	Salary		28.80	28.80
	Money received against share warrants		-	7.94
	Share warrants converted to Equity shares		-	202.94
	Shares issued on Rights basis		-	64.00
Mrs. Davinder Kumari	Salary		24.00	24.00
	Shares issued on Rights basis		-	2.66
Mr. Anil Kumar Pillai	Salary		0.34	15.08
Mr. Prashant Rathi	Salary		16.25	-
Mrs. Jyoti Sancheti	Salary		7.56	6.72
Mr. Savvy Ranchal	Money received against share warrants		-	37.94
	Share warrants converted to Equity shares		-	202.94

Accompanying notes to the financial statement for the Year ended March 31, 2021

Particulars	Nature of Transaction	Year ended 31 March 2021	Year ended 31 March 2020
	Shares issued on Rights basis	-	51.40
Mr. Aryan Mahajan	Money received against share warrants	-	81.19
	Share warrants converted to Equity shares	-	202.94
	Shares issued on Rights basis	-	60.00
Mr. Manmohanlal Mahajan	Shares issued on Rights basis	-	66.20
Mr. Erwin Mahajan	Shares issued on Rights basis	-	64.00
Ms. Selina Ranchal	Shares issued on Rights basis	-	26.40
M/s. Brooks Steriscience Limited	Sales	0.54	-
	Miscellaneous income	23.51	-
	Slump sale	4,656.56	-
	Guarantee given on behalf of Subsidiary	1,939.00	-
M/s. Steribrooks Penems Private Limited	Sales	816.41	-

Notes :

- As the future liability for gratuity is provided on an actuarial basis for the Company as a whole, the amount pertaining to individual is not ascertainable and therefore not included above.
- The Independent Directors are paid sitting fees based on the number of meetings of the Board attended by them and their Chairmanship/ Membership of Audit Committee during the year. The Company pays sitting fees at the rate of Rs. 20,000/- for each meeting of the Board and sub-committees attended by them
- Guarantees provided to the lenders of the subsidiary are for availing term loans and working capital facilities from the lender banks.

c. Balance Outstanding of Related Parties :

Particulars	Nature of Transaction	Year ended 31 March 2021	Year ended 31 March 2020
Mr. Atul Ranchal	Director Remuneration Payable	3.20	4.50
	Sitting fees payable	4.80	3.20
	Loan Payable	-	-
Mr. Rajesh Mahajan	Director Remuneration Payable	3.85	4.30
	Sitting fees payable	4.62	3.22
Dr. Durga Shankar Maity	Salary & Wages Payable	-	-
	Sitting fees payable	1.30	1.30
Mr. Rajnish Kumar Bedi	Sitting fees payable	4.44	3.04
Mr. Deepak Mahajan	Sitting fees payable	4.24	2.84
Mrs. Sonia Gupta	Sitting fees payable	3.84	2.84
Mr. Suresh Garg	Salary & Wages Payable	0.43	1.19
	Sitting fees payable	2.60	1.00
Mrs. Saras Gupta	Salary & Wages Payable	1.80	1.49
	Money received against share warrants	-	-

Accompanying notes to the financial statement for the Year ended March 31, 2021

Particulars	Nature of Transaction	Year ended 31 March 2021	Year ended 31 March 2020
Mrs. Rajani Ranchal	Salary & Wages Payable	1.80	1.54
	Money received against share warrants	-	-
Mrs. Davinder Kumari	Salary & Wages Payable	1.90	1.30
Mr. Anil Kumar Pillai	Salary & Wages Payable	-	1.14
Mr. Prashant Rathi	Salary & Wages Payable	1.17	-
Mrs. Jyoti Sancheti	Salary & Wages Payable	0.62	0.56
M/s. Brooks Steriscience Limited	Investments (Equity shares pending allotment)	4,656.56	-

Note 37 : Contingent liabilities and Commitments
(A) Contingent liabilities
I) Guarantees

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
i) Bank Guarantee	138.79	129.96
ii) Guarantee given on behalf of Subsidiary*	1,939.00	-

* Guarantees provided to the lenders of the subsidiary are for availing term loans and working capital facilities from the lender banks

II) Other money for which the company is contingently liable

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
Disputed liability in respect of Income tax (Refer Note below)	556.48	1,957.21
Claims against the Company not acknowledged as debts	8.84	8.84

The Company has received Notice of Demand u/s 156 of the Income Tax Act, 1961 for the three assessment years and company has filed an appeal against the same. Details of the same are given as follows :

A.Y to which matter pertains	Demand Amount Raised in FY 20-21	Stay amount paid till FY 20-21	Demand Amount Raised in FY 19-20	Stay amount paid till FY 19-20
2012-13 (Refer Note no. 6(d))	-	-	1,400.72	291.39
2013-14	339.51	101.00	339.51	101.00
2014-15	142.85	21.45	142.85	21.45
2015-16	0.68	-	0.68	-
2016-17	73.45	51.45	73.45	51.45
Total	556.48	173.90	1,957.21	465.29

(B) Commitments

Particular	Year ended 31 March 2021	Year ended 31 March 2020
i) EPCG Commitment (Refer Note below)	209.80	481.04
ii) Duty against the material imported on Advance license (Refer Note below)	116.98	-

Accompanying notes to the financial statement for the Year ended March 31, 2021

The Company has obtained license Advance Licence for purchase of raw material and license under Export Promotion Capital Goods Scheme (EPCG) for purchase of capital goods on zero percent custom duty. Under the both license the Company needs to fulfill certain export obligations, failing which, it is liable for payment of custom duty. Export obligations is Rs. 1846.23 lakhs (P.Y. Rs. 3,665.17 lakhs) out of which Rs. Nil needs to be completed within 6 years & Rs. 1,846.23 lakhs needs to be completed within 8 years (till F.Y.2021-22) from the date of purchase of respective Capital Goods. In case of advance licence, material must be exported within 18 months from the date on which goods were cleared from Customs under advance licence

Note 38 : Leases:

Effective April 1, 2019, the Company has adopted Ind AS 116, Leases, using modified retrospective approach. On adoption of the new standard IND AS 116 resulted in recognition of 'Right of Use' assets and a lease liability. The cumulative effect of applying the standard was debited to retained earnings. The effect of this adoption is insignificant on the profit before tax, profit for the period and earnings per share. Ind AS 116 will result in an increase in cash inflows from operating activities and an increase in cash outflows from financing activities on account of lease payments.

Following are the changes in the carrying value of right of use assets for the year ended March 31, 2021

Particulars	As at March 31 2021	As at March 31 2020
Opening carrying value of Rights to use Assets	67.48	-
Transition impact on account of adoption of IND AS 116	-	91.32
Addition	-	-
Depreciation	(23.77)	(23.84)
Deletion	(43.71)	-
Balance as at 31st March, 2021	-	67.48

The following is the break-up of current and non-current lease liabilities as at March 31, 2021

Particulars	As at March 31 2021	As at March 31 2020
Current lease liabilities	-	23.12
Non-Current lease liabilities	-	52.91
Balance as at 31st March, 2021	-	76.03

The following is the movement in lease liabilities during the year ended March 31, 2021:

Particulars	As at March 31 2021	As at March 31 2020
Opening balance of lease liabilities	76.03	-
Transition impact on adoption of Ind AS 116	-	96.71
Addition	-	-
Finance cost accrued during the period	5.93	7.89
Payment of lease liabilities	(18.33)	(28.56)
Profit on lease rent concession	(10.71)	-
Deletion	(52.91)	-
Balance as at 31st March, 2021	-	76.03

The table below provides details regarding the contractual maturities of lease liabilities as at March 31, 2021 on an undiscounted basis :

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
- Less than one year	-	23.12
- Later than one year but not later than five years	-	52.91
- Later than five years	-	-
TOTAL	-	76.03

Accompanying notes to the financial statement for the Year ended March 31, 2021

Note 39 : Expenditure on Corporate Social Responsibility Activities

Particulars	As at March 31, 2021	As at March 31, 2020
Details of CSR Expenditure:		
Gross amount required to be spent by the Company during the year.	72.48	72.48
	Amount Spent	Amount yet to be Spent
	Year ended	Year ended
	31 March 2021	31 March 2020
	Year ended	Year ended
	31 March 2021	31 March 2020
	Year ended	Year ended
	31 March 2021	31 March 2020
	Total	
	Year ended	Year ended
	31 March 2021	31 March 2020
a) Construction / acquisition of any assets	-	-
b) On purpose other than 1 above	72.51	0.66
	-	-
	71.82	72.51
	72.51	72.48

Note 40 : Segment Reporting as required under Indian Accounting Standard 108, "Operating Segments" :

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker ("CODM") of the Company. The CODM, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Managing Director/Chairman of the Company. The Company operates only in one Business Segment i.e. "Manufacturing of Drugs & Pharmaceutical", hence does not have any reportable Segments as per Ind AS 108 "Operating Segments".

Note 41 : Disclosure relating to employee benefits as per Ind AS 19 'Employee Benefits'

A Defined benefit obligations - Gratuity (Non Funded)

The gratuity plan is governed by the Payment of Gratuity Act, 1972 under which an employee who has completed five years of service is entitled to specific benefits. The level of benefits provided depends on the member's length of service and salary at retirement age.

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
a) Changes in defined benefit obligations		
Present value of obligation as at the beginning of the year		
Defined Benefit Obligation ("PBO") at the beginning of the year	131.46	120.04
Service cost	24.39	28.20
Interest cost	8.22	7.50
Actuarial loss / (gain)	(10.79)	(19.68)
Benefits paid	(13.88)	(4.61)
Less : Transfer in slump sales	(14.76)	-
Present value of obligation as at the end of the year	124.63	131.46
b) Expenses recognised in the Statement of Profit and Loss		
Current service cost	24.39	28.20
Past service cost	-	-
Interest cost	8.22	7.50
Expected return on plan assets	-	-
Net actuarial (gain) / loss recognized in the year	-	-
Total	32.60	35.70

Accompanying notes to the financial statement for the Year ended March 31, 2021
c) Remeasurement (gains)/ losses recognised in OCI

Actuarial changes arising from changes in financial assumptions	-	-
Actuarial changes arising from changes in demographic assumptions	-	-
Experience adjustments	(10.79)	(19.68)
Total	(10.79)	(19.68)

d) Actuarial assumptions

	Year ended 31 March 2021	Year ended 31 March 2020
Discount rate	6.05-6.55% p.a.	7.5% p.a.
Normal retirement age (in years)	58	58
Salary escalation rate (% p.a.) *	5% p.a.	6% p.a.
Attrition rate	10% at all ages	10% at all ages
Mortality rate	Indian assured lives mortality (2012-14) ultimate	Indian assured lives mortality (2012-14) ultimate

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 in the employment market.

e) Quantities sensitivity analysis for significant assumption is as below:

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
	1% increase	1% increase
i. Discount rate	132.22	124.61
ii. Salary escalation rate - over a long-term	144.78	139.09
	1% decrease	1% decrease
i. Discount rate	147.36	139.05
ii. Salary escalation rate - over a long-term	134.46	124.43

Sensitivity for significant actuarial assumptions is computed by varying one actuarial assumption used for the valuation of the defined benefit obligation, keeping all other actuarial assumptions constant.

B Other Employee Benefits
Leave Encashment (Non Funded)

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
a) Changes in defined benefit obligations		
Present value of obligation as at the beginning of the year		
Defined Benefit Obligation ("PBO") at the beginning of the year	66.42	49.25
Service cost	17.51	25.23
Interest cost	4.06	3.08
Actuarial loss / (gain)	4.68	(6.35)
Benefits paid	(3.54)	(4.80)
Less : Transfer in slump sales	(20.80)	-
Present value of obligation as at the end of the year	68.33	66.42

Accompanying notes to the financial statement for the Year ended March 31, 2021
b) Expenses recognised in the Statement of Profit and Loss

Current service cost	17.51	25.23
Past service cost	-	-
Interest cost	4.06	3.08
Expected return on plan assets	-	-
Net actuarial (gain) / loss recognized in the year	4.68	(6.35)
Total	26.25	21.96

c) Remeasurement (gains)/ losses recognised in OCI

Actuarial changes arising from changes in financial assumptions	-	-
Actuarial changes arising from changes in demographic assumptions	-	-
Experience adjustments	-	-
Total	-	-

d) Quantities sensitivity analysis for significant assumption is as below:

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
	1% increase	1% increase
i. Discount rate	85.69	46.93
ii. Salary escalation rate - over a long-term	92.86	51.82
	1% decrease	1% decrease
i. Discount rate	92.85	51.81
ii. Salary escalation rate - over a long-term	85.62	46.87

Sensitivity for significant actuarial assumptions is computed by varying one actuarial assumption used for the valuation of the defined benefit obligation, keeping all other actuarial assumptions constant.

C Current/ non-current classification

Particulars	As at 31 March 2021	As at 31 March 2020
Gratuity		
Current	23.06	18.06
Non-current	101.56	113.39
	124.62	131.45
Leave entitlement (including sick leave)		
Current	15.42	7.77
Non-current	52.92	58.65
	68.34	66.43

Accompanying notes to the financial statement for the Year ended March 31, 2021
Note 42 : Fair Value Measurement
(i) Financial instruments by category

Particulars	Refer note	As at March 31, 2021					As at March 31, 2020				
		Non - Current	Current	FVTPL	FVOCI	Amortised Cost	Non - Current	Current	FVTPL	FVOCI	Amortised Cost
Financial Assets:											
Investments											
Investments in equity shares	4	4,680.54	-	-	-	4,680.54	2.00	-	-	-	2.00
Trade receivables	10	-	959.07	-	-	959.07	-	1,556.20	-	-	1,556.20
Others financial assets	5 & 13	132.85	43.68	-	-	176.53	162.73	60.19	-	-	222.92
Cash and cash equivalents	11	-	6.37	-	-	6.37	-	39.60	-	-	39.60
Other bank balances	12	-	81.99	-	-	81.99	-	113.18	-	-	113.18
Total Financial Assets		4,813.39	1,091.11	-	-	5,904.50	164.73	1,769.17	-	-	1,933.90
Financial Liabilities:											
Borrowings	17 & 21	134.09	681.99	-	-	816.08	1,139.93	1,261.03	-	-	2,400.96
Lease Liabilities	18 & 22	-	-	-	-	-	52.91	23.12	-	-	76.03
Trade payables	23	-	1,338.60	-	-	1,338.60	-	2,606.61	-	-	2,606.61
Other financial liabilities	19 & 24	11.12	369.91	-	-	381.03	-	489.02	-	-	489.02
Total Financial Liabilities		145.22	2,390.50	-	-	2,535.72	1,192.84	4,379.78	-	-	5,572.62

The Company has not disclosed the fair values for financial instruments for other financial assets (current and non current), trade receivables, cash and cash equivalents and bank balances other than cash and cash equivalents, Borrowings (current and non current), Trade payables, other current financial liabilities because their carrying amounts are reasonably approximation of fair value.

(ii) Fair value hierarchy

Fair value hierarchy explains the judgement and estimates made in determining the fair values of the financial instruments that are -

- a) recognised and measured at fair value
- b) measured at amortised cost and for which fair values are disclosed in the financial statements.

To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the accounting standard.

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities

Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices)

Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs)

Assets and Liabilities that are disclosed at Amortised Cost for which Fair values are disclosed are classified as Level 3.

If one or more of the significant inputs is not based on observable market data, the respective assets and liabilities are considered under Level 3.

Accompanying notes to the financial statement for the Year ended March 31, 2021

Note 43 : Financial risk management objectives and policies

The Company's activities expose it to a variety of financial risks: market risk, credit risk and liquidity risk. The Company's focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance.

i. Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk. Major financial instruments affected by market risk includes loans and borrowings.

a) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's total debt obligations with floating interest rates.

The interest rate profile of the Company's interest-bearing financial instruments as reported to the management of the Company is as follows:

Particulars	As at March 31, 2021	As at March 31, 2020
Fixed-rate instruments:		
Financial liabilities (Borrowings)	10.12	45.77
	10.12	45.77
Variable-rate instruments:		
Financial liabilities (Borrowings)	829.79	2,641.83
	829.79	2,641.83

Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. With all other variables held constant, the Company's profit/(loss) before tax is affected through the impact on floating rate borrowings, as follows:

Particulars	As at March 31, 2021	As at March 31, 2020
Increase in basis points	50 basis points	50 basis points
Effect on profit/(loss) before tax, increase by	4.15	13.21
Decrease in basis points	50 basis points	50 basis points
Effect on profit/(loss) before tax, decrease by	-4.15	-13.21

The assumed movement in basis points for the interest rate sensitivity analysis is based on the currently observable market environment, showing a significantly higher volatility than in prior years.

b Foreign currency risk

The Company is exposed to currency risk on account of its operating and financing activities. The functional currency of the Company is Indian Rupee. Our exposure are mainly denominated in U.S. dollars and European dollars. The Company's business model incorporates assumptions on currency risks and ensures any exposure is covered through the normal business operations. This intent has been achieved in all years presented. The Company has put in place a Financial Risk Management Policy to identify the most effective and efficient ways of managing the currency risks.

Accompanying notes to the financial statement for the Year ended March 31, 2021

C. Other price risk

The Company is not exposed to any other price risk.

ii. Credit risk

Credit risk refers to the risk of default on its obligation by the counterparty resulting in a financial loss. The maximum exposure of the financial assets are contributed by trade and other receivables, cash and cash equivalents and security deposits.

Trade receivables

The Company extends credit to customers in normal course of business. The Company considers factors such as credit track record in the market and past dealings for extension of credit to customers. To manage credit risk, the Company periodically assesses the financial reliability of the customer, taking into account the financial condition, current economic trends, and analysis of historical bad debts and ageing of accounts receivables. Outstanding customer receivables are regularly monitored to make an assessment of recoverability. Receivables are provided as doubtful / written off, when there is no reasonable expectation of recovery. Where receivables have been provided / written off, the company continues regular follow up, engage with the customers, legal options / any other remedies available with the objective of recovering these outstandings. The Company is not exposed to concentration of credit risk to any one single customer since services are provided to vast specturm.

Ageing of Trade receivables

Particulars	As at March 31, 2021	As at March 31, 2020
Not due	-	-
0 - 6 months	848.22	1,465.67
6 - 12 months	45.30	52.88
Beyond 12 months	361.22	331.46
Total	1,254.74	1,850.00

Other Financial Assets

The Company is maintains exposure in cash and cash equivalents, security deposits and other receivables. The company goes through regular follow up for recovering the amount of deposit and other receivables. Credit risk on cash and cash equivalents is limited as the Company generally invest in deposits with banks and financial institutions with high credit ratings.

The movement of the allowance for lifetime expected credit loss is stated below:

Particulars	As at March 31, 2021	As at March 31, 2020
Balance at the beginning of the year	293.80	260.42
Add : additional allowance made	1.86	33.38
Less : allowance reversed	-	-
Balance at the end of the year	295.66	293.80

iii. Liquidity risk

Liquidity is defined as the risk that the Company will not be able to settle or meet its obligations on time or at a reasonable price. The Company's treasury department is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management. Management monitors the Company's net liquidity position through rolling forecasts on the basis of expected cash flows.

Accompanying notes to the financial statement for the Year ended March 31, 2021

The table below provides details regarding the contractual maturities of significant financial liabilities:

Particulars	On demand	Less than 1 year	1 - 5 years	More than 5 years	Total
As at 31 March 2021					
Borrowings	681.99	23.83	1.07	133.03	839.91
Lease Liabilities	-	-	-	-	-
Trade payables	-	1,338.60	-	-	1,338.61
Other financial liabilities	-	346.08	-	-	346.08
	681.99	1,708.51	1.07	133.03	2,524.60
As at 31 March 2020					
Borrowings	1,261.03	286.64	1,002.06	137.86	2,687.59
Lease Liabilities	-	23.12	52.91	-	76.03
Trade payables	-	2,606.61	-	-	2,606.61
Other financial liabilities	-	202.38	-	-	202.38
	1,261.03	3,118.74	1,054.98	137.86	5,572.62

Note 44 : Capital management

For the purpose of the Company's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders of the Company. The Company strives to safeguard its ability to continue as a going concern so that they can maximise returns for the shareholders and benefits for other stake holders. The aim to maintain an optimal capital structure and minimise cost of capital.

To maintain or adjust the capital structure, the Company usually turns to reputed banks and other financial institutions for funds. Consistent with others in the industry, the Company monitors its capital using the gearing ratio which is total debt divided by total capital plus total debts.

Particulars	As at March 31, 2021	As at March 31, 2020
Total debts	841.40	2,701.83
Total equity	6,421.04	9,841.60
Total debts to equity ratio (Gearing ratio)	11.59%	21.54%

Note 45 : Slump Sale

The Company has entered into Business transfer agreement dated 24th March, 2021 with its subsidiary, Brooks Steriscience Limited (BSL) for transfer of its manufacturing facility situated at Vadodara. BSL will issue 60,000 equity shares as sales consideration at price based on the income tax net worth as on closing date. Accordingly, 60,000 shares will be issued at face value of Rs. 10 each at an issue price of Rs. 7,760.93 including premium of Rs. 7,750.93 per equity share aggregating to Rs. 4656.56 lakhs towards consideration for transfer of assets and liabilities under slump sales. Accordingly the Company has transferred its respective assets and liabilities on 31st March, 2021 being the closing date. The accounting impact of same is given in accordance with Ind AS 103 "Business Combinations" under Common control business combination. The details of Assets and Liabilities transferred in slump sale is as below :

Particulars	Net Assets transferred at carrying value	Sales Consideration	Adjustment made in Retained earnings
Brooks Steriscience Limited	6,529.15	4,656.56	(1,872.59)

Accompanying notes to the financial statement for the Year ended March 31, 2021**Note 46 : Disclosures with regards to section 186 of the Companies Act, 2013**

For Investments, refer Note no. 4

For Corporate Guarantees given, refer Note no. 36

Note 47 : Prior year comparatives

Previous year's figures have been regrouped or reclassified, to conform to the current year's presentation wherever considered necessary.

Notes 1 to 47 form an integral part of the financial statements

In terms of our report on even date

For S G C O & Co. LLP

Chartered Accountants

Firm Registration No : 112081W/W100184

Sd/-

Suresh Murarka

Partner

Mem. No. 44739

Place: Mumbai

Date : 30th June, 2021

For and on behalf of the Board of Directors

Sd/-

Atul Ranchal

Chairman

Din : 01998361

Sd/-

Prashant Rathi

CFO

Place: Mumbai

Date : 30th June, 2021

Sd/-

Rajesh Mahajan

Managing Director

Din : 02000634

Sd/-

Jyoti Sancheti

Company Secretary

INDEPENDENT AUDITOR'S REPORT

To the Members of **Brooks Laboratories Limited**

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of **Brooks Laboratories Limited** (hereinafter referred to as the 'Parent Company') and its subsidiary (Parent Company and its subsidiaries together referred to as "the Group"), its associate which comprise the consolidated Balance Sheet as at March 31, 2021, and the consolidated statement of Profit and Loss (including other comprehensive income), the consolidated cash flows Statement the consolidated statement of changes in equity for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India of the consolidated state of affairs of the Group as at March 31, 2021, and their consolidated loss (including other comprehensive income), their consolidated cash flows and consolidated changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by ICAI together with the ethical requirements that are relevant to our audit of the Consolidated Financial Statements under the provisions of the Act and the rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with the provisions of the Companies Act, 2013. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. During the course of our audit, we have determined that there are no key audit matters to communicate in our report.

Information Other than the Financial Statements and Auditor's Report Thereon

The Parent Company's Board of Directors is responsible for the other information. The other information comprises the information included in the management discussion and analysis, Board's Report, Report on Corporate governance and Business Responsibility report but does not include the Consolidated Financial Statements, Standalone Financial Statements and our auditor's report thereon.

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

In connection with our audit of the Consolidated Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Consolidated Financial Statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

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

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

The Parent Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation of these consolidated financial statements in term of the requirements of the Companies Act, 2013 that give a true and fair view of the consolidated state of affairs (consolidated financial position), consolidated profit or loss (Consolidated financial performance including other comprehensive income), consolidated changes in equity and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and

presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Parent Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

1. Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.
2. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
 - Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
 - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the Group has adequate internal financial controls system in place and the operating effectiveness of such controls.
 - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
 - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
 - Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
 - Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.
3. We communicate with those charged with governance of the Parent Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
4. 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.
5. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

1. We did not audit the financial statements of Brooks Steriscience Limited, whose financial statements reflect Group's share of total assets of Rs. 11,586.67 lakhs as at 31 March 2021, Group's share of total revenue of Rs. NIL, total net profit / (loss) of Rs. (376.75) lakhs, total comprehensive income / (loss) of Rs. (376.75) for the year ended on that date and Group's share of net cash inflows of Rs. 82.02 lakhs for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, is based solely on the reports of the other auditors.

The accompanying Statement includes unaudited financial statements and other unaudited financial information in respect of one associate whose financial statements includes the Group share of net loss of Rs. (0.80) lakhs for the year ended March 31 2021 respectively.

Our opinion on the consolidated financial statements, and our report on other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, we report, to the extent applicable, that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
 - b. In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
 - c. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
 - d. In our opinion, the aforesaid consolidated financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act.
 - e. On the basis of the written representations received from the directors of the Parent Company as on 31st March, 2021 taken on record by the Board of Directors of the Parent Company and the reports of the statutory auditors of its subsidiary companies, incorporated in India, none of the directors of the Group companies is disqualified as on 31st March, 2021 from being appointed as a director in terms of Section 164 (2) of the Act.
 - f. With respect to the adequacy of internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate report in **Annexure A**.
 - g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group - Refer Note 34 to the consolidated financial statements.
 - ii. The Group did not have any material foreseeable losses on long-term contracts including derivative contracts.
 - iii. There were no amounts which were required to be transferred, to the Investor Education and Protection Fund by the Parent Company and its subsidiary companies.
2. In respect of companies where managerial remuneration is within limit :

As required by section 197(16) of the act, based on our audit we report that the Parent company paid

remuneration to their directors during the year in accordance with the provisions of and the limit laid down under section 197 read with Schedule V to the Act.

For S G C O & Co. LLP
Chartered Accountants
FRN. 112081W/W100184

sd/-

Suresh Murarka
Partner

Mem. No. 44739

UDIN: 21044739AAAANL7296

Place: Mumbai

Date: 30th June, 2021

Annexure “A” to the Independent Auditor’s Report of even date on the Consolidated financial statements of Brooks Laboratories Limited for the year ended 31st March 2021.**Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)**

In conjunction with our audit of the consolidated financial statements of **Brooks Laboratories Limited** (“ the Parent Company”) as of and for the year ended March 31, 2021, we have audited the internal financial controls over financial reporting of the Parent company and its subsidiary company, which are companies incorporated in India, as of that date.

Management’s Responsibility for Internal Financial Controls

The respective Boards of Directors of the Parent Company and its subsidiary company, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the respective Companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the “ICAI”). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor’s Responsibility

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

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of the Parent company and its subsidiary company, which are companies incorporated in India.

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of other auditors referred to in the Other Matters paragraph below, the Parent company and its subsidiary company, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2021, based on the internal financial control over financial reporting criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

Other Matters

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting in so far as it relates to one subsidiary company incorporated in India, is based on the corresponding reports of the auditors of such company incorporated in India. Our opinion is not modified in respect of the above matter.

For S G C O & Co. LLP
Chartered Accountants
FRN. 112081W/W100184

sd/-

Suresh Murarka
Partner

Mem. No. 44739

UDIN: 21044739AAAANL7296

Place: Mumbai

Date: 30th June, 2021

Consolidated Balance Sheet as at 31 March 2021

Particulars	Note No.	Rs. In Lakhs As at 31 March 2021
ASSETS		
Non-current assets		
Property, plant and equipment	3A	10,702.63
Capital Work In Progress	3B	67.55
Right of use Assets	3C	-
Intangible Asset	3D	66.65
Intangible asset under Development	3E	2.15
Financial assets		
Investments	4	2.00
Other financial assets	5	132.85
Income tax assets (net)	6	201.70
Other non-current assets	7	-
Total non-current assets		11,175.53
Current assets		
Inventories	8	2,360.31
Financial assets		
Trade receivables	9	1,369.80
Cash and cash equivalents	10	88.39
Other bank balances	11	81.99
Other financial assets	12	43.68
Other current assets	13	835.97
Total current assets		4,780.14
Non current asset held for sale	14	252.06
TOTAL ASSETS		16,207.73
EQUITY AND LIABILITIES		
Equity		
Equity Share capital	15A	2,470.28
Other equity	15B	5,444.56
Equity attributable to Owners		7,914.84
Non Controlling interest		-
Total equity		7,914.84
Liabilities		
Non-current liabilities		
Financial liabilities		
Borrowings	16	1,444.00
Lease Liabilities		-
Deferred tax liability (net)	17	322.99
Provisions	18	154.48
Total non-current liabilities		1,921.47
Current liabilities		
Financial liabilities		
Borrowings	19	1,363.73
Lease Liabilities		-
Trade payables	20	-
- Total outstanding dues of micro enterprises and small enterprises		371.90
- Total outstanding dues of creditors other than micro enterprises and small enterprises		2,723.39
Other financial liabilities	21	1,672.97
Other current liabilities	22	126.09
Provisions	23	113.34
Total current liabilities		6,371.42
TOTAL EQUITY AND LIABILITIES		16,207.73
Notes 1 to 45 form an integral part of the financial statements		

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

For S G C O & Co. LLP

Chartered Accountants

Firm Registration No : 112081W/W100184

Sd/-

Suresh Murarka

Partner

Mem. No. 44739

Place: Mumbai

Date : 30th June, 2021

For and on behalf of the Board of Directors

Sd/-

Atul Ranchal

Chairman

Din : 01998361

Sd/-

Prashant Rathi

CFO

Place: Mumbai

Date : 30th June, 2021

Sd/-

Rajesh Mahajan

Managing Director

Din : 02000634

Sd/-

Jyoti Sancheti

Company Secretary

Consolidated Statement of Profit and Loss for the year ended 31 March 2021

Particulars	Note No.	Rs. In Lakhs Year ended 31 March 2021
Income		
Revenue from operations	24	7,724.69
Other income	25	73.55
Total income		7,798.24
Expenses		
Cost of materials consumed	26	4,667.27
Purchases of stock-in-trade	27	423.65
Changes in inventories of finished goods, work - in progress	28	(333.58)
Employee benefits expense	29	1,436.83
Finance costs	30	309.84
Depreciation and amortisation expense		714.33
Other expenses	31	1,478.43
Total expenses		8,696.77
Profit / (Loss) before share of profit or loss of Associate and tax		(898.53)
Share of Profit/(loss) of Associate		(0.80)
Profit / (Loss) before tax		(899.33)
Tax expense/ (credit)		
- Deferred tax		322.99
- Tax of earlier years [Refer Note no. 6(d)]		715.23
Total Tax expense/ (credit)		1,038.22
Profit/ (loss) for the year (A)		(1,937.55)
Other comprehensive income (OCI)		
Items not to be reclassified subsequently to profit or loss		
- Measurement of defined employee benefit plans		10.79
Other comprehensive income for the year, net of tax (B)		10.79
Total comprehensive income/ (loss) for the year, net of tax (A+B)		(1,926.76)
Net Profit/(loss) attributable to :		
- Owners		(1,937.55)
- Non-controlling interest		-
Other Comprehensive Income attributable to :		
- Owners		10.79
- Non-controlling interest		-
Total Comprehensive Income attributable to :		
- Owners		(1,926.76)
- Non controlling interest		-
Earnings per equity share of Rs. 10 each	32	
Basic and diluted (in Rs.)		(7.84)

Notes 1 to 45 form an integral part of the financial statements

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

For S G C O & Co. LLP

Chartered Accountants

Firm Registration No : 112081W/W100184

Sd/-

Suresh Murarka

Partner

Mem. No. 44739

For and on behalf of the Board of Directors

Sd/-

Atul Ranchal

Chairman

Din : 01998361

Sd/-

Prashant Rathi

CFO

Sd/-

Rajesh Mahajan

Managing Director

Din : 02000634

Sd/-

Jyoti Sancheti

Company Secretary

Place: Mumbai

Date : 30th June, 2021

Place: Mumbai

Date : 30th June, 2021

Consolidated Cash Flow Statement for the year ended 31st March, 2021

Particulars	Rs. In Lakhs
	Year ended 31 March 2021
A. CASH FLOW FROM OPERATING ACTIVITIES	
Net (loss) / profit before tax	(899.33)
Adjustments for	
Depreciation and amortisation expense	714.33
Finance cost	309.84
Interest income	(16.95)
Remeasurement of Defined benefit obligations	10.79
Dividend from current investments	(0.30)
Provision for Doubtful Capital Advance	18.65
Loss on discarded asset	5.61
Provision for Expected credit loss	4.62
Unrealised Foreign Exchange Gain	(17.64)
Operating profit before working capital changes	129.62
Adjustments for changes in working capital:	
Decrease / (increase) in Trade Receivables	199.42
Decrease / (increase) in Inventories	(982.82)
Decrease / (increase) in Other Assets	(189.38)
Decrease / (increase) in Other Financial Assets	46.39
(Decrease) / Increase in Trade and Other Payables	473.76
(Decrease) / Increase in Other Financial Liabilities	1,154.38
(Decrease) / Increase in Other Liabilities	(16.81)
(Decrease) / Increase in Long term Provisions	33.15
(Decrease) / Increase in Short term Provisions	18.52
Cash generated from / (used in) operations	866.25
Direct taxes paid (net of refunds received)	(420.38)
Net cash (used in) / from generated from operating activities	445.87
B. CASH FLOW FROM INVESTING ACTIVITIES	
Purchase of property, plant and equipment (including capital work in progress and capital advances)	(561.38)
Net (investments in)/ proceeds from bank deposits (having original maturity of more than three months)	31.18
Interest received	16.95
Dividend received	0.30
Net cash (used in) / generated from investing activities	(512.96)

Consolidated Cash Flow Statement for the year ended 31st March 2021

Particulars	Rs. In Lakhs
	Year ended 31 March 2021
C. CASH FLOW FROM FINANCING ACTIVITIES	
Proceeds/ (Repayment) from borrowings (net)	438.13
Repayment of Lease Liabilities	(20.70)
Finance costs paid	(301.55)
Net cash (used in) / from financing activities	115.89
Net decrease in cash and cash equivalents (A+B+C)	48.80
Cash and cash equivalents at the beginning of the year	39.59
Cash and cash equivalents at the end of the year	88.39

Note:

- The above cash flow statement has been prepared under the "Indirect Method" as set out in the Indian Accounting Standard (Ind AS 7) - Statement of Cash Flow.
- Components of cash and cash equivalents considered only for the purpose of cash flow statement as follows :

Particulars	As at 31 March 2021
In bank current accounts	83.10
Cash on hand	5.29
	<u>88.39</u>

- The holding company has invested in Subsidiary and Associate during the year, the Group has presented its consolidated financial results first time during the year. Accordingly the comparative figures for the year ended 31st March, 2020 have not been presented.

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

For S G C O & Co. LLP

Chartered Accountants

Firm Registration No : 112081W/W100184

Sd/-

Suresh Murarka

Partner

Mem. No. 44739

Place: Mumbai

Date : 30th June, 2021

For and on behalf of the Board of Directors

Sd/-

Atul Ranchal

Chairman

Din : 01998361

Sd/-

Prashant Rathi

CFO

Place: Mumbai

Date : 30th June, 2021

Sd/-

Rajesh Mahajan

Managing Director

Din : 02000634

Sd/-

Jyoti Sancheti

Company Secretary

Consolidated Statement of Changes in Equity for the Year ended 31st March, 2021

A) Equity share capital

	Rs. (in Lakhs)	
Particulars	Number	Amount
Equity shares of Rs. 10/- each issued, subscribed and paid		
As at 1 April 2020	2,47,02,812	2,470.28
Changes in Equity Share Capital	-	-
As at 31 March, 2021	2,47,02,812	2,470.28

B) Other equity

Particulars	Reserves and surplus		Other comprehensive income	Total equity attributable to equity holders
	Securities premium reserve	Retained earnings	Remeasurement of Defined Benefit Plans	
As at 1 April 2020	6,800.03	552.68	18.61	7,371.32
Profit/ (Loss) for the Year	-	(1,937.55)	-	(1,937.55)
Other Comprehensive Income for the year	-	-	10.79	10.79
As at 31 March 2021	6,800.03	(1,384.87)	29.40	5,444.56

Notes 1 to 45 form an integral part of the financial statements

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

For S G C O & Co. LLP

Chartered Accountants

Firm Registration No : 112081W/W100184

Sd/-

Suresh Murarka

Partner

Mem. No. 44739

Place: Mumbai

Date : 30th June, 2021

For and on behalf of the Board of Directors

Sd/-

Atul Ranchal

Chairman

Din : 01998361

Sd/-

Prashant Rathi

CFO

Place: Mumbai

Date : 30th June, 2021

Sd/-

Rajesh Mahajan

Managing Director

Din : 02000634

Sd/-

Jyoti Sancheti

Company Secretary

Accompanying notes to the financial statement for the Year ended March 31, 2021

Note 1 Corporate Information

Brooks Laboratories Limited is a public company domiciled in India and incorporated under the provisions of the Companies Act, 1956 and was incorporated on 23rd January, 2002. The shares of the company are listed on BSE & NSE in India. The Company has manufacturing plants at Baddi, Himachal Pradesh. The Company is a pharmaceutical manufacturing company working on contract basis.

The Company along with its subsidiaries and its associates has been collectively hereinafter referred to as "the Group".

Note 2.1 Significant Accounting Policies

i Basis of Preparation

The consolidated financial statements of the Group have been prepared to comply in all material respects with the Indian Accounting Standards ("Ind AS") notified under the Companies (Accounting Standards) Rules, 2015.

The consolidated financial statements have been prepared under the historical cost convention with the exception of certain financial assets and liabilities which have been measured at fair value, on an accrual basis of accounting.

All the assets and liabilities have been classified as current and non-current as per normal operating cycle of the Group and other criteria set out in as per the guidance set out in Schedule III to the Act. Based on nature of services, the Group ascertained its operating cycle as 12 months for the purpose of current and non-current classification of asset and liabilities.

The Group's consolidated financial statements are reported in Indian Rupees, which is also the Group's functional currency, and all values are rounded to the nearest lakhs (INR 00,000), except when otherwise indicated.

ii Principles of Consolidation

The Consolidated Financial Statements comprise of the financial statements of Brooks Laboratories Limited and its subsidiaries and associates. The financial statements have been prepared on the following basis:

Subsidiaries :

The Consolidated financial statements have been prepared on the following basis:

- (a) The Consolidated financial statements of the Company and its subsidiary companies have been consolidated on a line by line basis by adding together the book values of like items of assets, liabilities, income and expenses, after eliminating intra-group balances / transactions and elimination of resulting unrealized profits / losses in accordance with Indian Accounting Standard ('Ind AS') - 110 'Consolidated Financial Statements' notified by the Companies (Accounting Standards) Rules, 2006 read with Rule 7 to the Companies (Accounts) Rules 2014 in respect of Section 133 of the Companies Act, 2013.
- (b) Goodwill on consolidation represents the excess of cost of acquisition at each point of time of making the investment in the subsidiary Group's share in the net worth of a subsidiary, as per Indian Accounting Standard (Ind AS) 110 "Consolidated Financial Statements". For this purpose, the Group's share of net worth is determined on the basis of the latest financial statements, prior to the acquisition, after making necessary adjustments for material events between the date of such financial statements and the date of respective acquisition. Capital reserve on consolidation represents negative goodwill arising on consolidation. In the event of cessation of operations of a subsidiary, the unimpaired goodwill is written off fully.
- (c) Minority interest in net profits or losses of consolidated subsidiaries for the year is identified and adjusted against the income or loss in order to arrive at the net income or loss attributable to the shareholders of the Company. Minority interest in the net assets of consolidated subsidiaries consists of the amount of equity attributable to the minority shareholders at the dates on which investments are made by the Company in the subsidiary companies and further movements in their share in the equity, subsequent to the dates of initial investments as stated above. Their share of net assets is identified and presented in the Consolidated Balance Sheet separately. Where accumulated losses attributable to the minorities are in excess of their equity, in the absence of the contractual/legal obligation on the minorities, the same is accounted for by the Holding Company.
- (d) Financial statements are prepared using uniform policies for like transaction and other events in similar circumstances and are presented, to the extent possible, in the same manner as the Company's separate financial statements.
- (e) Notes to the financial statements represent notes involving items which are considered material and are accordingly disclosed. Materiality for the purpose is assessed in relation to the information contained in the financial statements. Further, additional statutory information disclosed in separate financial statements of the subsidiary and / or a parent having no bearing on the true and fair view of the financial statements has not been disclosed in these financial statements.

- (f) The gains /losses in respect of part dilution of stake in subsidiary companies pursuant to issue of additional shares to minority shareholders are recognized directly in capital reserve under Reserves and surplus in the Balance Sheet. The gains /losses in respect of part divestment of stake in subsidiary companies pursuant to sale of shares by the Holding Company are recognized in the Statement of Profit and Loss.

Associates :

- (a) The Group's investments in its associate are accounted for using the equity method. Under the equity method, the investment in an associate is initially recognised at cost. Goodwill relating to the associate is included in the carrying amount of the investment and is not tested for impairment individually. The statement of profit and loss reflects the Group's share of the results of operations of the associate. The aggregate of the Group's share of profit or loss of an associate is shown on the face of the statement of profit and loss. If an entity's share of losses of an associate equals or exceeds its interest in the associate (which includes any long term interest that, in substance, form part of the Group's net investment in the associate), the entity discontinues recognising its share of further losses. Upon loss of significant influence over the associate, the Group measures and recognises any retained investment at its fair value. Any difference between the carrying amount of the associate upon loss of significant influence and the fair value of the retained investment and proceeds from disposal is recognised in profit or loss.

iii Accounting Estimates

The preparation of the financial statements, in conformity with the Ind AS, requires the management to make estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities and disclosure of contingent liabilities as at the date of financial statements and the results of operation during the reported period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates which are recognised in the period in which they are determined.

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year. The Group based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Group. Such changes are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

Deferred tax assets

In assessing the realisability of deferred income tax assets, management considers whether some portion or all of the deferred income tax assets will not be realized. The ultimate realization of deferred income tax assets is dependent upon the generation of future taxable income during the periods in which the temporary differences become deductible. Management considers the scheduled reversals of deferred income tax liabilities, projected future taxable income, and tax planning strategies in making this assessment. Based on the level of historical taxable income and projections for future taxable income over the periods in which the deferred income tax assets are deductible, management believes that the Group will realize the benefits of those deductible differences. The amount of the deferred income tax assets considered realizable, however, could be reduced in the near term if estimates of future taxable income during the carry forward period are reduced.

Defined benefit plans

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

iv Property, Plant and Equipment

Property, Plant and Equipment are stated at cost of acquisition including attributable interest and finance costs, if any, till the date of acquisition/ installation of the assets less accumulated depreciation and accumulated impairment losses, if any. Subsequent expenditure relating to Property, Plant and Equipment is capitalised only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance costs are charged to the Statement of Profit and Loss as incurred. The cost and related accumulated depreciation are eliminated from the financial statements, either on disposal or when retired from active use and the resultant gain or loss are recognised in the Statement of Profit and Loss.

Capital work-in-progress, representing expenditure incurred in respect of assets under development and not ready for their intended use, are carried at cost. Cost includes related acquisition expenses, construction cost, related borrowing cost and other direct expenditure.

v Depreciation/ Amortisation

- a) Depreciation on Property, Plant and Equipment has been provided on a pro-rata basis on the straight-line method over the estimated useful lives of the assets which are in agreement with the rates prescribed under schedule II to the Companies Act 2013, except for the category of assets mentioned in Table B in order to reflect the actual usage of the asset.
- b) Intangible assets consisting of softwares, licenses and Dossier/ Marketing Rights are amortised over their useful life.

Table A showing category of assets of which useful life are as prescribed under Companies Act

Sr. No.	Asset category	As per Companies Act 2013
1	Plant & Machinery	7- 20 years
2	Lab Equipments	10 years
3	Computer	3 years
4	Office Equipments	5 years
5	Furniture	10 years
6	Electrical Installation	10 years
7	Factory Building	30 Years
8	Office Premises	60 Years
9	Server	6 years
10	Vehicles	8-10 years

The Group, based on technical assessment made by technical expert and management estimate, depreciates certain items of property plant and equipment (as mentioned above) over estimated useful lives which are different from the useful lives prescribed under Schedule II to the Companies Act, 2013. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

vi Investment Property

Investment properties are held to earn rentals or for capital appreciation, or both. Investment properties are measured initially at their cost of acquisition. The cost comprises purchase price, borrowing cost if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discount and rebates are deducted in arriving at the purchase price.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group. All other repair and maintenance costs are recognised in statement of profit and loss as incurred.

Though the Group measures investment property using cost based measurement, the fair value of investment property is disclosed in the notes.

Investment Property is initially measured at cost including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any.

Any gain or loss on disposal of investment property calculated as the difference between the net proceeds from disposal and the carrying amount of the item is recognised in Statement of Profit & Loss.

vi Financial Instruments

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

a) Investment in subsidiaries, associate and joint venture :

Investment in subsidiaries, associates and joint ventures are shown at cost in accordance with the option available in Ind AS 27, 'Separate Financial Statements'. Where the carrying amount of an investment is greater than its estimated recoverable amount, it is written down immediately to its recoverable amount and the difference is transferred to the Statement of Profit and Loss. On disposal of investment, the difference between the net disposal proceeds and the carrying amount is charged or credited to the Statement of Profit and Loss.

b) Financial Assets

Initial Recognition

In the case of financial assets, not recorded at fair value through profit or loss (FVTPL), financial assets are recognised initially at fair value plus transaction costs that are directly attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Group commits to purchase or sell the asset.

Subsequent Measurement

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

Financial Assets at Amortised Cost

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business model with an objective to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Interest income from these financial assets is included in finance income using the effective interest rate ("EIR") method. Impairment gains or losses arising on these assets are recognised in the Statement of Profit and Loss.

Financial Assets Measured at Fair Value

Financial assets are measured at fair value through OCI if these financial assets are held within a business model with an objective to hold these assets in order to collect contractual cash flows or to sell these financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in the Statement of Profit and Loss.

Financial asset not measured at amortised cost or at fair value through OCI is carried at FVPL.

Impairment of Financial Assets

In accordance with Ind AS 109, the Group applies the expected credit loss ("ECL") model for measurement and recognition of impairment loss on financial assets and credit risk exposures.

The Group follows 'simplified approach' for recognition of impairment loss allowance on trade receivables. Simplified approach does not require the Group to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECL at each reporting date, right from its initial recognition.

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

ECL is the difference between all contractual cash flows that are due to the group in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL impairment loss allowance (or reversal) recognised during the period is recognised as income/ expense in the Statement of Profit and Loss.

De-recognition of Financial Assets

The Group de-recognises a financial asset only when the contractual rights to the cash flows from the asset expire, or it transfers the financial asset and substantially all risks and rewards of ownership of the asset to another entity.

If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognizes its retained interest in the assets and an associated liability for amounts it may have to pay.

If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

c) Equity Instruments and Financial Liabilities

Financial liabilities and equity instruments issued by the Group are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

Equity Instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities. Equity instruments which are issued for cash are recorded at the proceeds received, net of direct issue costs. Equity instruments which are issued for consideration other than cash are recorded at fair value of the equity instrument.

Financial Liabilities

1) Initial Recognition

Financial liabilities are classified, at initial recognition, as financial liabilities at FVPL, loans and borrowings and payables as appropriate. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

2) Subsequent Measurement

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

Financial liabilities at FVPL

Financial liabilities at FVPL include financial liabilities held for trading and financial liabilities designated upon initial recognition as at FVPL. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. Gains or losses on liabilities held for trading are recognised in the Statement of Profit and Loss.

Financial guarantee contracts issued by the Group are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortisation. Amortisation is recognised as finance income in the Statement of Profit and Loss.

Financial liabilities at amortised cost

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Any difference between the proceeds (net of transaction costs) and the settlement or redemption of borrowings is recognised over the term of the borrowings in the Statement of Profit and Loss.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the Statement of Profit and Loss.

3) De-recognition of Financial Liabilities

Financial liabilities are de-recognised when the obligation specified in the contract is discharged, cancelled or expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as de-recognition of the original liability and recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

d) **Offsetting Financial Instruments**

Financial assets and financial liabilities are offset and the net amount is reported in the Balance Sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis to realise the assets and settle the liabilities simultaneously.

vii Employee Benefits

a Defined Contribution Plan

Contributions to defined contribution schemes such as provident fund, employees' state insurance, labour welfare are charged as an expense based on the amount of contribution required to be made as and when services are rendered by the employees. The above benefits are classified as Defined Contribution Schemes as the Group has no further obligations beyond the monthly contributions.

b Defined Benefit Plan

The Group also provides for gratuity which is a defined benefit plan, the liabilities of which is determined based on valuations, as at the balance sheet date, made by an independent actuary using the projected unit credit method. Re-measurement, comprising of actuarial gains and losses, in respect of gratuity are recognised in the OCI, in the period in which they occur. Re-measurement recognised in OCI are not reclassified to the Statement of Profit and Loss in subsequent periods. Past service cost is recognised in the Statement of Profit and Loss in the year of plan amendment or curtailment. The classification of the Group's obligation into current and non-current is as per the actuarial valuation report.

c Leave entitlement and compensated absences

Accumulated leave which is expected to be utilised within next twelve months, is treated as short-term employee benefit. Leave entitlement, other than short term compensated absences, are provided based on a actuarial valuation, similar to that of gratuity benefit. Re-measurement, comprising of actuarial gains and losses, in respect of leave entitlement are recognised in the Statement of Profit and Loss in the period in which they occur.

d Short-term Benefits

Short-term employee benefits such as salaries, wages, performance incentives etc. are recognised as expenses at the undiscounted amounts in the Statement of Profit and Loss of the period in which the related service is rendered. Expenses on non-accumulating compensated absences is recognised in the period in which the absences occur.

e Termination benefits

Termination benefits are recognised as an expense as and when incurred.

viii Share - Based Compensation

The Group recognizes compensation expense relating to employees stock option plan in statement of profit and loss account in accordance with IND AS 102, Share - Based Payment. Accordingly, compensation expense as determined on the date of the grant is amortised over the vesting period. The Group follows fair value method to calculate the value of the stock options.

ix Cash and Cash Equivalents

Cash and cash equivalents in the Balance Sheet comprises of cash at banks and on hand, which are subject to an insignificant risk of changes in value.

x Borrowing Costs

Borrowing costs consist of interest and other costs that the Group incurs in connection with the borrowing of funds. Also, the EIR amortisation is included in finance costs.

Borrowing costs relating to acquisition, construction or production of a qualifying asset which takes substantial period of time to get ready for its intended use are added to the cost of such asset to the extent they relate to the period till such assets are ready to be put to use. All other borrowing costs are expensed in the Statement of Profit and Loss in the period in which they occur.

xi Foreign Exchange Translation and Accounting of Foreign Exchange Transaction

a Initial Recognition

Foreign currency transactions are initially recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction. However, for

practical reasons, the Group uses a monthly average rate if the average rate approximate the actual rate at the date of the transactions.

b Conversion

Monetary assets and liabilities denominated in foreign currencies are reported using the closing rate at the reporting date. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction.

c Treatment of Exchange Difference

Exchange differences arising on settlement/ restatement of short-term foreign currency monetary assets and liabilities of the Group are recognised as income or expense in the Statement of Profit and Loss except those arising from investment in Non Integral operations.

xii Revenue Recognition

a) Revenue from contracts with customers is recognized on transfer of control of promised goods or services to a customer at an amount that reflects the consideration to which the Group is expected to be entitled to in exchange for those goods or services.

Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of goods sold and services rendered is net of variable consideration on account of various discounts and schemes offered by the Group as part of the contract. This variable consideration is estimated based on the expected value of outflow. Revenue (net of variable consideration) is recognized only to the extent that it is highly probable that the amount will not be subject to significant reversal when uncertainty relating to its recognition is resolved.

b) Revenue from sales of goods is recognized net of rebates and discounts on transfer of significant risks and rewards of ownership to the buyer. Sales are considered net of Goods and Services Tax.

c) Interest is recognised on a time proportion basis taking in to account the amount outstanding and the rate applicable.

d) Dividend income is recognised when right to receive the same is established.

xiii Income Tax

Income tax comprises of current and deferred income tax. Income tax is recognised as an expense or income in the Statement of Profit and Loss, except to the extent it relates to items directly recognised in equity or in OCI.

a Current Income Tax

Current income tax is recognised based on the estimated tax liability computed after taking credit for allowances and exemptions in accordance with the Income Tax Act, 1961. Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

b Deferred Income Tax

Deferred tax is determined by applying the Balance Sheet approach. Deferred tax assets and liabilities are recognised for all deductible temporary differences between the financial statements' carrying amount of existing assets and liabilities and their respective tax base. Deferred tax assets and liabilities are measured using the enacted tax rates or tax rates that are substantively enacted at the Balance Sheet date. The effect on deferred tax assets and liabilities of a change in tax rates is recognised in the period that includes the enactment date. Deferred tax assets are only recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised. Such assets are reviewed at each Balance Sheet date to reassess realisation.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Minimum Alternative Tax ("MAT") credit is recognised as an asset only when and to the extent it is probable that the Group will pay normal income tax during the specified period.

xiv Impairment of Non-Financial Assets

As at each Balance Sheet date, the Group assesses whether there is an indication that a non-financial asset may be impaired and also whether there is an indication of reversal of impairment loss recognised in the previous periods. If any indication exists, or when annual impairment testing for an asset is required, the Group determines the recoverable amount and impairment loss is recognised when the carrying amount of an asset exceeds its recoverable amount.

Recoverable amount is determined:

- In case of an individual asset, at the higher of the assets' fair value less cost to sell and value in use; and
- In case of cash generating unit (a group of assets that generates identified, independent cash flows), at the higher of cash generating unit's fair value less cost to sell and value in use.

In assessing value in use, the estimated future cash flows are discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and risk specified to the asset. In determining fair value less cost to sell, recent market transaction are taken into account. If no such transaction can be identified, an appropriate valuation model is used.

Impairment losses of continuing operations, including impairment on inventories, are recognised in the Statement of Profit and Loss, except for properties previously revalued with the revaluation taken to OCI. For such properties, the impairment is recognised in OCI up to the amount of any previous revaluation.

When the Group considers that there are no realistic prospects of recovery of the asset, the relevant amounts are written off. If the amount of impairment loss subsequently decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, then the previously recognised impairment loss is reversed through the Statement of Profit and Loss.

xv Trade receivables

A receivable is classified as a 'trade receivable' if it is in respect of the amount due on account of goods sold or services rendered in the normal course of business. Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the EIR method, less provision for impairment.

xvi Trade payables

A payable is classified as a 'trade payable' if it is in respect of the amount due on account of goods purchased or services received in the normal course of business. These amounts represent liabilities for goods and services provided to the Group prior to the end of the financial year which are unpaid. These amounts are unsecured and are usually settled as per the payment terms stated in the contract. 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 EIR method.

xvii Inventories

Inventories are valued as follows:

- Finished Goods are valued at lower of cost or net realisable value.
- Raw Material are valued at lower of cost or net realisable value.
- Packing Materials are valued at cost or net realisable value.
- Work in process is valued at lower of cost or net realisable value.
- Stock in trade is valued at a lower of cost or net realizable value.

Cost is arrived at on weighted average cost method.

xviii Leases**Group as a lessee**

The Group's lease asset classes primarily consist of leases for land and buildings. The Group assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether: (i) the contract involves the use of an identified asset (ii) the Group

has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Group has the right to direct the use of the asset.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Group changes its assessment of whether it will exercise an extension or a termination option.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

Group as a lessor

Leases for which the Group is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

When the Group is an intermediate lessor, it accounts for its interests in the head lease and the sublease separately. The sublease is classified as a finance or operating lease by reference to the right-of-use asset arising from the head lease.

For operating leases, rental income is recognized on a straight line basis over the term of the relevant lease.

xix Earnings Per Share

Basic earnings per share is computed by dividing the net profit or loss for the period attributable to the equity shareholders of the Group by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares, that have changed the number of equity shares outstanding, without a corresponding change in resources.

Diluted earnings per share is computed by dividing the net profit or loss for the period attributable to the equity shareholders of the Group and weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. The dilutive potential equity shares are adjusted for the proceeds receivable had the equity shares been actually issued at fair value (i.e. the average market value of the outstanding equity shares).

xx Provisions, Contingent Liabilities and Contingent Assets

A provision is recognised when the Group has a present obligation (legal or constructive) as a result of past events and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, in respect of which a reliable estimate can be made of the amount of obligation. Provisions (excluding gratuity and compensated absences) are determined based on management's estimate required to settle the obligation at the Balance Sheet date. In case the time value of money is material, provisions are discounted using a current pre-tax rate that reflects the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost. These are reviewed at each Balance Sheet date and adjusted to reflect the current management estimates.

Contingent liabilities are disclosed in respect of possible obligations that arise from past events, whose existence would be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group. A contingent liability also arises, in rare cases, where a liability cannot be recognised because it cannot be measured reliably.

xxi Share Issue Expenses

Share issue expenses are adjusted against the Securities Premium Account as permissible under Section 52(2) of the Companies Act, 2013, to the extent balance is available for utilization in the Securities Premium Account.

xxii Rounding of amounts

All amounts disclosed in the financials statements and notes have been rounded off to the nearest lakhs as per the requirement of Schedule III.

xxii Business Combination Involving Entities Under Common Control

A business combination involving entities or businesses under common control is a business combination in which all of the combining entities or businesses are ultimately controlled by the same party or parties both before and after the business combination and the control is not transitory.

Business Combination involving entities or businesses under common control shall be accounted for using the pooling of interest method based on the predecessor values retrospectively for all periods presented.

The pooling of interest method is considered to involve the following:

- (i) The assets and liabilities of the combining entities are reflected at their carrying amounts.
- (ii) No adjustments are made to reflect fair values, or recognise any new assets or liabilities. The only adjustments that are made are to harmonise accounting policies and tax adjustments if any.
- (iii) The components of other equity of the acquired companies are added to the same components within other equity except that any share capital and investments in the books of the acquiring entity is cancelled and the differences, if any, is adjusted in the opening retained earnings.
- (iv) The financial information in the financial statements in respect of prior periods are restated as if the business combination had occurred from the beginning of the preceding period in the financial statements, irrespective of the actual date of the combination. However, if business combination had occurred after that date, the prior period information shall be restated only from that date.

Note 3A : Property, plant and equipment

Particulars	Rs. (in Lakhs)											
	Land	Factory Building	Office Building	Plant and Machinery	Lab Equipments	Electrical Installations	Furniture & Fixtures	Vehicles	Office Equipment	Generator	Server	Total
Year ended March 31, 2021												
Gross carrying value												
Balance as at 1 April 2020	1,740.69	4,405.25	297.41	5,665.92	10.13	470.04	146.96	225.32	68.52	14.88	42.94	13,126.24
Additions	130.64	-	-	276.24	1.03	1.18	0.58	-	3.93	-	-	421.19
Disposals	-	-	-	(0.50)	-	-	-	-	-	-	-	(0.50)
Less : Transferred to Non current Assets held for sale (Refer Note no 14)	-	-	(275.43)	-	-	-	-	-	-	-	-	(275.43)
Balance as at 31 March 2021	1,871.32	4,405.25	21.98	5,941.65	11.16	471.22	147.54	225.32	72.44	14.88	42.94	13,271.51
Accumulated depreciation												
Balance as at 1 April 2020	-	472.62	19.83	1,033.65	5.82	144.12	50.99	89.33	39.66	7.04	21.97	1,916.08
Depreciation charge during the year	-	150.52	5.04	378.28	0.73	47.36	15.40	54.08	8.80	2.31	7.15	676.39
Deletions / Adjustments	-	-	-	(0.23)	-	-	-	-	-	-	-	(0.23)
Less : Transferred to Non current Assets held for sale (Refer Note no 14)	-	-	(23.37)	-	-	-	-	-	-	-	-	(23.37)
Balance as at 31 March 2021	-	623.14	1.49	1,411.70	6.56	191.48	66.39	143.41	48.45	9.35	29.13	2,568.87
Net Carrying Amount as at March 31, 2021	1,871.32	3,782.11	20.49	4,529.95	4.60	279.75	81.15	81.91	23.99	5.53	13.81	10,702.63

Note 3B : Capital work in progress

Particulars	Rs. (in Lakhs)	
		Total
Year ended March 31, 2021		
Gross Carrying Amount		
Balance as at April, 1, 2020	-	-
Additions	67.55	67.55
Transfer to Property, Plant & Equipment	-	-
Balance as at March 31, 2021		67.55

Note 3C : Right to use of Assets

Particulars	Rs. (in Lakhs)	
	Office Premises	Total
Year ended March 31, 2021		
Gross Carrying Amount		
Balance as at April, 1, 2020	91.32	91.32
Additions	-	-
Disposals	(91.32)	(91.32)
Balance as at March 31, 2021	-	-
Accumulated Depreciation		
Balance as at April, 1, 2020	23.84	23.84
Depreciation charge during the year	23.77	23.77
Disposals	(47.61)	(47.61)
Balance as at March 31, 2021	-	-
Net Carrying Amount as at March 31, 2021	-	-

Note 3D : Intangible Assets

Particulars	Rs. (in Lakhs)		
	Computer Software	Dossiers/ Marketing rights	Total
Year ended 31 March 2021			
Gross carrying amount			
Balance as at 1 April, 2020	12.00	10.25	22.25
Additions	0.11	61.45	61.56
Balance as at 31 March 2021	12.11	71.70	83.81
Accumulated Amortisation			
Balance as at 1 April, 2020	4.06	1.15	5.21
Amortisation charge for the year	2.40	9.56	11.95
Balance as at 31 March 2021	6.46	10.70	17.16
Closing Net Carrying Amount as at 31 March 2021	5.65	61.00	66.65

Note 3E : Intangible Assets Under Development

Particulars	Rs. (in Lakhs)
	Intangible Assets Under Development
Dossiers/ Marketing rights	
Gross carrying amount	
Balance as at 31 March 2020	10.99
Additions	4.01
Less : Capitalised under Intangible Assets	(12.85)
Balance as at 31 March 2021	2.15

Note 4 : Investments

Particulars	Rs. In Lakhs
	As at 31 March 2021
I. Investments valued at cost (Unquoted)	
Investment in equity shares	
i) In other companies	2.00
Total non-current investments	2.00

Note 4.1 Detailed list of non-current investments

Face value of Rs. 10 each, unless otherwise stated

Particulars	As at 31 March 2021	
	Nos	Rs. in lakhs
Investments valued at cost, fully paid up (Unquoted)		
Shivalik Solid Waste Management Limited (Face Value of Rs. 10/- each, fully paid)	20,000	2.00
Total non-current investments	20,000	2.00

Particulars	As at 31 March 2021
Aggregate of non-current investments:	
Book value of investments (net of impairment allowance)	2.00
Investments carried at deemed cost	2.00
Investments carried at fair value through profit and loss	-

Note 5 : Other financial assets

(Unsecured, Considered Good)

Particulars	As at 31 March 2021
Security Deposits	135.84
Less : ECL provision	(33.75)
Fixed Deposits	30.76
	132.85

* includes Rs. 30.76 lakhs pledged with bank as margin against bank guarantee.

Note 6 : Income Tax Assets
(a) Amounts recognised in Statement of Profit and Loss

Particulars	As at 31 March 2021
Current tax expense (A)	
Current year	-
Short/(Excess) provision of earlier years	715.23
Deferred tax expense (B)	
Origination and reversal of temporary differences	322.99
Tax expense recognised in the income statement (A+B)	1,038.22

(b) Amounts recognised in other comprehensive income

Particulars	As at 31 March 2021		
	Before tax	Tax (expense) benefit	Net of tax
Items that will not be reclassified to profit or loss			
Remeasurements of the defined benefit plans	10.79	-	10.79
	10.79	-	10.79

(c) Reconciliation of effective tax rate

Particulars	Year Ended 31 March 2021
Profit before tax	(898.53)
Tax using the Group's domestic tax rate (Current year 25.17%)	(226.16)
Tax effect of :	
Effect of current year losses for which no deferred tax asset is recognised	117.98
Property, plant & equipment	431.18
Tax expense as per Statement of Profit & Loss	(A) 322.99
	322.99
Effective tax rate	-36%
Tax of earlier years	715.23
	(B) 715.23
Total Tax expense as per Statement of Profit & Loss	(A)+(B) 1,038.22

(d) Income tax assets (net)

Particulars	As at 31 March 2021
Advance income tax and TDS(Net of Provisions)	27.80
Income Tax paid against dispute	173.90
Total income tax assets (Net)	201.70

Note 7 : Other non-current assets

(Unsecured, Considered Good)

Particulars	As at 31 March 2021
Capital advances	18.65
Less : Provision for capital advances	(18.65)
	-

Note 8 : Inventories

(Valued at lower of cost or net realisable value)

Particulars	As at 31 March 2021
Finished goods	720.91
Raw materials	845.80
Work-in-progress	323.89
Consumable Stock	57.97
Packing materials	411.74
	2,360.31

Note 9 : Trade receivables

(Unsecured)

Particulars	As at 31 March 2021
Trade receivables	
- considered good	1,665.46
Less: Provision for expected credit loss	(295.66)
	1369.80

Note 10 : Cash and cash equivalents

Particulars	As at 31 March 2021
Balances with banks	
- Current accounts in Indian rupees	82.48
- Current accounts in Foreign currency	0.62
Cash on hand	5.29
	88.39

Note 11 : Other bank balances

Particulars	As at 31 March 2021
Earmarked balances with banks for:	
Margin money deposits with original maturity of more than 3 months and remaining maturities of less than 12 months	112.75
Less : Fixed deposits with original maturity of more than one year (refer note no. 5)	(30.76)
	81.99

* includes Rs. 81.99 lakhs pledged with bank as margin against bank guarantee.

Note 12 : Other financial assets

(Unsecured)

Particulars	As at 31 March 2021
Accrued Interest on Fixed deposit	2.20
Export Incentive Receivables	2.69
Refund receivable from Government Authorities	38.79
	43.68

Note 13 : Other current assets

(Unsecured, Considered Good)

Particulars	As at 31 March 2021
Advance to suppliers	385.77
Balances with government authorities	374.66
Prepaid expenses	18.68
Others	56.85
	835.97

Note 14 : Non current asset held for sale

(Unsecured, Considered Good)

Particulars	As at 31 March 2021
Non current asset held for sale	252.06
	252.06

Non current asset held for sale includes office premises amounting to Rs. 252.06 (carrying amount) which has been subsequently sold to balance sheet date and advance amounting to Rs 11.00 lakhs received against the same is shown under Other current liabilities.

Note 15A : Equity Share capital

Particulars	As at 31 March 2021
Authorised share capital	
25,000,000 Equity Shares of Rs.10/- each	2,500.00
Total authorised share capital	2,500.00
Issued, subscribed and paid-up equity share capital:	
2,47,02,812 Equity shares of Rs. 10/- each	2,470.28
Total issued, subscribed and paid-up equity share capital	2,470.28

Reconciliation of the equity shares outstanding at the beginning and at the end of the reporting year

Particulars	Number	Amount
As at 1 April 2020	2,47,02,812	2,470.28
Issued during the year	-	-
As at 31 March 2021	2,47,02,812	2,470.28

Terms/rights attached to equity shares:

- (i) The holding company has only one class of equity shares having a par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share.
- (ii) In the event of liquidation of the holding company, the holders of equity shares will be entitled to receive remaining assets of the holding company, after distribution of all preferential amounts, if any. The distribution will be in proportion to the number of equity shares held by the shareholders.

Shareholding of more than 5%:

Name of the Shareholders	As at 31 March 2021	
	No. of shares	% held
Atul Ranchal	62,63,071	25.35%
Rajesh Mahajan	51,14,151	20.70%

Note 15B : Other Equity

Particulars	As at 31 March 2021
Securities premium	6,800.03
Retained earnings	(1,384.87)
Items of Other Comprehensive Income	
- Remeasurements of defined benefit plans	29.40
	5,444.56

Nature and purpose of reserves
Securities premium reserve

The amount received in excess of face value of the equity shares is recognised in Securities Premium Reserve.

Retained earnings

Retained earnings are the profits that the Group has earned till date, less any transfers to general reserve, dividends or other distributions paid to shareholders, if any.

Remeasurements of Net Defined Benefit Plans:

Differences between the interest income on plan assets and the return actually achieved, and any changes in the liabilities over the year due to changes in actuarial assumptions or experience adjustments within the plans, are recognised in 'Other comprehensive income' and subsequently not reclassified to the Statement of Profit and Loss.

Note 16 : Borrowings

Particulars	As at 31 March 2021
Secured	
Term loan from bank	1,764.62
Less: Current Maturities of long term debts	(321.68)
	1,442.94
From Others	10.12
Less: Current Maturities of long term debts	(9.06)
	1.06
Total non-current borrowings	1,444.00

Nature of security and terms of repayment :
Term loan from bank

Rs 147.80 lakhs The loan is secured by Existing and future current assets and moveable fixed assets at Baddi unit and collaterally secured by equitable mortgage of land and building at Baddi unit and Mumbai unit. The loan from Indian bank carries interest @ 8%(K_EBLR + 1.00%) and is repayable in 36 monthly installments (after 12 months of moratorium period) of Rs. 4.58 lakhs per month commencing from December, 2021. Interest is to be serviced as and when debited to the account

Loan amounting to Rs 395.02 lakhs is secured by way of hypothecation of stock, Book debt of subsidiary company and plant & machineries purchased out of the term loan and also secured by way of equitable mortgage charge of Land and factory building. The Loan is repayable in 36 equal monthly instalments of Rs. 12.44 lakhs. Interest is payable at the rate of Present Card Rate 4.00% + 3.50% i.e. 7.50% as per Sanction Letter dated 10/03/2021. The period of maturity w.r.t. balance sheet date is 44 months including moratorium period of 8 months. The same was transferred by Indian Bank from holding company to subsidiary company as on 10/03/2021 via Sanction No. 07/2020-21.

Loan amounting to Rs.323.09 lakhs is secured by way of hypothecation with Indian Bank over entire current assets of the subsidiary Company, present & future, and by mortgaging Land and Building. The Loan from Indian bank is repayable in 48 equal monthly principal amount of Rs. 6.73 lakhs. Interest is payable at the rate of Present Card Rate Repo i.e. 4.00% + 6.65% (Present 10.65%) as per Sanction Letter dated 10/03/2021. The period of maturity w.r.t. balance sheet date is 48 months. The same was transferred by Indian Bank from holding company to subsidiary company as on 10/03/2021 via Sanction No. 07/2020-21.

Loan amounting to Rs. 851.71 lakhs is secured by way of Hypothecation with Indian Bank over entire current assets of the subsidiary Company, present & future, and by mortgaging Land and Building. The Loan from Indian bank is repayable in 22 quarterly equal principal amount of Rs. 38.77 lakhs. Interest is payable at the rate of Present Card Rate Repo i.e. 4.00% + 6.55% (Present 10.55%) as per Sanction Letter dated 10/03/2021. The period of maturity w.r.t. balance sheet date is 88 months. The same was transferred by Indian Bank from holding company to subsidiary company as on 10/03/2021 via Sanction No. 07/2020-21.

Loan amounting to Rs. 62.29 lakhs is secured by way of Hypothecation with Indian Bank over entire current assets of the subsidiary Company, present & future, and by mortgaging Land and Building. The Loan from Indian bank is repayable in 27 equal monthly principal amount of Rs. 2.33 lakhs. Interest is payable at the rate of Present Card Rate Repo i.e. 4.00% + 3.70% (Present 7.70%) as per Sanction Letter dated 10/03/2021. The period of maturity w.r.t. balance sheet date is 27 months. The same was transferred by Indian Bank from holding company to subsidiary company as on 10/03/2021 via Sanction No. 07/2020-21.

From Others

Rs. 10.12 lakhs vehicle loan from Kotak Mahindra Prime Ltd. The loan is secured by hypothecation of vehicles financed. Hire purchase loans from Kotak Mahindra Prime Ltd carries interest @ 10.67% p.a. The loan is repayable in 60 equal monthly instalments starting from June, 2016.

Note 17 : Deferred tax liability (net)

Particulars	As at 31 March 2021
Deferred income tax liabilities	
Excess of net block of fixed assets as per books over net block for tax	431.18
Deferred income tax asset	
Carried Forward Business Loss	108.19
Deferred tax Liabilities (net)	322.99

Note : The Holding company has not recognised deferred tax assets during the year on prudence basis.

Note 18 : Provisions

Particulars	As at 31 March 2021
Provision for employee benefits	
- Gratuity	101.56
- Leave entitlement and compensated absences	52.92
	154.48

Note 19 : Borrowings

Particulars	As at 31 March 2021
Secured	
Cash Credit from banks	1,363.73
	1,363.73

Secured loans from Banks includes :

- a) Cash Credit facility from Kotak Mahindra Bank amounting to Rs. 681.99 lakhs is secured by 1st Hypothecation charge on Stocks, Receivable & all current assets and collaterally secured by Equitable Mortgage of Industrial Property at Baddi & Corporate office, Mumbai. It is further secured by Personal Guarantee of Directors of the holding company. It carries interest @ (KMBR as on date 9.50%) + 1% with a minimum of 10.5%.
- b) Cash Credit facility amounting to Rs 681.74 Lakhs is transferred by the Indian bank from holding company to subsidiary company as on 10/03/2021 via Sanction No. 07/2020-21, its secured by way of hypothecation of stock and Book debt of subsidiary company and plant & machineries purchased out of the term loan Secured by the Equitable Mortgage charge for land and factory building.

Note 20 : Trade payables

Particulars	As at 31 March 2021
- Total outstanding dues of micro enterprises and small enterprises	371.90
- Total outstanding dues of creditors other than micro enterprises and small enterprises	2,723.39
	3,095.29

The Group has amounts due to micro and small suppliers registered under the Micro, Small and Medium Enterprises Development Act 2006 (MSMED Act).

The disclosure pursuant to the said Act is as under:

Particulars	31 March 2021
Principal amount due to suppliers under MSMED Act	371.90
Interest accrued and due to suppliers under MSMED Act on the above amount	-
Payment made to suppliers (other than interest) beyond appointed day during the year	1,316.99
Interest paid to suppliers under MSMED Act	-
Interest due and payable to suppliers under MSMED Act towards payments already made	-
Interest accrued and remaining unpaid at the end of the accounting year	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act.	-

Note: Interest paid or payable by the Group on the aforesaid principal amount has been waived by the concerned suppliers

Note 21 : Other financial liabilities

Particulars	As at 31 March 2021
Current maturities of long term borrowings (Refer note 16)	330.74
Interest accrued and due on borrowings	1.49
Salary & wages payable	106.03
Payable for capital goods	-
Duties & Taxes payable	202.75
Consignee Sales Agents Deposits	31.96
Optionally Convertible Redeemable Preference Shares (including securities premium)	1,000.00
	1,672.97

During the year, the subsidiary company has issued 10,000 optionally convertible redeemable preference shares (OCRPS) having nominal value of Rs. 10 each, with premium of Rs. 9990 each to Steriscience Specialities Private Limited. No dividend is payable on these shares at present or in future.

The conversion option lies with the preference shareholder within the period of 20 years. Hence, the management of the company has recognised these options as Current financial liability with the nominal value and the premium amount only.

Note 22 : Other current liabilities

Particulars	As at 31 March 2021
Advance from customer	114.73
Other Payables	11.36
	126.09

Note 23 : Provisions

Particulars	As at 31 March 2021
Provision for employee benefits	
- Gratuity	37.82
- Leave entitlement and compensated absences	36.21
- Bonus Payable	36.07
	3.24
	113.34

Rs. In Lakhs

Note 24 : Revenue from operations

Particulars	Year ended 31 March 2021
Sale of drugs*	7,706.78
Other Operating revenue	
Export Incentives	14.52
Sale of Dossier	3.39
Total Revenue from Operations	7,724.69

* Sales are reported net of discounts, rebates and returns.

Note 25 : Other income

Particulars	Year ended 31 March 2021
Interest income	16.95
Dividend from long term investments	0.30
Miscellaneous income	56.30
Total other income	73.55

Note 26 : Cost of materials consumed

Particulars	Year ended 31 March 2021
Raw Material (Including Packing Material)	
Opening stock	666.27
Add: Purchases	5,749.20
Less: Closing stocks	(1,748.20)
	4,667.27

Note 27 : Purchases of stock-in-trade

Particulars	Year ended 31 March 2021
Purchases of Stock-in-trade	423.65
	423.65

Note 28 : Changes in inventories of finished goods, work - in progress

Particulars	Year ended 31 March 2021
Opening inventory	
- Finished Goods	420.11
- Traded Goods	21.85
- Work-in-progress	269.26
	711.22
Closing inventory	
- Finished Goods	720.91
- Traded Goods	-
- Work-in-progress	323.89
	1,044.80
Changes in inventories	(333.58)

Note 29 : Employee benefits expense

Particulars	Year ended 31 March 2021
Salaries and wages	1,110.07
Director Remuneration	232.65
Contribution to provident and other funds	72.60
Staff welfare	21.51
Total employee benefits expense	1,436.83

Note 30 : Finance costs

Particulars	Year ended 31 March 2021
Interest expense	301.55
Interest expense on lease liability	8.29
Total finance costs	309.84

Note 31 : Other expenses

Particulars	Year ended 31 March 2021
<u>Manufacturing expenses</u>	
Stores & spares consumed	135.72
Power & fuel	270.23
<u>Repairs :</u>	
- Plant & machinery	29.80
- Factory building	6.64
Other factory expenses	324.29
<u>Administration, selling and distribution expenses</u>	
Rent	1.80
Insurance expenses	16.79

Particulars	Year ended 31 March 2021
Legal and professional fees	63.13
Payment to Auditors*	9.97
Travelling & conveyance	95.03
Advertising & sales promotion expenses	25.71
Commission paid	128.54
Transportation, freight & handling charges	47.62
Loss on sale/ discard of property, plant and equipment	5.61
Provision for Expected credit loss (net of reversal)	4.62
Provision for Capital Advance	18.65
CSR Expenditure	72.51
Miscellaneous Expenses	221.77
	1,478.43
Payment to Auditors	
i) Statutory audit fees	8.65
ii) Taxation Matters	1.32
	9.97

Note 32 : Earnings per equity share

The amount considered in ascertaining the Group's earnings per share constitutes the net loss after tax. The number of shares used in computing basic earnings per share is the weighted average number of shares outstanding during the period. The number of shares used in computing diluted earnings per share comprises the weighted average number of shares considered for deriving basic earnings per share and also the weighted average number of shares which could have been issued on conversion of all dilutive potential shares.

Basic and diluted EPS

Particulars	Year ended 31 March 2021
Profit computation for basic earnings per share of Rs. 10 each	
Net Profit after Tax as per Statement of Profit and Loss attributable to Equity Shareholders	(1,937.55)
Weighted average number of equity shares for EPS computation* (Nos.)	247.03
EPS - Basic and Diluted EPS	(Rs.) (7.84)

Note 33 : Related party disclosures as required under Indian Accounting Standard 24, "Related party disclosures" are given below:

a) Names of related parties and nature of relationship (to the extent of transactions entered into during the year except for control relationships where all parties are disclosed)

Name of related party	Nature of relation
(A) Directors	
Mr. Atul Ranchal	Chairman
Mr. Rajesh Mahajan	Managing Director
Dr. Durga Shankar Maity (Till 26 August, 2019)	Wholetime Director
Mr. Suresh Garg (wef 26 August, 2019)	Wholetime Director
Mr. Rajnish Kumar Bedi	Independent Director
Mr. Deepak Mahajan	Independent Director
Mrs. Sonia Gupta	Independent Director

Name of related party	Nature of relation
(B) Key managerial personnel	
Mr. Anil Kumar Pillai (Till 12 May, 2020)	Chief Financial Officer
Mr. Prashant Rathi (wef 24 July, 2020)	Chief Financial Officer
Mrs. Jyoti Sancheti	Company Secretary
(C) Relative of Directors	
Mrs. Saras Gupta	Relative of Director
Mrs. Rajani Ranchal	Relative of Director
Mrs. Davinder Kumari	Relative of Director
(D) Associate Concern	
M/s. Steribrooks Penems Private Limited (wef 30 September, 2020)	Enterprises owned or significantly influenced by Key Management Personnel and / or their Relatives

b) Transactions carried out with related parties referred to above, in ordinary course of business and balances outstanding:

Particulars	Nature of Transaction	Year ended 31 March 2021
Mr. Atul Ranchal	Director Remuneration	96.00
	Sitting Fees	1.60
Mr. Rajesh Mahajan	Director Remuneration	96.00
	Sitting Fees	1.40
Dr. Durga Shankar Maity	Director Remuneration	0.19
Mr. Suresh Garg	Director Remuneration	40.45
	Sitting Fees	1.60
Mr. Rajnish Kumar Bedi	Sitting Fees	1.40
Mr. Deepak Mahajan	Sitting Fees	1.40
Mrs. Sonia Gupta	Sitting Fees	1.40
Mr. Anil Kumar Pillai	Salary	0.34
Mr. Prashant Rathi	Salary	16.25
Mrs. Jyoti Sancheti	Salary	7.56
Mrs. Saras Gupta	Salary	28.80
Mrs. Rajani Ranchal	Salary	28.80
Mrs. Davinder Kumari	Salary	24.00
M/s. Steribrooks Penems Private Limited	Sales	816.41

Notes :

- As the future liability for gratuity is provided on an actuarial basis for the Group as a whole, the amount pertaining to individual is not ascertainable and therefore not included above.
- The Independent Directors are paid sitting fees based on the number of meetings of the Board attended by them and their Chairmanship/ Membership of Audit Committee during the year. The holding company pays sitting fees at the rate of Rs. 20,000/- for each meeting of the Board and sub-committees attended by them.

c. Balance Outstanding of Related Parties:

Particulars	Nature of Transaction	Year ended 31 March 2021
Mr. Atul Ranchal	Director Remuneration	3.20
	Sitting fees payable	4.80
Mr. Rajesh Mahajan	Director Remuneration	3.85
	Sitting fees payable	4.62
Dr. Durga Shankar Maity	Sitting fees payable	1.30
Mr. Rajnish Kumar Bedi	Sitting fees payable	4.44
Mr. Deepak Mahajan	Sitting fees payable	4.24
Mrs. Sonia Gupta	Sitting fees payable	3.84
Mr. Suresh Garg	Director Remuneration	0.43
	Sitting fees payable	2.60
Mrs. Saras Gupta	Salary & Wages Payable	1.80
Mrs. Rajani Ranchal	Salary & Wages Payable	1.80
Mrs. Davinder Kumari	Salary & Wages Payable	1.90
Mr. Prashant Rathi	Salary & Wages Payable	1.17
Mrs. Jyoti Sancheti	Salary & Wages Payable	0.62
M/s. Steribrooks Penems Private Limited	Trade Receivables	350.02

Note 34 : Contingent liabilities and Commitments
(A) Contingent liabilities
I) Guarantees

Particulars	Year ended 31 March 2021
i) Bank Guarantee	138.79

II) Other money for which the group is contingently liable

Particulars	Year ended 31 March 2021
Disputed liability in respect of Income tax (Refer Note below)	556.49
Claims against the Group not acknowledged as debts	8.84

The holding company has received Notice of Demand u/s 156 of the Income Tax Act, 1961 for the three assessment years and the holding company has filed an appeal against the same. Details of the same are given as follows :

A.Y to which matter pertains	Demand Amount Raised in FY 20-21	Stay amount paid till FY 20-21
2013-14	339.51	101.00
2014-15	142.85	21.45
2015-16	0.68	-
2016-17	73.45	51.45
Total	556.49	173.90

(B) Commitments

Particulars	Year ended 31 March 2021
I) Estimated amount of contracts remaining to be executed on capital account	1,092.00
II) EPCG Commitment (Refer Note below)	209.80
III) Duty against the material imported on Advance license (Refer Note below)	116.98

The holding company has obtained Advance Licence for purchase of raw material and license under Export Promotion Capital Goods Scheme(EPCG) for purchase of capital goods on zero percent custom duty. Under the both license the Company needs to fulfill certain export obligations, failing which, it is liable for payment of custom duty. Export obligations is Rs. 1846.23 lakhs. Rs. 1,846.23 lakhs needs to be completed within 8 years (till F.Y.2021-22) from the date of purchase of respective Capital Goods. In case of advance licence, material must be exported within 18 months from the date on which goods were cleared from Customs under advance licence.

Note 35 : Leases

Effective April 1, 2019, the company has adopted Ind AS 116, Leases, using modified retrospective approach. On adoption of the new standard IND AS 116 resulted in recognition of 'Right of Use' assets and a lease liability . The cumulative effect of applying the standard was debited to retained earnings. The effect of this adoption is insignificant on the profit before tax, profit for the period and earnings per share. Ind AS 116 will result in an increase in cash inflows from operating activities and an increase in cash outflows from financing activities on account of lease payments.

Following are the changes in the carrying value of right of use assets for the year ended March 31, 2021

Particulars	Amount
Opening carrying value of Rights to use Assets	67.48
Transition impact on account of adoption of IND AS 116	-
Addition	-
Depreciation	(23.77)
Deletion	(43.71)
Balance as at 31st March, 2021	-

The following is the break-up of current and non-current lease liabilities as at March 31, 2021

Particulars	Amount
Current lease liabilities	-
Non-Current lease liabilities	-
Balance as at 31st March, 2021	-

The following is the movement in lease liabilities during the year ended March 31, 2021:

Particulars	Amount
Balance as at 1st April, 2020	76.03
Addition	-
Finance cost accrued during the period	5.93
Payment of lease liabilities	(18.33)
Profit on lease rent concession	(10.71)
Deletion	(52.91)
Balance as at 31st March, 2021	-

The table below provides details regarding the contractual maturities of lease liabilities as at March 31, 2021 on an undiscounted basis :

Particulars	Year ended 31 March 2021
- Less than one year	-
- Later than one year but not later than five years	-
- Later than five years	-
TOTAL	-

Note 36 : Expenditure on Corporate Social Responsibility Activities

Particulars	As at 31 March 2021
Details of CSR Expenditure:	
Gross amount required to be spent by the holding company during the year.	72.48

Particulars	Amount Spent	Amount yet to be Spent	Total
	31 March 2021	31 March 2021	31 March 2021
a) Construction / acquisition of any assets	-	-	-
b) On purpose other than 1 above	72.51	-	72.51

Note 37 : Segment Reporting as required under Indian Accounting Standard 108, "Operating Segments" :

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker ("CODM") of the Group. The CODM, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Managing Director/Chairman of the Group. The Group operates only in one Business Segment i.e. "Manufacturing of Drugs & Pharmaceutical", hence does not have any reportable Segments as per Ind AS 108 "Operating Segments".

Note 38 : Disclosure relating to employee benefits as per Ind AS 19 'Employee Benefits'

A Defined benefit obligations - Gratuity (Non Funded)

The gratuity plan is governed by the Payment of Gratuity Act, 1972 under which an employee who has completed five years of service is entitled to specific benefits. The level of benefits provided depends on the member's length of service and salary at retirement age.

Particulars	Year ended 31 March 2021
a) Changes in defined benefit obligations	
Present value of obligation as at the beginning of the year	
Defined Benefit Obligation ("PBO") at the beginning of the year	131.45
Service cost	24.39
Interest cost	8.22
Actuarial loss / (gain)	(10.79)
Benefits paid	(13.88)
Present value of obligation as at the end of the year	139.39

Particulars	Year ended 31 March 2021
b) Expenses recognised in the Statement of Profit and Loss	
Current service cost	24.39
Past service cost	-
Interest cost	8.22
Expected return on plan assets	-
Net actuarial (gain) / loss recognized in the year	-
Total	32.60
c) Remeasurement (gains)/ losses recognised in OCI	
Actuarial changes arising from changes in financial assumptions	-
Actuarial changes arising from changes in demographic assumptions	-
Experience adjustments	(10.79)
Total	(10.79)
d) Actuarial assumptions	
	31 March 2021
Discount rate	6.05% - 6.55% p.a.
Normal retirement age (in years)	58
Salary escalation rate (% p.a.) *	5% p.a.
Attrition rate	10% at all ages
Mortality rate	Indian assured lives mortality (2012-14) ultimate

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 in the employment market.

e) Quantities sensitivity analysis for significant assumption is as below:

Particulars	31 March 2021
	1% increase
i. Discount rate	132.22
ii. Salary escalation rate - over a long-term	144.78
	1% decrease
i. Discount rate	147.36
ii. Salary escalation rate - over a long-term	134.46

Sensitivity for significant actuarial assumptions is computed by varying one actuarial assumption used for the valuation of the defined benefit obligation, keeping all other actuarial assumptions constant.

B Other Employee Benefits
Leave Encashment (Non Funded)

Particulars	Year ended 31 March 2021
a) Changes in defined benefit obligations	
Present value of obligation as at the beginning of the year	
Defined Benefit Obligation ("PBO") at the beginning of the year	66.42
Service cost	17.51
Interest cost	4.06
Actuarial loss / (gain)	4.68
Benefits paid	(3.54)
Present value of obligation as at the end of the year	89.12
b) Expenses recognised in the Statement of Profit and Loss	
Current service cost	17.51
Past service cost	-
Interest cost	4.06
Expected return on plan assets	-
Net actuarial (gain) / loss recognized in the year	4.68
Total	26.25
c) Remeasurement (gains)/ losses recognised in OCI	
Actuarial changes arising from changes in financial assumptions	-
Actuarial changes arising from changes in demographic assumptions	-
Experience adjustments	-
Total	-
d) Quantities sensitivity analysis for significant assumption is as below:	
Particulars	31 March 2021
	1% increase
i. Discount rate	85.69
ii. Salary escalation rate - over a long-term	92.86
	1% decrease
i. Discount rate	92.85
ii. Salary escalation rate - over a long-term	85.62

Sensitivity for significant actuarial assumptions is computed by varying one actuarial assumption used for the valuation of the defined benefit obligation, keeping all other actuarial assumptions constant.

C Current/ non-current classification

Particulars	31 March 2021
Gratuity	
Current	37.82
Non-current	101.56
	139.39
Leave entitlement (including sick leave)	
Current	36.21
Non-current	52.91
	89.12

Note 39 : Fair Value Measurement
(i) Financial instruments by category

Rs in Lakhs

Particulars	Refer note	As at March 31, 2021				
		Non - Current	Current	FVTPL	FVOCI	Amortised Cost
Financial Assets:						
Investments						
Investments in equity shares	4	2.00	-	-	-	2.00
Trade receivables	9	-	1,369.80	-	-	1,369.80
Others financial assets	5 & 12	132.85	43.68	-	-	176.53
Cash and cash equivalents	10	-	88.39	-	-	88.39
Other bank balances	11	-	81.99	-	-	81.99
Total Financial Assets		134.85	1,583.86	-	-	1,718.71
Financial Liabilities:						
Borrowings	16 & 19	1,444.00	1,363.73	-	-	2,807.73
Trade payables	20	-	3,095.30	-	-	3,095.30
Other financial liabilities	21	-	1,672.97	-	-	1,672.97
Total Financial Liabilities		1,444.00	6,132.00	-	-	7,576.00

The Group has not disclosed the fair values for financial instruments for other financial assets (current and non current), trade receivables, cash and cash equivalents and bank balances other than cash and cash equivalents, Borrowings (current and non current), Trade payables, other current financial liabilities because their carrying amounts are reasonably approximation of fair value.

(ii) Fair value hierarchy

Fair value hierarchy explains the judgement and estimates made in determining the fair values of the financial instruments that are -

- a) recognised and measured at fair value
- b) measured at amortised cost and for which fair values are disclosed in the financial statements.

To provide an indication about the reliability of the inputs used in determining fair value, the Group has classified its financial instruments into the three levels prescribed under the accounting standard.

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities

Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices)

Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs)

Assets and Liabilities that are disclosed at Amortised Cost for which Fair values are disclosed are classified as Level 3.

If one or more of the significant inputs is not based on observable market data, the respective assets and liabilities are considered under Level 3.

Note 40 : Financial risk management objectives and policies

The Group's activities expose it to a variety of financial risks: market risk, credit risk and liquidity risk. The Group's focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance.

i. Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk. Major financial instruments affected by market risk includes loans and borrowings.

a) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's total debt obligations with floating interest rates.

The interest rate profile of the Group's interest-bearing financial instruments as reported to the management of the Group is as follows:

Particulars	As at March 31, 2021
Fixed-rate instruments:	
Financial liabilities (Borrowings)	10.12
	10.12
Variable-rate instruments:	
Financial liabilities (Borrowings)	3,128.35
	3,128.35

Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. With all other variables held constant, the Group's profit/(loss) before tax is affected through the impact on floating rate borrowings, as follows:

Particulars	As at March 31, 2021
Increase in basis points	50 basis points
Effect on profit/(loss) before tax, increase by	15.64
Decrease in basis points	50 basis points
Effect on profit/(loss) before tax, decrease by	-15.64

The assumed movement in basis points for the interest rate sensitivity analysis is based on the currently observable market environment, showing a significantly higher volatility than in prior years.

b) Foreign currency risk

The Group is exposed to currency risk on account of its operating and financing activities. The functional currency of the Group is Indian Rupee. Our exposure are mainly denominated in U.S. dollars and European dollars. The Group's business model incorporates assumptions on currency risks and ensures any exposure is covered through the normal business operations. This intent has been achieved in all years presented. The Group has put in place a Financial Risk Management Policy to identify the most effective and efficient ways of managing the currency risks.

Exposure to currency risk

The currency profile of financial assets and financial liabilities as at March 31, 2021 are as below:

31st March, 2021	Rs. in lakhs	EUR	Rs. in lakhs	USD
Financial assets				
Trade Receivables	2.86	0.03	95.20	1.30
Cash and cash equivalents	-	-	0.62	0.01
Net exposure for assets	2.86	0.03	95.81	1.30
Financial liabilities				
Trade Payables	-	-	-	-
Net exposure for liabilities	-	-	-	-
Net exposure (Assets - Liabilities)	2.86	0.03	95.81	1.30

Sensitivity analysis

A reasonably possible strengthening / (weakening) of the Indian Rupee against US dollars and European dollars at 31st March would have affected the measurement of financial instruments denominated in US dollars and affected profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases. In cases where the related foreign exchange fluctuation is capitalised to fixed assets or recognised directly in reserves, the impact indicated below may affect the Group's income statement over the remaining life of the related fixed assets or the remaining tenure of the borrowing respectively.

Impact of movement on Profit or (loss) and Equity :

Effect in INR (before tax)	Profit or (loss) and Equity	
	Strengthening	Weakening
For the year ended 31st March, 2021		
1% movement		
USD	1.00	(1.00)
EUR	-	-
	1.00	(1.00)

c) Other price risk

The Group is not exposed to any other price risk.

ii. Credit risk

Credit risk refers to the risk of default on its obligation by the counterparty resulting in a financial loss. The maximum exposure of the financial assets are contributed by trade and other receivables, cash and cash equivalents and security deposits.

Trade receivables

The Group extends credit to customers in normal course of business. The Group considers factors such as credit track record in the market and past dealings for extension of credit to customers. To manage credit risk, the Group periodically assesses the financial reliability of the customer, taking into account the financial condition, current economic trends, and analysis of historical bad debts and ageing of accounts receivables. Outstanding customer receivables are regularly monitored to make an assessment of recoverability. Receivables are provided as doubtful / written off, when there is no reasonable expectation of recovery. Where receivables have been provided / written off, the Group continues regular follow up, engage with the customers, legal options / any other remedies available with the objective of recovering these outstandings. The Group is not exposed to concentration of credit risk to any one single customer since services are provided to vast spectrum.

Ageing of Trade receivables

Particulars	As at 31 March 2021
Not due	-
0 - 6 months	1,255.87
6 - 12 months	48.37
Beyond 12 months	361.22
Total	1,665.46

Other Financial Assets

The Group maintains exposure in cash and cash equivalents, security deposits and other receivables. The Group goes through regular follow up for recovering the amount of deposit and other receivables. Credit risk on cash and cash equivalents is limited as the Group generally invest in deposits with banks and financial institutions with high credit ratings.

The movement of the allowance for lifetime expected credit loss is stated below:

Particulars	Year ended March 31, 2021
Opening allowance	293.80
Add : additional allowance made	1.86
Less : allowance reversed	-
Closing provisions	295.66

iii. Liquidity risk

Liquidity is defined as the risk that the Group will not be able to settle or meet its obligations on time or at a reasonable price. The Group's treasury department is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management. Management monitors the Group's net liquidity position through rolling forecasts on the basis of expected cash flows.

The table below provides details regarding the contractual maturities of significant financial liabilities:

Particulars	On demand	Less than 1 year	1 - 5 years	More than 5 years	Total
As at 31 March 2021					
Borrowings	1,363.73	330.74	1.07	1,442.94	3,138.47
Trade payables	-	3,095.28	-	-	3,095.29
Other financial liabilities	1,000.00	342.23	-	-	1,342.23
	2,363.72	3,768.25	1.07	1,442.94	7,575.99

Note 41 : Capital management

For the purpose of the Group's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders of the Group. The Group strives to safeguard its ability to continue as a going concern so that they can maximise returns for the shareholders and benefits for other stake holders. The aim to maintain an optimal capital structure and minimise cost of capital.

To maintain or adjust the capital structure, the Group usually turns to reputed banks and other financial institutions for funds. Consistent with others in the industry, the Group monitors its capital using the gearing ratio which is total debt divided by total capital plus total debts.

Particulars	As at March 31, 2021
Total debts	3,139.96
Total equity	7,914.84
Total debts to equity ratio (Gearing ratio)	28.40%

Note 42 : Slump sale

The holding company has entered into Business transfer agreement dated 24th March, 2021 with its subsidiary, Brooks Steriscience Limited (BSL) for transfer of its manufacturing facility situated at Vadodara. BSL will issue 60,000 equity shares as sales consideration at price based on the income tax net worth as on closing date. Accordingly, 60,000 shares will be issued at face value of Rs. 10 each at an issue price of Rs. 7,760.93 including premium of Rs. 7,750.93 per equity share aggregating to Rs. 4656.56 lakhs towards consideration for transfer of assets and liabilities under slump sales. Accordingly the Company has transferred its respective assets and liabilities on 31st March, 2021 being the closing date. The accounting impact of same is given in accordance with Ind AS 103 "Business Combinations" under common control business combination.

Note 43 : Additional Information, as required under Schedule III to the Companies Act, 2013, of enterprises consolidated as Subsidiary

Name of the Enterprises	Rs. In Lakhs							
	Net Assets (Total Assets minus Total Liabilities)		Share in Profit or loss		Other comprehensive income		Total comprehensive income	
	Net Assets i.e. total assets minus total liabilities	As % of Consolidated Net Assets	Profit / (Loss)	As % of Consolidated Profit or Loss	Other comprehensive income	As % of Other comprehensive income	Total comprehensive income	As % of Other comprehensive income
For the year ended March 31,2021								
Parent								
Brooks Laboratories Limited	1,757.47	22%	(1,584.02)	82%	10.79	100%	(1,573.23)	82%
Subsidiary								
Brooks Steriscience Limited	6,157.37	78%	(352.74)	18%	-	0%	(352.74)	18%
Associate								
Steribrooks Penems Private Limited	-	0%	(0.80)	0%	-	0%	(0.80)	0%
Net Total	7,914.84	100%	(1,937.55)	100%	10.79	100%	(1,926.76)	100%
Minority Interest in subsidiary	-	0%	-	0%	-	0%	-	0%
Total	7,914.84	100%	(1,937.55)	100%	10.79	100%	(1,926.76)	100%

Note 44 : The list of subsidiaries and associates in the consolidated financial statements are as under :

Name of the Enterprise	Country of Incorporation	Proportion of Ownership Interest
		Year Ended March 31, 2021
Subsidiary		
Brooks Steriscience Limited	India	100%
Associate		
Steribrooks Penems Private Limited	India	44%

Note 45 : Prior year comparatives

The holding company has invested in Subsidiary and Associate during the year, the Group has presented its consolidated financial results first time during the year. Accordingly the comparative figures for the year ended 31st March, 2020 have not been presented.

Notes 1 to 45 form an integral part of the financial statements

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

For S G C O & Co. LLP

Chartered Accountants

Firm Registration No : 112081W/W100184

Sd/-

Suresh Murarka

Partner

Mem. No. 44739

Place: Mumbai

Date : 30th June, 2021

For and on behalf of the Board of Directors

Sd/-

Atul Ranchal

Chairman

Din : 01998361

Sd/-

Prashant Rathi

CFO

Place: Mumbai

Date : 30th June, 2021

Sd/-

Rajesh Mahajan

Managing Director

Din : 02000634

Sd/-

Jyoti Sancheti

Company Secretary



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