



Astec LifeSciences Ltd.

Date: 28<sup>th</sup> July, 2023

To,  
**BSE Limited**  
P. J. Towers, Dalal Street, Fort,  
Mumbai – 400 001.

To,  
**National Stock Exchange of India Limited**  
Exchange Plaza, Bandra Kurla Complex,  
Bandra (East), Mumbai – 400 051.

Ref.: BSE Scrip Code No. “533138”

Ref.: “ASTEC”

**Sub.: Outcome of the 29<sup>th</sup> (Twenty Ninth) Annual General Meeting**

Dear Sir / Madam,

With reference to our letter dated 3<sup>rd</sup> July, 2023 in respect of the Notice of the 29<sup>th</sup> (Twenty Ninth) Annual General Meeting (“**AGM**”) of Astec LifeSciences Limited (“**the Company**”) scheduled on **Thursday, 27<sup>th</sup> July, 2023 at 4.00 p.m. (IST) through Video Conferencing (“VC”) / Other Audio Visual Means (“OAVM”)**, we would like to inform that the AGM was duly held and business was transacted thereat as per the Notice of the AGM dated 2<sup>nd</sup> May, 2023 and in terms of the various Circulars issued by the Ministry of Corporate Affairs (“**MCA**”), including the latest General Circular No. 10/2022 dated 28<sup>th</sup> December, 2022 and in compliance with the provisions of the Companies Act, 2013 (“**the Act**”) and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“**SEBI Listing Regulations**”).

In this connection, please find enclosed the following disclosures pursuant to the SEBI Listing Regulations and the Act:

1. Summary of proceedings of the AGM pursuant to Regulation 30 read with Part A of Schedule III of the SEBI Listing Regulations – **Enclosed as Annexure 1;**
2. Report of Scrutinizer dated 28<sup>th</sup> July, 2023 pursuant to Section 108 of the Act, read with the Companies (Management and Administration) Rules, 2014 – **Enclosed as Annexure 2;**
3. Annual Report for the Financial Year 2022-23 duly approved and adopted by the Shareholders at the AGM, pursuant to Regulation 34 of the SEBI Listing Regulations– **Enclosed as Annexure 3.**

We request you to take the above on your records.

Thanking you,

Yours sincerely,

**For Astec LifeSciences Limited**

**Tejashree Pradhan**  
**Company Secretary & Compliance Officer**  
**(FCS 7167)**

Encl.: As above



Regd. Office:  
“Godrej One”, 3<sup>rd</sup> Floor,  
Proshanagar, Eastern Express Highway,  
Vikhroli (East), Mumbai-400079,  
Maharashtra, India  
Telephone No.: 022- 25189010  
Fax No.: 022- 22618289  
Email id: astecinfo@godrejastec.com  
Website: www.astecsl.com  
CIN : L99999MH1994PLC076236



## Annexure 1

### Summary of Proceedings of the 29<sup>th</sup> (Twenty Ninth) Annual General Meeting of Astec LifeSciences Limited

The **29<sup>th</sup> (Twenty Ninth) Annual General Meeting (“AGM” or “the Meeting”)** of the Shareholders of **Astec LifeSciences Limited (“the Company”)** was duly convened and held on **Thursday, 27<sup>th</sup> July, 2023 at 4.00 p.m. (IST)** through Video Conferencing (“VC”) / Other Audio Visual Means (“OAVM”).

The Company Secretary welcomed all the Shareholders and briefed them about certain procedural and technical aspects of the AGM with respect to joining the Meeting through Video Conferencing and manner of asking questions by speaker Shareholders.

Mr. Nadir B. Godrej (Chairman) chaired the AGM.

The Chairman welcomed all the Shareholders.

All the Directors of the Company (including Chairman of the Audit Committee, Chairman of the Nomination and Remuneration Committee, Chairman of the Stakeholders’ Relationship Committee, Chairman of the Risk Management Committee, Chairman of the Corporate Social Responsibility Committee and Chairman of the Managing Committee), the Chief Financial Officer and the representatives of M/s. B S R & Co. LLP, Chartered Accountants (Statutory Auditors), M/s. BNP & Associates, Practicing Company Secretaries (Secretarial Auditors) and Bigshare Services Private Limited (Registrar And Share Transfer Agents) attended the AGM through Video Conferencing.

The requisite quorum being present, the Chairman called the Meeting to order.

With the consent of the Shareholders present, the Chairman took the Notice of the Meeting and the Reports of the Statutory Auditors on the Standalone and Consolidated Audited Financial Statements for the Financial Year ended 31<sup>st</sup> March, 2023 and the Secretarial Audit Report for the Financial Year ended 31<sup>st</sup> March, 2023 as read.

The Chairman then delivered his speech to the Shareholders.

The Chairman informed the Shareholders that the Company had provided to the Shareholders, the facility to cast their vote electronically through remote e-voting facility provided by National Securities Depository Limited (“NSDL”) which had commenced on Saturday, 22<sup>nd</sup> July, 2023 at 9.00 a.m. (IST) and ended on Wednesday, 26<sup>th</sup> July, 2023 till 5.00 p.m. (IST), on all resolutions set forth in the Notice of the AGM. Shareholders who were present at the AGM and had not cast their vote electronically were provided an opportunity to cast their votes though e-voting during the AGM.





The Shareholders were informed that the Board of Directors had appointed Mr. Vikas R. Chomal, Practicing Company Secretary as the Scrutinizer to supervise the remote e-voting and e-voting process during the AGM.

The Chairman also informed that the results of the voting shall be declared within 2 (Two) working days of conclusion of the AGM.

The following resolutions set out in the Notice convening the AGM were put to vote by remote e-voting and remote e-voting during the AGM:

1. Adoption of Financial Statements for the Financial Year ended 31<sup>st</sup> March, 2023;
2. Declaration of Final Dividend on Equity Shares for the Financial Year ended 31<sup>st</sup> March, 2023;
3. Re-appointment of Mr. Balram Singh Yadav (DIN: 00294803) as a “Director”, liable to retire by rotation, who has offered himself for re-appointment;
4. Ratification of Remuneration of M/s. NNT & Co., Cost Accountants, Mumbai as the “Cost Auditors” of the Company for the Financial Year ending 31<sup>st</sup> March, 2024;

Clarifications were then provided to the queries raised by the Shareholders on the financials and performance of the Company for the Financial Year 2022-23.

The AGM ended at 4.55 p.m. (IST) with a vote of thanks by the Chairman.

The Chairman thanked the Shareholders, for attending and participating in the Meeting and also the employees of the Company, Government agencies and other stakeholders for their continued support. The e-voting facility was kept open for the next 15 (fifteen) minutes to enable the Members to cast their vote.

As per the Report of the Scrutinizer dated 28<sup>th</sup> July, 2023 issued by Mr. Vikas R. Chomal, Practicing Company Secretary, all the above mentioned 4 (Four) Resolutions stand passed with requisite majority.

#### **For Astec LifeSciences Limited**

**Tejashree Pradhan**  
**Company Secretary & Compliance Officer**  
**(FCS 7167)**



**VIKAS R CHOMAL AND ASSOCIATES  
PRACTICING COMPANY SECRETARIES**

**Head Office:** A/B-201, Manas Bldg, Khakar Alley, Thane West – 400601

**Branch office:** C/O Dalal Desai & Kumana, Chartered Accountants,

Union Co.op Insurance Bldg, 2<sup>nd</sup> Flr, 23, P M Road, Fort Mumbai- 01.

Email: csvrca@gmail.com/vikas@vrca.co.in, Phone: 022-25410931/9867811641

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**COMBINED SCRUTINIZER REPORT FOR THE RESULT OF THE REMOTE E-VOTING  
TOGETHER WITH THAT OF  
VOTING CONDUCTED DURING THE ANNUAL GENERAL MEETING THROUGH E-VOTING**

To,

**Mr. Anurag Roy**

**Whole Time Director & Chief Executive Officer**

**Astec LifeSciences Limited**

“Godrej One”, 3<sup>rd</sup> Floor,

Pirojshanagar, Eastern Express Highway,

Vikhroli (East), Mumbai-400 079,

Maharashtra

**Sub: Consolidated Scrutinizer's Report on remote e-voting conducted 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 from time to time and e-voting conducted during the Annual General Meeting, for the 29<sup>th</sup> Annual General Meeting of Astec LifeSciences Limited held on Thursday, July 27, 2023 at 4:00 p.m. through Video Conferencing ('VC') / Other Audio Visual Means ('OAVM').**

I, Vikas R. Chomal, of Vikas R Chomal and Associates, Practising Company Secretaries, had been appointed as the Scrutinizer by the Board of Directors of Astec LifeSciences Limited pursuant to Section 108 of the Companies Act, 2013 ("the Act") read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended, to conduct the remote e-voting process in respect of the below mentioned resolutions proposed at the **29<sup>th</sup> Annual General Meeting ("AGM")** of Astec LifeSciences Limited on **Thursday, July 27, 2023 at 4:00 p.m. (IST)** through VC.

I was also appointed as Scrutinizer to scrutinize the e-voting process during the said AGM.

The Notice dated May 02, 2023, as confirmed by the Company was sent to the Shareholders in respect of the below mentioned resolutions passed at the AGM of the Company through electronic mode, to those Members whose email addresses are registered with the Company / Depositories, in compliance with the MCA Circulars dated May 5, 2020 and January 13, 2021 read with circulars dated December 8, 2021, December 14, 2021, May 05, 2022 and 28<sup>th</sup> December, 2022 (collectively referred to as "MCA Circulars") and SEBI Circular dated May 12, 2020, January 15, 2021, May 13, 2022 and January 05, 2023.

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by VIKAS  
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CHOMAL  
Date: 2023.07.28  
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The Company had availed the e-voting facility offered by National Securities Depository Limited ("NSDL") for conducting remote e-voting by the Shareholders of the Company.

The voting period for remote e-voting commenced on **Saturday, July 22, 2023 (9:00 a.m. IST)** and ended on **Wednesday, July 26, 2023 (5:00 p.m. IST)** and the NSDL e-voting platform was blocked thereafter.

The Company had also provided e-voting facility to the Shareholders present at the AGM through VC / OAVM and who had not cast their vote earlier.

The Shareholders of the Company holding shares as on the "cut-off" date of **Thursday, July 20, 2023** were entitled to vote on the resolutions as contained in the Notice of the AGM.

After the closure of e-voting at the AGM, the report on e-voting done at the AGM and the votes cast under remote e-voting facility prior to the AGM were unblocked and downloaded from the e-voting website of NSDL (<https://www.evoting.nsdl.com>) in the presence of two witnesses, who are not in the employment of the Company. The e-voting data/results downloaded from the e-voting system of NSDL were scrutinized and reviewed, the votes were counted and the results were prepared.

I have scrutinized and reviewed the remote e-voting and e-voting done during the AGM and votes cast therein based on the data downloaded from the NSDL e-voting system.

The Management of the Company is responsible to ensure compliance with the requirements of the Act and rules relating to remote e-voting and e-voting during the AGM on the resolutions contained in the notice of the AGM.

My responsibility as scrutinizer for the remote e-voting and e-voting during the AGM is restricted to making a Scrutinizer's Report of the votes cast in favour or against the resolutions.

The Result of the Remote E-voting together with that of E-voting conducted at the venue of AGM is as under:

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## RESOLUTION 1: ORDINARY BUSINESS (Ordinary Resolution)

### Adoption of Financial Statements for the Financial Year ended 31<sup>st</sup> March, 2023:

To consider and adopt the Audited Financial Statements (including Standalone and Consolidated Financial Statements) of the Company for the Financial Year ended 31<sup>st</sup> March, 2023 and the Reports of the Board of Directors and the Statutory Auditors thereon, including Annexures thereto.

#### (i) Voted in favour of the Resolution:

Number of members voted	Number of valid votes cast by them	% of total number of valid votes cast
99	1,60,76,949	99.9982

#### (ii) Voted against the Resolution:

Number of members voted	Number of valid votes cast by them	% of total number of valid votes cast
3	294	0.0018

#### (iii) Invalid Votes:

Number of members whose votes were declared invalid	Number of invalid votes cast by them
0	0

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## RESOLUTION 2: ORDINARY BUSINESS (Ordinary Resolution)

### Declaration of Final Dividend on Equity Shares for the Financial Year ended 31<sup>st</sup> March, 2023:

To declare Final Dividend on Equity Shares @ 15% (Fifteen per cent) [i.e., @ Rs.1.50 (Rupee One Paise Fifty Only) per Equity Share of Face Value of ` 10/- (Rupees Ten Only)] for the Financial Year ended 31<sup>st</sup> March, 2023.

#### (i) Voted in favour of the Resolution:

Number of members voted	Number of valid votes cast by them	% of total number of valid votes cast
98	1,60,76,561	99.9958

#### (ii) Voted against the Resolution:

Number of members voted	Number of valid votes cast by them	% of total number of valid votes cast
4	682	0.0042

#### (iii) Invalid Votes:

Number of members whose votes were declared invalid	Number of invalid votes cast by them
0	0

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### RESOLUTION 3: ORDINARY BUSINESS (Ordinary Resolution)

#### Re-appointment of Mr. Balram Singh Yadav (DIN: 00294803) as a “Director”, liable to retire by rotation, who has offered himself for re-appointment:

To appoint a Director in place of Mr. Balram Singh Yadav [Director Identification Number (DIN): 00294803]], Non-Executive & Non-Independent Director, who retires by rotation and, being eligible, offers himself for re- appointment, as a “Director” of the Company.

**(i) Voted in favour of the Resolution:**

Number of members voted	Number of valid votes cast by them	% of total number of valid voted cast
87	1,60,27,436	99.6902

**(ii) Voted against the Resolution:**

Number of members voted	Number of valid votes cast by them	% of total number of valid voted cast
15	49,807	0.3098

**(iii) Invalid Votes:**

Number of members whose votes were declared invalid	Number of invalid votes cast by them
0	0

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NDRA CHOMAL  
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#### **RESOLUTION 4: SPECIAL BUSINESS (Ordinary Resolution)**

##### **Ratification of Remuneration of M/s. NNT & Co., Cost Accountants, Mumbai as the “Cost Auditors” of the Company for the Financial Year ending 31<sup>st</sup> March, 2024:**

To consider and ratify the remuneration of M/s. NNT & Co., Cost Accountants, Mumbai as the “Cost Auditors” of the Company for the Financial Year ending 31<sup>st</sup> March, 2024.

**(i) Voted in favour of the Resolution:**

Number of members voted	Number of valid votes cast by them	% of total number of valid voted cast
96	1,60,76,829	99.9974

**(ii) Voted against the Resolution:**

Number of members voted	Number of valid votes cast by them	% of total number of valid voted cast
6	414	0.0026

**(iii) Invalid Votes:**

Number of members whose votes were declared invalid	Number of invalid votes cast by them
0	0

All the 4 (Four) Resolutions mentioned in the Notice of AGM dated 2<sup>nd</sup> May, 2023 as per the details mentioned above stand “PASSED” under Remote E-voting and voting conducted during the AGM through E-voting with requisite majority and hence deemed to be passed as on the date of AGM.

I hereby confirm that I am maintaining the Register received from NSDL electronically in respect of Remote E-voting conducted before the AGM and E-voting conducted during the AGM. I shall arrange to hand over these records to the Authorized Director(s) of the Company for safe keeping, after the Chairman signs the Minutes.

#### **FOR VIKAS R CHOMAL AND ASSOCIATES**

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VIKAS RAMCHANDRA  
CHOMAL  
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**VIKAS R CHOMAL  
PRACTICING COMPANY SECRETARIES**

**ACS NO: 24941**

**COP: 12133**

**Date: 28/07/2023**

**Place: Mumbai, Maharashtra**

**ICSI Firm Peer Review Reg. No: S2013MH216500**

**ICSI UDIN: F011623E000692523**

# ANNUAL REPORT 2022-23



ASTEC

ASTEC LIFESCIENCES LIMITED



# Inside the Report...

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### Disclaimer

The statements in the "Management Discussion and Analysis Report" describe your Company's objectives, projections, estimates and expectations which may be "forward-looking statements" within the meaning of the applicable laws and regulations. The actual results could differ materially from those expressed or implied, depending upon the economic and climatic conditions, government policies, taxation and other laws and other incidental factors.

# THE GODREJ WAY

To live our purpose,  
we need to ensure that we are  
guided by the right values

## Our Values



### Trust

- We hold ourselves to the highest standards of personal and business integrity
- Our word is stronger than any contract
- We put people and our planet alongside profits



### Be Bold

- We have bold ambitions. We set the bar high. We outperform expectations.
- We adapt, We are agile and resilient.
- We continuously innovate. We champion new ideas. We take risks.



### Create Delight

- We place our consumers at the heart of all we do.
- We obsess over current and future needs of our consumers. And then deliver
- We offer consumers amazing quality products at great value.



### **Own It**

- We are 100/0. Take 100% accountability with 0 excuses.
- We speak our mind. We challenge the status quo.
- We focus on the details, but never forget the bigger picture.



### **Be Humble**

- We own up to and learn from our mistakes.
- We ask for feedback. And then grow with it
- We give credit wherever due.



### **Show Respect**

- We treat people like we would want to be treated
- We embrace and celebrate diversity
- We foster collaboration

# BOARD OF



**Mr. Nadir Godrej**  
Chairman - Non Executive



**Mr. Ashok V. Hiremath**  
Non-Executive Director



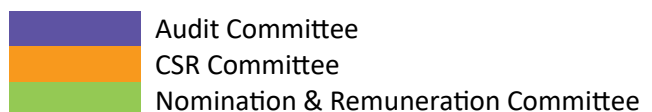
**Mr. B. S. Yadav**  
Non-Executive Director



**Mr. Vijay K. Khot**  
Independent Director



**Dr. Brahma Nand Vyas**  
Independent Director



# DIRECTORS



**Mr. Burjis Godrej**  
Non-Executive Director



**Mr. Anurag Roy**  
Whole Time Director &  
Chief Executive Officer






**Mr. R. R. Govindan**  
Independent Director



**Ms. Anjali Gupte**  
Independent Director



**Mr. Nandkumar Dhekne**  
Independent Director

-  Stakeholders' Relationship Committee
-  Risk Management Committee
-  Managing Committee



# From CEO's Desk



## *Dear Shareholders,*

I hope this letter finds you and your families well and safe.

FY 2022-23 was a challenging year for the global economic growth riddled with several impediments such as geopolitical turbulence, energy crisis, supply chain challenges, unprecedented inflationary environment and rapid rise in interest rates by central banks across the globe. Nonetheless, Indian economy continued to cement its position of fastest growing economy while bypassing United Kingdom to become the fifth largest economy in the world.

## **Embarking upon a Journey of Innovation with Future-ready R&D Facility**

In April'23, your Company commissioned a new state-of-the-art Research and Development Center in Rabale, Maharashtra. Named as Adi Godrej Center for Chemical Research and Development, this world-class facility reflects your Company's steadfast commitment to long-term growth and value creation despite challenging external environment. The launch of R&D Center is a significant milestone for Astec LifeSciences as well as Godrej Group in our quest to provide advanced solutions to our customers. With a focus on green chemistry and sustainability, Astec embarks upon a journey of innovation and transformation focussed on strategic partnerships, operational excellence and offering cost leadership to its customers. The R&D Center is equipped with cutting-edge infrastructure including Synthesis Laboratory – for the synthesis and development of complex molecules, Analytical Laboratory – to aid analytical method development and analysis, and Formulation Development Laboratory – to develop new formulations and generate chemistry data for registrations and technology transfer. The Center also houses a Kilo Laboratory to perform scale-up studies, Process Safety Laboratory and Bio-efficacy Laboratory. Managed by experienced engineers and chemists, all of these facilities are supported by sophisticated process safety infrastructure for safe and sustainable research. It is our ambition to become an application-agnostic and trusted partner for global innovator companies and help them cut down time to market while providing end-to-end solutions for faster scale-up.

## **Financial Performance for FY 2022-23 – a Tale of two halves for Enterprise Segment**

Riding on the stellar performance from the previous year, your Company posted healthy growth in topline as well as profitability in the first half of FY 2022-23. The growth was led by robust export volumes and higher sales price realisations as compared to corresponding period of the previous year. However, in the second half of FY 2022-23, your Company encountered unforeseen dual challenge – volume headwinds as well as rapid correction in prices of Enterprise products. This was attributed to high level of channel inventories in India as well as key export markets, demand-supply imbalance and subsequent correction in prices of key Active Ingredients (AI) impacting Indian Agrochemical sector at large. Consequently, Astec witnessed drop in revenues and margin contraction.

## **Contract Manufacturing (CDMO) Business continued at a full throttle**

While Enterprise business was plagued with dual challenge, your Company achieved 1.9x growth in CDMO business, in line with its expectations. The robust topline performance was also accompanied by improved profitability through emphasis on process efficiencies. Astec has successfully achieved desired stability and planned utilisation at Herbicides plant commissioned in August'21. Your Company, during the year, mobilised capacity expansion and commercialisation of second herbicides plant to leverage product development initiatives through the new R&D Center. The ongoing and planned capacity expansion in CDMO business

will enable Astec to tap fast growing speciality chemicals space and become a partner of choice for global innovator companies.

### **Commitment to Sustainability, the Godrej Way**

While the year was marked with significant volatilities and unexpected turns, Astec LifeSciences maintained its highest level of unwavering dedication to Environment, Health and Safety (EHS) standards. Your Company's safety record remained excellent, and it had no lost time injuries in FY 2022-23 as well. We remain committed to Godrej Group's Good and Green philosophy and have made meaningful progress towards achieving long-term sustainability objectives by 2026. Under its Corporate Social Responsibility (CSR) activities, your Company worked on projects in the area of agriculture and rural livelihoods, women empowerment, water security, education, entitlements and community development. The various CSR programmes of your Company have positively impacted livelihoods for 4,800+ households and 1,000+ students.

### **Way Forward**

Over the years, our singular focus on agrochemical active ingredients has earned us a strong reputation for specialisation in complex chemistries at scale. We believe that our entry into Herbicides space coupled with newly established R&D capability has now put us at the right place in the Agrochemicals sector at the right time. Going forward, our investments would be focussed on scaling up manufacturing capacities, adopting advanced technologies and strengthening research competences. Being part of the Godrej group with strong legacy, emphasis in the coming year would be on establishing ourselves as a trusted partner for our innovator multi-national clients and provide them customised solutions. Our ongoing investments would aid us in delivering end-to-end solutions, from R&D to product commercialization and cutting down time to market through our operational excellence and customer-first approach.

Having said that, we also recognise the need for diversification in our existing Enterprise portfolio. Our endeavour would be to maintain our market leadership in the Enterprise segment through process innovation while exploring new market segments and chemistries.

As Indian Agrochemical sector is poised to become a global manufacturing hub for innovators, we, at Astec LifeSciences, are confident of delivering on our intent of proudly manufacturing in India for the world.

### **Note of Thanks to All Our Stakeholders**

To conclude, on behalf of the Board of Directors and the management team, I would like to express our sincere appreciation and deep gratitude to all our employees, business partners, customers, vendors, investors and other stakeholders, for their continued trust, efforts and contribution to the Company.

Regards,

**Anurag Roy**

***Chief Executive Officer***



# World of Astec LifeSciences

## About Us

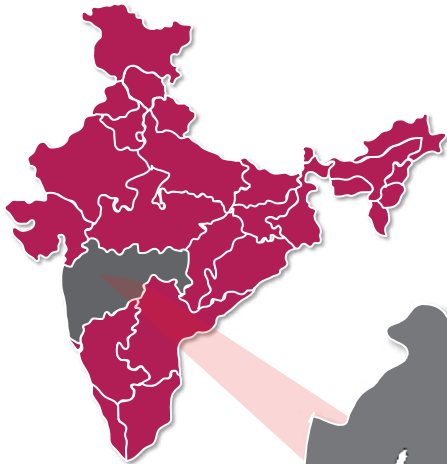
### **A Proud Member of the Godrej Family**




Since our inception in the year 1994, we have come a long way and have successfully established ourselves as one of the major players in the agrochemical and intermediate sector. We became a majority-owned subsidiary of Godrej Agrovet Limited in 2015 and came under the umbrella of the Godrej Group. With almost three decades of experience in development and production of various chemicals, Astec has forged enduring relationships with large and small companies all over the world.

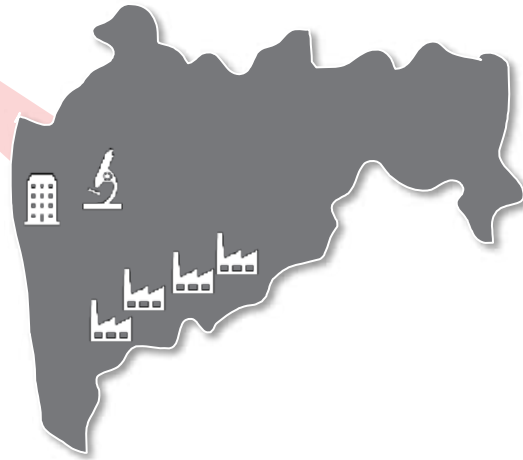
Astec is engaged in the manufacturing of agrochemical active ingredients (technical), bulk, formulations and intermediate products and has a healthy sales mix of both exports and domestic sales. We have strong export presence in 18 countries worldwide including the United States and countries across Europe, West Asia, South East Asia and Latin America and Africa. We also undertake contract development and manufacturing of a wide range of agrochemicals and pharmaceutical intermediates for our multi-national clients.



# Geographical Footprints

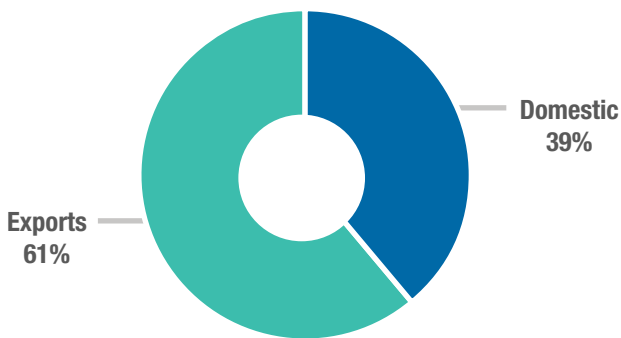


-  **Registered Office** – Godrej One, Vikhroli (East), Mumbai
-  **4 Manufacturing Plants** – All in Mahad, Maharashtra
-  **1 New R&D Center** - In Rabale, Maharashtra  
(commissioned in April 2023)

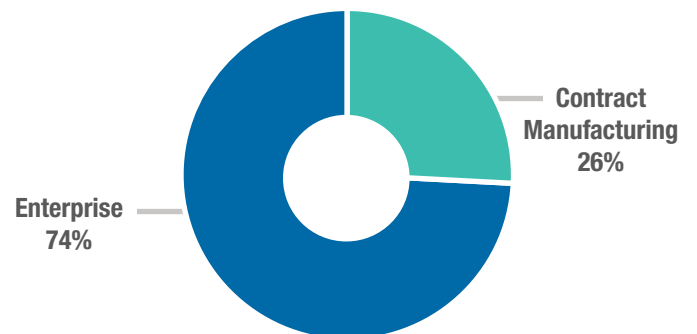


## Key Revenue Split

Exports vs. Domestic



Segment Breakdown



# Corporate Information

## Chief Financial Officer

Mr. K Suryanarayan

## Statutory Auditors

B S R & Co. LLP  
Chartered Accountants

## Secretarial Auditors

BNP & Associates  
Company Secretaries

## Cost Auditors

NNT & Co.  
Cost Accountants

## Bankers

ICICI Bank Ltd. / HDFC Bank Ltd.  
Axis Bank Ltd. / RBL Bank Ltd.

## R & D Center

Plot No. B-23, T.T.C., Pipeline Road,  
TTC Industrial Area, Airoli,  
Navi Mumbai – 400 708,  
Maharashtra

## Factories

Plot Nos. B-16, B-17, B-18  
& B-21, MIDC Mahad,  
Birwadi Industrial Area,  
Taluka Mahad,  
District Raigad – 402 302,  
Maharashtra

Plot No. K-2/1/1,  
Additional MIDC Mahad,  
Village Kalinj,  
Taluka Mahad,  
District Raigad – 402 302,  
Maharashtra

Plot No. K-2/1/2,  
Additional MIDC Mahad,  
Village Kalinj,  
Taluka Mahad,  
District Raigad – 402 302,  
Maharashtra

Plot No. K-2/2, K-2/3/1,  
Additional MIDC Mahad,  
Village Kalinj,  
Taluka Mahad,  
District Raigad – 402 302,  
Maharashtra

## Company Secretary

Ms. Tejashree Pradhan

## Registered Office

“Godrej One”, 3<sup>rd</sup> Floor,  
Pirojshanagar,  
Eastern Express Highway,  
Vikhroli (East),  
Mumbai – 400 079, Maharashtra  
Telephone No.: 022 – 2518 8010  
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Website: [www.astecls.com](http://www.astecls.com)  
E-mail: [astecinfo@godrejastec.com](mailto:astecinfo@godrejastec.com)  
Corporate Identity Number (CIN):  
L99999MH1994PLC076236

## Registrar & Share Transfer Agent

Bigshare Services Private Limited,  
Office No S6-2, 6<sup>th</sup> Floor,  
Pinnacle Business Park,  
Next to Ahura Centre,  
Mahakali Caves Road,  
Andheri (East), Mumbai – 400 093  
Tel. No.: 022 – 6263 8200  
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Website: [www.bigshareonline.com](http://www.bigshareonline.com)  
E-mail: [investor@bigshareonline.com](mailto:investor@bigshareonline.com)

# Astec LifeSciences - At a Glance

Strong Parentage as a part of Godrej Group



**₹ 64,122 Lakh**

Consolidated Total Income  
in FY 2022-23



**₹ 2,700 Crore**

Market Capitalisation as  
on 31<sup>st</sup> March, 2023



**AA- (Stable)**

ICRA Long term Rating

**A1+**

ICRA Short term Rating



**₹ 16,300 Lakh**

Contract Manufacturing (CDMO)  
Revenue in FY 2022-23



Exports to

**18 Countries**



**1.9x**

Exemplary Growth in  
CDMO business Y-o-Y



**#4**

Manufacturing Plants  
in Maharashtra



**State-of-Art  
R&D Center**



**PIONEER**

in Triazole Fungicides  
in India and Globally



Product Diversification through  
planned Expansion of

**Herbicide Plant**



**500+**

Regular Employee Force



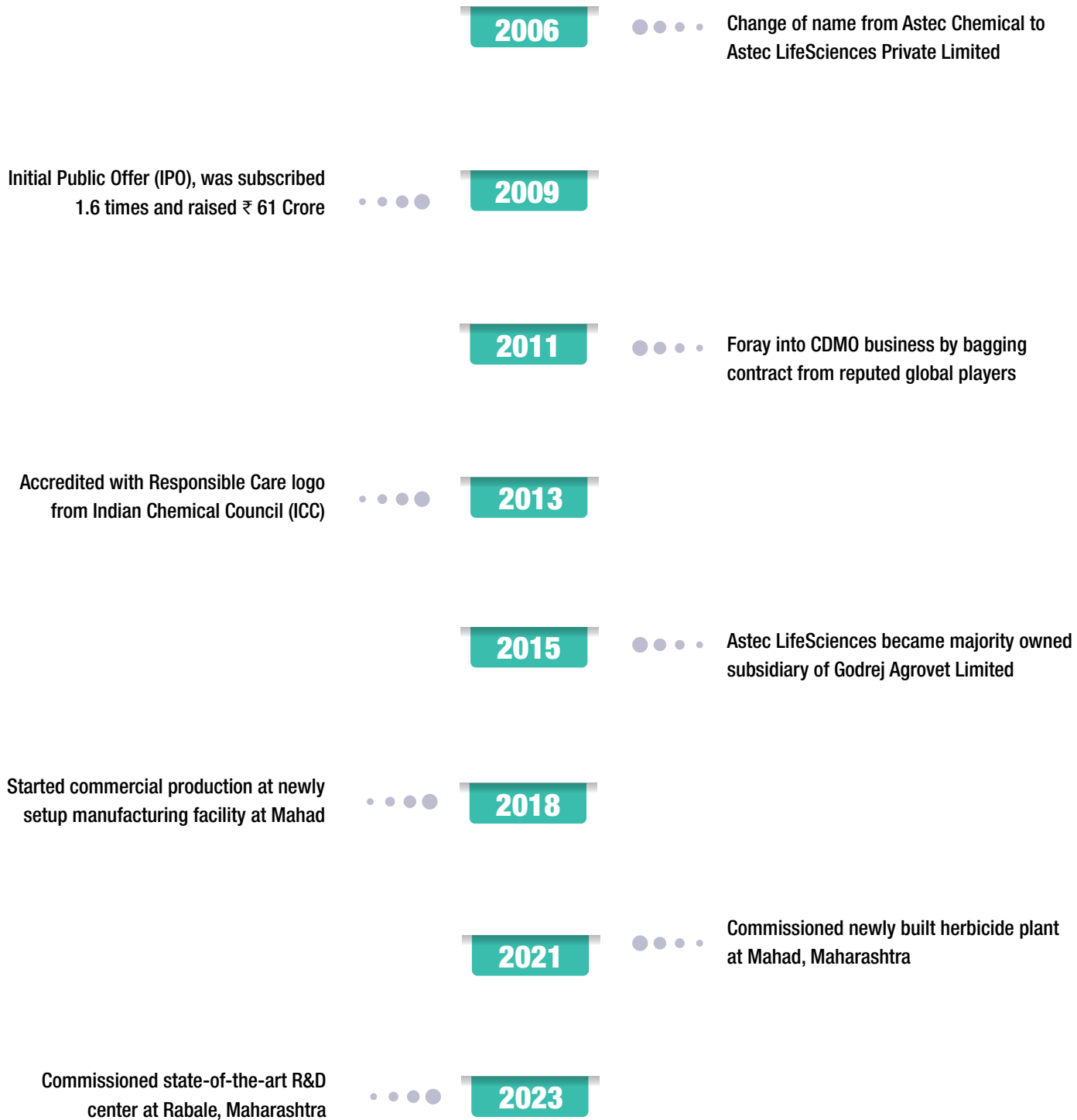
**4,800 +**

Households &

**1,000 +**

Students benefitted from CSR Initiatives

# Our Journey



# Awards and Certifications



ICC EH & S Award



ICC CSR Award



ICC EH & S Award



ICC CSR Award



# Management Discussion and Analysis Report

## Economic and Industry Overview

### Global Economy and Outlook

Global economic growth significantly slowed in 2022 due to various factors including elevated commodity prices, energy supply concerns in Europe, fallout from prolonged Russia-Ukraine conflict and slowdown in China due to strict lockdown policies (which were relaxed in late 2022). Going forward, IMF expects Economic growth to fall from 3.4% in CY2022 to 2.8% in CY2023 with a marginal rise to 3.0% in CY2024. Growth is expected to be largely driven by Asian economies as developed countries continue to witness prolonged growth slowdown impacted by crises on several fronts – very high inflation, worsening financial conditions, continued disruption from Russia – Ukraine conflict and declining confidence in the overall banking sector. Inflationary pressures led to synchronous and rapid monetary policy tightening by Central Banks across the globe. This coupled with slow growth and heavy indebtedness in corporate sector has raised fears of recession in the major economies and is likely to weaken investments. Growth in global trade also decelerated from H2 2022, mirroring slowdown in global industrial production and is expected to further decline in 2023 due to weakening demand.

### Indian Economy and Outlook

Despite significant triple shocks over the last 2 years, namely – Covid-19 fallout, prolonged Russian-Ukraine conflict and monetary tightening by central banks across the world economies, India maintained its position of the fastest growing economy in the world for the last both years. India's Gross Domestic Product (GDP) is projected to expand by 7.2% in FY 2022-23 as per the latest estimates released by Central Statistical Office (CSO). Relatively quicker recovery from pandemic and robust GDP growth in FY 2022-23 was reinforced by buoyant private consumption and strong capital formation bolstered by the government's continued capital expenditure push even during the pandemic period. Government's continued policy thrust on capital expenditure through infrastructure spending was visible in the Union budget for FY 2023-24 as well with increased capital investment outlay by ~37% to ₹ 10 lakh crore.

Agriculture and allied sectors have also contributed to economic resilience growing at 4.0% year-on-year in FY 2022-23. The overall food-grain production is estimated to have grown by 4.7% year-on-year reaching record levels in FY 2022-23, as per third advance estimates. India is set for another record year of merchandise exports having registered 6% year-on-year growth to reach an estimated \$447.5 billion during FY 2022-23.

The sustained resilience of Indian economy amidst global uncertainties is expected to continue in FY 2023-24 as well. As per consensus forecasts, India's GDP growth in FY 2023-24 is expected to be in the range of 6.0% - 6.5%. The primary growth drivers include robust private consumption, Government's firm focus on infrastructure spending and enhanced credit growth supported by deleveraged corporate balance sheets coupled with improved asset quality of the banks. Strong infrastructure push under the Gati Shakti (National Master Plan for Multimodal Connectivity) initiative and logistics & industrial corridor development is expected to drive industrial competitiveness in the long term and support future growth.

### Agrochemical Industry and Implications for the Company

India is the 4<sup>th</sup> largest producer of agrochemicals in the world, after the US, Japan and China and accounts for around 15% of the global agrochemical market. Over the past few years, agrochemical industry has been expanding at an accelerated pace owing to conducive macroeconomic environment.

In FY 2022-23, growth in Agrochemicals sector was largely driven by higher prices while volumes remain muted in both domestic as well as export markets. India's exports of Agrochemicals in FY 2022-23 grew by 9.9% in value terms while declined by 2.8% in volume terms as compared to same period last year (Source: Chemexcil).

Volume growth in domestic market was also impacted by high level of channel inventories due to adverse climatic conditions, lower instances of pest infestation, and sowing delays etc. While headline rainfall numbers indicated above average monsoon in 2022, the season was marked by highly erratic spatial distribution, extended withdrawal of monsoon and instances of flooding & crop damages. Southern and Western parts of the country received excess rains while Eastern region witnessed rainfall deficit for the entire season. The Kharif season for Agrochemical sector was impacted by lower spraying opportunities due to crop damages, erratic rainfall and low pest infestations while sowing in Rabi season got delayed on account of untimely and heavy rainfall in October due to extended monsoon withdrawal. Consequently, channel inventories in the domestic markets remained above normal levels impacting new product placements and volume growth.

In the export markets as well, a number of active ingredients and intermediaries witnessed drop in volumes during the year on account several factors such as high inventories, de-stocking strategies, demand slowdown amid adverse climatic conditions in important regions. Aggressive stocking before 2022 amid supply chain uncertainties has likely resulted in higher than average inventories in some of the regions globally. Key industry players resorted to inventory optimisation strategies with sudden rise in interest rates and sharp price corrections of intermediates, which impacted export volumes.

CRISIL expects industry to continue growing at 10-12% in FY 2023-24 as well. The growth is expected to be largely driven by exports while domestic market will grow at a slightly lower pace. The overall industry is expected to grow at a CAGR of 8-10% by 2025. However, operating margins are expected to moderate in the near future on account of high input costs.

## KEY DRIVERS

- India ranks amongst the lowest in terms of application of crop protection chemicals per hectare as compared to other advanced agriculture producing nations. At the same time, India also has one of the lowest yields per hectare amongst its global peers. Given the high focus on increasing the yield per hectare, limited arable land and rising labour costs, there is a huge growth potential for crop protection products in the country.
- In terms of exports, Indian agrochemical companies have been witnessing sharp rise in demand for crop protection intermediates and active ingredients. As per the CRISIL research, the uptick in demand is being driven by multiple tailwinds such as 'China plus one strategy' adopted by global companies to reduce dependency on Chinese markets. This along with growing operational and compliance costs in China, import substitution and favourable currency are driving demand growth.
- Furthermore, Indian companies also benefit from R&D expertise, skilled manpower and improving regulatory framework.

Your Company is one of the leading players in triazole fungicides and is well placed to capitalize on opportunities arising in the domestic as well as the international markets with well-established market credentials. The Company has 4 manufacturing facilities in Mahad, Maharashtra and has recently commissioned a state-of-the-art Research and Development (R&D) Center which will further augment your Company's R&D capabilities. Your Company is also expanding existing herbicide facility, which was commissioned in FY 2021-22, to cater to growing Contract manufacturing business. The Company has already built a strong reputation for its specialisation in multi-step synthesis undertaking complex chemical reactions with a focus on developing innovative manufacturing processes. Astec's strong progress made in backward integration projects is also expected to aid in margin expansion. While demand for triazole fungicides is expected to remain strong in both global as well as domestic markets, your Company is also focused on diversifying its operations by increasing proportion of contract manufacturing business.

## Company's Financial and Operational Performance

In FY 2022-23, your Company recorded total income of ₹ 64,122.63 Lakh as compared to ₹ 68,703.39 Lakh in FY 2021-22 and Profit after tax of ₹ 2,559.39 Lakh in FY 2022-23 as compared ₹ 8,988.26 Lakh in FY 2021-22. Your Company, in line with the long-term strategic ambitions, continued to focus on contract manufacturing (CDMO) segment and achieved 1.9x growth in revenues from the segment as compared to the

previous year. Share of CDMO sales increased to 26% in FY 2022-23 from 13% in FY 2021-22. The capacity utilisation of the herbicide facility, which was commissioned in FY 2021-22, further increased supporting growth in CDMO sales.

Your Company's enterprise business, however, faced volume headwinds in both exports as well as domestic markets. Unprecedented drop in volumes, primarily in the second half of the year, for key enterprise products was attributed to high inventories with customers and in the channel as well. At the same time, market prices of some of the triazole fungicides corrected sharply in the second half from last year's high base leading to reduced realisations in FY 2022-23. As a result, your Company reported decline in revenues and margins in FY 2022-23 as compared to last year.

Geographically, export sales declined by 2.6% year-on-year while domestic sales fell by 14.0% year-on-year due to lower volumes of key enterprise products. Proportion of exports in total sales increased to 61% in FY 2022-23 from 58% in the previous year. Domestic share was at 39% of total sales in FY 2022-23.

Gross margin stood at 36.1% in FY 2022-23 as compared to 42.8% in FY 2021-22. EBITDA margin declined to 13.9% in FY 2022-23 from 23.9% in the previous year. Reduced realisations of key enterprise products and high cost inventories led to lower margins in FY 2022-23 as compared to the previous year. Higher salience in revenues and relatively stable profitability of CDMO business supported overall margin profile in an otherwise challenging year.

In April'23, your Company also inaugurated a state-of-the-art Research & Development Center, named "Adi Godrej Center for Chemical Research and Development" in Rabale, Maharashtra. The facility, equipped with synthesis lab, formulation lab as well as sophisticated safety infrastructure, will enable your company to expand offerings in CDMO space. The R&D Center will further aid your Company in improving product development, providing access to advanced equipment and facilities, fostering collaboration, and driving innovation. With improved capability to reduce the time-to-market for innovative solutions and provide end-to-end solutions supported by advanced labs and analytical instruments, the R&D Center will also make your company a partner of choice for innovator companies across the globe. Astec's substantial investment in a future-ready R&D Center reflects its unwavering commitment towards long-term value creation despite challenges in the short run.

In the next financial year, Astec LifeSciences will continue to focus on scaling up R&D projects, diversification into other molecules as well as chemistries and expanding its customer base for contract manufacturing business. During the year, your Company also initiated expansion of herbicides plant at existing Mahad facility. With steadfast focus on R&D, business diversification and future-ready investments, your Company remains committed to maximising shareholder value in the medium to long-term.

Godrej Agrovet Limited, the Holding Company increased its shareholding in your company to 1,26,99,054 Equity Shares, i.e., 64.8% as on 31<sup>st</sup> March, 2023 from 1,24,04,016 Equity Shares or 63.3% as on 31<sup>st</sup> March, 2022.

## Key Financial Highlights

Particulars (in ₹ Lakh)	FY 2022-23	FY 2021-22
Total Income	64,122.63	68,703.39
Earnings Before Exceptional Items, Interest, Tax, Depreciation and Amortization	8,931.40	16,453.98
Profit Before Tax	3,494.73	12,112.58
Profit After Tax	2,559.40	8,988.26
Total Comprehensive Income	2,537.58	8,987.54

## Key Financial Ratios

The key financial ratios for Consolidated financials are as per the below table:

Particulars	FY 2022-23	FY 2021-22
Debtors Turnover Ratio	2.93	2.92
Inventory Turnover Ratio	1.67	2.64
Interest Coverage Ratio	2.69	14.37
Current Ratio	0.95	1.05
Debt Equity Ratio	0.81	0.70
Operating Margin (%)	8.86%	19.24%
Net Profit Margin (%)	4.07%	13.28%
Return on Net worth (%)	6.27%	25.46%

The Inventory Turnover ratio has decreased in FY 2022-23 due to sharp fall in demand of few products in the second half.

The Interest coverage ratio, Return on Net Worth, and Net profit ratio for FY 2022-23 are lower than the previous financial year due to sharp decline in profit for the year due to challenging market conditions as mentioned above.

The formulae used for computation of key financial ratios are as follows:

Debtors Turnover Ratio	$\text{Net Sales} / \text{Average Trade Receivable}$
Inventory Turnover Ratio	$\text{Cost of Goods sold} / \text{Average Inventory}$
Interest Coverage Ratio	$\text{Profit Before Interest and Taxes} / \text{Finance Costs}$
Current Ratio	$\text{Current Assets} / \text{Current Liabilities}$
Debt Equity Ratio	$\text{Total Debt} / \text{Shareholder's Equity}$
Operating Profit Margin (%)	$\text{Profit Before Interest and Taxes} / \text{Net Sales}$
Net Profit Margin (%)	$\text{Profit After Tax} / \text{Net Sales}$
Return on Net worth (%)	$\text{Profit After Tax} / \text{Average of Total Equity}$

## Opportunities, Strengths and Concerns

### Opportunities:

Indian chemical companies are expected to rapidly gain market share on the back of multiple favourable factors listed below:

- **China plus one strategy** - As global companies look for alternate manufacturing locations outside China, the opportunity available to Indian manufacturers, including your Company, will be huge. Organizations with deep expertise in respect of technical or intermediate chemistries are likely to gain from this shift/diversification of the manufacturing base.
- **Growth expectation in Exports** - 50% of the Indian agrochemical industry's value is derived from exports which are expected to grow at a faster pace in the coming years, as compared to the domestic market owing to improved agricultural policies and reforms by the government aiming to double India's share in world's agri-exports.
- **Strong R&D and manufacturing capabilities of domestic players** – Government has a huge focus on R&D within the sector. This factor coupled with the R&D skills and relatively lower labour costs in India sets a good platform to capitalise on the new opportunities in the agrochemical space.
- **Improving domestic business environment** - led by Government's focus on Make-in-India / Atmanirbhar Bharat projects / Performance Linked Incentive (PLI) schemes and ease of doing business, opens new doors for the Indian agrochemical players including your Company.
- **Ingredients going off-patent** - Globally, around 22 active ingredients are expected to go off-patent over the next 10 years. The estimated market size for these products will be around \$4.1 billion by 2026. Indian chemical sector is well placed to capitalise on such opportunities and to build a strong manufacturing base.
- **Growing population and food security for the world** -The agrochemicals have a significant role to play in supporting the agriculture sector thus contributing towards catering to the food and nutritional needs of the rising population of the world.
- **Pest attacks due to climate change conditions** - There is an increase in the emergence of pests-attacks and occurrence of diseases in plants due to the fluctuating climatic patterns emanating from the climate change. A substantial percentage of agricultural yield is lost to the pest attacks each year.
- **Low consumption in India** - India has relatively low per capital consumption of agrochemicals leaving room for a significant upside.

### Strengths:

- Your Company has established presence in agrochemical business, leadership position in triazole fungicides manufacturing coupled with reputed clientele, comprising MNC's in domestic and export markets.
- Your Company's new state-of-the-art R&D centre will provide strong impetus to cater to rapidly growing contract development and manufacturing (CDMO) business and attract large numbers of innovators across the globe. By entering into partnerships with innovators at an early stage of a product cycle, we intend to build a stable and sustainable business.
- The herbicide plant commissioned in August 2021 is enabling in diversification of product portfolio and augmenting your Company's manufacturing capacity.
- Strong balance sheet with short term credit rating of A1+ from ICRA

## Concerns:

- Unfavourable and erratic weather patterns and monsoon failure – Agrochemical sector is highly vulnerable to unfavourable local and global weather patterns since it directly impacts the application of crop protection products. Erratic and uneven South West monsoon can have material adverse impact on the overall demand for the products of the agrochemical companies. Your Company's presence into wider geographies through exports limits the risk, to a significant extent.
- Unavailability of raw materials - A large part of your Company's operations is dependent on imports of raw materials which may not be available in the domestic market. Your Company is exposed to risks associated with the non-availability of these materials from overseas markets.
- Foreign currency volatility and interest rates – Company's exports to the foreign markets leads to profits getting impacted by the volatility in the foreign currency and the interest rates. Company has foreign exchange policy in place to hedge the risk.

## Segment-wise Performance or Product-wise performance:

Your Company has only 1 (One) reportable segment, i.e., Agrochemicals. The total Income from agrochemicals was ₹ 64,122.63 Lakh for the FY 2022-23

## Internal Control System:

Your Company has adequate internal controls in place designed and developed to:

- a) Safeguard its assets from unauthorised use or losses
- b) Conduct its business operations efficiently in line with companies' policies
- c) Maintain accuracy, completeness and reliability of the Financial and accounting records
- d) Compliance on laws and regulations
- e) Detect and prevent any fraud the frauds in the accounting and reporting system

The Audit Committee of the Board oversees and evaluates the internal financial controls and risk managements system as well as spearheads the internal audit mechanism, on a regular basis.

## Human Resources

The Company has adopted progressive Human Resources (HR) policies to develop and empower its valuable employee force. We provide ample, equal and fair opportunities to groom our employees and put them on career progression paths, without any form of discrimination in terms of religion, gender, race, colour, caste, etc. We take several initiatives to inspire our workforce and to care for them. As a part of Godrej group, we have Whistleblower Policy and Prevention of Sexual Harassment Act Policy to empower our employees to be able to identify and report any wrong doings in the system. The Company believes in being the employer that provides all tools and guidance to its employees so that they can discover their full potential and add value to the organization through their skills and behaviour.

# Our Value Proposition

- Our specialization in multi-step synthesis undertaking complex chemical reactions to produce key specialty chemicals with a focus on developing innovative manufacturing processes



**Deep Knowledge**

- Our proven track record of timely delivery of products and services to our partners without compromising on compliance and quality, despite of tight deadlines



**Timely Delivery**

- Astec LifeSciences is a 'Responsible Care' Company
- DuPont's 14 element-based Process Safety Management System implemented across our Plants to ensure Safe Operations



**Focus on Safety**

- Adi Godrej Center for Chemical Research and Development, equipped with best-in class research infrastructure
- Laboratories for Product Synthesis, Analytical method development, Process Safety, Fluorination, Kilo & Flow Chemistry, and Formulation Development



**State of the art  
R&D centre**

- 4 multipurpose and multi-product manufacturing plants rendering us ability to handle multi-synthesis and complex chemistries
- A dedicated Herbicide manufacturing facility with high-potency blocks and zero-Liquid discharge facility
- All the manufacturing plants are fully/semi-automated with the DSC system to ensure best practices process monitoring and operations



**Assets – Infrastructure  
and Capability**

- Best in class accreditations including Responsible Care, ISO 14001:2015 (EMS), ISO 9001:2015 (QMS), OHSAS 18001:2007 (OHSAS), for all our manufacturing locations



**Quality Governance**

- Our team of visionary leaders along with the strong and dedicated management as well as highly experienced R&D & technology team together plan, develop and deliver solutions tailored to fit the needs of the customer.



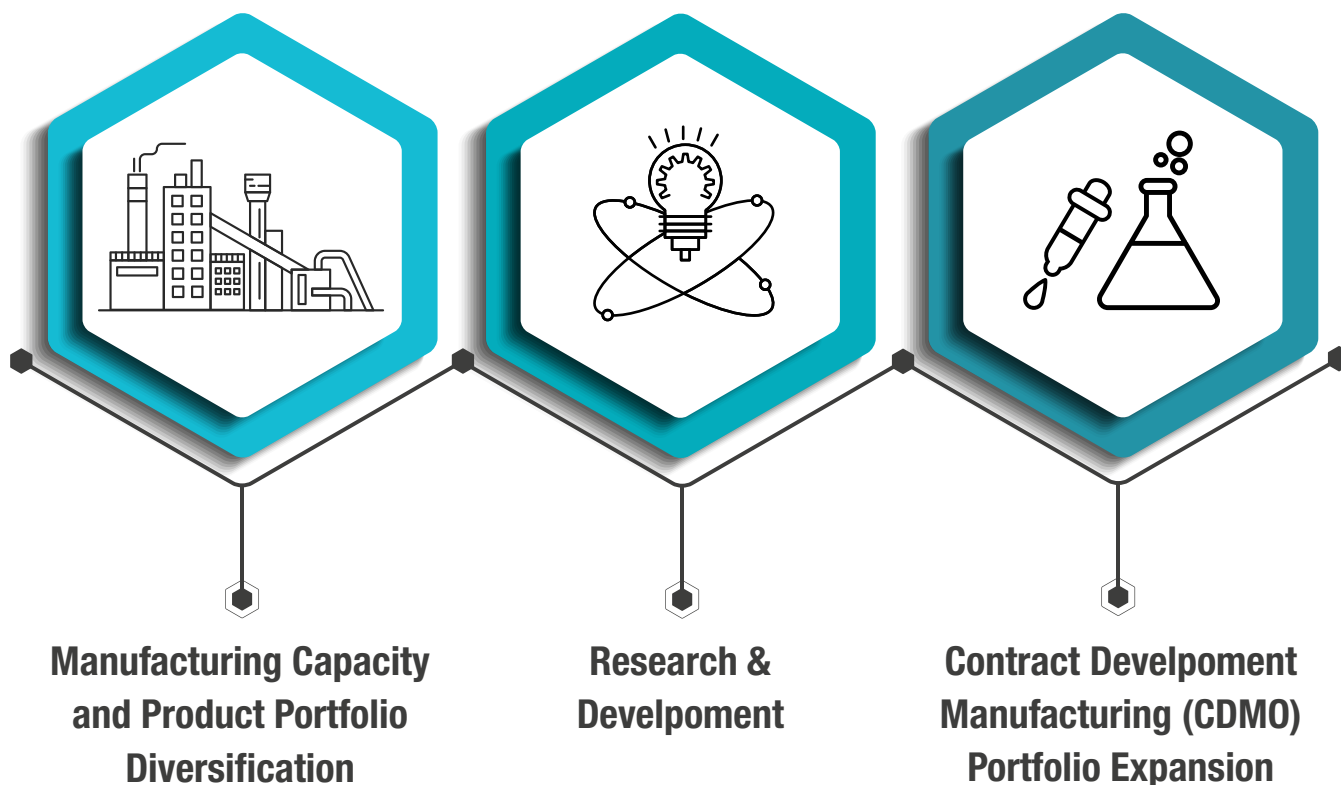
**Strong Team**

# Key Growth Drivers

The capacity to look ahead will define the success in future.

Increasing diversification of global chemical supply chains on accounts of events from the past two years has put India at the forefront of the global chemicals space. With agrochemicals sector in India witnessing robust inflow of attractive opportunities, your company continues to focus on expansion of its Contract Development and Manufacturing Operations (CDMO) portfolio backed by prudent manufacturing capacity in conjunction with R&D adroitness. We believe that these factors will propel our medium to long growth.

We have chosen our growth enablers with a vision to create a basket of chemistries, products and solutions to cater to the demands of tomorrow. We will grow by strengthening our intangibles on the foundation of our values, safety and responsibility, sustainability, quality, cost leadership and speed to market.





# Contract Development and Manufacturing (CDMO)

Astec's unique and agile approach to Contract Development and Manufacturing Operations (CDMO) business gives our customers speed to market and cost leadership in pricing

The overall agrochemical industry is estimated to grow at a CAGR of 8-10% by 2025. Global CDMO market is expected to grow at a CAGR of 10% up to 2026 owing to the increasing trends in contract manufacturing and innovators looking for alternate low-cost destinations. We believe we are well positioned to cater to the rapidly increasing market demand for outsourced development and manufacturing of complex chemistries to support new products in the sector. Your Company is working on developing a robust pipeline for its Contract Development and Manufacturing (CDMO) business. Our unique and agile approach, focuses on cost and quality leadership, dynamic research infrastructure together with our deeply embedded culture of trust and integrity in all our practices. This makes Astec LifeSciences an Attractive Partner for companies with an outsourcing requirement

## Contract Development and Manufacturing (CDMO) Highlights – FY 2022-23

- Our CDMO business grew by 1.9x year-on-year in FY 2022-23 to reach ₹ 163 Crore in topline, accounting for 26% of the total revenues
- Capacity utilization of Herbicides plant remained on track and in line with our expectations

### Way forward...

- A new R&D Center with world-class infrastructure launched in Apr'23 which will boost our efforts towards adding new customers
- Capacity expansion of Herbicides facility initiated to increase throughput of existing products as well as launch new products

## Factors favouring our CDMO play

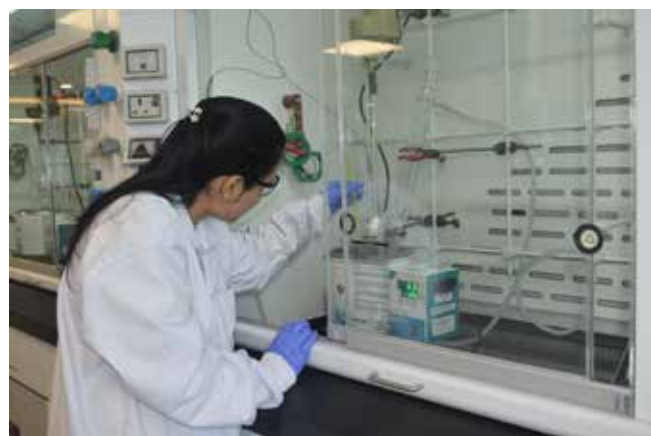


# Adi Godrej Center for Chemical Research and Development

In April'23, your company launched a new advanced Research & development center in Maharashtra. Named "Adi Godrej center for chemical research and development", this future-ready facility is a testament to your company's commitment of offering advanced solutions with a focus on green chemistry and sustainability in addition to fast-tracking go-to-market for the innovators.

The R&D Center houses synthesis lab for product synthesis and a formulation lab to develop new formulations in the crop protection space. Supported with advanced analytical instruments to drive R&D, the center also houses sophisticated process safety infrastructure to undertake safe and sustainable chemical reactions.

Designed to be a hub of cutting-edge research & development and equipped with state-of-the-art facilities, the facility will further augment our capabilities making us an attractive partner for the Contract Development and Manufacturing (CDMO) requirement of Multi-national companies of all sizes across the world.



# Manufacturing Capabilities

Astec LifeSciences is a significant player in agrochemical segment with a pioneer position in manufacturing of triazole based fungicides.

Your Company commissioned a greenfield herbicide plant in August 2021 which acts as a significant milestone in the Company's trajectory to diversify the product portfolio.

This makes us one of the very few companies in India to have such high potent herbicide facility which will play a paramount role in making our pipeline healthy along with our other 3 manufacturing plants located in Mahad, Maharashtra. Your Company is proactively working on achieving a Zero-Liquid Discharge (ZLD) status keeping the utmost environmental standards in place.



# Health and Safety

Safety goes beyond Statistics and reflects through behavior and culture...

“For us, Safety is not just a priority but the core value upon which we have created our high-functioning culture.”

Process Safety is of paramount importance in Agrochemicals sector. Astec LifeSciences is committed to create operations that focus on the well-being of our employees and the communities. It is widely recognized and proven that managing EHS risks have a positive impact on staff morale and employee productivity, in addition to improved financial performance. We continue to go the extra mile in ensuring the health, safety and wellbeing of our workforce. For our business to flourish sustainably, our operations need to be conducted in a responsible manner. And for our talent to thrive, it is imperative that we provide our people with a safe working environment. Therefore, we continuously strive to build a culture of safety which goes beyond mere statistics. We believe that any amount of profits and progress is not more than the safety of the people.

## Our approach to EHS



**Safety, Health and Environment Policy (EHS)**

Our EHS Policy demonstrates our commitment towards Health & Safety of employees and communities, which is integral to our operations.

**Safety is a Law**



**Commitment for improvement**

We continuously strive to improve our performance on EHS parameters. By being signatory to 'Responsible Care', we demonstrate our....

**Commitment to Sustainability**

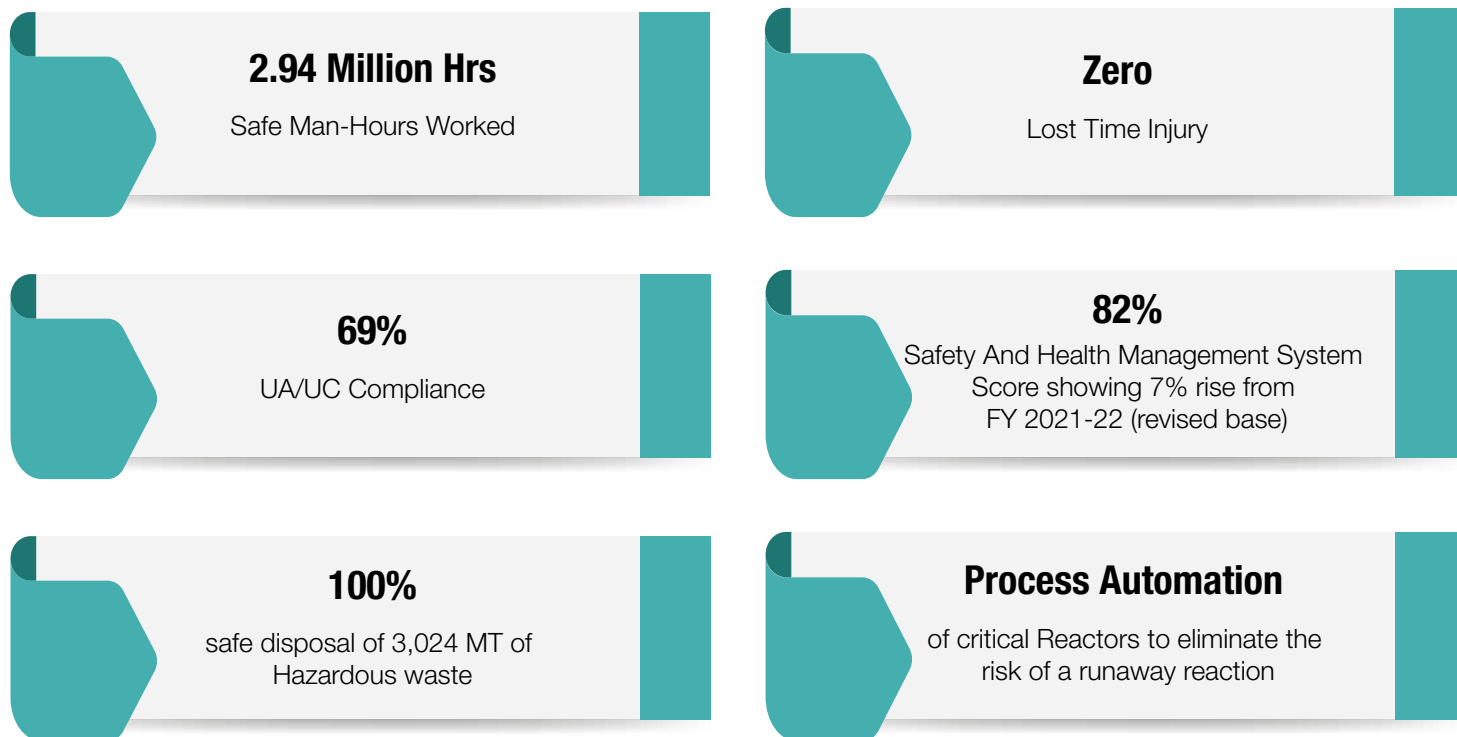


**Knowledge Dissemination**

We impart Safety trainings followed by refresher trainings to our employees to inculcate the...

**Behavior of Safety**

# Safety Credentials for FY 2022 - 23



All our manufacturing plants are certified on EHS Management Standards. Competent teams are tasked with the responsibility for the implementation of the management system and continuous improvement of the plans in each site.

Our management systems ensure that we go one step further from mere compliance to local laws and regulations to exceeding the expectations of the regional rules, Astec's internal requirements and customer expectations.

## Safety has no price, It is Priceless

Focus on Process Safety across our manufacturing plants is our key strategy for ensuring safe operations. At Astec, our continued exemplary safety performance is driven by Dupont's world class PSM system which lends us an important competitive edge in the market. The System focuses on 14-elements of process safety and helps us achieve Operational Excellence through Operational Discipline. Process Safety Management is increasingly becoming the standard that is applied to many hazardous processes around the globe. Process safety principles and systems not only help manage our risks, they are effective tools for increasing the safety of our operations while also improving productivity, cost efficiency and quality.

# Environmental Sustainability and CSR

## Less is What You Need More

Your Company is committed towards reducing the environment stress and demonstrating highest standards of Health, Safety and Environmental Sustainability. We, being the part of the Godrej legacy, see sustainability at the nucleus and not just the periphery of our business. We are a sensitive and Responsible Company allowed to use the 'Responsible Care' logo until 2024. We are making conscious efforts towards reducing our carbon footprint by bringing down our energy consumption, waste generation and water consumption/wastage. The Company has a dedicated team that focuses on cleaner production technologies with higher yields and minimum waste generation supporting principles of waste reduction, recycle and reuse to demonstrate its commitment to "Good and Green". All the manufacturing activities of the Company conform to statutory Pollution Control Standards.

Rooted in the principle of Godrej Group's 'Good & Green', Astec LifeSciences is focused on creating a more inclusive & greener India and protecting the environment and assorted resources of the Mother Earth.

At the Group level, Godrej Agrovet, our major stakeholder, has set clear cut sustainability targets for 2026 to reduce the environmental impact

### **Astec's fast-paced journey towards increasing Renewable Energy Portfolio - Shift from fossil fuels to clean energy**

Your company installed 20 TPH capacity biomass boiler at Mahad plant to meet the thermal energy requirement of its new Herbicide plant.

#### **Benefits Derived**

- Biomass boiler has replaced close to 4,500 MT of coal utilisation in FY22-23.
- Reduced GHG emissions by 9,000 MT CO<sub>2</sub> - equivalent to carbon sequestered by 10,700 acres of forests in a year
- Kickstarted Astec's renewable energy portfolio from 0% to 33%



### **Astec's strong commitment to ZLD**

- At Astec, we are committed to design energy and water efficient manufacturing processes and we are proactively working on achieving Zero Liquid Discharge for all the operating plants
- We have installed Multiple Effect Evaporator (MEE) to achieve maximum recycling of water.
- MEE helps in reducing the Total Dissolved Solid in the distillate, thereby allowing its further treatment in Activated Sludge Process (ASP).
- After treatment in ASP the treated water is recycled efficiently to achieve ZLD

# Corporate Social Responsibility

## Catalyst for Change

At Astec LifeSciences, we understand the value of investing in our communities and our environment, the two pillars that underpin our business. Through the CSR programmes, our purpose is to actively improve the lives of the communities we work with and to promote the protection of ecosystems and our natural capital. In a year of unprecedented challenges, we came together to deliver on our purpose.

At Astec, we are committed to being good corporate citizens with a positive impact on the communities and environment we operate in. Through our Good and Green CSR policy we align our CSR strategy with the Godrej group's Good and Green vision and goals of creating a more inclusive and greener India. The policy focuses on addressing critical social, environmental and economic needs of the marginalized and underprivileged sections of the society.

Astec's CSR Policy, approved by the Board of Directors, guides the activities it undertakes to positively impact its identified stakeholders. These programmes fall within the purview of Schedule VII of the provisions of Section 135 of the Companies Act, 2013 and the Companies Corporate Social Responsibility Policy) Rules, 2014.

The CSR Committee of the Board, *inter alia*, reviews, monitors and provides strategic direction to the Company's CSR practices. The Management Committee including heads of individual departments, is tasked with the responsibility of ensuring the smooth execution of all the CSR projects within the Company.

The key areas of CSR focus include Agriculture and rural livelihoods, Women empowerment, Water security, Education and Community Development.

## Grameen Vikas – Brighter Farming



This flagship initiative of Astec involves building the skills and capacities of marginal and landless men and women farmers to diversify their income sources by improving their agricultural and animal husbandry practices. The program aims to empower farmers and support in adopting best practices to increase yield and ultimately reduce the cost of agriculture to maximize profit. Program also focuses on engaging with existing SHGs and empowering and educating them with different skills and knowledge about financial literacy, livelihood options, skill development.

This year, we delivered capacity building programmes to 3,247 farmers in 12 villages. 110 farmers were set up with animal husbandry activities resulting in an average increase in income of 7,000 per month. Training on best practices led to an additional yield of 3 quintal per acre with increase in income by 4,000 per acre. 40 horticulture plantations were set up delivering increase in income by 16,000 per month.



Continuing on its focus on SHGs development, Astec delivered capacity building trainings to 1,630 SHGs and formed 22 new SHGs during the year.

With the aim of creating supplemental food production, as well as an opportunity to improve livelihoods for the communities, kitchen gardens were created with 150 families. An average income of ₹600 per month was generated after self-consumption.

Astec also initiated a Bamboo biomass pilot project in Latur, Maharashtra to improve water availability throughout the year.

### Our Impact:

**₹84,000**  
Income increase

**3**  
Quintal per hectare

**3,247**  
Farmers trained

**150**  
Kitchen Gardens

**₹4,000**  
Additional Income  
Generated per acre

**40** Horticulture plantation set up  
delivering average income increase of  
**16,000/month**



## Pragati: Community based Education



Astec actively supports schools in our communities for facilitating a better environment for holistic education

**1,000+**  
Students

**40,000+**  
Hours of Digital Education  
Content Accessed

- We supported the needs of digital education of 1,021 students from grades 6th -10th in Maharashtra
- 40,276 hours of digital education content were accessed by the students.

### Digital cafe initiative to support students outside the classroom

- Astec has set up Digital Cafes in Mahad at 4 location with pre-loaded syllabus in Tablets
- Digital Cafe supports access to online content according to their prescribed syllabus in all subjects creating additional support for learning outside the classroom.



## Addressing the needs of the Community

### Facilitating government entitlements

The lack of knowledge about social service schemes and their respective application processes create barriers among rural communities to benefit from available entitlements. Through entitlement program, Astec aims to facilitate smooth enrollments under such schemes for local communities.

- 2,198 entitlements were facilitated in communities (supported by CSR funds)

# Our Employees, Our Key Pillar

Nurturing a culture that our employees can take pride in

Staying true to our organizational objectives, we are an employer of inclusivity and diversity that provides equal developmental and growth opportunities to its employees without any bias and discrimination.

Our success journey is incomplete and impossible without the commitment and diligence of our human muscle. It is due to the resilience and unstinted support received from our employees that our Company remained strong even during the challenging times of the pandemic. For this, we remain grateful to our workforce. We are committed to go to all lengths to foster the culture in which our employees are groomed to become the leaders of future and good human beings. We aspire to create individual success stories for all our employees.

**Our chemistry to create a empowering and high performing work culture is made up of the following molecules:**

- Learning & Development
- Career Progression & Succession Planning
- Offering Constructive Feedback
- Recognising & Rewarding Exemplary Attitude & Performances
- Ensuring Safety & Well-being of our Employees
- Engaging through Dialogues & Other Initiatives



# Robust Corporate Governance

## Doing Business, the Godrej Way...

Strong Ethics is at the heart of our business. We do not just focus on what's enough for the business but we believe in doing business the right way. Accountability, Transparency, Disclosures and Fairness are the pillars of our governance system. Our strong internal and external governance structure sets a robust ground standing on which we have been creating value for our Shareholders and society. Good Governance is not just a requisite but culture and mind-set in our organization. We are always conscious of the fact that growth and success of the Company is a function of its values, conduct, professionalism demonstrated by its employees and management. We are committed towards adoption and adherence of the highest standards of ethical behaviour and good governance and carry out our business with utmost sincerity and integrity.

Our value creation process towards our Shareholders is founded on the grounds of good governance driven by our ethics and values. Goodness + Trust is the Godrej way to do the Business

## Governance Framework

Guidance and Vision provided by the skilled and experienced Board of Directors

50% Independent Directors on the Board

Code of Conduct for Board of Directors and Senior Managerial Personnel

17 policies for ensuring good governance (\*\*available on Company's website)

5 Board level Committees constituted for effective governance

# **STATUTORY REPORTS**

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## ASTEC LIFESCIENCES LIMITED

**Corporate Identity Number (CIN): L99999MH1994PLC076236**

**Registered Office:** "Godrej One", 3<sup>rd</sup> Floor, Pirojshanagar,  
Eastern Express Highway, Vikhroli (East), Mumbai – 400 079, Maharashtra

**Tel.:** +91 22 2518 8010; **Fax:** +91 22 2261 8289;

**Website:** [www.astecls.com](http://www.astecls.com); **E-mail:** [astecinvestors@godrejastec.com](mailto:astecinvestors@godrejastec.com)

### NOTICE OF THE 29<sup>TH</sup> (TWENTY NINTH) ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the 29<sup>th</sup> (Twenty Ninth) Annual General Meeting ("AGM") of the Shareholders of ASTEC LIFESCIENCES LIMITED ("Company") will be held on **Thursday, 27<sup>th</sup> July, 2023** at **4.00 p.m. (IST)** through **Video Conferencing ("VC") / Other Audio Visual Means ("OAVM")**, to transact the following business:

#### ORDINARY BUSINESS:

**1. Adoption of Financial Statements for the Financial Year ended 31<sup>st</sup> March, 2023:**

To consider and adopt the Audited Financial Statements (including Standalone and Consolidated Financial Statements) of the Company for the Financial Year ended 31<sup>st</sup> March, 2023 and the Reports of the Board of Directors and the Statutory Auditors thereon, including Annexures thereto.

**2. Declaration of Final Dividend on Equity Shares for the Financial Year ended 31<sup>st</sup> March, 2023:**

To declare Final Dividend on Equity Shares @ 15% (Fifteen per cent) [i.e., @ ₹ 1.50 (Rupee One Paise Fifty Only) per Equity Share of Face Value of ₹ 10/- (Rupees Ten Only)] for the Financial Year ended 31<sup>st</sup> March, 2023.

**3. Re-appointment of Mr. Balram Singh Yadav (DIN: 00294803) as a "Director", liable to retire by rotation, who has offered himself for re-appointment:**

To appoint a Director in place of Mr. Balram Singh Yadav [Director Identification Number (DIN): 00294803], Non-Executive & Non-Independent Director, who retires by rotation and, being eligible, offers himself for re-appointment, as a "Director" of the Company and if thought fit, to pass the following resolution as an **Ordinary Resolution:**

**"RESOLVED THAT** pursuant to the provisions of Section 152 and other applicable provisions of the Companies Act, 2013 and/or the Rules framed thereunder, the approval of the Shareholders of the Company be and is hereby accorded to the re-appointment of Mr. Balram Singh Yadav [Director Identification Number (DIN): 00294803] as a "Director" of the Company, who shall be liable to retire by rotation."

#### SPECIAL BUSINESS:

**4. Ratification of Remuneration of M/s. NNT & Co., Cost Accountants, Mumbai as the "Cost Auditors" of the Company for the Financial Year ending 31<sup>st</sup> March, 2024:**

To consider and ratify the remuneration of M/s. NNT & Co., Cost Accountants, Mumbai as the "Cost Auditors" of the Company for the Financial Year ending 31<sup>st</sup> March, 2024 and if thought fit, to pass the following resolution as an **Ordinary Resolution:**

**"RESOLVED THAT** pursuant to the provisions of Section 148 and other applicable provisions of the Companies Act, 2013, the Companies (Audit and Auditors) Rules, 2014 and the Companies (Cost Records and Audit) Rules, 2014 [including any statutory amendment(s), modification(s) or re-enactment(s) thereof, for the time being in force] and based on the recommendation of the Audit Committee and the Board of Directors, the remuneration of M/s. NNT & Co., Cost Accountants, Mumbai (Firm Registration Number: 100911), the "Cost Auditors" appointed by the Board of Directors of the Company, for conducting audit of the cost records of the Company for the

Financial Year ending 31<sup>st</sup> March, 2024, upto ₹ 80,000/- (Rupees Eighty Thousand Only) per annum inclusive of XBRL compilation and Goods and Service Tax (GST) as applicable plus reimbursement of out-of-pocket expenses at actuals, be and is hereby ratified and approved.”

“**RESOLVED FURTHER THAT** the Board of Directors and/or the Chief Financial Officer and/or the Company Secretary be and is hereby authorized to do all such acts, deeds, matters and things and to take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

**By the Order of the Board of Directors  
For Astec LifeSciences Limited**

**Tejashree Pradhan  
Company Secretary & Compliance Officer  
(FCS 7167)**

**Mumbai, 2<sup>nd</sup> May, 2023**

**Registered Office:**  
“Godrej One”, 3<sup>rd</sup> Floor,  
Pirojshanagar, Eastern Express Highway,  
Vikhroli (East), Mumbai – 400 079, Maharashtra  
Tel. No.: 022 - 2518 8010  
Fax No.: 022 - 2261 8289  
Website: [www.astecls.com](http://www.astecls.com)  
E-mail: [astecinvestors@godrejastec.com](mailto:astecinvestors@godrejastec.com)  
CIN: L99999MH1994PLC076236

**NOTES:**

1. The Ministry of Corporate Affairs (“**MCA**”) has, vide its General Circular No. 14/2020 dated 8<sup>th</sup> April, 2020, General Circular No.17/2020 dated 13<sup>th</sup> April, 2020, General Circular No. 20/2020 dated 5<sup>th</sup> May, 2020, General Circular No.02/2021 dated 13<sup>th</sup> January, 2021, General Circular No. 19/2021 dated 8<sup>th</sup> December 2021, General Circular No. 21/2021 dated 14<sup>th</sup> December, 2021, General Circular No. 2/2022 dated 5<sup>th</sup> May, 2022 and General Circular No. 10/2022 dated 28<sup>th</sup> December, 2022 (collectively referred to as “**MCA Circulars**”), permitted the holding of the Annual General Meeting (“**AGM**”) through Video Conferencing (“**VC**”) or Other Audio Visual Means (“**OAVM**”), without the physical presence of the Shareholders at a common venue. In compliance with the provisions of the Companies Act, 2013 (“**the Act**”), the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“**SEBI Listing Regulations**”) and MCA Circulars, the 29<sup>th</sup> (Twenty Ninth) AGM of the Company is being held through VC / OAVM. The National Securities Depository Limited (“**NSDL**”) will be providing facility for voting through remote e-voting, for participation in the AGM through VC / OAVM facility and for e-voting during the AGM. The procedure for participating in the AGM through VC / OAVM is explained hereunder and is also available on the website of the Company, viz., [www.astecls.com](http://www.astecls.com)
2. The relative Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013, setting out all the material facts relating to the Special Business to be transacted at the AGM, as set out in this Notice, is annexed hereto.

Further, additional information pursuant to Regulation 36(3) of SEBI Listing Regulations and Secretarial Standard on General Meetings (“**SS-2**”) issued by the Institute of Company Secretaries of India (“**ICSI**”), in respect of Director seeking re-appointment at this AGM as mentioned in Item No. 3 of this AGM Notice is also annexed hereto.

3. Since this AGM is being held pursuant to the MCA Circulars through VC / OAVM, physical attendance of the Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form, Attendance Slip and Route Map are not annexed to this Notice.

4. Corporate Shareholders intending to appoint their Authorized Representative(s) to attend the AGM, pursuant to the provisions of Section 113 of the Companies Act, 2013, are requested to send to the Scrutinizer (Mr. Vikas R. Chomal, Practicing Company Secretary), NSDL and the Company, a scanned certified true copy of the Board Resolution with attested Specimen Signature of the duly authorized signatory(ies) / Authorized Representative(s) who are authorized to attend and vote on their behalf at the AGM. The said Resolution / authorization shall be sent by e-mail to Mr. Vikas R. Chomal, Scrutinizer on [csvrca@gmail.com](mailto:csvrca@gmail.com), through the registered e-mail address of the corporate Shareholder, with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) and [agm.astec@godrejastec.com](mailto:agm.astec@godrejastec.com).
5. In case of joint Shareholders attending the AGM, only such joint Shareholder who is higher in the order of the names will be entitled to vote.
6. The attendance of the Members attending the AGM through VC / OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
7. Any request for inspection of the Register of Directors and Key Managerial Personnel and their Shareholding maintained under Section 170 of the Companies Act, 2013, the Register of Contracts and Arrangements in which the Directors are interested maintained under Section 189 of the Companies Act, 2013 and the Certificate from the Secretarial Auditors of the Company in accordance with the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, may please be sent to [agm.astec@godrejastec.com](mailto:agm.astec@godrejastec.com)
8. The Register of Members and Share Transfer Books of the Company will remain closed **from Saturday, 22<sup>nd</sup> July, 2023 to Wednesday, 26<sup>th</sup> July, 2023 (both days inclusive)** for annual closing and determining the entitlement of the Shareholders to the Final Dividend for the Financial Year 2022-23, if declared by the Shareholders at the ensuing 29<sup>th</sup> AGM.
9. All the documents in connection with the accompanying Notice and Explanatory Statement are available for inspection through electronic mode on the basis of request being sent on [agm.astec@godrejastec.com](mailto:agm.astec@godrejastec.com).
10. Shareholders are requested to register / intimate changes, if any, pertaining to their name, postal address, e-mail address, telephone / mobile numbers, Permanent Account Number (PAN), bank details including change in bank account number, IFSC Code, MICR Code, name of bank and branch details:
  - a. **In case of Equity Shares held in Electronic form:** To their Depository Participant(s) (DPs);
  - b. **In case of Equity Shares held in Physical form:** To the Company or Bigshare Services Private Limited, Registrar and Share Transfer Agent of the Company (“Bigshare”) in prescribed Form ISR–1 and other forms pursuant to Circular issued by the Securities and Exchange Board of India (SEBI), bearing No. SEBI/HO/MIRSD /MIRSD\_RTAMB/P/CIR/2021/655 dated 3<sup>rd</sup> November, 2021, read with SEBI Circular No. SEBI/HO/MIRSD/MIRSD-PoD-1/P/CIR/2023/35 dated 16<sup>th</sup> March, 2023. The formats of the forms are available on the Company’s website at <https://www.astecls.com/investor-service-request.aspx> and on the website of the Bigshare at [www.bigshareonline.com](http://www.bigshareonline.com)
11. Shareholders are also requested to note that SEBI, vide its Circular No. SEBI/HO/MIRSD/MIRSD\_ RTAMB/P/ CIR/2022/8 dated 25<sup>th</sup> January, 2022 has mandated the listed companies to issue securities in dematerialized form only while processing service requests, viz., issue of duplicate share certificate, claim from unclaimed suspense account, renewal / exchange of share certificate, endorsement, sub-division, splitting of share certificate, consolidation of share certificates / folios, transmission and transposition. Accordingly, the Shareholders are requested to make service requests by submitting a duly filled and signed Form ISR–4, the format of which is available on the Company’s website at <https://www.astecls.com/investor-service-request.aspx> and on the website of the Bigshare at [www.bigshareonline.com](http://www.bigshareonline.com).
12. In accordance with, the General Circular No. 20/2020 dated 5<sup>th</sup> May, 2020, General Circular No.02/2021 dated 13<sup>th</sup> January, 2021, General Circular No. 19/2021 dated 8<sup>th</sup> December, 2021, General Circular No. 21/2021 dated 14<sup>th</sup> December, 2021 and General Circular No. 2/2022 dated 5<sup>th</sup> May, 2022 and General Circular No. 10/2022 dated 28<sup>th</sup> December, 2022 issued by the MCA, Circular No. SEBI/ HO /CFD /CMD1 /CIR /P/2020/79 dated 12<sup>th</sup> May, 2020, Circular No. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated 15<sup>th</sup> January, 2021, Circular No. SEBI /HO /CFD /CMD2/CIR/P/2022/62 dated 13<sup>th</sup> May, 2022 and Circular No. SEBI/HO/CFD/Pod-2/P/CIR//2023/4 dated



5<sup>th</sup> January, 2023 issued by SEBI and Sections 101 and 136 of the Companies Act, 2013 read with the relevant Rules framed thereunder, the Standalone and Consolidated Financial Statements of the Company for the Financial Year ended 31<sup>st</sup> March, 2023, including the Report of Board of Directors, Statutory Auditors' Report and/or other documents required to be attached therewith and the Notice of AGM are being sent through electronic mode to Members whose e-mail addresses are registered with the Company or the Depository Participant(s) or Bigshare. Members are requested to support the "Green Initiative" by registering / updating their e-mail address(es) in the manner specified in Point No. 10 above, to enable the Company to send electronic communications.

13. Members may also note that the Notice of AGM and the Annual Report for the Financial Year 2022-23 will be available on the Company's website [www.astecls.com](http://www.astecls.com), on the websites of the Stock Exchanges where the Equity Shares of the Company are listed, i.e., BSE Limited (at [www.bseindia.com](http://www.bseindia.com)) and National Stock Exchange of India Limited (at [www.nseindia.com](http://www.nseindia.com)) and on the website of NSDL at [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
14. The Final Dividend for the Financial Year 2022-23, as recommended by the Board of Directors, if declared at the ensuing 29<sup>th</sup> AGM, would be paid by Tuesday, 1<sup>st</sup> August, 2023, subject to deduction of tax at source, to those Shareholders or their mandates:
  - (a) whose names appear as Beneficial Owners as at the end of the business hours on **Friday, 21<sup>st</sup> July, 2023** in the list of Beneficial Owners to be furnished by National Securities Depository Limited and Central Depository Services (India) Limited in respect of the Equity Shares held in electronic form; and
  - (b) whose names appear as Shareholders in the Register of Members of the Company after giving effect to valid share transfers in physical form lodged with the Company / Bigshare on or before **Friday, 21<sup>st</sup> July, 2023**.

15. **Compulsory Transfer of Equity Shares to Investor Education and Protection Fund ("IEPF") & Unpaid/Unclaimed Dividend :**

Pursuant to the provisions of Sections 124 and 125 of the Companies Act, 2013 and the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (as amended), all the Equity Shares of the Company on which dividend has not been paid or claimed for 7 (Seven) consecutive years or more shall be transferred to the Investor Education and Protection Fund (IEPF) authority, after complying with the procedure laid down under the said Rules.

The Company in compliance with the aforesaid provisions and the said Rules has transferred 1,828 (One Thousand Eight Hundred and Twenty-Eight) Equity Shares of the Face Value of ₹ 10/- (Rupees Ten Only) each belonging to 17 (Seventeen) Shareholders underlying the unclaimed dividends for the Financial Year 2014-15. The market value of the Equity Shares transferred is approximately ₹ 25.27 Lakh, considering the Share Price as on 31<sup>st</sup> March, 2023. Shareholders are requested to take note of the provisions of the Companies Act, 2013 with regard to unclaimed dividends and claim their unclaimed dividends immediately, in order to avoid transfer of the underlying Equity Shares to the IEPF.

Shareholders may note that the dividend and Equity Shares transferred to IEPF can be claimed back by the concerned Shareholders from the IEPF Authority after making an online application to the Authority in web Form No. IEPF-5 available on [www.iepf.gov.in](http://www.iepf.gov.in) after complying with the procedure prescribed under the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016.

Since there was no dividend amount paid for the Financial Year 2015-16, there is no unclaimed amount for more than 7 (Seven) years due for transfer to the Investor Education and Protection Fund ("IEPF") established by the Central Government in terms of Section 124 of the Companies Act, 2013, after the ensuing 29<sup>th</sup> (Twenty Ninth) Annual General Meeting, during the Financial Year 2023-24.

The details of unpaid / unclaimed dividend since the Financial Year 2015-16 are given below:

Financial Year	Date of Declaration of Dividend	Dividend (%)	Dividend per Equity Share (in ₹)	Amount lying in the Unpaid Dividend Account as on 31 <sup>st</sup> March, 2023 (in ₹)	Last Date for claiming Unpaid / Unclaimed Dividend
2015-16	-	-	-	-	-
2016-17	28.07.2017	15.00	1.50	1,38,915.00	28.08.2024
2017-18	01.08.2018	15.00	1.50	1,24,203.00	01.09.2025
2018-19	26.07.2019	15.00	1.50	87,934.50	26.08.2026
2019-20	22.07.2020	15.00	1.50	54,482.00	22.08.2027
2020-21	28.07.2021	15.00	1.50	41,503.00	27.08.2028
2021-22	25.07.2022	15.00	1.50	22,734.50	25.08.2029

Also, pursuant to Section 124(2) of the Companies Act, 2013, the Company has uploaded the details of unpaid and unclaimed amounts lying with the Company in respect of dividends declared for the Financial Year 2021-22, on the website of the Company, [www.astecls.com](http://www.astecls.com).

16. Shareholders who have not encashed the demand drafts / dividend warrants for the previous year/s so far, are requested to make their claim with Bigshare at their Office No. S6-2, 6<sup>th</sup> Floor, Pinnacle Business Park, Next to Ahura Centre, Mahakali Caves Road, Andheri (East), Mumbai – 400 093, well in advance of the above due dates. Pursuant to the provisions of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, the Company has uploaded the details of unpaid and unclaimed dividend amount(s) lying with the Company as on 25<sup>th</sup> July, 2022 (date of last AGM) on the website of the Company, viz., [www.astecls.com](http://www.astecls.com).
17. Shareholders may note that the Income Tax Act, 1961, as amended by the Finance Act, 2020, mandates that dividends paid or distributed by a Company after 1<sup>st</sup> April, 2020 shall be taxable in the hands of the Shareholders. The Company shall, therefore, be required to deduct Tax at Source (TDS) at the time of making payment of Final Dividend, if declared by the Shareholders. In order to enable the Company to determine the appropriate TDS rate as applicable, Members are requested to submit the documents in accordance with the provisions of the Income Tax Act, 1961.
  - (a) For Resident Shareholders, TDS shall be deducted under Section 194 of the Income Tax Act, 1961, at rate in force on the amount of Dividend declared and paid by the Company during Financial Year 2022-23, provided Permanent Account Number (PAN) is registered by the Shareholder. If PAN is not registered or if they are specified person (non-filers) as per Section 206AB of the Income Tax Act, 1961, TDS would be deducted at higher rate in force as per provisions of the Income Tax Act, 1961 and/or the Rules framed thereunder.
 

However, no tax shall be deducted by the Company on the Dividend payable to a resident individual if the total dividend to be received by such resident individual during the Financial Year 2023-24 does not exceed ₹ 5,000/-. Please note that this includes future dividends, if any, which may be declared and paid by the Company during the Financial Year 2023-24.

Separately, in cases where a Shareholder provides Form 15G (applicable to any resident person other than a company or a firm) / Form 15H (applicable to a resident individual above the age of 60 years), provided that the eligibility conditions are being met, no TDS shall be deducted.
  - (b) For Mutual Fund Shareholders, TDS is exempt under Section 10(23D), provided Mutual Funds provide SEBI Registration / Central Board of Direct Taxes (CBDT) notification and a declaration that their income is exempt under Section 10(23D) of the Income Tax Act, 1961.
  - (c) For Foreign Institutional Investors (FII) / Foreign Portfolio Investors (FPI), tax will be deducted under Section 196D of the Income Tax Act, 1961, at applicable rate, including surcharge and cess.
  - (d) For Other Non-Resident Shareholders, taxes are required to be withheld in accordance with the provisions of Section 195 of the Income Tax Act, 1961, at the rates in force. However, as per Section 90 of the Income Tax Act, 1961, the Non-Resident Shareholder has the option to be governed by the provisions of the Double Tax Avoidance Agreement (DTAA) between India and the country of tax residence of the Shareholder, if they are more beneficial to them. For this purpose, i.e., to avail the Tax Treaty benefits, the Non-Resident Shareholder

will have to provide the following:

- Self-attested copy of Tax Residency Certificate (TRC) obtained from the tax authorities of the country of which the Shareholder is resident;
- Self-declaration in Form 10F if all the details required in this form are not mentioned in the TRC;
- Self-attested copy of the Permanent Account Number (PAN) Card allotted by the Indian Income Tax authorities;
- Self-declaration, certifying the following points:
  - i) Member is and will continue to remain a tax resident of the country of its residence during the Financial Year 2023-24;
  - ii) Member is eligible to claim the beneficial DTAA rate for the purposes of tax withholding on dividend declared by the Company;
  - iii) Member has no reason to believe that its claim for the benefits of the DTAA is impaired in any manner;
  - iv) Member is the ultimate beneficial owner of its shareholding in the Company and dividend receivable from the Company; and
  - v) Member does not have a taxable presence or a permanent establishment in India during the Financial Year 2023-24.

Please note that the Company is not obligated to apply the beneficial DTAA rates at the time of tax deduction / withholding on dividend amounts. Application of beneficial DTAA rate shall depend upon the completeness and satisfactory review by the Company, of the documents submitted by Non-Resident Shareholder.

Kindly note that the aforementioned documents, along with the requisite supporting documents are required to be submitted on or before 11.59 p.m. (IST) on Friday, 21<sup>st</sup> July 2023, to Bigshare at [tds@bigshareonline.com](mailto:tds@bigshareonline.com) and to the Company at [agm.astec@godrejastec.com](mailto:agm.astec@godrejastec.com). The Shareholders may also download these forms from Bigshare's website (at [www.bigshareonline.com](http://www.bigshareonline.com)) and send physical copies of the duly filled forms / documents to Bigshare's Office at Office No. S6-2, 6<sup>th</sup> Floor, Pinnacle Business Park, Next to Ahura Centre, Mahakali Caves Road, Andheri (East), Mumbai – 400 093, Maharashtra, in order to enable the Company to determine and deduct appropriate TDS / withholding tax rate. No communication on the tax determination / deduction received post **Friday, 21<sup>st</sup> July, 2023**, will be considered for payment of Final Dividend. No claim shall lie against the Company for such taxes deducted. Shareholders are also requested to note that in case their PAN is not registered, the tax will be deducted at a higher rate.

In case of any queries / difficulties, Shareholders may write to Bigshare at [investor@bigshareonline.com](mailto:investor@bigshareonline.com) and [tds@bigshareonline.com](mailto:tds@bigshareonline.com).

It may be further noted that in case the tax on said dividend is deducted at a higher rate in absence of receipt of the aforementioned details / documents from a Shareholder, there would still be an option available with such Shareholder to file the return of income and claim an appropriate refund, if eligible.

The Company will arrange to send the soft copy of TDS certificate to a Shareholder on its registered email ID or make such functionality available on its website in due course, post payment of the said Dividend. Shareholders will also be able to see the credit of TDS in Form 26AS, which can be downloaded from their e-filing account at <https://incometaxindiaefiling.gov.in>.

18. The Shareholders holding the shares in electronic mode may please note that their Dividend would be paid through National Electronic Clearing System (NECS) or Electronic Clearing Services (ECS) at the available RBI locations or National Electronic Fund Transfer (NEFT) or Real Time Gross Settlement (RTGS). The Dividend would be credited to their Bank account as per the mandate given by the Shareholders to their Depository Participant(s). In the absence of availability of NECS / ECS / NEFT facility, the Dividend would be paid through demand drafts / dividend warrants and the Bank details of the Shareholders as furnished by the respective Depositories to the Company will be printed on their demand drafts / dividend warrants as per the applicable regulations. For Shareholders who have not updated their Bank account details, dividend warrants / demand drafts will be sent to their registered addresses.

19. SEBI has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in dematerialized form are, therefore requested to submit their PAN to the Depository Participant(s) with whom they are maintaining their dematerialized accounts.

SEBI vide its Circular dated 3<sup>rd</sup> November, 2021 and 14<sup>th</sup> December, 2021 had mandated the submission of PAN, KYC details and nomination by holders of physical securities by **31<sup>st</sup> March, 2023**. Further, SEBI vide its circular No. SEBI/HO/MIRSD/MIRSD-PoD-1/P/CIR/2023/37 dated March 16, 2023, has extended the due date for submission of PAN, KYC details and nomination by holders of physical securities to 30<sup>th</sup> September, 2023.

The Shareholders are requested to submit their PAN, KYC and nomination details to the Registrar and Share Transfer Agent of the Company, viz., Bigshare at [investor@bigshareonline.com](mailto:investor@bigshareonline.com). The forms for updating the same are available at <https://www.astecls.com/investor-service-request.aspx>.

In case a holder of physical securities fails to furnish these details or link their PAN with Aadhaar before the due date, our Registrar and Share Transfer Agents are obligated to freeze such folios. The securities in the frozen folios shall be eligible to receive payments (including dividend) and lodge grievances only after furnishing the complete documents. If the securities continue to remain frozen as on 31<sup>st</sup> December, 2025, the Registrar / the Company shall refer such securities to the administering authority under the Benami Transactions (Prohibitions) Act, 1988, and / or the Prevention of Money Laundering Act, 2002.

20. Shareholders can avail the facility of nomination in respect of shares held by them in physical form, pursuant to the provisions of Section 72 of the Companies Act, 2013 read with the Rules framed thereunder and the SEBI Circular dated 3<sup>rd</sup> November 2021. Members desiring to avail of this facility may send their nomination in the prescribed Form No. SH-13 duly filled in, to Bigshare. If a Member desires to 'Opt Out' or 'Cancel the nomination' or 'Change the nomination', he/she may submit the same in Form ISR-3 or SH-14 as the case may be, the format of which is available on the Company's website at <https://www.astecls.com/investor-service-request.aspx> and on the website of the Bigshare at [www.bigshareonline.com](http://www.bigshareonline.com). Members holding shares in electronic form may contact their respective Depository Participants for availing this facility.
21. Shareholders holding shares in electronic form are hereby informed that Bank particulars registered against their respective Depository accounts will be used by the Company for payment of dividend. For the safety and interest of the Shareholders, it is important that Bank account details are correctly provided to the Depository Participants and registered against their demat account. Shareholders holding shares in physical form are requested to submit duly filled Form ISR-1 along with the requisite supporting documents at [www.bigshareonline.com](http://www.bigshareonline.com), for updating / registering their Bank details with the Company. The said form is available on the Company's website at the weblink <https://www.astecls.com/investor-service-request.aspx>.
22. Stock Broker(s), Custodian(s) or any other person(s) / entity(ies) holding Equity Shares of the Company as the Registered Owner(s), for and on behalf of the Beneficial Owner(s) of the Company on the cut-off date for payment of Final Dividend (if declared), i.e., on **Friday, 21<sup>st</sup> July, 2023**, is / are requested to provide the details of the Beneficial Owner(s) of the Equity Shares so as to reach the Company on or before **Friday, 21<sup>st</sup> July, 2023**, in the below format, to enable the Company to ensure / make suitable arrangements, to provide TDS credit to the actual beneficiary:

Sr. No.	Particulars of the Registered Owner						Particulars of the Beneficial Owner			
	Name of the Registered Owner	DP-ID	Client ID / Folio- No.	No. of Equity Shares	Category – Individual / Firm / Trust / Company / FPI / NRI, etc.	PAN	Name of the Beneficial Owner	Address of the Beneficial Owner	Category – Individual / Firm / Trust / Company / FPI / NRI, etc.	PAN

23. The Certificates with respect to TDS on Final Dividend paid by the Company for the Financial Year 2021-22, as declared by the Shareholders at the previous 28<sup>th</sup> AGM held on 25<sup>th</sup> July, 2022 (payment made during the Financial Year 2022-23 and pertaining to the Assessment Year 2023-24), are available for the concerned Shareholders to download from the Company's website at the weblink <https://www.astecsl.com/tds-certificates-shareholders/>, through a simple and secure OTP-based downloading process. In case of any doubt / query / difficulty, the concerned Shareholder(s) may please write to us at [agm.astec@godrejastec.com](mailto:agm.astec@godrejastec.com).
24. As per Regulation 40 of SEBI Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialized form with effect from 1<sup>st</sup> April, 2019, except in case of request received for transmission or transposition and re-lodged transfers of securities. Further, SEBI vide its Circular No. SEBI/ HO/MIRSD/RTAMB/ CIR/P/2020/236 dated 2<sup>nd</sup> December, 2020 had fixed 31<sup>st</sup> March, 2021 as the cut-off date for re-lodgement of transfer deeds and the shares that are re-lodged for transfer shall be issued only in demat mode. In order to avail various benefits of dematerialization and to eliminate all risks associated with physical shares and for ease of portfolio management, Shareholders are advised to dematerialize shares held by them in physical form. Shareholders can contact the Company or Bigshare for assistance in this regard.
- Shareholders holding shares in more than one folio in the same name(s) are requested to send the details of their folios along with Share Certificates so as to enable the Company to consolidate their holding into one folio.
25. Shareholders are requested to send in their queries at least a week in advance of the AGM, to the Company Secretary & Compliance Officer at [agm.astec@godrejastec.com](mailto:agm.astec@godrejastec.com), in order to facilitate clarifications during the AGM.
26. The venue of the 29<sup>th</sup> AGM shall be deemed to be the Registered Office of the Company at "Godrej One", 3<sup>rd</sup> Floor, Pirojshanagar, Eastern Express Highway, Vikhroli (East), Mumbai – 400 079, Maharashtra, India.
- 27. INSTRUCTIONS FOR E-VOTING AND JOINING THE AGM:**
- 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 Regulations (as amended), and the Circulars issued by the MCA, the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the ensuing 29<sup>th</sup> AGM. For this purpose, the Company has entered into an agreement with NSDL for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a Shareholder using remote e-voting system as well as e-voting on the day of the AGM will be provided by NSDL.
  - The remote e-voting period commences on **Saturday, 22<sup>nd</sup> July, 2023 at 9.00 a.m. (IST)** and ends on **Wednesday, 26<sup>th</sup> July, 2023 at 5.00 p.m. (IST)**. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date), i.e., **Thursday, 20<sup>th</sup> July, 2023**, may cast their vote electronically.
  - The voting rights of Members shall be in proportion to their share in the Paid-up Equity Share Capital of the Company as on the cut-off date, i.e., **Thursday, 20<sup>th</sup> July, 2023**.

### INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING GENERAL MEETING:

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





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

#### STEP 1: ACCESS TO NSDL E-VOTING SYSTEM

##### A. Login Method for e-Voting and joining Virtual Meeting for Individual Shareholders holding Securities in Demat mode:

In terms of Circular dated 9<sup>th</sup> December, 2020 issued by SEBI on e-Voting facility provided by listed companies, Individual Shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their Mobile number and E-mail Id in their Demat Accounts in order to access e-Voting facility.

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

Type of Shareholders	Login Method
<p><b>Individual Shareholders holding Securities in Demat Mode with NSDL</b></p>	<ol style="list-style-type: none"> <li>1. If you are already registered for <b>NSDL IDeAS facility</b>, please visit the e-Services website of NSDL. Open web browser by typing the following URL: <a href="https://eservices.nsdl.com/">https://eservices.nsdl.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the <b>“Beneficial Owner”</b> icon under <b>“Login”</b> which is available under <b>“IDeAS”</b> section. A new screen will open, wherein you will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on <b>“Access to e-Voting”</b> under e-Voting services and you will be able to see e-Voting page. Click on options available against Company name or <b>e-Voting service provider - NSDL</b> and you will be re-directed to NSDL e-Voting website for casting your vote during the remote e-Voting period or joining virtual AGM and voting during the AGM.</li> <li>2. If you are not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select <b>"Register Online for IDeAS"</b> Portal or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li>3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon <b>“Login”</b> which is available under <b>‘Shareholder/Member’</b> section. A new screen will open. You will have to enter your User ID (i.e., your 16-digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on options available against Company name or <b>e-Voting service provider - NSDL</b> and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual AGM and voting during AGM.</li> <li>4. Shareholders / Members can also download NSDL Mobile App <b>“NSDL Speede”</b> facility by scanning the QR code mentioned below for seamless voting experience.</li> </ol> <p style="text-align: center;"><b>NSDL Mobile App is available on</b></p> <div style="display: flex; justify-content: center; align-items: center; gap: 20px;"> <div style="text-align: center;">  <p><b>App Store</b></p> </div> <div style="text-align: center;">  <p><b>Google Play</b></p> </div> </div> <div style="display: flex; justify-content: center; align-items: center; gap: 40px; margin-top: 10px;">   </div>

Type of Shareholders	Login Method
<b>Individual Shareholders holding Securities in Demat mode with CDSL</b>	<ol style="list-style-type: none"> <li>1. Existing users who have opted for CDSL Easi / Easiest can login through their User Id and password. Option will be made available to reach e-Voting page without any further authentication. The users can login to Easi / Easiest on CDSL website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login icon and New System Myeasi tab. Then the user can use his/her existing Myeasi Username and Password.</li> <li>2. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the e-voting is in progress as per the information provided by company. On clicking the e-voting option, the user will be able to see e-voting page of the e-voting service provider for casting your vote during the remote e-voting period or joining virtual meeting and voting during the meeting. Additionally, there is also link provided to access the system of all e-voting service providers, so that the user can visit the e-voting service providers' website directly.</li> <li>3. If the user is not registered for Easi / Easiest, option to register is available at CDSL website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login &amp; New System Myeasi Tab and then click on registration option.</li> <li>4. Alternatively, the user can directly access e-voting page by providing Demat Account Number and PAN from an e-voting link available on the homepage of CDSL's website <a href="http://www.cdslindia.com">www.cdslindia.com</a>. The system will authenticate the user by sending OTP on registered mobile and e-mail as recorded in the Demat Account. After successful authentication, user will be able to see the e-voting option where the e-voting is in progress and also able to directly access the system of all e-voting Service Providers.</li> </ol>
<b>Individual Shareholders (holding Securities in Demat mode) login through their Depository Participants</b>	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL / CDSL for e-Voting facility. Once login, you will be able to see e-voting option. Once you click on e-voting option, you will be redirected to NSDL / CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on options available against the company name or <b>e-Voting service provider - NSDL</b> and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual AGM and voting during the AGM.</p>

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

**Helpdesk for Individual Shareholders holding Securities in Demat mode for any technical issues related to Login through Depository, i.e., NSDL and CDSL:**

Login type	Helpdesk Details
Individual Shareholders holding securities in Demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at 022 - 4886 7000 and 022 - 2499 7000.
Individual Shareholders holding securities in Demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at 1800 22 55 33.

**B. Login Method for E-Voting and joining virtual AGM for Shareholders other than Individual Shareholders holding Securities in Demat Mode and Shareholders holding Securities in Physical Mode:**

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

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

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

4. Your User ID details are given below:

Manner of holding Shares, i.e., Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in Demat Account with NSDL	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in Demat Account with CDSL	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****
c) For Members holding shares in Physical Form	<b>EVEN Number (124374)</b> of the Company, followed by Folio Number registered with the Company For example, if Folio Number is 001*** and EVEN is 124374 then user ID is 124374001***

5. Password Details for Shareholders other than Individual Shareholders are given below:
  - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
  - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the ‘initial password’ which was communicated to you. Once you retrieve your ‘initial password’, you need to enter the ‘initial password’ and the system will force you to change your password.



- c) How to retrieve your 'initial password'?
  - i) If your e-mail ID is registered in your Demat Account or with the Company, your 'initial password' is communicated to you on your e-mail ID. Trace the e-mail sent to you from NSDL from your mailbox. Open the email and open the attachment, i.e., a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8-digit Client ID for NSDL Account, last 8 digits of Client ID for CDSL account or Folio Number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
  - ii) If your e-mail ID is not registered, please follow steps mentioned below in process for those shareholders whose email ids are not registered.
6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
  - a) Click on "Forgot User Details/ Password?" (If you are holding shares in your Demat Account with NSDL or CDSL) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - b) Physical User Reset Password?" (If you are holding shares in Physical mode) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - c) If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) mentioning your Demat Account number / Folio Number, your PAN, your name, your registered address etc.
  - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on "Agree to Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

## **STEP 2: CAST YOUR VOTE ELECTRONICALLY AND JOIN THE AGM ON NSDL E-VOTING SYSTEM:**

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

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select "EVEN" of the Company, which is 124374, for which you wish to cast your vote during the remote e-voting period or cast your vote during the AGM. For joining virtual AGM, you need to click on "VC / OAVM" link placed under "Join Meeting".
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options, i.e., Assent or Dissent, verify / modify the number of Equity Shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
5. Upon confirmation, the message "Vote cast successfully" will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

**GENERAL GUIDELINES FOR SHAREHOLDERS:**

1. Institutional Shareholders (i.e., other than individuals, Hindu Undivided Family (HUF), NRI etc.) are required to send scanned copy (PDF/JPG format) of the relevant Board Resolution Power of Authority / Authority Letter, etc., with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to [csvrca@gmail.com](mailto:csvrca@gmail.com), with a copy marked to [agm.astec@godrejastec.com](mailto:agm.astec@godrejastec.com) and [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in). Institutional Shareholders can also upload their Board Resolution / Power of Authority / Authority Letter, etc. by clicking on "Upload Board Resolution / Authority Letter" displayed under "e-voting" tab in their login.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/ Password?" or "Physical User Reset Password?" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and E-voting User Manual for Shareholders available at the download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on.: 022 - 4886 7000 and 022 - 2499 7000 or send a request to NSDL at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).

**PROCESS FOR THOSE SHAREHOLDERS WHOSE E-MAIL IDS ARE NOT REGISTERED WITH THE DEPOSITORIES FOR PROCURING USER ID AND PASSWORD AND REGISTRATION OF E-MAIL IDS FOR E-VOTING FOR THE RESOLUTIONS SET OUT IN THE NOTICE OF THE AGM:**

1. In case shares are held in physical mode, please provide Folio No., Name of Shareholder, scanned copy of the Share Certificate (front and back), Permanent Account Number (PAN) Card (self-attested scanned copy), Aadhaar Card (self-attested scanned copy) to Bigshare on its website at [www.bigshareonline.com](http://www.bigshareonline.com).
2. In case shares are held in demat mode, please provide DPID-CLID (16-digit DPID + CLID or 16-digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy), Aadhaar Card (self-attested scanned copy) to your Depository Participant (DP). If you are an Individual shareholder holding securities in demat mode, you are requested to refer to the login method explained at Step 1 (A), i.e., Login method for e-Voting and joining virtual AGM for Individual Shareholders holding securities in demat mode.
3. Alternatively, Shareholder / Member may send a request to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) for procuring User Id and Password for e-voting by providing above mentioned documents.
4. In terms of SEBI Circular dated 9<sup>th</sup> December, 2020 on e-Voting facility provided by listed companies, Individual Shareholders holding securities in Demat mode are allowed to vote through their Demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and e-mail ID correctly in their Demat account in order to access e-Voting facility.

**INSTRUCTIONS FOR MEMBERS FOR E-VOTING ON THE DAY OF THE AGM:**

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

## INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC / OAVM:

1. Member will be provided with a facility to attend the AGM through VC / OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for access to NSDL e-Voting system. After successful login, you can see link of "VC/OAVM link" placed under "Join Meeting" menu against the Company's name. You are requested to click on VC / OAVM link placed under Join General Meeting menu. The link for VC / OAVM will be available in Shareholder / Member login where the EVEN of Company (124374) will be displayed. Please note that the Members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the AGM Notice to avoid last minute rush.
2. The Members can join the AGM in the VC / OAVM mode 30 (Thirty) minutes before and after the scheduled time of commencement of the AGM, by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC / OAVM will be made available for 1,000 Members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders' Relationship Committee, Auditors, etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
3. Members are encouraged to join the Meeting through Laptops for better experience.
4. Further, Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the AGM.
5. Please note that Members connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio / Video loss due to fluctuation in their respective network. It is, therefore, recommended to use a stable Wi-Fi or LAN connection to mitigate any kind of aforesaid glitches.
6. Shareholders who would like to express their views / have questions may send their questions in advance, mentioning their name Demat Account number / Folio Number, e-mail Id, mobile number at [agm.astec@godrejastec.com](mailto:agm.astec@godrejastec.com). The same will be replied by the company suitably, either in advance or at the time of AGM.
7. Members who would like to express their views or ask questions during the AGM may register themselves as a speaker by sending their request from their registered e-mail address mentioning their name, DP ID and Client ID / Folio Number, PAN, mobile number at [agm.astec@godrejastec.com](mailto:agm.astec@godrejastec.com) **from Thursday, 20<sup>th</sup> July, 2023 (9.00 a.m. IST) to Monday, 24<sup>th</sup> July, 2023 (5.00 p.m. IST)**.

Those Members who have registered themselves as a speaker will only be allowed to express their views / ask questions during the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.

8. Members who need assistance before or during the AGM, can contact NSDL at the designated e-mail ID: [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).
9. Any person holding Shares in physical form and Non-individual Shareholder, who acquires shares of the Company and becomes a Member of the Company after the Notice of AGM is sent through e-mail and holding Shares as of the Cut-off date, i.e., **Thursday, 20<sup>th</sup> July, 2023**, may obtain the login ID and password by sending a request on [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or to the Company or Bigshare. However, if he/she is already registered with NSDL for remote e-voting, then he/she can use his/her existing User ID and password for casting the vote. If he/she has forgot his/her password, he/she can reset his/her password by using "Forgot User Details/Password" or "Physical User Reset Password" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no. 1800 1020 990 and 1800 22 44 30. In case of Individual Shareholder holding securities in demat mode who acquires Shares of the Company and becomes a Member of the Company after sending of the Notice of AGM and holding Shares as of the Cut-off date, i.e., **Thursday, 20<sup>th</sup> July, 2023** may follow steps mentioned in the Notice of the AGM under "Access to NSDL e-Voting system".

28. Mr. Vikas R. Chomal, Practicing Company Secretary (Certificate of Practice No. 12133) has been appointed as the Scrutinizer to scrutinize the remote e-voting process and e-voting to be conducted at the AGM, in a fair and transparent manner.

The Scrutinizer shall, after the conclusion of voting at the AGM, unblock and count the votes cast during the AGM and through remote e-voting and shall make a consolidated Scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a Director or Company Secretary authorized in writing, who shall countersign the same and declare the result of the voting forthwith.

29. The Results shall be declared not later than 2 (Two) working days of conclusion of the AGM. The Results declared along with the Scrutinizer's Report will be placed on the website of the Company at [www.astecls.com](http://www.astecls.com) immediately after the Result is declared by the Chairman and will simultaneously be submitted to BSE Limited and National Stock Exchange of India Limited, the Stock Exchanges where the Equity Shares of the Company are listed.
30. Subject to receipt of requisite number of votes, the Resolutions shall be deemed to be passed on the date of the AGM, i.e., **Thursday, 27<sup>th</sup> July, 2023.**

**By the Order of the Board of Directors  
For Astec LifeSciences Limited**

**Tejashree Pradhan  
Company Secretary & Compliance Officer  
(FCS 7167)**

**Mumbai, 2<sup>nd</sup> May, 2023**

**Registered Office:**

"Godrej One", 3<sup>rd</sup> Floor,  
Pirojshanagar, Eastern Express Highway,  
Vikhroli (East), Mumbai – 400 079, Maharashtra  
Tel. No.: 022 - 2518 8010  
Fax No.: 022 - 2261 8289  
Website: [www.astecls.com](http://www.astecls.com)  
E-mail: [astecinvestors@godrejastec.com](mailto:astecinvestors@godrejastec.com)  
CIN: L99999MH1994PLC076236

## ANNEXURE TO THE NOTICE FOR THE 29<sup>TH</sup> (TWENTY NINTH) ANNUAL GENERAL MEETING (AGM) OF ASTEC LIFESCIENCES LIMITED

### Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013 (“the Act”)

The following Explanatory Statement in terms of the provisions of Section 102(1) of the Act, sets out all material facts relating to the Business mentioned in Item No. 4 of the accompanying Notice for convening the **29<sup>th</sup> (Twenty Ninth) Annual General Meeting of Astec LifeSciences Limited** to be held on **Thursday, 27<sup>th</sup> July, 2023 at 4.00 p.m. (IST)**:

#### Item No. 4:

The Board of Directors of the Company, based on the recommendation of the Audit Committee, has appointed M/s. NNT & Co., Cost Accountants, Mumbai (Firm Registration Number: 100911), as the “Cost Auditors” of the Company for the Financial Year 2023-24, pursuant to Section 148 and other applicable provisions of the Companies Act, 2013 (“the Act”), the Companies (Audit and Auditors) Rules, 2014 and the Companies (Cost Records and Audit) Rules, 2014, at its Meeting held on 2<sup>nd</sup> May, 2023.

Pursuant to Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the remuneration upto ₹ 80,000/- (Rupees Eighty Thousand Only) per annum inclusive of XBRL compilation and Goods and Service Tax (GST) as applicable plus reimbursement of out-of-pocket expenses at actuals, payable to the Cost Auditors, as recommended by the Audit Committee and approved by the Board of Directors, shall require subsequent ratification by the Shareholders.

Based on the certification received from the Cost Auditors, it may be noted that:

- (a) the Cost Auditors do not suffer from any disqualifications as specified under Sections 139(1) and 141(3) of the Act;
- (b) their appointment is in accordance with the limits specified in Section 141(3)(g) of the Act;
- (c) they are not holding any securities of the Company carrying voting rights;
- (d) they are an independent firm of Cost Accountants holding valid certificate of practice and are at arm’s length relationship with the Company, pursuant to Section 144 of the Act.

None of the Directors / Key Managerial Personnel of the Company or their relatives is, in any way, concerned or interested, financially or otherwise, in the proposed Resolution set out in Item No. 4.

The Board recommends the Ordinary Resolution set forth in Item No. 4 for approval of the Shareholders.

**By the Order of the Board of Directors  
For Astec LifeSciences Limited**

**Tejashree Pradhan**  
**Company Secretary & Compliance Officer**  
**(FCS 7167)**

**Mumbai, 2<sup>nd</sup> May, 2023**

#### Registered Office:

“Godrej One”, 3<sup>rd</sup> Floor,  
Pirojshanagar, Eastern Express Highway,  
Vikhroli (East), Mumbai – 400 079, Maharashtra  
Tel. No.: 022 - 2518 8010  
Fax No.: 022 - 2261 8289  
Website: [www.astecsl.com](http://www.astecsl.com)  
E-mail: [astecinvestors@godrejastec.com](mailto:astecinvestors@godrejastec.com)  
CIN: L99999MH1994PLC076236

**BRIEF RESUME OF DIRECTOR SEEKING RE-APPOINTMENT AT THE 29<sup>TH</sup> (TWENTY NINTH) ANNUAL GENERAL MEETING OF THE COMPANY**

[Pursuant to Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015]

<b>Name of Director</b>	Mr. Balram Singh Yadav
<b>Director Identification Number (DIN)</b>	00294803
<b>Date of Birth (DD/MM/YYYY)</b>	15/07/1964
<b>Age (in years)</b>	59
<b>Nationality</b>	Indian
<b>Date of Appointment (DD/MM/YYYY)</b>	12/10/2015
<b>Tenure on the Board of Directors of the Company</b>	More than 7 (Seven) years
<b>Percentage of Shareholding in the Company</b>	0.02% as on 31 <sup>st</sup> March, 2023
<b>Qualification</b>	Bachelor's degree of Science in Agriculture from The Haryana Agricultural University and a Post Graduate Diploma in Management from the Indian Institute of Management, Ahmedabad
<b>Nature of Expertise in Specific Functional Areas</b>	Over 25 years of rich experience in diversified businesses like - <ul style="list-style-type: none"> <li>• Animal Feed</li> <li>• Aquafeed</li> <li>• Crop Protection</li> <li>• Oil Palm</li> <li>• Plant Biotech, etc.</li> </ul> in the domain of projects, operations, administration, strategy and planning.
<b>Number of Equity Shares held in the Company</b>	3,390 (Three Thousand Three Hundred and Ninety) Equity Shares as on 31 <sup>st</sup> March, 2023
<b>Number of Board Meetings attended during the Financial Year 2022-23</b>	2 out of 4

<b>Directorships held in Other Companies *</b>	<ol style="list-style-type: none"> <li>1. Godrej Agrovvet Limited</li> <li>2. Godrej Tyson Foods Limited</li> <li>3. Creamline Dairy Products Limited</li> <li>4. SEALAC Agro Ventures Limited</li> <li>5. Poultry and Frozen Foods Processors' Association of India</li> <li>6. Behram Chemicals Private Limited</li> <li>7. ACI Godrej Agrovvet Private Limited, Bangladesh</li> </ol>
<b>Chairmanships of Committees in Other Companies**</b>	<p><u>Godrej Tyson Foods Limited:</u></p> <ol style="list-style-type: none"> <li>1. Corporate Social Responsibility Committee</li> <li>2. Managing Committee</li> </ol>
<b>Memberships of Committees in Other Companies**</b>	<p><u>Godrej Agrovvet Limited:</u></p> <ol style="list-style-type: none"> <li>1. Audit Committee</li> <li>2. Stakeholders' Relationship Committee</li> <li>3. Risk Management Committee</li> <li>4. Corporate Social Responsibility Committee</li> <li>5. Managing Committee</li> </ol> <p><u>Godrej Tyson Foods Limited:</u></p> <ol style="list-style-type: none"> <li>1. Audit Committee</li> </ol> <p><u>Creamline Dairy Products Limited:</u></p> <ol style="list-style-type: none"> <li>1. Nomination and Remuneration Committee</li> <li>2. Management Committee</li> </ol>
<b>Relationships between Directors of the Company inter-se</b>	None

<p><b>Brief Profile of the Director</b></p>	<p>Mr. Balram Singh Yadav is the Managing Director of Godrej Agrovet Limited, one of India’s foremost diversified agribusiness companies. He also serves as the Managing Director of Godrej Tyson Foods Limited. He has been the Chairman of CLFMA of India (twice), an Association of Livestock Industry. In addition, he is a Director of numerous firms including ACI Godrej Agrovet Private Limited (Bangladesh), Creamline Dairy Products Limited (Hyderabad), and Astec LifeSciences Limited (Mumbai).</p> <p>Mr. Yadav began his career with Godrej in 1990 and over the years he has handled roles of increasing responsibility across businesses and regions in the Company.</p> <p>He became the Business Head in 1999 when he was asked to establish and lead the Poultry Business. He established the Real Good Chicken and Yummiez as the leading processed poultry brands in India. In 2007, he took over reins of Godrej Agrovet Limited as the Executive Director &amp; President and since, has put Godrej Agrovet Limited on the path of rapid growth. In 2017, Mr. Yadav was instrumental in taking Godrej Agrovet Limited public.</p> <p>He is a regular contributor to national and international fora in the areas of Food and Agriculture.</p>
<p><b>Names of the Listed Entities from which the Appointee has resigned in the past 3 (Three) years</b></p>	<p>NIL</p>
<p><b>Terms and Conditions of Re-appointment, along with Details of Remuneration sought to be paid and Remuneration last drawn by the Appointee</b></p>	<p>The re-appointment is in terms of the Nomination and Remuneration Policy of the Company, as displayed on the Company’s website (i.e., <a href="http://www.astecls.com">www.astecls.com</a>).</p> <p>The remuneration last drawn from the Company is NIL.</p>

\*Includes names of Public Companies in which the person holds directorship.

\*\*The directorships, Committee Memberships and Chairmanships do not include positions in foreign companies and private companies and position in companies under Section 8 of the Companies Act, 2013.

\*\*\*\*\*



# DIRECTORS' REPORT

## OF ASTEC LIFESCIENCES LIMITED

For the Financial Year ended 31<sup>st</sup> March, 2023

### TO THE MEMBERS:

Your Directors have pleasure in presenting this 29<sup>th</sup> (Twenty Ninth) Directors' Report along with the Audited Financial Statements for the Financial Year ended 31<sup>st</sup> March, 2023.

### 1. HIGHLIGHTS OF FINANCIAL PERFORMANCE:

Your Company's financial performance during the Financial Year 2022-23 as compared to that of the previous Financial Year 2021-22 is summarized below:

(₹ in Lakh)

Particulars	Standalone		Consolidated	
	2022-23	2021-22	2022-23	2021-22
Revenue from Operations	62,816.62	67,656.61	62,816.62	67,656.61
Other Income	1,303.62	1,046.34	1,306.01	1,046.78
<b>Total Income</b>	<b>64,120.24</b>	<b>68,702.95</b>	<b>64,122.63</b>	<b>68,703.39</b>
<b>Total Expenses</b>	<b>60,635.33</b>	<b>56,598.87</b>	<b>60,627.90</b>	<b>56,590.81</b>
<b>Profit / (Loss) Before Tax</b>	<b>3,484.91</b>	<b>12,104.08</b>	<b>3,494.73</b>	<b>12,112.58</b>
Less: Current Tax	-	2,861.27	2.67	2,863.40
Less: Deferred Tax	932.87	261.01	932.67	260.92
<b>Profit / (Loss) After Tax</b>	<b>2,552.04</b>	<b>8,981.80</b>	<b>2,559.39</b>	<b>8,988.26</b>
Other Comprehensive Income (Net of Tax)	(22.88)	(0.54)	(21.82)	(0.72)
<b>Total Comprehensive Income</b>	<b>2,529.16</b>	<b>8,981.26</b>	<b>2,537.57</b>	<b>8,987.54</b>
Total Comprehensive Income attributable to:				
- Owners of Astec LifeSciences Limited	2,529.16	8,981.26	2,534.67	8,985.14
- Non-controlling interests	N.A.	N.A.	2.90	2.40

(N.A.: Not Applicable)

### 2. REVIEW OF OPERATIONS / STATE OF AFFAIRS OF THE COMPANY AND ITS SUBSIDIARIES:

#### Review of Operations / State of Affairs of the Company:

Your Company manufactures agrochemical active ingredients (technical), bulk and formulations, intermediate products and sells its products in India as well as exports them to approximately 18 countries.

During the Financial Year 2022-23, your Company recorded Total Income of ₹ 641.23 Crore as compared to ₹ 687.03 Crore during the Financial Year 2021-22 and Profit After Tax of ₹ 25.59 Crore as compared ₹ 89.88 Crore during the Financial Year 2021-22.

Your Company's Contract Manufacturing (CMO) segment achieved 1.9x growth in total revenues and its share in sales increased to 26% in the Financial Year 2022-23 from 13% in the Financial Year 2021-22. Your Company's enterprise business, however, faced volume headwinds in both exports as well as domestic markets. Unprecedented drop in volumes, primarily in the second half of the Financial Year 2022-23, for key enterprise products was attributed to high inventories with customers and in the channel as well. Market prices also corrected sharply for key triazole fungicides in the second half which resulted in reduced realisations in the Financial Year 2022-23. As a result, your Company reported decline in revenues and margins in the Financial Year under review, as compared to the previous Financial Year 2021-22. Geographically, export sales declined by 2.6% year-on-year while domestic

sales fell by 14.0% year-on-year, due to lower volumes of key enterprise products. Proportion of exports in total revenues increased to 61% of total sales in the Financial Year 2022-23 from 58% in the previous Financial Year 2021-22. Domestic sales were 39% of total sales during the Financial Year 2022-23.

Gross margin stood at 36.1% in the Financial Year 2022-23, as compared to 42.8% in the Financial Year 2021-22. Earnings Before Interest, Tax, Depreciation and Amortization (EBITDA) margin declined to 13.9% in the Financial Year 2022-23 from 23.9% in the previous Financial Year 2021-22. Reduced realisations of key enterprise products, high cost inventories and elevated utility costs led to lower margins in the Financial Year 2022-23 as compared to the previous Financial Year 2021-22. Higher salience in total revenues and relatively stable profitability of CMO business supported overall margin profile in an otherwise challenging year.

In April 2023, your Company also inaugurated a state-of-the-art Research & Development (R&D) Centre, named “Adi Godrej Centre for Chemical Research and Development” in Rabale, Maharashtra.

In the Financial Year 2023-24, your Company will continue to focus on scaling up R&D projects, diversification into other molecules as well as chemistries and expanding its customer base for CMO business. During the Financial Year under review, your Company also initiated expansion of herbicides plant at its existing Mahad (Maharashtra) facility.

There has been no change in the nature of business of your Company during the Financial Year 2022-23.

#### **Review of Operations / State of Affairs of the Subsidiaries of the Company:**

The financial performance of the following 2 (two) subsidiaries of your Company during the Financial Year (F.Y.) 2022-23 is summarized below:

##### **(i) Behram Chemicals Private Limited:**

Behram Chemicals Private Limited, a subsidiary of your Company, has given its plot of land at Mahad (Maharashtra) to your Company on leave and license basis.

During the Financial Year 2022-23, Behram Chemicals Private Limited reported Profit Before Tax of ₹ 11.22 Lakh, as compared to Profit Before Tax of ₹ 9.21 Lakh during the previous Financial Year 2021-22.

##### **(ii) Comercializadora Agricola Agroastrachem Cia Ltda (Bogota, Columbia):**

Comercializadora Agricola Agroastrachem Cia Ltda is a foreign subsidiary company, having its Registered Office in Bogota, Colombia and is engaged in the business of obtaining product registrations in conformity with local laws of the said country. This company is yet to start any major commercial activity.

For the year ended 31<sup>st</sup> March, 2023, Comercializadora Agricola Agroastrachem Cia Ltda reported Profit/(Loss) Before Tax of NIL, as compared to Profit/(Loss) Before Tax of NIL reported during the previous year ended 31<sup>st</sup> March, 2022.

### **3. DIVIDEND:**

Your Board has recommended a Final Dividend of 15% (Fifteen per cent) on the Equity Share Capital of your Company, i.e., ₹ 1.50 (Rupee One Paise Fifty Only) per Equity Share of Face Value of ₹ 10/- (Rupees Ten Only) each for the Financial Year 2022-23, subject to approval of the Shareholders at the ensuing 29<sup>th</sup> (Twenty Ninth) Annual General Meeting of the Company.

The Dividend, if declared, will be paid to the Shareholders whose names appear in the Register of Members of the Company as on **Friday, 21<sup>st</sup> July, 2023** and in respect of shares held in dematerialized form, it will be paid to Shareholders whose names are furnished by National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL), as the beneficial owners as on that date.

The Shareholders of your Company are requested to note that the Income Tax Act, 1961, as amended by the Finance Act, 2020, mandates that dividends paid or distributed by a Company after 1<sup>st</sup> April, 2020 shall be taxable in the hands of the Shareholders. The Company shall, therefore, be required to deduct Tax at Source (TDS) at the

time of making payment of the Final Dividend. In order to enable your Company to determine and deduct the appropriate TDS as applicable, the Shareholders are requested to read the instructions given in the Notes to the Notice convening the 29<sup>th</sup> (Twenty Ninth) Annual General Meeting of the Company, forming a part of this Annual Report.

The Dividend payout for the Financial Year 2022-23 is in accordance with the Dividend Distribution Policy of the Company.

In terms of Regulation 43A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Dividend Distribution Policy of the Company is made available on the website of the Company and is available on the web link <https://www.astecls.com/codes-and-policies.aspx>.

#### 4. TRANSFER TO RESERVES:

Your Board does not propose to transfer any amount to reserves during the Financial Year 2022-23.

#### 5. PARTICULARS OF LOANS, INVESTMENTS AND GUARANTEES:

As required to be reported pursuant to the provisions of Section 186 and Section 134(3)(g) of the Companies Act, 2013, the particulars of loans, guarantees and investments by your Company under the aforesaid provisions during the Financial Year 2022-23, have been provided in the Notes to the Financial Statement.

#### 6. FINANCE AND CREDIT RATING:

Your Company continues to manage its treasury operations efficiently and has been able to borrow funds for its operations at competitive rates.

As on 31<sup>st</sup> March, 2023, ICRA Limited has assigned Credit Ratings in respect of ₹ 981.00 Crore of Line of Credit (LOC) and ₹ 300.00 Crore of Commercial Paper Programme availed by the Company, as under:

- a) Rating of "[ICRA] AA- (Stable)" (pronounced "ICRA double A minus") for long term bank facilities of ₹ 556.00 Crore;
- b) Rating of "[ICRA] A1+" (pronounced "ICRA A one plus") for short term bank facilities of ₹ 425.00 Crore;
- c) Rating of "[ICRA] A1+" (pronounced "ICRA A one plus") for Commercial Paper Programme of ₹ 300.00 Crore.

In accordance with the Credit Rating assigned to the Commercial Paper Programme of your Company as above, the Board of Directors has granted its approval for borrowing by way of issuance of Commercial Papers upto an aggregate limit of ₹ 300.00 Crore.

#### 7. INFORMATION SYSTEMS:

Information in your Company is considered as an important business asset and Information Security recommendations are implemented to provide adequate security to critical information assets in the organization. Industry's best security solutions and tools are implemented to ensure zero trust security in endpoints, servers, networks and cloud infrastructure with 24 X 7 monitoring mechanism to ensure security and high uptime.

Your Company has stringent cyber security policy which is monitored and managed by competent professionals round the clock. For network security, your Company has a zero-tolerance policy and all critical applications are accessible through secure channels. Disaster Recovery Site is maintained for critical business applications and Disaster Recovery Drills are conducted as per audit recommendations to ensure business continuity and compliance. Digital transformation initiatives have been implemented across businesses, which include deployment of web-based and mobile applications to bring in operational efficiency and be a future ready resilient organization. Your Company is also working on Cloud adoption to strengthen infrastructure availability and provide better manageability, thereby ensuring business continuity. Use of the latest technologies like Artificial Intelligence and Machine Learning (AI & ML) and Predictive analytics is well in place.

**8. SHARE CAPITAL:**

The Authorized Equity Share Capital of the Company as on 31<sup>st</sup> March, 2023 stood at ₹ 25,00,00,000/- (Rupees Twenty Five Crore Only), comprising of 2,50,00,000 (Two Crore Fifty Lakh) Equity Shares of Face Value of ₹ 10/- (Rupees Ten Only) each.

The Issued, Subscribed and Paid-up Equity Share Capital of the Company as on 31<sup>st</sup> March, 2023 was ₹ 19,60,56,600/- (Rupees Nineteen Crore Sixty Lakh Fifty Six Thousand Six Hundred Only) comprising of 1,96,05,660 (One Crore Ninety Six Lakh Five Thousand Six Hundred Sixty) Equity Shares of Face Value of ₹ 10/- (Rupees Ten Only) each.

During the Financial Year 2022-23, the Company has allotted 8,105 (Eight Thousand One Hundred Five) Equity Shares of Face Value of ₹ 10/- (Rupees Ten Only) each, ranking pari passu with the existing Equity Shares, out of which:

- (a) 4,000 (Four Thousand) Equity Shares were allotted pursuant to exercise of Options at an exercise price of ₹ 34/- (Rupees Thirty Four Only) each under the original Employees Stock Option Plan, 2012 ("ESOP 2012");
- (b) 1,105 (One Thousand One Hundred Five) Equity Shares were allotted pursuant to exercise of Options at an exercise price of ₹ 10/- (Rupees Ten Only) each under amended ESOP 2012;
- (c) 3,000 (Three Thousand) Equity Shares were allotted pursuant to exercise of Options at an exercise price of ₹ 387.35 (Rupees Three Hundred Eighty Seven and Paise Thirty Five Only) each under the Employees Stock Option Scheme, 2015 ("ESOS 2015").

Further, during the Financial Year under review, the Nomination and Remuneration Committee of the Board of Directors of your Company has granted 1,322 (One Thousand Three Hundred Twenty Two) Options convertible into 1,322 (One Thousand Three Hundred Twenty Two) Equity Shares at an Exercise Price of ₹ 10/- (Rupees Ten Only) under the amended ESOP 2012.

During the Financial Year under review, no options were granted under ESOS 2015.

**9. MANAGEMENT DISCUSSION AND ANALYSIS REPORT:**

The Management Discussion and Analysis Report for the Financial Year 2022-23, as stipulated under Regulation 34(2) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, forms a part of the Annual Report.

**10. HOLDING COMPANY:**

Godrej Agrovet Limited, a listed company (listed on BSE Limited and National Stock Exchange of India Limited), is, inter alia, engaged in the business of manufacturing and marketing of Animal Feeds, Agricultural Inputs and Oil Palm and continues to be the Holding Company of your Company. The shareholding of Godrej Agrovet Limited in your Company as on 31<sup>st</sup> March, 2023 was 64.77% [i.e., 1,26,99,054 (One Crore Twenty Six Lakh Ninety Nine Thousand Fifty Four) Equity Shares of Face Value of ₹ 10/- (Rupees Ten Only) each] of the Issued, Subscribed and Paid-up Equity Share Capital of the Company.

Godrej Agrovet Limited, in turn, is a subsidiary of Godrej Industries Limited, a listed company (listed on BSE Limited and National Stock Exchange of India Limited). Godrej Industries Limited, thus, continues to be the Ultimate Holding Company of your Company.

**11. SUBSIDIARY COMPANIES:**

Your Company had the following 2 (Two) Subsidiary Companies throughout the Financial Year 2022-23:

- (a) Behram Chemicals Private Limited, Maharashtra, India (in which your Company holds 65.63% of the Paid-up Equity Share Capital); and
- (b) Comercializadora Agricola Agroastrachem Cia Ltda, Bogota, Columbia (in which your Company holds 100% of the Paid-up Equity Share Capital).

A report on the financial position and performance of each of the Subsidiary Companies in Form AOC-1 for the Financial Year 2022-23 forms a part of the Directors' Report and is annexed herewith as '**Annexure A**'.

## **12. JOINT VENTURES OR ASSOCIATE COMPANIES:**

Your Company did not have any Joint Ventures or Associate companies during the Financial Year 2022-23.

## **13. CONSOLIDATED FINANCIAL STATEMENTS:**

The Consolidated Financial Statements of your Company for the Financial Year 2022-23 are prepared in accordance with the relevant Indian Accounting Standards (Ind AS), i.e., Ind AS 110 issued by the Institute of Chartered Accountants of India (ICAI) and form part of this Annual Report. Accordingly, the Annual Report of your Company does not contain the Financial Statements of its 2 (Two) Subsidiary Companies, viz., Behram Chemicals Private Limited and Comercializadora Agricola Agroastrachem Cia Ltda (Bogota, Columbia).

The Annual Financial Statements and related information of your Company's Subsidiaries will be made available upon request. Also, in accordance with Section 136 of the Companies Act, 2013, the Audited Financial Statements, including Consolidated Financial Statements and related information of your Company and Financial Statements of each of the Subsidiaries, are hosted on the Company's website, viz., [www.astecls.com](http://www.astecls.com) and can be accessed through the web link <https://www.astecls.com/financial-updates.aspx>. These documents will also be available for inspection during all days except Saturdays, Sundays and Public Holidays between 10.00 a.m. (IST) to 4.00 p.m. (IST) at the Company's Registered Office in Mumbai, Maharashtra, subject to restrictions, if any, as may be imposed by the Government(s) and/or local authority(ies) from time to time. If any Shareholder is interested in inspecting and obtaining a copy thereof, such Shareholder may write an e-mail to [agm.astecl@godrejastec.com](mailto:agm.astecl@godrejastec.com).

## **14. DIRECTORS:**

During the Financial Year 2022-23, Mr. Rakesh Dogra [Director Identification Number (DIN: 07334098)] resigned as a "Non-Executive, Non-Independent Director" w.e.f. 2<sup>nd</sup> May, 2022. Further, at the 28<sup>th</sup> (Twenty Eighth) Annual General Meeting ("AGM") of your Company held on 25<sup>th</sup> July, 2022, Mr. Nadir B. Godrej [Director Identification Number (DIN: 00066195)], Chairman & Non-Executive, Non-Independent Director, who was liable to retire by rotation, was re-appointed by the Shareholders. Mr. Burjis Godrej [Director Identification Number (DIN: 08183082)] has been appointed as a "Non-Executive, Non-Independent Director" w.e.f. 25<sup>th</sup> July, 2022 and his appointment has also been approved by way of an Ordinary Resolution passed on 18<sup>th</sup> September, 2022 by way of a Postal Ballot, whose results were declared on 19<sup>th</sup> September, 2022.

In accordance with the provisions of Section 152(6) of the Companies Act, 2013 read with the Articles of Association of the Company, Mr. Balram Singh Yadav [Director Identification Number (DIN: 00294803)], Non-Executive, Non-Independent Director of the Company is liable to retire by rotation at the ensuing 29<sup>th</sup> (Twenty Ninth) AGM, and being eligible, has offered himself for re-appointment. Appropriate resolution for re-appointment of Mr. Balram Singh Yadav is being moved at the ensuing 29<sup>th</sup> (Twenty Ninth) AGM, which the Board of Directors recommends for your approval.

Pursuant to the provisions of Regulation 34(3) read with Schedule V to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has obtained a Certificate from Mr. Vikas Chomal, a Company Secretary in Practice certifying that none of the Directors of the Company has been debarred or disqualified by the Securities and Exchange Board of India (SEBI) or by the Ministry of Corporate Affairs (MCA) or by any such statutory authority, from being appointed or continuing as a Director of any company. The said Certificate is annexed to the Corporate Governance Report of the Company for the Financial Year 2022-23.

## **15. MEETINGS OF THE BOARD OF DIRECTORS:**

The Meetings of the Board of Directors are pre-scheduled and intimated to all the Directors in advance, in order to enable them to plan their schedule. However, in case of special and urgent business needs, approval is taken either by convening Meetings at a shorter notice with consent of all the Directors or by passing a Resolution through Circulation.

The Board of Directors of your Company met 4 (Four) times during the Financial Year 2022-23 (on 2<sup>nd</sup> May, 2022, 25<sup>th</sup> July, 2022, 28<sup>th</sup> October, 2022 and 30<sup>th</sup> January, 2023). The details of Board Meetings and the attendance of the Directors thereat are provided in the Corporate Governance Report. The intervening time gap between two consecutive Meetings of the Board was within the limit prescribed under the Companies Act, 2013, i.e., the same was not exceeding 120 (One Hundred Twenty) days.

#### 16. BOARD EVALUATION:

The Board of Directors has carried out a detailed annual evaluation of the performance of its own, its Committees as well as the Directors individually. A structured questionnaire was circulated after taking into consideration various aspects of the Board's functioning, composition of the Board and its Committees, culture, execution and performance of specific duties, obligations and governance. The performance evaluation of the Chairman and Non-Independent Directors was carried out by the Independent Directors. The confidential online questionnaire was responded to by all the Directors and vital feedback was received from them on how the Board and its Committees currently function and suggestions to improve their effectiveness.

The process of annual evaluation of Directors' performance and the feedback received therefrom has been discussed and noted at the Meetings of the Independent Directors, the Nomination and Remuneration Committee and the Board of Directors.

The Directors have expressed their overall satisfaction with the evaluation process.

#### 17. INDEPENDENT DIRECTORS:

All the Independent Directors of your Company, viz., Dr. Brahma Nand Vyas, Mr. R. R. Govindan, Mr. Vijay Kashinath Khot, Mr. Nandkumar Vasant Dhekne and Ms. Anjali Rajesh Gupte have registered themselves with the databank maintained by the Indian Institute of Corporate Affairs ("IICA"), in terms of the provisions of Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014 and the Companies (Creation and Maintenance of Databank of Independent Directors) Rules, 2019.

In terms of the provisions of the Companies (Appointment and Qualification of Directors) Rules, 2014 dealing with the requirement for Independent Directors to pass Proficiency Test conducted by IICA:

- Dr. Brahma Nand Vyas, Mr. Vijay Kashinath Khot and Mr. Nandkumar Vasant Dhekne are exempt from appearing for the Proficiency Test;
- Mr. R. R. Govindan and Ms. Anjali Rajesh Gupte have successfully cleared / completed the Proficiency Test within the mandatory timelines applicable to each of them.

Your Company has received declarations from all the Independent Directors confirming that they meet the criteria of independence as prescribed under Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the same have been taken on record by the Board after undertaking due assessment of the veracity of the same.

The criteria for determining qualifications, positive attributes and independence of Directors is provided in the Nomination and Remuneration Policy of the Company which is available on the website, viz., [www.astecls.com](http://www.astecls.com) at the web link <https://www.astecls.com/codes-and-policies.aspx>.

All the Independent Directors of the Company have duly complied with the Code for Independent Directors as prescribed in Schedule IV to the Companies Act, 2013. The details of familiarization programmes attended by the Independent Directors during the Financial Year 2022-23 are available on the website of the Company, [www.astecls.com](http://www.astecls.com) at the web link <https://www.astecls.com/listing-compliance.aspx>.

The Independent Directors met once during the Financial Year 2022-23, i.e., on 2<sup>nd</sup> May, 2022, pursuant to the provisions of Regulation 25 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Schedule IV to the Companies Act, 2013. The Meeting of the Independent Directors was conducted without the presence of the Chairman, Whole Time Director and Non-Executive Directors and the members of your Company's Management.

**18. DIRECTORS' RESPONSIBILITY STATEMENT:**

Pursuant to the provisions of Section 134 of the Companies Act, 2013 ("the Act"), your Directors, to the best of their knowledge and ability, confirm as under:

- a) that in the preparation of the Annual Accounts for the Financial Year ended 31<sup>st</sup> March, 2023, the applicable Accounting Standards have been followed along with proper explanation relating to material departures, if any;
- b) that such accounting policies have been selected and applied consistently, and such judgments and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31<sup>st</sup> March, 2023 and the profit of the Company for the Financial Year ended as at that date;
- c) that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company, for preventing and detecting fraud and other irregularities;
- d) that the Annual Accounts for the Financial Year ended 31<sup>st</sup> March, 2023 have been prepared 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) that proper systems are in place to ensure compliance of all laws applicable to the Company and that such systems are adequate and operating effectively.

**19. KEY MANAGERIAL PERSONNEL:**

The following were the Key Managerial Personnel (KMP) of your Company pursuant to the provisions of Section 203 of the Companies Act, 2013, during the Financial Year 2022-23:

1. Mr. Anurag Roy, Whole Time Director & Chief Executive Officer
2. Mr. Saurav Bhala, Chief Financial Officer (upto 30<sup>th</sup> September, 2022)
3. Mr. Madhur Gundecha, Chief Financial Officer (w.e.f. 28<sup>th</sup> October, 2022)
4. Ms. Tejashree Pradhan, Company Secretary & Compliance Officer

During the Financial Year under review, Mr. Saurav Bhala resigned as the "Chief Financial Officer" w.e.f. 1<sup>st</sup> October, 2022. Mr. Madhur Gundecha was appointed by the Board of Directors as the "Chief Financial Officer" w.e.f. 28<sup>th</sup> October, 2022, based on the recommendations made by the Nomination and Remuneration Committee and the Audit Committee.

Mr. Madhur Gundecha has resigned as the "Chief Financial Officer" w.e.f. the close of business hours on 2<sup>nd</sup> May, 2023. Mr. K. Suryanarayan has been appointed by the Board of Directors as the "Chief Financial Officer" w.e.f. 3<sup>rd</sup> May, 2023, based on the recommendations made by the Nomination and Remuneration Committee and the Audit Committee.

**20. STATUTORY AUDITORS:**

B S R & Co. LLP, Chartered Accountants, Mumbai (Firm Registration Number: 101248W/W-100022) are the "Statutory Auditors" of your Company.

At the 28<sup>th</sup> (Twenty-Eighth) Annual General Meeting of the Company held on 25<sup>th</sup> July, 2022, B S R & Co. LLP have been re-appointed as the "Statutory Auditors" for a second term of 5 (Five) years, to hold office from the conclusion of the 28<sup>th</sup> (Twenty Eighth) Annual General Meeting till the conclusion of the 33<sup>rd</sup> (Thirty Third) Annual General Meeting (i.e., from the Financial Year 2022-23 upto the Financial Year 2026-27), based on the recommendation made by the Audit Committee and the Board of Directors at their respective Meetings held on 2<sup>nd</sup> May, 2022.

B S R & Co. LLP have provided a written confirmation that they are eligible to continue to act as the Statutory Auditors of the Company for the Financial Year 2023-24, in terms of the applicable provisions of the Companies Act, 2013 and the Rules framed thereunder.

**21. COST AUDITORS:**

Pursuant to Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 and the Companies (Cost Records and Audit) Rules, 2014, the cost records are required to be maintained by your Company and the same are required to be audited. Your Company, accordingly, maintains the required cost accounts and records.

Your Board of Directors had, upon recommendation of the Audit Committee, at its Meeting held on 2<sup>nd</sup> May, 2022, re-appointed M/s. NNT & Co., Cost Accountants, Mumbai (Firm Registration Number: 100911) as the “Cost Auditors” of the Company for the Financial Year 2022-23 and their remuneration was duly ratified by the Shareholders at the 28<sup>th</sup> (Twenty Eighth) Annual General Meeting held on 25<sup>th</sup> July, 2022.

Your Board of Directors has, upon recommendation of the Audit Committee, at its Meeting held on 2<sup>nd</sup> May, 2023, re-appointed M/s. NNT & Co., who have provided their consent and confirmed their eligibility, as the “Cost Auditors” of your Company for the Financial Year 2023-24, subject to ratification of their remuneration at the ensuing 29<sup>th</sup> (Twenty Ninth) Annual General Meeting.

**22. SECRETARIAL AUDITORS AND SECRETARIAL AUDIT REPORT:**

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, your Board of Directors had, upon recommendation of the Audit Committee, at its Meeting held on 2<sup>nd</sup> May, 2022, appointed M/s. BNP and Associates, Company Secretaries (Firm Registration Number: P2014MH037400), Mumbai to undertake Secretarial Audit of your Company for the Financial Year 2022-23.

The Secretarial Audit Report issued by M/s. BNP and Associates, Secretarial Auditors for the Financial Year 2022-23, which is an unqualified report, is annexed herewith as ‘Annexure B’.

Your Board of Directors has, upon recommendation of the Audit Committee, at its Meeting held on 2<sup>nd</sup> May, 2023, re-appointed M/s. BNP and Associates, who have provided their consent and confirmed their eligibility, as the “Secretarial Auditors” of your Company for the Financial Year 2023-24.

**23. COMPLIANCE WITH THE SECRETARIAL STANDARDS:**

Your Company is in compliance with the Secretarial Standards on Meetings of the Board of Directors (SS-1) and Secretarial Standards on General Meetings (SS-2), as issued by the Institute of Company Secretaries of India (ICSI), as applicable.

**24. AUDIT COMMITTEE:**

Pursuant to the provisions of Section 177 of the Companies Act, 2013, Rule 6 of the Companies (Meetings of Board and Its Powers) Rules, 2014 and Regulation 18 read with Part C of Schedule II to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, your Company has constituted Audit Committee of the Board of Directors comprising of the following Members as on 31<sup>st</sup> March, 2023:

Sr. No.	Name of the Member	Designation & Category
1.	Mr. R. R. Govindan	Chairman (Non-Executive, Independent Director)
2.	Mr. Ashok V. Hiremath	Member (Non-Executive, Non-Independent Director)
3.	Mr. Vijay Kashinath Khot	Member (Non-Executive, Independent Director)
4.	Dr. Brahma Nand Vyas	Member (Non-Executive, Independent Director)

During the Financial Year 2022-23, there was no change in the composition of the Audit Committee.



Audit Committee Meetings were held 4 (Four) times during the Financial Year 2022-23 (on 2<sup>nd</sup> May, 2022, 25<sup>th</sup> July, 2022, 28<sup>th</sup> October, 2022 and 30<sup>th</sup> January, 2023). The Statutory Auditors, Internal Auditors and Chief Financial Officer attend the Audit Committee Meetings as invitees. The Statutory Auditors and the Internal Auditors, inter alia, present their observations on adequacy of internal financial controls and the steps necessary to bridge gaps, if any. Accordingly, the Audit Committee makes observations and recommendations to the Board of Directors of your Company. The Board has accepted all the recommendations of the Audit Committee during the Financial Year 2022-23.

The Company Secretary & Compliance Officer acts as Secretary to the Audit Committee.

## 25. NOMINATION AND REMUNERATION COMMITTEE:

Pursuant to the provisions of Section 178 of the Companies Act, 2013, Rule 6 of the Companies (Meetings of Board and Its Powers) Rules, 2014 and Regulation 19 read with Part D of Schedule II to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, your Company has constituted Nomination and Remuneration Committee of the Board of Directors comprising of the following Members as on 31<sup>st</sup> March, 2023:

Sr. No.	Name of the Member	Designation & Category
1.	Mr. R. R. Govindan	Chairman (Non-Executive, Independent Director)
2.	Mr. Vijay Kashinath Khot	Member (Non-Executive, Independent Director)
3.	Mr. Balram Singh Yadav	Member (Non-Executive, Non-Independent Director)

During the Financial Year 2022-23, there was no change in the composition of the Nomination and Remuneration Committee.

Nomination and Remuneration Committee Meetings were held 3 (Three) times during the Financial Year 2022-23 (on 2<sup>nd</sup> May, 2022, 25<sup>th</sup> July, 2022 and 28<sup>th</sup> October, 2022).

## 26. CORPORATE SOCIAL RESPONSIBILITY ("CSR") & CSR COMMITTEE:

Pursuant to the provisions of Section 135 of the Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy) Rules, 2014, your Company has constituted CSR Committee of the Board of Directors comprising of the following Members as on 31<sup>st</sup> March, 2023:

Sr. No.	Name of the Member	Designation & Category
1.	Mr. Ashok V. Hiremath	Chairman (Non-Executive, Non-Independent Director)
2.	Mr. Balram Singh Yadav	Member (Non-Executive, Non-Independent Director)
3.	Mr. R. R. Govindan	Member (Non-Executive, Independent Director)
4.	Dr. Brahma Nand Vyas	Member (Non-Executive, Independent Director)

During the Financial Year 2022-23, there was no change in the composition of the CSR Committee.

CSR Committee Meetings were held 2 (Two) times during the Financial Year 2022-23 (on 2<sup>nd</sup> May, 2022 and 28<sup>th</sup> October, 2022).

### CSR Policy and Areas of CSR Expenditure:

As a responsible corporate citizen, your Company recognises CSR as integral to the way it does its business and strives to engage, connect and uplift the community in and around the areas in which your Company operates. The CSR Policy of your Company aligns itself with the Godrej Group's 'Good and Green' vision of creating a more inclusive and greener India. Each of your Company's CSR projects are aligned with the 'Good and Green' goals of the Godrej Group and correspond to different items listed in Schedule VII to the Companies Act, 2013, which create social, environmental and economic value for the society.

Your Company aspires and consistently moves in the direction to become a sustainable company through leadership commitment, multiple stakeholder engagements and disciplined value chain mechanisms. Your Company’s holistic approach towards sustainability not only manages its externalities but also provides tangible solutions for the benefit and upliftment of the communities around its manufacturing sites. The CSR Policy of your Company outlines programmes and projects which the Company undertakes to create a positive impact on its stakeholders, taking into account the priorities of the nation and the needs of the local communities in order to deliver high-impact programmes that are easy to scale up.

The CSR Policy of your Company is uploaded on the website, viz., [www.astecls.com](http://www.astecls.com) and can be accessed through the web link <https://www.astecls.com/codes-and-policies.aspx>.

**Amount of CSR Spending:**

Your Company was required to spend ₹ 180.73 Lakh towards CSR Activities in terms of the provisions of Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, during the Financial Year 2022-23, out of which your Company has spent ₹ 141.99 Lakh towards CSR Activities. Your Company took up different projects pertaining to raising livelihoods of communities, digital education, etc. The shortfall of ₹ 38.74 Lakh in the amount of CSR spending is attributable to ongoing projects which will be completed by the Company in due course and the same has been duly transferred to Unspent CSR Account within the prescribed time limit.

**Annual Report on CSR Activities:**

The Annual Report on CSR Activities for the Financial Year 2022-23 is annexed herewith as ‘Annexure C’.

**27. RISK MANAGEMENT & THE RISK MANAGEMENT COMMITTEE:**

Pursuant to the provisions of Regulation 21 read with Part D of Schedule II to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, your Company has constituted a Risk Management Committee of the Board of Directors comprising of the following Members as on 31<sup>st</sup> March, 2023:

Sr. No.	Name of the Member	Designation & Category
1.	Mr. Ashok V. Hiremath	Chairman (Non-Executive, Non-Independent Director)
2.	Mr. Balram Singh Yadav	Member (Non-Executive, Non-Independent Director)
3.	Mr. R. R. Govindan	Member (Non-Executive, Independent Director)

During the Financial Year 2022-23, Mr. Saurav Bhala, Chief Financial Officer, who was formerly a Member of the Risk Management Committee, ceased to be a Member, on account of his resignation on 30<sup>th</sup> September, 2022.

Risk Management Committee Meetings were held 3 (Three) times during the Financial Year 2022-23 (on 2<sup>nd</sup> May, 2022, 28<sup>th</sup> October, 2022 and 24<sup>th</sup> March, 2023).

The detailed terms of reference of the Risk Management Committee are set out in the Corporate Governance Report forming a part of the Annual Report.

Your Company considers ongoing risk management to be a core component of the management and functioning of the Company and understands that the Company’s ability to identify and address risks is central to achieving its corporate objectives. Your Company has, therefore, developed and implemented a Risk Management Policy. Your Company has formulated a series of processes, structures and guidelines which assist the Company to identify, assess, monitor and manage its business risks. In order to achieve this objective, your Company has clearly defined responsibility and authority of the Company’s Board of Directors and of the Risk Management Committee, to oversee and manage the risk management programme, while conferring responsibility and authority on the Company’s senior management, to develop and maintain the risk management programme in light of the day-to-day emerging needs of the Company. Regular communication and review of risk management practices provides your Company with important checks and balances to ensure the efficacy of its risk management.

At present, there are no identified elements of risks, which, in the opinion of the Board, may threaten the existence of the Company.

**28. STAKEHOLDERS' RELATIONSHIP COMMITTEE:**

Pursuant to the provisions of Section 178 of the Companies Act, 2013 and Regulation 20 read with Part D of Schedule II to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, your Company has constituted a Stakeholders' Relationship Committee of the Board of Directors, comprising of the following Members as on 31<sup>st</sup> March, 2023:

Sr. No.	Name of the Member	Designation & Category
1.	Mr. Balram Singh Yadav	Chairman (Non-Executive, Non-Independent Director)
2.	Mr. R. R. Govindan	Member (Non-Executive, Independent Director)
3.	Mr. Vijay Kashinath Khot	Member (Non-Executive, Independent Director)

During the Financial Year 2022-23, there was no change in the composition of the Stakeholders' Relationship Committee.

Meeting of the Stakeholders' Relationship Committee was held once during the Financial Year 2022-23 (viz., on 30<sup>th</sup> January, 2023).

Ms. Tejashree Pradhan, Company Secretary & Compliance Officer is the Secretary to Stakeholders' Relationship Committee. She has attended the Meeting of the Stakeholders' Relationship Committee held during the Financial Year 2022-23.

The details of Investor Complaints during the Financial Year 2022-23 are as follows:

Complaints outstanding as on 1 <sup>st</sup> April, 2022	0
(+) Complaints received during the Financial Year ended 31 <sup>st</sup> March, 2023	3
(-) Complaints resolved during the Financial Year ended 31 <sup>st</sup> March, 2023	3
Complaints outstanding as on 31 <sup>st</sup> March, 2023	0

There are no pending share transfers as on 31<sup>st</sup> March, 2023.

**29. MANAGING COMMITTEE:**

Your Company has constituted a Managing Committee of the Board of Directors, which comprised of the following Members as on 31<sup>st</sup> March, 2023:

Sr. No.	Name of the Member	Designation & Category
1.	Mr. Balram Singh Yadav	Chairman (Non-Executive, Non-Independent Director)
2.	Mr. Ashok V. Hiremath	Member (Non-Executive, Non-Independent Director)

During the Financial Year under review, Mr. Rakesh Dogra resigned as a "Non-Executive, Non-Independent Director" w.e.f. 2<sup>nd</sup> May, 2022 and consequently, ceased to be a Member of the Managing Committee w.e.f. 2<sup>nd</sup> May, 2022.

The terms of reference of the Managing Committee include handling of various administrative and other matters of the Company, which have been delegated to the Managing Committee by the Board of Directors from time to time.

**30. PREVENTION OF SEXUAL HARASSMENT AT WORKPLACE AND INTERNAL COMPLAINTS COMMITTEE:**

The values of mutual trust and respect are considered by your Company as fundamental to its existence. Your Company is committed to creating and maintaining an atmosphere in which employees can work together without fear of sexual harassment, exploitation or intimidation and there is zero tolerance towards any such unwarranted instances.

The Board of Directors of your Company has constituted Internal Complaints Committee (ICC) pursuant to the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules framed thereunder, comprising of the following Members for Head Office as on 31<sup>st</sup> March, 2023:

1. Ms. Neeyati Shah, Presiding Officer
2. Mr. Arijit Mukherjee, Member
3. Mr. Ritesh Bhardwaj, Member (\*)
4. Ms. Tejashree Pradhan, Member
5. Ms. Varsha Patankar, Member
6. Ms. Sharmila Kher, External Member

(\*) Mr. Ritesh Bhardwaj has ceased to be a Member of the ICC w.e.f. 1<sup>st</sup> April, 2023 and Mr. Tarun Surya has been appointed as a Member of the ICC w.e.f. 13<sup>th</sup> April, 2023.

The Company has formulated and circulated to all the employees, a Policy on Prevention of Sexual Harassment at Workplace, which provides for a proper mechanism for redressal of complaints of sexual harassment.

The details of complaints with the ICC during the Financial Year 2022-23 are as follows:

Complaints outstanding as on 1 <sup>st</sup> April, 2022	0
(+) Complaints received during the Financial Year ended 31 <sup>st</sup> March, 2023	0
(-) Complaints resolved during the Financial Year ended 31 <sup>st</sup> March, 2023	0
Complaints outstanding as on 31 <sup>st</sup> March, 2023	0

The Company has complied with the applicable provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules framed thereunder.

### **31. RELATED PARTY TRANSACTIONS:**

All Related Party Transactions entered into by your Company during the Financial Year 2022-23 were on arm's length basis and in the ordinary course of business. There were no material significant Related Party Transactions entered into by the Company with its Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company. Prior approval of the Audit Committee of the Board of Directors was obtained for all the Related Party Transactions. Accordingly, as per provisions of Section 134(3)(h) and Section 188 of the Companies Act, 2013 read with Rule 8(2) of the Companies (Accounts) Rules, 2014, disclosure of Related Party Transactions in Form AOC-2 is not applicable. Attention of the Shareholders is also drawn to the disclosure of transactions with Related Parties as set out in Note No. 51 of the Standalone Financial Statements, forming part of the Annual Report. None of the Directors have any pecuniary relationships or transactions vis-à-vis the Company during the Financial Year 2022-23.

### **32. DISCLOSURES OF TRANSACTIONS OF THE COMPANY WITH ANY PERSON OR ENTITY BELONGING TO THE PROMOTER / PROMOTER GROUP:**

During the Financial Year 2022-23, the Company has entered into Related Party Transactions with Godrej Agrovet Limited, its Promoter and Holding Company, based on considerations of various business exigencies, such as synergy in operations and the same are in line with the Company's long-term strategy. Further, the Company has paid consultancy fees to Mr. Ashok V. Hiremath, Promoter of the Company, who is a "Non-Executive, Non-Independent Director" of the Company.

All such Related Party Transactions during the Financial Year under review are in the ordinary course of business, on arm's length basis and are intended to further the Company's interests. The same have been disclosed in the Financial Statement.

**33. CORPORATE GOVERNANCE:**

In accordance with Regulation 34 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), a detailed report on Corporate Governance is included in the Annual Report. M/s. BNP & Associates, Company Secretaries, Mumbai, who are also the "Secretarial Auditors" of your Company, have certified that your Company is in compliance with the requirements of Corporate Governance in terms of Regulation 34 of the Listing Regulations and their Compliance Certificate is annexed to the Report on Corporate Governance.

**34. POLICIES OF THE COMPANY:**

The Companies Act, 2013, the Rules framed thereunder and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") have mandated the formulation of certain policies for all listed companies and/or unlisted companies. All our Policies are available on the Company's website, [www.astecls.com](http://www.astecls.com) and can be accessed through the web link <https://www.astecls.com/codes-and-policies.aspx>. The Policies are reviewed periodically by the Board and its Committees and are updated based on the need and new compliance requirements.

**The major Policies which have been adopted by your Company as on 31<sup>st</sup> March, 2023 are as follows:**

1.	<b>Risk Management Policy</b>	The Company has in place, a Risk Management Policy which has been framed by the Board of Directors of the Company, based on the recommendation made by the Risk Management Committee. This Policy deals with identifying and assessing risks such as operational, strategic, financial, security, cyber security, property, legal, regulatory, reputational and other risks and the Company has in place an adequate risk management infrastructure capable of addressing these risks.
2.	<b>Corporate Social Responsibility Policy</b>	The Corporate Social Responsibility Committee has formulated and recommended to the Board of Directors, a Corporate Social Responsibility Policy, indicating the activities to be undertaken by the Company as corporate social responsibility, which has been approved by the Board. This Policy outlines the Company's strategy to bring about a positive impact on society through activities and programmes relating to livelihood, healthcare, education, sanitation, environment, etc.
3.	<b>Policy for Determining Material Subsidiaries</b>	This Policy is used to determine the material subsidiaries of the Company in order to comply with the requirements of Regulation 16(1)(c), Regulation 24 and Regulation 24A of the Listing Regulations. As on 31 <sup>st</sup> March, 2023, your Company does not have any material subsidiary.
4.	<b>Nomination and Remuneration Policy</b>	This Policy approved by the Board formulates the criteria for determining qualifications, competencies, positive attributes and independence of a Director and also the criteria for determining the remuneration of the Directors, Key Managerial Personnel and other senior management personnel.

<b>The major Policies which have been adopted by your Company as on 31<sup>st</sup> March, 2023 are as follows:</b>		
5.	<b>Whistle Blower Policy / Vigil Mechanism</b>	The Company has a Vigil Mechanism / Whistle Blower Policy. The purpose of this Policy is to enable employees to raise concerns regarding unacceptable improper practices and/or any unethical practices, violation of any law, rule or regulation, in the organization without the knowledge of the Management. The Policy provides adequate safeguards against victimization of persons who use such mechanism and makes provision for direct access to the Chairperson of the Audit Committee, in appropriate or exceptional cases.
6.	<b>Policy on Prevention of Sexual Harassment at Workplace</b>	The Company has in place, a Policy on Prevention of Sexual Harassment at Workplace, which provides for a proper mechanism for redressal of complaints of sexual harassment and thereby encourages employees to work together without fear of sexual harassment, exploitation or intimidation.
7.	<b>Policy on Materiality of Related Party Transactions and Dealing with Related Party Transactions</b>	This Policy regulates all transactions between the Company and its Related Parties.
8.	<b>Code of Conduct for Insider Trading</b>	This Policy sets up an appropriate mechanism to curb Insider Trading, in accordance with the provisions of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time.
9.	<b>Policy on Criteria for Determining Materiality of Events</b>	This Policy applies to disclosure of material events affecting the Company. This Policy warrants disclosure to investors and has been framed in compliance with the requirements of the Listing Regulations.
10.	<b>Policy for Maintenance and Preservation of Documents</b>	The purpose of this Policy is to specify the type of documents and time period for preservation thereof based on the classification mentioned under Regulation 9 of the Listing Regulations. This Policy covers all business records of the Company, including written, printed and recorded matter and electronic forms of records.
11.	<b>Archival Policy</b>	This Policy is framed pursuant to the provisions of the Listing Regulations. As per this Policy, all such events or information which have been disclosed to the Stock Exchanges are required to be hosted on the website of the Company for a minimum period of 5 (Five) years and thereafter in terms of the Policy.

**The major Policies which have been adopted by your Company as on 31<sup>st</sup> March, 2023 are as follows:**

12.	<b>Dividend Distribution Policy</b>	This Policy is framed by the Board of Directors in terms of the Listing Regulations. The focus of the Company is to have a Policy on distribution of dividend so that the investors may form their own judgment as to when and how much dividend they may expect.
13.	<b>Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information (UPSI)</b>	This Policy / Code is framed by the Board of Directors in terms of the Securities and Exchange Board of India (Prohibition of Insider Trading) (Amendment) Regulations, 2018. It aims to strengthen the Internal Control System and curb / prevent leak of Unpublished Price Sensitive Information ("UPSI") without a legitimate purpose. The Policy / Code intends to formulate a stated framework and policy for fair disclosure of events and occurrences that could impact price discovery in the market for the Company's securities. In general, this Policy aims to maintain transparency and fairness in dealings with all the stakeholders and to ensure adherence to applicable laws and regulations.
14.	<b>Code of Conduct for the Board of Directors and Senior Management Personnel</b>	The Company has in place, a Policy / Code of Conduct for the Board of Directors and Senior Management Personnel which reflects the legal and ethical values to which the Company is strongly committed. The Directors and Senior Management Personnel of your Company have complied with the Code during the Financial Year 2022-23.
15.	<b>Policy to promote Board Diversity</b>	This Policy endeavours to promote diversity at Board level, with a view to enhance its effectiveness.
16.	<b>Policy on Familiarization Programmes for Independent Directors</b>	Your Company has a Policy on Familiarization Programmes for Independent Directors, which lays down the practices followed by the Company in this regard, on a continuous basis.
17.	<b>Human Rights Policy</b>	Your Company has in place, a Human Rights Policy which demonstrates your Company's commitment to respect human rights and treat people with dignity and respect in the course of conduct of its business and operations.

**35. MANAGERIAL REMUNERATION:**

The remuneration paid to Directors, Key Managerial Personnel and other employees of the Company during the Financial Year 2022-23 was in conformity with the Nomination and Remuneration Policy of the Company. The disclosure as per the provisions of Section 197 of the Companies Act, 2013 and Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed herewith as 'Annexure D'.

**36. PARTICULARS OF EMPLOYEES:**

The disclosure as per Section 197(12) of the Companies Act, 2013 read with Rule 5(2) and Rule 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, in respect of employees of your Company, is available for inspection by the Shareholders at the Registered Office of the Company, during business hours, i.e., between 10.00 a.m. (IST) to 5.00 p.m. (IST), on all working days (i.e., excluding Saturdays,

Sundays and Public Holidays), upto the date of the ensuing 29<sup>th</sup> (Twenty Ninth) Annual General Meeting, subject to restrictions (if any) as may be imposed by the Government(s) and/or local authority(ies) from time to time. If any Shareholder is interested in inspecting and obtaining a copy thereof, such Shareholder may write an e-mail to [agm.astec@godrejastec.com](mailto:agm.astec@godrejastec.com).

**37. DEPOSITS:**

Your Company has not accepted any deposits covered under Chapter V of the Companies Act, 2013, [(i.e., deposits within the meaning of Rule 2(1)(c) of the Companies (Acceptance of Deposits) Rules, 2014)], during the Financial Year 2022-23. Thus, the details of deposits required as per the provisions of the Companies (Accounts) Rules, 2013 are as follows:

(a)	Deposits accepted during the Financial Year 2022-23	:	Nil
(b)	Deposits remained unpaid or unclaimed during the Financial Year 2022-23	:	Nil
(c)	Whether there has been any default in repayment of deposits or payment of interest thereon during the Financial Year 2022-23 and if so, number of such cases and total amount involved –		
(i)	At the beginning of the Financial Year	:	Nil
(ii)	Maximum during the Financial Year	:	Nil
(iii)	At the end of the Financial Year	:	Nil
(d)	Details of Deposits which are not in compliance with the requirements of Chapter V of the Companies Act, 2013	:	Nil

**38. ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENT:**

In the opinion of the Board of Directors of your Company, adequate internal financial controls are available and operative, with reference to the preparation and finalization of the Financial Statements for the Financial Year 2022-23.

**39. ANNUAL RETURN:**

Pursuant to the provisions of Section 92(3) of the Companies Act, 2013 read with the Companies (Management and Administration) Amendment Rules, 2021, Annual Return in Form MGT-7 will be hosted on the website of the Company, viz., [www.astecls.com](http://www.astecls.com) at the web link <https://www.astecls.com/other-updates.aspx>.

**40. INVESTOR EDUCATION AND PROTECTION FUND (IEPF):**

**Compulsory Transfer of Equity Shares to Investor Education and Protection Fund (IEPF) Account:**

In accordance with the applicable provisions of the Companies Act, 2013, read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (“IEPF Rules”), all the Unpaid or Unclaimed Dividends are required to be transferred to the Investor Education and Protection Fund (IEPF) established by the Central Government, upon completion of 7 (Seven) years. The Company is in compliance with the aforesaid provisions and the IEPF Rules.

**Unclaimed / Unpaid Dividend:**

Since there was no dividend amount paid for the Financial Year 2014-15, there is no unclaimed amount for more than 7 (Seven) years due for transfer to the Investor Education and Protection Fund (“IEPF”) established by the Central Government in terms of Section 124 of the Companies Act, 2013, after the ensuing 29<sup>th</sup> (Twenty Ninth) Annual General Meeting.

The detailed dividend history, due dates for transfer to IEPF, and the details of unclaimed amounts lying with the Company in respect of dividends declared are available on website of the Company, [www.astecls.com](http://www.astecls.com) at the web link <https://www.astecls.com/unclaimed-dividend.aspx>. Also, pursuant to the provisions of Section 124(2) of the Companies Act, 2013, your Company has uploaded the details of unpaid and unclaimed amounts lying with the Company in respect of dividends declared for the Financial Year 2021-22, on the website of the Company.



**41. EXPLANATION OR COMMENTS BY THE BOARD ON EVERY QUALIFICATION, RESERVATION OR ADVERSE REMARK OR DISCLAIMER MADE BY THE STATUTORY AUDITORS, SECRETARIAL AUDITORS AND COST AUDITORS:**

There are no qualifications, reservations, adverse remarks and disclaimers of the Statutory Auditors in their Auditors' Reports (Standalone and Consolidated) on the Financial Statements for the Financial Year 2022-23.

There are no qualifications, reservations, adverse remarks and disclaimers of the Secretarial Auditors in their Secretarial Audit Report for the Financial Year 2022-23.

There are no qualifications, reservations, adverse remarks and disclaimers of the Cost Auditors in their Cost Audit Report on the Cost Records for the Financial Year 2021-22 (noted during the Financial Year 2022-23). The Cost Audit Report for the Financial Year 2022-23 will be received in due course.

**42. SIGNIFICANT REGULATORY OR COURT ORDERS:**

During the Financial Year 2022-23 and thereafter till the date of this Report, there have been no significant and material orders passed by the regulators or Courts or Tribunals which can adversely impact the going concern status of your Company and its operations in future.

**43. MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR 2022-23 TO WHICH THE FINANCIAL STATEMENTS RELATE AND THE DATE OF THE DIRECTORS' REPORT (I.E., FROM 1<sup>ST</sup> APRIL, 2023 UPTO 2<sup>ND</sup> MAY, 2023), IF ANY:**

There are no material changes and commitments affecting the financial position of your Company which have occurred between the end of the Financial Year 2022-23 to which the Financial Statements relate and the date of the Directors' Report (i.e., from 1<sup>st</sup> April, 2023 upto 2<sup>nd</sup> May, 2023).

**44. EMPLOYEES STOCK OPTION PLAN, 2012 AND EMPLOYEES STOCK OPTION SCHEME, 2015:**

Your Company has introduced and implemented the following Employees Stock Option Plan and Scheme:

Sr. No.	Name of the Plan / Scheme	Date of Shareholders' Approval	Exercise Price per Option
1	Employees Stock Option Plan, 2012 ("ESOP 2012")	<ul style="list-style-type: none"> <li>Original Scheme approved vide Special Resolution passed at the Extra-ordinary General Meeting held on 27<sup>th</sup> March, 2012</li> <li>Amended Scheme approved vide Special Resolution passed on 26<sup>th</sup> September, 2021, through Postal Ballot, the results of which were declared on 27<sup>th</sup> September, 2021</li> </ul>	<ul style="list-style-type: none"> <li>₹ 34/- (Rupees Thirty Four Only) as per the Original Scheme</li> <li>₹ 10/- (Rupees Ten Only) as per the Amended Scheme</li> </ul>

Sr. No.	Name of the Plan / Scheme	Date of Shareholders' Approval	Exercise Price per Option
2	Employees Stock Option Scheme, 2015 ("ESOS 2015")	<ul style="list-style-type: none"> <li>Special Resolution passed at the 21<sup>st</sup> (Twenty First) Annual General Meeting held on 22<sup>nd</sup> September, 2015</li> </ul>	The Company shall use Fair Value Method to value its Options. The Exercise Price for the Options will be the Closing Market Price of the Equity Shares of the Company listed on the recognized Stock Exchange as on the date immediately prior to the relevant date of the grant of the Options to the Eligible Employees and Eligible Directors.

The Nomination and Remuneration Committee of the Board of Directors administers and monitors the ESOP 2012 and ESOS 2015.

Your Company has received a certificate from M/s. BNP & Associates, Company Secretaries, Mumbai and the Secretarial Auditors of the Company that ESOP 2012 and ESOS 2015 have been implemented in accordance with the provisions of the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 and the resolutions passed by the Shareholders. Any request for inspection of the said Certificate may please be sent to [agm.astec@godrejastec.com](mailto:agm.astec@godrejastec.com). The disclosures as per Regulation 14 of the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 have been put on the website of the Company, viz., [www.astecsl.com](http://www.astecsl.com) at the web link <https://www.astecsl.com/listing-compliance.aspx>.

**45. FRAUD REPORTING:**

There have been no instances of frauds reported by the Statutory Auditors under the provisions of Section 143(12) of the Companies Act, 2013 and the Rules framed thereunder, either to the Company or to the Central Government, during the Financial Year 2022-23.

**46. ADDITIONAL INFORMATION:**

The additional information required to be given under the Companies Act, 2013 and the Rules made thereunder, has been laid out in the Notes attached to and forming part of the Financial Statements. The Notes to the Financial Statements referred to the Auditors' Report are self-explanatory and therefore, do not call for any further explanation.

**47. LISTING FEES:**

Your Company has paid requisite annual listing fees to BSE Limited (BSE) and National Stock Exchange of India Limited (NSE), the Stock Exchanges where its securities are listed.

**48. DEPOSITORY SYSTEM:**

Your Company's Equity Shares are available for dematerialization through National Securities Depository Limited ("NSDL") and Central Depository Services (India) Limited ("CDSL"). The ISIN Number of your Company for both NSDL and CDSL is INE563J01010.

**49. RESEARCH AND DEVELOPMENT:**

Your Company continues to focus on Research and Development ("R&D") and strongly believes that productive R&D is a key ingredient for success. During the Financial Year under review, your Company continued to develop new products at a healthy pace. Subsequent to the closure of the Financial Year 2022-23, a state-of-the-art R&D centre has been launched at Rabale (Maharashtra) named "Adi Godrej Centre for Chemical Research and Development" in April 2023 and same will further augment your Company's R&D capabilities.

#### 50. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo as stipulated under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014 is annexed herewith as 'Annexure E'.

#### 51. BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT:

The Company has prepared its Business Responsibility & Sustainability Report ("BRSR") for the first time for the Financial Year 2022-23, in accordance with the provisions of Regulation 34(2) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with Circular No. SEBI/HO/CFD/CMD-2/P/CIR/2021/562 dated May 10, 2021 issued by the Securities and Exchange Board of India (SEBI). The said Circular mandates BRSR for top 1000 listed companies (by market capitalization) in place of erstwhile Business Responsibility Report. The BRSR is prepared in accordance with the nine principles of the 'National Guidelines on Responsible Business Conduct' (NGBRCS) and forms part of this Annual Report.

#### 52. SCHEME OF AMALGAMATION / ARRANGEMENT:

During the Financial Year 2022-23, your Company has not proposed or considered or approved any Scheme of Merger / Amalgamation / Takeover / De-merger / Arrangement with its Members and/or Creditors.

#### 53. DETAILS OF APPLICATION MADE OR ANY PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016, DURING THE FINANCIAL YEAR ALONG WITH THEIR STATUS AS AT THE END OF THE FINANCIAL YEAR:

During the Financial Year 2022-23, there was no application made and proceeding initiated / pending by any Financial and/or Operational Creditors against your Company under the Insolvency and Bankruptcy Code, 2016.

As on the date of this Report, there is no application or proceeding pending against your Company under the Insolvency and Bankruptcy Code, 2016.

#### 54. DETAILS OF DIFFERENCE BETWEEN THE AMOUNT OF VALUATION AT THE TIME OF ONE-TIME SETTLEMENT AND THE VALUATION DONE AT THE TIME OF TAKING A LOAN FROM THE BANKS OR FINANCIAL INSTITUTIONS ALONG WITH THE REASONS THEREOF:

During the Financial Year 2022-23, the Company has not made any settlement with any bank or financial institution for any loan / facility availed by it or/and still in existence.

#### 55. HUMAN RESOURCES:

Your Company continues to have amicable employee relations at all locations and would like to place on record its sincere appreciation for the unstinted support it continues to receive from all its employees. Your Company drives interventions to enhance the workforce productivity in the business and also makes concrete efforts to improve the employee engagement and connect. Your Company is committed to building and maintaining a safe and healthy workplace. There are several policies formulated for the benefit of employees, which promote gender diversity, equal opportunity, prevention of sexual harassment, safety and health of employees. Your Company constantly makes concerted efforts towards creating learning and development opportunities on a non-discriminatory basis, that continually enhance the employee value in line with the organizational objectives. The total number of permanent employees on the rolls of your Company as on 31<sup>st</sup> March, 2023 was 551.

**56. APPRECIATION:**

Your Board of Directors wishes to place on record its sincere appreciation and gratitude for the continued support and co-operation received from the various Central and State Government Departments, organizations and agencies. The Directors also gratefully acknowledge all stakeholders of the Company, viz., Shareholders, customers, dealers, vendors, banks, credit rating agencies and other business partners for the excellent support received from them during the Financial Year 2022-23. Your Directors also express their warm appreciation to all the employees of the Company for their unstinted commitment and continued contribution to performance and success of the Company.

**57. CAUTIONARY STATEMENT:**

The statements in the Board's Report describing the Company's objectives, expectations or forecasts may be forward-looking within the meaning of applicable securities laws and regulations. Actual results may differ materially from those expressed herein. Important factors which could influence the Company's operations include global and domestic demand and supply conditions affecting selling prices of finished goods, input availability and prices, changes in government regulations, tax laws, economic developments within the country and other factors such as litigations and industrial relations.

**For and on behalf of the Board of Directors of  
Astec LifeSciences Limited**

Sd/-  
**Anurag Roy**  
**Whole Time Director & Chief Executive Officer**  
**(DIN: 07444595)**

Sd/-  
**Balarm Singh Yadav**  
**Director**  
**(DIN: 00294803)**

**Date: 2<sup>nd</sup> May, 2023**  
**Place: Mumbai**

# ANNEXURE 'A'

## TO DIRECTORS' REPORT

### FORM NO. AOC-1

For the Financial Year ended 31<sup>st</sup> March, 2023

Statement containing Salient Features of the Financial Statement of Subsidiaries / Associates / Joint Ventures

[Pursuant to first proviso to sub-section (3) of Section 129 of the Companies Act, 2013 read with Rule 5 of the Companies (Accounts) Rules, 2014]

#### PART A

#### Information in respect of Subsidiaries:

(₹ in Lakh)

Sr. No.	Particulars	Names of Subsidiary Companies	
		Behram Chemicals Private Limited (India)	Comercializadora Agricola Agroastrachem Cia Ltda (Bogota, Columbia)
1.	Reporting Period	From 1 <sup>st</sup> April, 2022 upto 31 <sup>st</sup> March, 2023	From 1 <sup>st</sup> April, 2022 upto 31 <sup>st</sup> March, 2023
2.	Reporting Currency & Exchange Rate as on last date of the relevant Financial Year	Indian Rupees	Columbian Peso (Exchange Rate: 0.02)
3.	Share Capital	60.00	0.88
4.	Reserves & Surplus	61.92	(8.62)
5.	Total Assets	126.15	0.15
6.	Total Liabilities	4.23	7.89
7.	Investments	-	-
8.	Turnover	-	-
9.	Profit Before Taxation	11.22	-
10.	Provision for Taxation	2.82	-
11.	Adjustment of Tax for earlier years	-	-
12.	Profit After Taxation	8.40	-
13.	Other Comprehensive Income	-	-
14.	Total Comprehensive Income	8.40	-
15.	Proposed Dividend	-	-
16.	% Shareholding	65.63%	100.0%

Notes:

#### 1. Names of Subsidiaries which are yet to commence Operations:

Comercializadora Agricola Agroastrachem Cia Ltda (Bogota Columbia), is a 100% Subsidiary, which has not commenced its operations.

**2. Names of Subsidiaries which have been liquidated or sold during the Year:**

None of the subsidiaries of the Company have been liquidated or sold during the year under review.

**PART B****Information in respect of Associates and Joint Ventures:**

Not Applicable since the Company does not have any Associates and Joint Ventures.

**For and on behalf of the Board of Directors of  
Astec LifeSciences Limited  
(CIN: L99999MH1994PLC076236)**

Sd/-  
**Anurag Roy**  
Whole Time Director & Chief Executive Officer  
(DIN: 07444595)

Sd/-  
**Balarm Singh Yadav**  
Director  
(DIN: 00294803)

Sd/-  
**Madhur Gundecha**  
Chief Financial Officer  
(ICAI Membership No.: 106349)

Sd/-  
**Tejashree Pradhan**  
Company Secretary & Compliance Officer  
(ICSI Membership No.: FCS 7167)

**Date: 2<sup>nd</sup> May, 2023**  
**Place: Mumbai**

## ANNEXURE 'B' TO DIRECTORS' REPORT

FORM NO. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2023

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

To,  
The Members,  
**Astec LifeSciences Limited**  
"Godrej One", 3<sup>rd</sup> Floor,  
Pirojshanagar, Eastern Express Highway,  
Vikhroli (East),  
Mumbai – 400 079

We have conducted the Secretarial Audit of compliance of the applicable statutory provisions and adherence to good corporate practices by **Astec LifeSciences Limited** [CIN: L99999MH1994PLC076236] (hereinafter called the "Company") for the audit period from **April 1, 2022 to March 31, 2023** ('the year' / 'audit period' / 'period under review').

We conducted the Secretarial Audit in a manner that provided us with a reasonable basis for evaluating the Company's corporate conducts / statutory compliances and expressing our opinion thereon.

We are issuing this Report based on:

- (i) our **verification** of the books, papers, minute books, soft copy as provided by the Company and other records maintained by the Company and furnished to us, forms / returns filed and compliance related action taken by the Company during the Financial Year ended March 31, 2023 as well as before the issue of this Report,
- (ii) **Compliance Certificates** confirming compliance with all laws applicable to the Company given by Key Managerial Personnel / senior managerial personnel and taken on record by Audit Committee / Board of Directors, and
- (iii) **Representations** made, documents shown, and information provided by the Company, its officers, agents, and authorized representatives during our conduct of Secretarial Audit.

We hereby report that in our opinion, during the audit period covering the Financial Year ended March 31, 2023, the Company has:

- (i) Complied with the statutory provisions listed hereunder, and
- (ii) Adhered to Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

The Members are requested to read this Report, along with our letter of even date annexed to this Report as **Annexure- A**.

### 1. Compliance with specific statutory provisions

**We further report that:**

1.1. We have examined the books, papers, minute books and other records maintained by the Company and the forms, returns, reports, disclosures and information filed or disseminated during the year according to the applicable provisions / clauses of:

- i. The Companies Act, 2013 ("the Act") and the Rules framed thereunder;

- ii. The Securities Contracts (Regulation) Act, 1956 and the Rules framed thereunder;
  - iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
  - iv. The Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Overseas Direct Investment;
  - 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;
    - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
    - c) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;
    - d) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993; and
    - e) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("LODR").
  - vi. Secretarial Standards issued by The Institute of Company Secretaries of India ("Secretarial Standards") which have been notified under Section 118(10) of the Act and are mandatorily applicable to the Company.
- 1.2. During the period under review, and also considering the compliance related action taken by the Company after March 31, 2023, but before the date of issue of this Report, the Company has, to the best of our knowledge and belief and based on the records, information, explanations and representations furnished to us:
- i. **Complied with** the applicable provisions/clauses of the Act, Rules and SEBI Regulations mentioned under sub-paragraphs (ii), (iii) and (v) of paragraph 1.1 above.
  - ii. **Complied with** the applicable provisions / clauses of:
    - a) The Act and Rules mentioned under paragraph 1.1 (i); and
    - b) The Secretarial Standards on Meetings of the Board of Directors (SS-1) and Secretarial Standards on General Meetings (SS-2) mentioned under paragraph 1.1 (vi) above, to the extent applicable to Board Meetings and Committee Meetings held during the review period and the 28<sup>th</sup> Annual General Meeting ("AGM") held on July 25, 2022. The Compliance of the provisions of the Rules made under the Act [paragraph 1.1(i)] and SS-1 [paragraph 1.1(vi)] with regard to the Board Meetings and Committee Meetings held through video conferencing during the review period were verified based on the Minutes of the Meetings provided by the Company.
- 1.3. We are informed that, during the year, the Company was not required to initiate any compliance related action in respect of the following laws / rules / regulations / standards, and was consequently not required to maintain any books, papers, minute books or other records or file any form / returns thereunder:
- i. Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment and External Commercial Borrowings;



- ii. The following Regulations and Guidelines prescribed under the SEBI Act:-
    - a) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
    - b) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
    - c) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
    - d) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998.
14. Based on the nature of business activities of the Company, the Insecticides Act, 1968 and the Rules framed thereunder are specifically applicable to the Company, which has been duly complied with based on a test check of the records pertaining thereto.

## 2. Board processes

### We further report that

- 2.1. The Board of Directors of the Company as on March 31, 2023, comprised of:
  - i. One Executive Director;
  - ii. Four Non-Executive Non-Independent Directors; and
  - iii. Five Non-Executive Independent Directors, including a Woman Independent Director.
- 2.2. The processes relating to the following changes in the composition of the Board of Directors during the year were carried out in compliance with the provisions of the Act and LODR:
  - i. Resignation of Mr. Rakesh Dogra (DIN: 07334098) from the position of “Non-Executive, Non-Independent Director” of the Company with effect from May 2, 2022;
  - ii. Appointment of Mr. Burjis Godrej (DIN: 08183082) as an “Additional Non-Executive, Non-Independent Director” w.e.f July 25, 2022;
  - iii. Re-appointment of Mr. Nadir B. Godrej (DIN: 00066195) as a “Non-Executive and Non-Independent Director” of the Company, who was liable to retire by rotation, with effect from July 25, 2022;
  - iv. Change in designation of Mr. Burjis Godrej (DIN: 08183082) as a “Non-Executive, Non-Independent Director” on September 19, 2022 with the approval of Shareholders.
- 2.3. Adequate notice was given to all Directors of the Company to schedule the Board Meetings (including Committees), Agenda and detailed notes on Agenda were sent at least 7 (seven) days in advance, and where the same were given at shorter notice than 7 (seven) days, more than one Independent Director was present at the Board Meeting as required under Section 173(3) of the Act and Secretarial Standard relating to Board Meetings.
- 2.4. A system exists for Directors to seek and obtain further information and clarifications on the Agenda items before the Meetings and for their meaningful participation at the Meetings.
- 2.5. Decisions at the Meetings of the Board of Directors of the Company were carried through on the basis of majority. There were no dissenting views by any member of the Board of Directors during the Audit Period.

## 3. Compliance mechanism

There are reasonably adequate systems and processes in the Company, commensurate with its size and operations, to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

**4. Specific event(s) / action(s)**

During the year, the following specific events / actions having a major bearing on the Company's affairs took place, in pursuance of the above referred laws, rules, regulations and standards:

- i. The Company had allotted 5,105 Equity Shares upon exercise of options under the Employees Stock Option Plan, 2012 and 3,000 Equity Shares upon exercise of options under the Employees Stock Option Scheme, 2015 respectively.

**For BNP & Associates**  
**Company Secretaries**  
**Firm Registration No. P2014MH037400**  
**PR No. 637/2019**

Sd/-

**Avinash Bagul**  
**Partner**  
**FCS No.: F5578 / C P No.: 19862**  
**UDIN: F005578E000189861**

**Date: April 26, 2023**

**Place: Mumbai**

Note: This 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 SECRETARIAL AUDIT REPORT

To,  
**The Members,  
Astec LifeSciences Limited**

Our Secretarial Audit Report of even date is to be read along with this letter.

1. The Company's management is responsible for maintenance of secretarial records and compliance with the provisions of corporate and other applicable laws, rules, regulations and standards. Our responsibility is to express an opinion on the secretarial records produced for our audit.
2. We have followed such audit practices and processes as we considered appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records.
3. While forming an opinion on compliance and issuing this Report, we have also considered compliance related action taken by the Company after March 31, 2023, but before the issue of this report.
4. We have considered compliance related actions taken by the Company based on independent legal / professional opinion obtained as being in compliance with law.
5. We have verified the secretarial records furnished to us on a test basis to see whether the correct facts are reflected therein. We also examined the compliance procedures followed by the Company on a test basis. We believe that the processes and practices we followed, provides a reasonable basis for our opinion.
6. We have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
7. We have obtained the management's representation about the compliance of laws, rules and regulations and happening of events, wherever required.
8. Our 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 BNP & Associates  
Company Secretaries  
Firm Registration No. P2014MH037400  
PR No. 637/2019**

Sd/-

**Avinash Bagul  
Partner  
FCS No.: F5578 / C P No.: 19862  
UDIN: F005578E000189861**

**Date: April 26, 2023  
Place: Mumbai**

# ANNEXURE 'C'

## TO DIRECTORS' REPORT

### ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES FOR THE FINANCIAL YEAR 2022-23

#### 1. Brief Outline on CSR Policy of the Company:

The Corporate Social Responsibility (CSR) initiatives of the Company focus on holistic development of host communities and create social, environmental and economic value to the society. In order to pursue these objectives, the Company, as a responsible corporate citizen, continues to:

- Uphold and promote the principles of inclusive growth and equitable development;
- Identify and develop project plans based on needs and priorities of different communities surrounding its manufacturing locations and measure the effectiveness of projects implemented, in a timely manner;
- Target few areas for conducting CSR activities such as entrepreneurship and employability, livelihoods and income generation, women empowerment, good agricultural practices, waste management, water conservation, rural development projects, medical aid, conservation of natural resources, disaster relief management, etc.;
- Interact regularly with stakeholders about CSR initiatives in order to devise ways and means to enhance their effectiveness.

#### 2. Composition of CSR Committee:

Sr. No.	Name of Director	Designation / Nature of Directorship	Number of Meetings of CSR Committee held during the year	Number of Meetings of CSR Committee attended during the year
1.	Mr. Ashok V. Hiremath	Chairman of the Committee (Non-Executive, Non-Independent Director)	2	2
2.	Mr. Balram Singh Yadav	Member (Non-Executive, Non-Independent Director)	2	0
3.	Mr. Rishinaradamangalam Ramakrishna Govindan	Member (Non-Executive, Independent Director)	2	2
4.	Dr. Brahma Nand Vyas	Member (Non-Executive, Independent Director)	2	2

**3. Web-link where Composition of CSR Committee, CSR Policy and CSR Projects approved by the Board are disclosed on the website of the Company:**

The weblinks where information pertaining to composition of the CSR Committee, CSR Policy and CSR Projects approved by the Board of Directors are disclosed on the website of the Company are as follows:

**For Composition of the CSR Committee:**

<http://www.astecls.com/board-committees.aspx>

**For CSR Policy:**

<https://www.astecls.com/codes-and-policies.aspx>

**For CSR Projects approved by the Board of Directors:**

<https://www.astecls.com/annual-reports.aspx>

<https://www.astecls.com/csr.aspx>

**4. Details of Impact Assessment of CSR Projects carried out in pursuance of Rule 8(3) of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable:**

Not Applicable

**5. Details of the amount available for set off in pursuance of Rule 7(3) of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the Financial Year, if any:**

Not Applicable

**6. Average Net Profit of the Company as per Section 135(5) of the Companies Act, 2013: ₹ 90,36,58,379/-**

**7. (a) Two percent of Average Net Profit of the Company as per Section 135(5) of the Companies Act, 2013: ₹ 1,80,73,168/-**

**(b) Surplus arising out of the CSR Projects or Programmes or Activities of the Previous Financial Years: Not Applicable**

**(c) Amount required to be set off for the Financial Year, if any: Not Applicable**

**(d) Total CSR Obligation for the Financial Year (7a+7b-7c): ₹ 1,80,73,168/-**

**8. (a) CSR Amount Spent or Unspent for the Financial Year:**

Total Amount Spent for the Financial Year (₹ in Lakh)	Amount Unspent				
	Total Amount transferred to Unspent CSR Account as per Section 135(6) of the Companies Act, 2013		Amount transferred to any fund specified under Schedule VII as per second proviso to Section 135(5) of the Companies Act, 2013		
	Amount (in ₹)	Date of Transfer	Name of the Fund	Amount (in ₹)	Date of Transfer
1,41,99,469	38,73,699	27/04/2023	-	-	-

**(b) Details of CSR Amount spent against Ongoing Projects for the Financial Year:**

(1) Sr. No.	(2) Name of the Project	(3) Item from the List of Activities in Schedule VII to the Companies Act, 2013	(4) Local Area (Yes / No)	(5) Location of the Project		(6) Project Duration (in months)	(7) Amount allocated for the Project (in ₹)	(8) Amount spent in the current Financial Year (in ₹)	(9) Amount transferred to Unspent CSR Account for the Project as per Section 135(6) of the Companies Act, 2013 (in ₹)	(10) Mode of Implementation - Direct (Yes / No)	(11) Mode of Implementation – Through Implementing Agency	
				State	District						Name	CSR Registration Number
1.	Pragati	Clauses (ii), (iii)	Yes	Maharashtra	Raigad	24	18,70,610	18,70,610	0	Yes	Not Applicable	Not Applicable
2.	Grameen Vikas	Clauses (ii), (iii), (iv), (x)	Yes	Maharashtra	Raigad	36	50,99,161	50,99,161	0	No	Anubhav Pratishtan Trust	CSR00000361
3.	Entitlements	Clause (ii)	Yes	Maharashtra	Raigad	24	19,89,900	19,89,900	0	No	Jan Sahas Foundation	CSR00001303
4.	Entitlements	Clause (ii)	Yes	Maharashtra	Raigad	15	11,13,870	11,13,870	0	No	Ideal Foundation for Social and Economic Development	CSR00001694
5.	Livelihoods	Clause (ii)	Yes	Maharashtra	Raigad	24	32,68,307	20,57,643	12,10,664	No	Swades Foundation	CSR00000440
6.	Science Lab Revamp	Clause (ii)	Yes	Maharashtra	Raigad	15	26,20,617	14,72,303	11,48,314	Yes	Not Applicable	Not Applicable
7.	Afforestation	Clause (iv)	No	Maharashtra	Latur	48	16,71,721	1,57,000	15,14,721	No	Phoenix Foundation Sanstha	CSR00034514
<b>TOTAL</b>							<b>1,76,34,186</b>	<b>1,37,60,487</b>	<b>38,73,699</b>			

**(c) Details of CSR Amount spent against other than Ongoing Projects for the Financial Year:**

(1) Sr. No.	(2) Name of the Project	(3) Item from the List of Activities in Schedule VII to the Companies Act, 2013	(4) Local Area (Yes / No)	(5) Location of the Project		(6) Amount spent for the Project (in ₹)	(7) Mode of Implementation – Direct (Yes / No)	(8) Mode of Implementation – Through Implementing Agency	
				State	District			Name	CSR Registration Number
1.	Third Party Audit	Not Applicable	Yes	Maharashtra	Raigad	4,38,982	Yes	Not Applicable	Not Applicable
<b>TOTAL</b>						<b>4,38,982</b>			

**(d) Amount spent in Administrative Overheads:** Not Applicable

**(e) Amount spent on Impact Assessment, if applicable:** Not Applicable

**(f) Total Amount spent for the Financial Year (8b + 8c+ 8d + 8e):** ₹1,41,99,469/-

**(g) Excess amount for set off, if any:** Not Applicable

Sr. No.	Particulars	Amount (in ₹)
(i)	Two per cent of Average Net profit of the Company as per Section 135(5) of the Companies Act, 2013	Not Applicable
(ii)	Total Amount Spent for the Financial Year	
(iii)	Excess Amount Spent for the Financial Year [(ii)-(i)]	
(iv)	Surplus arising out of the CSR Projects or Programmes or Activities of the previous Financial Years, if any	
(v)	Amount available for set-off in succeeding Financial Years [(iii)-(iv)]	

**9. (a) Details of Unspent CSR Amount for the preceding three Financial Years:**

Sr. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under Section 135 (6) of the Companies Act, 2013 (in ₹)	Amount spent in the reporting Financial Year 2022-23 (in ₹)	Amount transferred to any fund specified under Schedule VII as per Section 135(6) of the Companies Act, 2013, if any			Amount remaining to be spent in succeeding Financial Years (in ₹)
				Name of the Fund	Amount (in ₹)	Date of Transfer	
1.	2020-21	5,33,582	4,18,400	Not Applicable			1,15,182
2.	2021-22	38,29,359	38,29,359	Not Applicable			0
	<b>TOTAL</b>	<b>43,62,941</b>	<b>42,47,759</b>				<b>1,15,182</b>

**(b) Details of CSR Amount spent in the Financial Year for Ongoing Projects of the Preceding Financial Year(s):**

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sr. No.	Project ID	Name of the Project	Financial Year in which the Project was commenced	Project Duration (in months)	Total Amount allocated for the Project Financial Year 2022-23 (in ₹)	Amount spent on the Project in the reporting Financial Year 2022-23 (in ₹)	Cumulative amount spent at the end of reporting Financial Year (in ₹)	Status of the Project – Completed / Ongoing
1.	FY31.03.2021 (*)	Capacity Building Training for Young Women	2020-21	36	5,33,582	4,18,400	4,18,400	Ongoing
2.	FY31.03.2022_2	Grameen Vikas	2021-22	24	21,88,779	21,88,779	21,88,779	Completed
3.	FY31.03.2022_1	Pragati	2021-22	24	16,40,580	16,40,580	16,40,580	Completed
	<b>TOTAL</b>				<b>43,62,941</b>	<b>42,47,759</b>	<b>42,47,759</b>	

(\*) Project ID issued by the Company.

**10. In case of creation or acquisition of capital asset, the details relating to the asset so created or acquired through CSR Spend in the Financial Year:**

Not Applicable

**11. Specify the reason(s), if the Company has failed to spend two per cent of the Average Net Profit as per Section 135(5) of the Companies Act, 2013:**

The Company was required to spend ₹ 1,80,73,168/- towards CSR Activities in terms of the provisions of Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, during the Financial Year 2022-23, out of which the Company has spent ₹ 1,41,99,469/- Lakh towards CSR Activities. The Company took up different projects pertaining to raising livelihoods of communities, digital education, etc. The shortfall of ₹ 38,73,699/- in the amount of CSR spending is attributable to ongoing projects which will be completed by the Company in due course and the same has been duly transferred to Unspent CSR Account by the prescribed date.

**For and on behalf of the Board of Directors of  
Astec LifeSciences Limited**

Sd/-  
**Ashok V. Hiremath**  
**Director & Chairman of CSR Committee**  
**(DIN: 00349345)**  
**Date: 2<sup>nd</sup> May, 2023**  
**Place: Mumbai**

Sd/-  
**Balram Singh Yadav**  
**Director & Member of CSR Committee**  
**(DIN: 00294803)**



## ANNEXURE 'D'

### TO THE DIRECTORS' REPORT

#### Disclosure of Remuneration of Directors and Key Managerial Personnel as per the provisions of Section 197 of the Companies Act, 2013 and Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

- (i) Percentage Increase in Remuneration of each Director, Chief Financial Officer and Company Secretary during the Financial Year 2022-23 and the Ratio of the Remuneration of each Director to the Median Remuneration of the Employees of the Company for the Financial Year 2022-23:

Sr. No.	Name of Director / Key Managerial Personnel (KMP) & Designation	% Increase in Remuneration in the Financial Year 2022-23	Ratio of Remuneration of each Director to Median Remuneration of Employees
1.	Mr. Nadir B. Godrej, Chairman, Non-Executive, Non-Independent Director	-	-
2.	Mr. Anurag Roy, Whole Time Director & Chief Executive Officer	7%	42.49:1
3.	Mr. Ashok V. Hiremath, Non-Executive, Non- Independent Director	-	-
4.	Mr. Balram Singh Yadav, Non-Executive, Non- Independent Director	-	-
5.	Mr. Rakesh Dogra, Non-Executive, Non-Independent Director (Resigned w.e.f. 2 <sup>nd</sup> May, 2022)	-	-
6.	Mr. Burjis Godrej, Non-Executive, Non-Independent Director (Appointed w.e.f. 25 <sup>th</sup> July, 2022)	-	-
7.	Dr. Brahma Nand Vyas, Non-Executive, Independent Director	-	-
8.	Mr. Vijay Kashinath Khot, Non-Executive, Independent Director	-	-
9.	Mr. R. R. Govindan, Non-Executive, Independent Director	-	-
10.	Mr. Nandkumar Vasant Dhekne Non-Executive, Independent Director	-	-
11.	Ms. Anjali Rajesh Gupte Non-Executive, Independent Director	-	-

Sr. No.	Name of Director / Key Managerial Personnel (KMP) & Designation	% Increase in Remuneration in the Financial Year 2022-23	Ratio of Remuneration of each Director to Median Remuneration of Employees
12.	Mr. Saurav Bhala, Chief Financial Officer (upto 30 <sup>th</sup> September, 2022)	7%	Not Applicable
13.	Mr. Madhur Gundecha Chief Financial Officer (w.e.f. 28 <sup>th</sup> October, 2022)	Not Applicable	Not Applicable
14.	Ms. Tejashree Pradhan, Company Secretary & Compliance Officer	13%	Not Applicable

- (i) Percentage Increase in the Median Remuneration of Employees during the Financial Year 2022-23 13.6%
- (ii) Number of Permanent Employees on the rolls of Company as on 31<sup>st</sup> March, 2023 551 as on 31<sup>st</sup> March, 2023
- (iii) Average percentile increase already made in the salaries of Employees other than the managerial personnel in the last Financial Year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration Average percentile increase in Remuneration of Employees during the Financial Year 2022-23 was 15.2% as compared to Average percentile increase in remuneration of Managerial Personnel which was 14.1%.

**For and on behalf of the Board of Directors of  
Astec LifeSciences Limited**

Sd/-  
**Anurag Roy**  
Whole Time Director & Chief Executive Officer  
(DIN: 07444595)

Sd/-  
**Balram Singh Yadav**  
Director  
(DIN: 00294803)

**Date: 2<sup>nd</sup> May, 2023**  
**Place: Mumbai**

## ANNEXURE 'E' TO THE DIRECTORS' REPORT

**Information as per Section 134(3)(m) of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014 forming part of the Directors' Report for the Financial Year ended 31<sup>st</sup> March, 2023**

### **1. Conservation of Energy:**

Your Company has established manufacturing units well-equipped with modernized installations that meet global quality standards and which are regularly reviewed and recognized by various authorities and customers across the world. Your Company continues with its focus on environmental sustainability as a responsible corporate citizen and stays committed to achieve conservation of energy in each of its areas of operations.

Several measures have been adopted by your Company for conservation of energy during the Financial Year 2022-23 and energy utilization levels are being monitored continuously.

The steps taken by your Company for conservation of energy are as follows:

- (a) In the renewable energy portfolio, your Company installed 20 TPH capacity biomass boiler to meet the thermal energy requirement of its new Herbicide plant and existing DDA plant. The biomass boiler has replaced approx. 4,500 MT of coal utilisation so far in the Financial Year 2022-23. This has helped reduced GHG emissions by 9,000 MT CO<sub>2</sub> which is equivalent to carbon sequestered by 10,700 acres of forests in a year. This has improved your Company's renewable energy portfolio from 0% to 33%.
- (b) As per the Science based target initiatives, your Company is committed to reduce its scope-1 & 2 specific Green House Gas (GHG) emission by 37% by 2035. In line with it, your Company continues to reduce its emission by investing energy efficient technology, increasing renewable energy mix in overall energy, shifting towards clean fuel etc.
- (c) Your Company is also continuously focusing on installation of various energy efficient technologies like extensive use of variable frequency drives, efficient pump, motors and lighting system, screw air compressor in place of reciprocating, fuel optimization through automation, improved condensate recovery, thermal insulation for steam pipelines, reuse of Multi Effect Evaporator (MEE) in process, working on open access, etc.

Your Company is also evaluating projects such as solar roof top / ground mounted or captive solar / hybrid for its manufacturing plants.

The capital investment on energy conservation equipment during the Financial Year 2022-23 was ₹ 5,55,270/-.

### **2. Technology Absorption:**

Your Company continues to be a technology-driven organization and has core competence in areas of process research, process development, analytical development and process engineering. Over the years, it has developed in-house capabilities to design, develop, execute and commission production plants of its own and continuously strives to introduce or implement technological upgradation in several ways. The technologies adopted by the Company are not only energy efficient but also more reliable and meeting the quality expectations of all customers globally, in order to create customer delight.

The technologies adopted by the Company are appropriately selected with the objectives in mind of quality in output, reduced cost of production, safety, reduction in waste generation and discharges and environmental sustainability to demonstrate commitment to 'Good and Green'.

#### **(i) Methods / Measures adopted / Efforts made & Benefits thereof:**

- a) Extensive use of variable frequency drives
- b) Installation of efficient pump, motors and lighting system

- c) Installation of screw air compressor in place of reciprocating
- d) Fuel optimization through automation
- e) Improved condensate recovery
- f) Thermal insulation for steam pipelines

**(ii) Details of Imported Technology:**

Most of the technologies adopted by your Company are developed by in-house Technology transfer and Projects team and the Research and Development (R&D) team. Over past several years, your Company has developed complex chemistries in its laboratory and successfully transferred to manufacturing through dedicated, highly qualified and experienced team of chemists and engineers. Products developed in the laboratory are scaled-up in the pilot plant and learnings are captured before introduction in the manufacturing. Your Company also ensures that detailed chemical reaction hazards and fire and explosion hazards are duly addressed for every product through systematic process risk systems.

Your Company also believes in collaborating with global customers to develop newer technologies for the introduction and supply of new products in shortest duration of time. At various stages, your Company works closely with customers for contract manufacturing. Some processes have been provided by potential customers and those have been suitably absorbed.

**(iii) Expenditure on Research and Development (R&D):**

Your Company's Expenditure on R&D during the Financial Year 2022-23, in comparison with the figures for the previous Financial Year 2021-22 was as follows:

Particulars	2022-23 (₹ in Lakh)	2021-22 (₹ in Lakh)
Capital	6,844.35	1,623.11
Recurring	858.15	774.55
Total	7,702.50	2,397.65
Total R&D Expenditure as a Percentage of Total Turnover	12.26%	3.54%

**3. Foreign Exchange Earnings and Outgo:**

Your Company has developed enduring relationships and strategic alliances with large and small companies all over the world, with over two decades of experience in development and production of selected chemicals. Your Company's products are exported to several countries and product registrations are being obtained in various parts of the world.

Your Company's foreign exchange earnings and outgo during the Financial Year 2022-23, in comparison with the figures for the previous Financial Year 2021-22 were as follows:

Sr. No.	Particulars	2022-23 (₹ in Lakh)	2021-22 (₹ in Lakh)
1	Foreign Exchange Earned	47,580.11	33,108.15
2	Foreign Exchange Used	37,731.95	29,178.69

**For and on behalf of the Board of Directors of  
Astec LifeSciences Limited**

Sd/-  
**Anurag Roy**  
Whole Time Director & Chief Executive Officer  
(DIN: 07444595)

Sd/-  
**Balram Singh Yadav**  
Director  
(DIN: 00294803)

**Date: 2<sup>nd</sup> May, 2023**  
**Place: Mumbai**

# REPORT ON CORPORATE GOVERNANCE

## For the Financial Year ended 31<sup>st</sup> March, 2023

In accordance with the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“**Listing Regulations**”), the Board of Directors of **Astec LifeSciences Limited (“the Company”)** has pleasure in presenting the Company’s Report on Corporate Governance for the Financial Year ended 31<sup>st</sup> March, 2023.

### 1. COMPANY’S PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE:

The Securities and Exchange Board of India (“**SEBI**”) has introduced a Code of Corporate Governance for listed entities, which is implemented through the Listing Regulations. This is in addition to the provisions of the Companies Act, 2013 (“**the Act**”) and the Rules framed thereunder, which also envisage constantly emerging radical changes in the sphere of Corporate Governance in India.

Corporate Governance is integral to the very existence of a company and a critical factor in its success and overall goodwill. It is a set of systems and practices to ensure that the affairs of the Company are being managed in a manner which ensures accountability, transparency, disclosure and fairness in all its transactions and operations in the widest sense and meet its stakeholders’ aspirations and societal expectations. Good governance practices stem from the culture and mindset of the organization and the Company is committed to meet the aspirations of all its stakeholders, as a responsible corporate citizen. This spirit is reflected in Shareholders’ returns, governance processes and an entrepreneurial performance focused work environment. The Company’s customers, whether in India or across the globe, have benefited from high quality products delivered at the most competitive prices. The demands of Corporate Governance require professionals to raise their competency and capability levels to meet the expectations in managing the enterprise and its resources optimally and effectively, while following the highest standards of ethics.

The Company firmly believes that good Corporate Governance leads to consistent corporate growth and long-term gain in Shareholder value. The Company is committed to maintain the highest standards of Corporate Governance in its conduct towards Shareholders, Employees, Customers, Suppliers and other stakeholders at large.

The Company is pleased to report that it is in compliance with the requirements of Corporate Governance as prescribed under the Listing Regulations.

### 2. BOARD OF DIRECTORS:

#### A. Board Structure:

The Board of Directors is the apex governing body constituted by the Shareholders for overseeing the Company’s overall functioning and is also expected to play a pivotal role in ensuring highest levels of Corporate Governance. The Board provides, monitors and evaluates the Company’s strategic directions, management policies and their effectiveness, and ensures that the Shareholders’ long-term interests are being safeguarded and served in the best possible manner. The Director(s) in whole time employment of the Company is/are assisted by Senior Management Personnel in overseeing the functional and operational matters of the Company.

The Board of Directors of the Company comprised of 10 (Ten) Directors as on 31<sup>st</sup> March, 2023, which is an optimum mix of Executive, Non-Executive and Independent Directors, diverse in terms of qualifications, competence, professional experience and expertise. The detailed profile of the Directors is available on the Company’s website [www.astecls.com](http://www.astecls.com) and available on web-link <https://www.astecls.com/board-of-directors.aspx>.

The composition of the Board of Directors as on 31<sup>st</sup> March, 2023, comprising of 10 (Ten) Directors, is summarized below:

Number of Directors	Designation
1 (One)	Chairman (Non-Executive, Non-Independent Director)
1 (One)	Whole Time Director (Executive, Non-Independent Director)
3 (Three) (*)	Non-Executive, Non-Independent Directors
5 (Five)	Non-Executive, Independent Directors [including 1 (One) Woman Director]

(\*) Mr. Rakesh Dogra resigned as a “Non-Executive, Non-Independent Director” w.e.f. 2<sup>nd</sup> May, 2022.

(\*) Mr. Burjis Godrej has been appointed as the “Non-Executive, Non-Independent Director” w.e.f. 25<sup>th</sup> July, 2022.

**B. Inter-se Relationships amongst Directors:**

Mr. Burjis Godrej, Non-Executive Director is a son of Mr. Nadir Godrej, Chairman & Non-Executive Director of the Company. None of the other Directors is related to any other Director on the Board nor related to the Key Managerial Personnel of the Company in terms of the provisions of the Act and the Rules framed thereunder.

**C. Matrix of Skills / Expertise / Competencies for the Board of Directors:**

The list of core skills / expertise / competencies for the Board of Directors have been identified by the Nomination and Remuneration Committee and approved by the Board of Directors, in general and also in the context of the Company’s business and sector in particular, which is as follows:

Expertise	Description of Skills
<b>Strategy &amp; Business</b>	<ul style="list-style-type: none"> <li>Is or has been the Chief Executive Officer, Chief Operating Officer, or held any other leadership position in an organization, leading to significant experience in strategy or business management</li> <li>Brings ability to identify and assess strategic opportunities and threats in the context of the business</li> </ul>
<b>Industry Expertise</b>	<ul style="list-style-type: none"> <li>Expertise with respect to the sector in which the organization operates</li> <li>Have an understanding, of the ‘big picture’ in the given industry</li> <li>Recognizes the development of industry segments, trends, emerging issues and opportunities</li> </ul>
<b>Market Expertise</b>	<ul style="list-style-type: none"> <li>Expertise with respect to the geography in which the organization operates</li> <li>Understands the macro-economic environment, the nuances of the business, consumers and trade in the geography</li> <li>Has the knowledge of the regulations and legislations of the market(s) in which the business operates</li> </ul>
<b>Technology Perspective</b>	<ul style="list-style-type: none"> <li>Expertise with respect to business specific technologies such as in the field of research and development, manufacturing, etc.</li> <li>Has experience and adds perspective on the future ready skills required by the organization such as e-commerce, digitalization, sustainability, etc.</li> </ul>
<b>People &amp; Talent Understanding</b>	<ul style="list-style-type: none"> <li>Experience in human resource management which brings in a considered approach to the effective management of people in an organization</li> </ul>

Expertise	Description of Skills
<b>Governance, Finance &amp; Risk</b>	<ul style="list-style-type: none"> <li>Understanding of the law and application of Corporate Governance principles in a commercial enterprise of similar scale</li> <li>Capability to provide inputs for strategic financial planning, assess financial statements and oversee budgets for the efficient use of resources</li> <li>Ability to identify key risks for the business in a wide range of areas, including legal and regulatory</li> </ul>
<b>Diversity of Perspective</b>	<ul style="list-style-type: none"> <li>Provides a diversity of views to the Board that is valuable to manage the interests of Shareholders, customers, consumers, employees and other key stakeholders</li> </ul>

The details of skills / expertise / competence possessed by Directors as on 31<sup>st</sup> March, 2023 are given below:

Sr. No.	Director	Strategy & Business	Industry Expertise	Market Expertise	Technology Perspective	People & Talent Understanding	Governance, Finance & Risk	Diversity of Perspective
1.	Mr. Nadir B. Godrej	✓	✓	✓	✓		✓	
2.	Mr. Ashok V. Hiremath	✓	✓	✓	✓		✓	
3.	Mr. Anurag Roy	✓	✓	✓	✓		✓	
4.	Mr. Balram Singh Yadav	✓	✓	✓		✓	✓	
5.	Mr. Burjis Godrej (*)	✓	✓	✓	✓		✓	
6.	Dr. Brahma Nand Vyas		✓	✓	✓			✓
7.	Mr. Vijay Kashinath Khot	✓	✓	✓				✓
8.	Mr. R. R. Govindan	✓		✓			✓	✓
9.	Mr. Nandkumar Dhekne	✓	✓		✓	✓		
10.	Ms. Anjali Rajesh Gupte	✓				✓	✓	✓

(\*) Mr. Burjis Godrej has been appointed as a “Non-Executive, Non-Independent Director” w.e.f. 25<sup>th</sup> July, 2022.

#### D. Board Induction and Training:

At the time of appointing a Director, a formal Letter of Appointment is given to him / her, which, *inter alia*, explains the role, functions, duties and responsibilities of a Director of the Company. The Director is also briefed about the compliances required from him / her under the Act and the Listing Regulations and other relevant Regulations and his / her confirmation / affirmation is taken with respect to the same.

#### E. Familiarization Programmes for Independent Directors:

All Directors, including Non-Executive Directors and Independent Directors are provided with the necessary documents, reports and internal policies to enable them to familiarize with the Company's procedures and practices. Periodic presentations are made at the Meetings of the Board of Directors and of the Committees thereof, on business and performance updates of the Company, business strategy and risks involved. Quarterly updates on relevant statutory changes covering important applicable laws are discussed at the Meetings of the Board of Directors. Visits of Independent Directors to the Company's factory locations are also arranged as a part of the familiarization programmes.

The details of familiarization programmes for Independent Directors are hosted on the website of the Company, viz., [www.astecls.com](http://www.astecls.com) and available on web link <https://www.astecls.com/listing-compliance.aspx>.

## F. Meetings of the Board of Directors – Procedure & Attendance:

The Board of Directors, *inter alia*, focuses on and oversees strategic planning, risk management, compliance, corporate governance, financial controls, succession planning for Directors, etc., with high standards of ethical conduct and integrity, in order to protect the best interests of all the stakeholders, including Shareholders.

The Board of Directors meets at regular intervals to discuss and decide on business strategies or policies and reviews the financial and operational performance of the Company and its subsidiaries. In case of business exigencies, the Board's approval is taken through Resolutions by Circulation, which are then noted at subsequent Board Meetings.

The Agendas for the Meetings of the Board of Directors are circulated in advance to the Directors as per the provisions of the Act and the Rules framed thereunder and Secretarial Standard – 1 (“SS-1”) issued by the Institute of Company Secretaries of India (ICSI) (which prescribes a set of principles for convening and conducting Meetings of the Board of Directors and matters related thereto) in order to ensure that sufficient time is provided to the Directors to prepare for the Meetings. This ensures detailed discussions and well-informed, timely decisions by the Board.

The Board meets at least once in a Quarter to, *inter alia*, review, approve and take note of the Quarterly / Half-Yearly / Annual Standalone and Consolidated Financial Results of the Company (along with the Reports of the Statutory Auditors thereon) (as may be applicable), Cost Audit Report, Secretarial Audit Report, annual operating plan and budgets, capital budgets and updates thereon, various compliance report(s) under the applicable laws, major legal issues, regulatory developments, Minutes of the Meetings of the Board of Directors and its Committees and those of its Subsidiary Companies, Significant Transactions entered into with Related Parties and compliances with the Act, the Listing Regulations and other law(s) as may be applicable to the Company.

The Meetings of the Board of Directors are usually held at the Registered Office of the Company at “Godrej One”, Pirojshanagar, Eastern Express Highway, Vikhroli (East), Mumbai – 400 079 (Maharashtra). During the Financial Year 2022-23, considering the convenience of all the Directors and Invitees, the Company had facilitated an option of attendance of Directors and invitees at Board Meetings through Video Conferencing.

The Company Secretary & Compliance Officer attends all the Meetings of the Board and is, *inter alia*, responsible for recording the Minutes of such Meetings. The draft Minutes of the Meetings of the Board are sent to the Directors for their comments in accordance with SS-1 and then, the Minutes are entered in the Minutes Book within 30 (Thirty) days of the conclusion of the Meetings, subsequent to incorporation of the comments, if any, received from the Directors.

The Company complies with the provisions of the Act read with the Rules framed thereunder, SS-1 and the Listing Regulations with respect to convening and holding of the Meetings of the Board of Directors and its Committees.

During the Financial Year 2022-23, 4 (Four) Board Meetings were held (on 2<sup>nd</sup> May, 2022, 25<sup>th</sup> July, 2022, 28<sup>th</sup> October, 2022 and 30<sup>th</sup> January, 2023), in compliance with the provisions of SS-1. The maximum time gap between 2 (Two) consecutive Board Meetings held during the said Financial Year was not more than 120 (One Hundred and Twenty) days. The requisite quorum was duly present for all the Meetings.



**Details of Composition of the Board of Directors and their Attendance at the Board Meetings held during the Financial Year 2022-23 and at the previous 28<sup>th</sup> (Twenty-Eighth) Annual General Meeting (“28<sup>th</sup> AGM”):**

Sr. No.	Name of the Director	Nature of Directorship	Appointment / Cessation during the Financial Year 2022-23	No. of Board Meetings attended during the Financial Year 2022-23	Whether attended 28 <sup>th</sup> AGM held on 25 <sup>th</sup> July, 2022 (Present / Absent)
1.	Mr. Nadir B. Godrej (DIN: 00066195)	Chairman, Non-Executive, Non-Independent Director	Re-appointed as a Director liable to retire by rotation at the 28 <sup>th</sup> Annual General Meeting ("AGM") held on 25 <sup>th</sup> July, 2022	4/4	Present
2.	Mr. Ashok V. Hiremath (DIN: 00349345)	Non-Executive, Non-Independent Director (Promoter)	Earlier the "Managing Director", now a Non-Executive Director" w.e.f. 1 <sup>st</sup> April, 2022	4/4	Present
3.	Mr. Anurag Roy (DIN: 07444595)	Whole Time Director & Chief Executive Officer	-	4/4	Present
4.	Mr. Balram Singh Yadav (DIN: 00294803)	Non-Executive, Non-Independent Director	-	2/4	Present
5.	Mr. Rakesh Dogra (DIN: 07334098)	Non-Executive, Non-Independent Director	Resigned w.e.f. 2 <sup>nd</sup> May, 2022	0/0	Not Applicable
6.	Mr. Burjis Godrej (DIN: 08183082)	Non-Executive, Non-Independent Director	Appointed w.e.f. 25 <sup>th</sup> July, 2022	3/3	Present
7.	Dr. Brahma Nand Vyas (DIN: 02796071)	Non-Executive, Independent Director	-	4/4	Present
8.	Mr. Vijay Kashinath Khot (DIN: 03520249)	Non-Executive, Independent Director	-	3/4	Present
9.	Mr. R. R. Govindan (DIN: 02148801)	Non-Executive, Independent Director	-	4/4	Present

Sr. No.	Name of the Director	Nature of Directorship	Appointment / Cessation during the Financial Year 2022-23	No. of Board Meetings attended during the Financial Year 2022-23	Whether attended 28 <sup>th</sup> AGM held on 25 <sup>th</sup> July, 2022 (Present / Absent)
10.	Mr. Nandkumar Dhekne (DIN: 02189370)	Non-Executive, Independent Director	-	4/4	Present
11.	Ms. Anjali Rajesh Gupte (DIN: 00104884)	Non-Executive, Independent Director (Woman Director)	-	3/4	Present

**G. Directorships and Committee Positions of Directors:**

None of the Directors of the Company is:

- a) a Director in more than 10 (Ten) public limited companies – As per Section 165 of the Act;
- b) a Director in more than 7 (Seven) listed companies – As per Regulation 17A of the Listing Regulations;
- c) an Independent Director in more than 7 (Seven) listed companies OR 3 (Three) listed companies (in case he / she serves as a Whole Time Director / Managing Director in any listed company) - As per Regulation 17A of the Listing Regulations;
- d) a member of more than 10 (Ten) Committees and Chairperson of more than 5 (Five) Committees across all the listed entities in which he / she is a Director – As per Regulation 26 of the Listing Regulations.

The details of outside directorships held by the Directors of the Company, along with the Board / Committee Chairmanships / Memberships held by them as on 31<sup>st</sup> March, 2023 are given hereunder:

Sr. No.	Name of the Director	No. of Directorships held as on 31 <sup>st</sup> March, 2023 (*)	No. of Board Committees of Companies in which a Member / Chairman as on 31 <sup>st</sup> March, 2023 (^)	Names of Listed Companies in which Directorship is held & Category of Directorship
1.	Mr. Nadir B. Godrej	8	Member in 2 out of which Chairman in 1	<ul style="list-style-type: none"> <li>● Astec LifeSciences Limited (Non-Executive, Non-Independent Chairman)</li> <li>● Godrej Agrovet Limited (Non-Executive, Non-Independent Chairman)</li> <li>● Godrej Industries Limited (Managing Director &amp; Chairman)</li> <li>● Godrej Consumer Products Limited (Non-Executive, Non-Independent Director)</li> <li>● Godrej Properties Limited (Non-Executive, Non-Independent Director)</li> </ul>
2.	Mr. Ashok V. Hiremath	2	Member in 3 out of which Chairman in NIL	<ul style="list-style-type: none"> <li>● Astec LifeSciences Limited (Non-Executive, Non-Independent Director)</li> <li>● Dai-Ichi Karkaria Limited (Independent Director)</li> </ul>
3.	Mr. Anurag Roy	1	Member / Chairman in NIL	<ul style="list-style-type: none"> <li>● Astec LifeSciences Limited (Whole Time Director &amp; Chief Executive Officer)</li> </ul>
4.	Mr. Balram Singh Yadav	5	Member in 4 out of which Chairman in 1	<ul style="list-style-type: none"> <li>● Astec LifeSciences Limited (Non-Executive, Non-Independent Director)</li> <li>● Godrej Agrovet Limited (Managing Director)</li> </ul>
5.	Mr. Burjis Godrej (w.e.f. 25 <sup>th</sup> July, 2022)	2	Member / Chairman in NIL	<ul style="list-style-type: none"> <li>● Astec LifeSciences Limited (Non-Executive, Non-Independent Director)</li> <li>● Godrej Agrovet Limited (Executive Director)</li> </ul>
6.	Dr. Brahma Nand Vyas	1	Member in 1 out of which Chairman in NIL	<ul style="list-style-type: none"> <li>● Astec LifeSciences Limited (Independent Director)</li> </ul>
7.	Mr. Vijay K. Khot	1	Member in 2 out of which Chairman in NIL	<ul style="list-style-type: none"> <li>● Astec LifeSciences Limited (Independent Director)</li> </ul>
8.	Mr. R. R. Govindan	1	Member in 2 out of which Chairman in 1	<ul style="list-style-type: none"> <li>● Astec LifeSciences Limited (Independent Director)</li> </ul>

Sr. No.	Name of the Director	No. of Directorships held as on 31 <sup>st</sup> March, 2023 (*)	No. of Board Committees of Companies in which a Member / Chairman as on 31 <sup>st</sup> March, 2023 (^)	Names of Listed Companies in which Directorship is held & Category of Directorship
9.	Mr. Nandkumar Dhekne	4	Member in 1 out of which Chairman in NIL	<ul style="list-style-type: none"> <li>● Astec LifeSciences Limited (Independent Director)</li> <li>● John Cockerill India Limited (Independent Director)</li> <li>● Elantas Beck India Limited (Independent Director)</li> </ul>
10.	Ms. Anjali Rajesh Gupte	1	Member / Chairperson in NIL	<ul style="list-style-type: none"> <li>● Astec LifeSciences Limited (Independent Director)</li> </ul>

(\*) Excludes alternate directorship and directorship in foreign companies, private companies and companies governed by Section 8 of the Companies Act, 2013.

(^) In accordance with Regulation 26 of the Listing Regulations, Membership(s) / Chairmanship(s) of only Audit Committees and Stakeholders' Relationship Committees in all public limited companies (including Astec LifeSciences Limited) have been considered.

**H. Directors with Materially Significant Related Party Transactions, Pecuniary or Business Relationship with the Company:**

Except for drawing remuneration by the Whole Time Director and payment of Sitting Fees to Independent Directors, none of the Directors have any other material significant Related Party Transactions, pecuniary or business relationship with the Company.

Attention of the Shareholders is drawn to the disclosures of transactions with Related Parties set out in Note No. 51 to the Standalone Financial Statement for the Financial Year ended 31<sup>st</sup> March, 2023, forming a part of the Annual Report.

In the preparation of the Financial Statements, your Company has adopted accounting policies which are in line with the Indian Accounting Standards notified under Section 133 of the Companies Act, 2013 read together with the Companies (Indian Accounting Standards) Rules, 2015. The significant accounting policies, which are consistently applied, have been set out in the Notes to the Financial Statements. Appropriate disclosure as required by the Indian Accounting Standards (Ind-AS 24) has also been made in the Notes to the Financial Statements.

**I. Number of Equity Shares held by Directors and Dividend paid during the Financial Year 2022-23:**

Sr. No.	Name of Director	No. of Equity Shares held		Dividend paid during the Financial Year 2022-23 (Amount in ₹)
		As on 31 <sup>st</sup> March, 2022	As on 31 <sup>st</sup> March, 2023	
1.	Mr. Nadir B. Godrej	0	0	0.00
2.	Mr. Ashok V. Hiremath	3,90,802	3,90,802	5,86,203.00
3.	Mr. Anurag Roy	0	1,105	0.00
4.	Mr. Balram Singh Yadav	3,390	3,390	5,085.00
5.	Mr. Burjis Godrej (w.e.f. 25 <sup>th</sup> July, 2022)	0	0	0.00
6.	Dr. Brahma Nand Vyas	0	0	0.00
7.	Mr. Vijay K. Khot	0	0	0.00
8.	Mr. R. R. Govindan	0	0	0.00
9.	Mr. Nandkumar Dhekne	0	0	0.00
10.	Ms. Anjali Rajesh Gupte	0	0	0.00
11.	Mr. Rakesh Dogra (Resigned w.e.f. 2 <sup>nd</sup> May, 2022)	-	-	0.00

**J. Employees Stock Option to Directors:**

During the Financial Year 2022-23, the Nomination and Remuneration Committee of the Board of Directors has allotted 8,105 (Eight Thousand One Hundred Five) Equity Shares of Face Value of ₹ 10/- (Rupees Ten Only) each, ranking *pari passu* with the existing Equity Shares, out of which:

- 4,000 (Four Thousand) Equity Shares were allotted pursuant to exercise of Options at an exercise price of ₹ 34/- (Rupees Thirty Four Only) each under the original Employees Stock Option Plan, 2012 ("ESOP 2012");
- 1,105 (One Thousand One Hundred Five) Equity Shares were allotted pursuant to exercise of Options at an exercise price of ₹ 10/- (Rupees Ten Only) each under the amended ESOP 2012;
- 3,000 (Three Thousand) Equity Shares were allotted pursuant to exercise of Options at an exercise price of ₹ 387.35 (Rupees Three Hundred Eighty Seven and Paise Thirty Five Only) each under the Employees Stock Option Scheme, 2015 ("ESOS 2015").

Further, during the Financial Year under review, the Nomination and Remuneration Committee has granted 1,322 (One Thousand Three Hundred Twenty Two) Options convertible into 1,322 (One Thousand Three Hundred Twenty Two) Equity Shares at an Exercise Price of ₹ 10/- (Rupees Ten Only) under the amended ESOP 2012.

During the Financial Year under review, no options were granted under ESOS 2015.

**K. Director seeking Re-appointment at the ensuing 29<sup>th</sup> (Twenty Ninth) Annual General Meeting:****Mr. Balram Singh Yadav (Non-Executive, Non-Independent Director):**

Mr. Balram Singh Yadav, Director, retires by rotation at the ensuing 29<sup>th</sup> (Twenty Ninth) Annual General Meeting of the Company pursuant to the provisions of Section 152 of the Act and being eligible, offers himself for re-appointment.

Mr. Balram Singh Yadav is the Managing Director of Godrej Agrovet Limited, one of India's foremost diversified agribusiness companies. He also serves as the Managing Director of Godrej Tyson Foods Limited. He has been the Chairman of CLFMA of India (twice), an Association of Livestock Industry. In addition, he is a Director of numerous firms including ACI Godrej Agrovet Private Limited (Bangladesh), Creamline Dairy Products Limited (Hyderabad), Astec LifeSciences Limited (Mumbai) and Godrej Maxximilk Private Limited (Mumbai).

Mr. Yadav began his career with Godrej in 1990 and over the years he has handled roles of increasing responsibilities across the businesses and regions within the Company. He became the Business Head in 1999 when he was asked to establish and lead the Poultry Business. He holds the credit to establish the Real Good Chicken and Yummiez as the leading processed poultry brands in India.

In 2007, he took over reins of Godrej Agrovet Limited as the Executive Director and President and since, has put Godrej Agrovet Limited on the path of rapid growth. In 2017, Mr. Yadav was instrumental in taking Godrej Agrovet Limited public. The public offer received record response and was subscribed over 96 times. He is a regular contributor to national and international fora in the areas of Food and Agriculture.

Mr. Yadav completed his B.Sc. (Hons.) in Agricultural Science at Haryana Agricultural University, where he ranked 2<sup>nd</sup> in his class. He earned his MBA from IIM-Ahmedabad.

### 3. COMMITTEES CONSTITUTED BY THE BOARD OF DIRECTORS:

#### A. Composition of the Committees of the Board of Directors during the Financial Year 2022-23:

Name of Director	Independent / Non-Independent	Position in Committee (whether Chairperson / Member)					
		Audit Committee	Corporate Social Responsibility Committee	Nomination and Remuneration Committee	Stakeholders' Relationship Committee	Risk Management Committee (^)	Managing Committee
Mr. Nadir B. Godrej	Non-Independent	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Mr. Ashok V. Hiremath	Non-Independent	Member	Chairman	N.A.	N.A.	Chairman	Member
Mr. Anurag Roy	Non-Independent	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Mr. Balram Singh Yadav	Non-Independent	N.A.	Member	Member	Chairman	Member	Member
Mr. Rakesh Dogra (*)	Non-Independent	N.A.	N.A.	N.A.	N.A.	N.A.	Member
Mr. Burjis Godrej (\$)	Non-Independent	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Dr. Brahma Nand Vyas	Independent	Member	Member	N.A.	N.A.	N.A.	N.A.
Mr. Vijay Kashinath Khot	Independent	Member	N.A.	Member	Member	N.A.	N.A.
Mr. R. R. Govindan	Independent	Chairman	Member	Chairman	Member	Member	N.A.
Mr. Nandkumar Dhekne	Independent	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Ms. Anjali Gupte	Independent	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.

(N.A. indicates not a Member / Chairperson of the Committee.)

(\*) Mr. Rakesh Dogra resigned as a "Non-Executive, Non-Independent Director" w.e.f. 2<sup>nd</sup> May, 2022.

(\$) Mr. Burjis Godrej has been appointed as a "Non- Executive, Non-Independent Director" w.e.f. 25<sup>th</sup> July, 2022.

Ms. Tejashree Pradhan, Company Secretary and Compliance Officer is the Secretary to all the Committees of the Board of Directors. She has attended all the Meetings of the Board of Directors and the Committees thereof during the Financial Year 2022-23.

## B. Attendance Details of the Meetings of Committees during the Financial Year 2022-23:

Particulars	Audit Committee	Corporate Social Responsibility Committee	Nomination and Remuneration Committee	Stakeholders' Relationship Committee	Risk Management Committee
<b>Number of Meetings held</b>	<b>4</b>	<b>2</b>	<b>3</b>	<b>1</b>	<b>3</b>
<b>Attendance of Directors:</b>					
Mr. Nadir B. Godrej	N.A.	N.A.	N.A.	N.A.	N.A.
Mr. Ashok V. Hiremath	4	2	N.A.	N.A.	3
Mr. Anurag Roy	N.A.	N.A.	N.A.	N.A.	N.A.
Mr. Balram Singh Yadav	N.A.	0	1	0	1
Mr. Burjis Godrej (\$)	N.A.	N.A.	N.A.	N.A.	N.A.
Mr. Rakesh Dogra (*)	N.A.	N.A.	N.A.	N.A.	N.A.
Dr. Brahma Nand Vyas	4	2	N.A.	N.A.	N.A.
Mr. Vijay Kashinath Khot	4	N.A.	3	1	N.A.
Mr. R. R. Govindan	4	2	3	1	3
Mr. Nandkumar Dhekne	N.A.	N.A.	N.A.	N.A.	N.A.
Ms. Anjali Rajesh Gupte	N.A.	N.A.	N.A.	N.A.	N.A.

(N.A. indicates not a Member of the Committee.)

(\*) Mr. Rakesh Dogra resigned as a "Non-Executive, Non-Independent Director" w.e.f. 2<sup>nd</sup> May, 2022.

(\$) Mr. Burjis Godrej has been appointed as a "Non- Executive, Non-Independent Director" w.e.f. 25<sup>th</sup> July, 2022.

- Leave of Absence is granted to the Members in the event of inability to attend the Committee Meetings.
- In addition to the Directors mentioned in the above table, Mr. Saurav Bhala, Chief Financial Officer was also a Member of the Risk Management Committee and had attended 1 (One) Meeting of the Committee held during the year and he ceased to be a Member consequent to his resignation w.e.f. 30<sup>th</sup> September, 2022.

## C. Audit Committee:

### Composition of the Audit Committee:

In terms of Regulation 18 of the Listing Regulations and Section 177 of the Act, the Audit Committee comprised of the following 4 (Four) Directors as Members during the Financial Year 2022-23 and as on 31<sup>st</sup> March, 2023:

Sr. No.	Name of the Member	Designation & Category
1.	Mr. R. R. Govindan	Chairman (Non-Executive, Independent Director)
2.	Mr. Ashok V. Hiremath (*)	Member (Non-Executive, Non-Independent Director)
3.	Mr. Vijay Kashinath Khot	Member (Non-Executive, Independent Director)
4.	Dr. Brahma Nand Vyas	Member (Non-Executive, Independent Director)

(\*) Mr. Ashok Hiremath has ceased to be the "Managing Director" and continues to be a "Non-Executive,

Non-Independent Director” w.e.f. 1<sup>st</sup> April, 2022.

All the Members of the Audit Committee possess the requisite qualification for appointment as Members of the Committee and also possess sound knowledge of finance, accounting practices and internal controls.

**Terms of Reference of the Audit Committee:**

The terms of reference of the Audit Committee are wide and in line with the regulatory requirements mandated by Section 177 of the Act and Part C of Schedule II and other applicable provisions of the Listing Regulations. These terms of reference are as follows:

- a) To oversee the Company’s financial reporting process and the disclosure of its financial information to ensure that the Financial Statements are correct, sufficient and credible;
- b) To recommend the appointment, remuneration and terms of appointment of the Auditors of the Company, as may be applicable;
- c) To approve payment to the Statutory Auditors for any other services rendered by the Statutory Auditors;
- d) To review and monitor the Auditors’ independence and performance, and the effectiveness of audit process;
- e) To examine / review the Financial Statements and the Auditors’ Reports thereon with the management, before submission to the Board of Directors for approval, with particular reference to:
  - i. matters required to be included in the Directors’ Responsibility Statement to be included in the Board’s Report in terms of clause (c) of sub-section (3) of Section 134 of the Act;
  - ii. changes, if any, in the accounting policies and practices and reasons for the same;
  - iii. major accounting entries involving estimates based on the exercise of judgment by the Management;
  - iv. significant adjustments made in the Financial Statements arising out of audit findings;
  - v. compliance with listing and other legal requirements relating to Financial Statement;
  - vi. disclosure of any Related Party Transactions; and
  - vii. modified opinion(s) in the draft Audit Report;
- f) To review, with the Management, the quarterly Financial Statements before submission to the Board of Directors for approval;
- g) To grant approval for or any subsequent modification of transactions of the Company with Related Parties;
- h) To scrutinize inter-corporate loans, deposits and investments;
- i) To consider valuation of undertakings or assets of the Company, wherever it is necessary;
- j) To evaluate internal financial controls and risk management systems;
- k) To review, with the Management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board of Directors to take up steps in this matter;
- l) To monitor the end use of funds raised through public offers and related matters;
- m) To review, with the Management, performance of Statutory and Internal Auditors, adequacy of the internal control systems;



- n) To review the adequacy of Internal Audit function, including the structure of the Internal Audit Department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of Internal Audit;
- o) To discuss with the Internal Auditors on any significant findings and follow-up thereon;
- p) To review the findings of any internal investigations by the Internal Auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matters to the Board of Directors;
- q) To discuss with the Statutory Auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area(s) of concern;
- r) To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, Shareholders (in case of non-payment of declared dividends) and creditors;
- s) To review the functioning of the Whistle Blower mechanism;
- t) To approve appointment of Chief Financial Officer, after assessing the qualifications, experience, background, etc. of the candidate;
- u) To investigate into any of the above matters or matters referred to it by the Board of Directors and for this purpose, to have full access to information contained in the records of the Company and external professional advice, if necessary;
- v) To mandatorily review the following information:
  - i. Management Discussion and Analysis of financial condition and results of operations;
  - ii. Statement of significant Related Party Transactions (as defined by the Audit Committee), submitted by the Management;
  - iii. Management letters / letters of internal control weaknesses issued by the Statutory Auditors;
  - iv. Internal Audit reports relating to internal control weaknesses;
  - v. Review of the appointment, removal and terms of remuneration of the Chief Internal Auditor;
  - vi. Statements of deviations:
    - Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to Stock Exchange(s) in terms of Regulation 32(1) of the Listing Regulations; and
    - Annual statement of funds utilized for purposes other than those stated in the document / prospectus / notice in terms of Regulation 32(7) of the Listing Regulations;
- w) To review Financial Statements, in particular, the investments made by the Company's unlisted subsidiaries;
- x) To note report of the Compliance Officer as per Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- y) To formulate the scope, functioning, periodicity of and methodology for conducting the Internal Audit;
- z) To review show cause, demand, prosecution notices and penalty notices, which are materially important;
- aa) To review any material default in financial obligations to and by the Company, or substantial non-payment for goods sold by the Company;
- ab) To review any issue, which involves possible public or product liability claims of substantial nature, including any judgment or order which, may have passed strictures on the conduct of the Company

- or taken an adverse view regarding another enterprise that may have negative implications on the Company;
- ac) To review details of any Joint Venture or Collaboration Agreement;
  - ad) To review sale of investments, subsidiaries, assets which are material in nature and not in normal course of business;
  - ae) To review quarterly details of foreign exchange exposures and the steps taken by the Management to limit the risks of adverse exchange rate movement, if material;
  - af) To review the utilization of loan(s) and/or advance(s) and/or deposit(s) and/or investment(s) by the Company in the subsidiary exceeding ₹ 100 Crore (Rupees One Hundred Crore Only) or 10% (Ten per cent) of the asset size of the subsidiary, whichever is lower, including existing loan(s) and/or advance(s) and/or deposit(s) and/or investment(s);
  - ag) To review compliance with the provisions of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 at least once in a Financial Year and verify that the systems for internal control are adequate and are operating effectively;
  - ah) To make necessary amendments / revisions in the Policy on Materiality of Related Party Transactions and Dealing with Related Party Transactions of the Company and the Whistle Blower Policy of the Company, as it may deem fit from time to time;
  - ai) To consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation, etc. on the Company and its Shareholders;
  - aj) To perform such other functions and duties as may be required to be performed by the Audit Committee under the applicable provisions of the Act and/or the Rules framed thereunder and/or the Listing Regulations, including any amendment(s) thereto, as prevailing from time to time.

Further, in terms of the Companies (Cost Records and Audit) Rules, 2014 read with the Companies (Audit and Auditors) Rules, 2014, the Company maintains cost records in its books of accounts for the Financial Year 2022-23 in respect of its business of manufacturing of agrochemicals. The Cost Audit Report issued by the Cost Auditors of the Company will be placed for review by the Audit Committee and the same is recommended to the Board of Directors for its approval.

#### **Meetings of the Audit Committee:**

There were 4 (Four) Audit Committee Meetings held during the Financial Year 2022-23, viz., on 2<sup>nd</sup> May, 2022, 25<sup>th</sup> July, 2022, 28<sup>th</sup> October, 2022 and 30<sup>th</sup> January, 2023, at which all the Members were duly present.

The representatives of the Statutory Auditors and the Internal Auditors are invited to attend the Audit Committee Meetings. They have attended all the Meetings during the Financial Year 2022-23 and have shared their observations to the Audit Committee.

The Audit Committee has made recommendations to the Board of Directors at its every Meeting and the Board of Directors has duly noted and accepted the same during the Financial Year 2022-23.

#### **D. Nomination and Remuneration Committee:**

##### **Composition of the Nomination and Remuneration Committee:**

In terms of Regulation 19 of the Listing Regulations and Section 178 of the Act, the Nomination and Remuneration Committee, during the Financial Year 2022-23 and as on 31<sup>st</sup> March, 2023, comprised of the following 3 (Three) Directors as Members:

Sr. No.	Name of the Member	Designation & Category
1.	Mr. R. R. Govindan	Chairman (Non-Executive, Independent Director)
2.	Mr. Vijay Kashinath Khot	Member (Non-Executive, Independent Director)
3.	Mr. Balram Singh Yadav	Member (Non-Executive, Non-Independent Director)

#### **Terms of Reference of the Nomination and Remuneration Committee:**

The terms of reference of the Nomination and Remuneration Committee are in conformity with the regulatory requirements mandated by Section 178 of the Act and Part D of Schedule II and other applicable provisions of the Listing Regulations. These terms of reference are as follows:

- a) To formulate the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board of Directors, a Policy relating to the Appointment and Remuneration of the Directors, Key Managerial Personnel and other Senior Management Personnel;
- b) To formulate criteria for evaluation of performance of Independent Directors and the Board of Directors in accordance with the Nomination and Remuneration Policy;
- c) To devise a Policy on Diversity of Board of Directors;
- d) To identify persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down and to recommend to the Board of Directors, their appointment and / or removal;
- e) To consider extension or continuation of the term of appointment of the Independent Directors on the basis of the report of performance evaluation of Independent Directors;
- f) To specify the manner for effective evaluation of performance of Board, its Committees and individual Directors to be carried out either by the Board, by the Nomination and Remuneration Committee or by an independent external agency and review its implementation and compliance;
- g) To recommend / review remuneration of the Managing Director(s), Whole Time Director(s) and Executive Director(s) based on their performance and defined assessment criteria;
- h) To recommend to the Board of Directors, all remuneration, in whatever form, payable to senior management;
- i) To consider grant of stock options to eligible Directors and employees, to formulate detailed terms and conditions of Employees Stock Option Plan (ESOP) / Employees Stock Option Scheme (ESOS) and to administer and exercise superintendence over ESOP / ESOS;
- j) To make necessary amendments / revisions in the Nomination and Remuneration Policy of the Company, as it may deem fit from time to time;
- k) For every appointment of an Independent Director, to evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, to prepare a description of the role and capabilities required by an Independent Director;
- l) To carry out any other function as may be mandated by the Board of Directors from time to time and / or enforced by any statutory notification(s), amendment(s) or modification(s) as may be applicable.

#### **Meetings of the Nomination and Remuneration Committee:**

There were 3 (Three) Meetings of the Nomination and Remuneration Committee held during the Financial Year 2022-23, viz., on 2<sup>nd</sup> May, 2022, 25<sup>th</sup> July, 2022 and 28<sup>th</sup> October, 2022 at which the requisite quorum was duly present.

**Criteria for Performance Evaluation of Independent Directors:**

The Nomination and Remuneration Committee has laid down the following criteria for evaluation of performance of the Independent Directors:

1. Attendance and contribution at the Meetings of the Board of Directors and its Committees;
2. Stature, appropriate mix of expertise, skills, behaviour, experience, leadership qualities, sense of sobriety and understanding of business, strategic direction to align with the Company’s values and standards;
3. Knowledge of finance, accounts, legal, investment, marketing, foreign exchange / hedging, internal controls, risk management assessment and mitigation, business operations, processes and Corporate Governance;
4. Ability to create a performance culture that drives value creation and a high quality of debate with robust and probing discussions;
5. Effective decision-making ability to respond positively and constructively to implement the same in order to encourage more transparency;
6. Open channels of communication with executive management and other colleagues on the Board to maintain high standards of integrity and probity;
7. Recognizing the role which he / she is expected to play, internal Board relationships to make decisions objectively and collectively in the best interest of the Company, to achieve organizational success and harmonizing the Board;
8. Global presence, rational, physical and mental fitness, broader thinking, vision on Corporate Social Responsibility, etc.;
9. Quality of decision-making and inputs on source and procurement of raw materials, export marketing, understanding financial statements and business performance, raising of finance, best source of finance, working capital requirement, forex dealings, geopolitics, human resources, etc.;
10. Ability to monitor the performance of the management and satisfy himself / herself with integrity of the financial controls and systems in place by ensuring right level of contact with external stakeholders;
11. Contribution to enhance overall brand image of the Company.

**E. Stakeholders’ Relationship Committee:**

**Composition of the Stakeholders’ Relationship Committee:**

In terms of Regulation 20 of the Listing Regulations and Section 178 of the Act, the Stakeholders’ Relationship Committee, during the Financial Year 2022-23 and as on 31<sup>st</sup> March, 2023, comprised of the following 3 (Three) Directors as Members:

Sr. No.	Name of the Member	Designation & Category
1.	Mr. Balram Singh Yadav	Chairman (Non-Executive, Non-Independent Director)
2.	Mr. R. R. Govindan	Member (Non-Executive, Independent Director)
3.	Mr. Vijay Kashinath Khot	Member (Non-Executive, Independent Director)

Ms. Tejashree Pradhan, Company Secretary and Compliance Officer is the Secretary to Stakeholders’ Relationship Committee and has attended the Meeting of the Committee held during the Financial Year 2022-23.

**Terms of Reference of the Stakeholders' Relationship Committee:**

The terms of reference of the Stakeholders' Relationship Committee are in conformity with the regulatory requirements mandated by Section 178 of the Act and Regulation 20 read with Part D of Schedule II of the Listing Regulations. These terms of reference are as follows:

- a) To oversee and review all matters connected with transfer of Company's securities;
- b) To approve issue of duplicate of shares / debentures certificates;
- c) To oversee the performance of the Company's Registrar and Share Transfer Agent;
- d) To resolve the grievances of the security holders of the Company, including complaints related to transfer/ transmission of shares, non-receipt of Annual Report, non-receipt of declared dividends, issue of new / duplicate certificates, General Meetings, etc.;
- e) To investigate into complaints relating to allotment of shares, approval of transfers or transmission of shares, debentures or any other securities;
- f) To review the measures taken for effective exercise of voting rights by Shareholders;
- g) To review adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar and Share Transfer Agent and recommend methods to upgrade the service standards adopted by the Company;
- h) To review various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants / annual reports / statutory notices by the security holders of the Company;
- i) To carry out any other function as is mandated by the Board of Directors from time to time and / or enforced by any statutory notification(s), amendment(s) or modification(s) as may be applicable;
- j) To specifically look into various aspects of interest of Shareholders, debenture-holders and other security holders.

**Meetings of the Stakeholders' Relationship Committee:**

There was 1 (One) Meeting of the Stakeholders' Relationship Committee held during the Financial Year 2022-23, viz., on 30<sup>th</sup> January, 2023.

The details of Investor Complaints received and resolved during the Financial Year 2022-23 are as follows:

Particulars	No. of Complaints
Complaints outstanding as on 1 <sup>st</sup> April, 2022	0
(+) Complaints received during the Financial Year ended 31 <sup>st</sup> March, 2023	3
(-) Complaints resolved during the Financial Year ended 31 <sup>st</sup> March, 2023	3
Complaints outstanding as on 31 <sup>st</sup> March, 2023	0

There are no pending share transfers as on 31<sup>st</sup> March, 2023.

**F. Risk Management Committee:**

**Composition of the Risk Management Committee:**

In terms of Regulation 21 of the Listing Regulations, the Risk Management Committee comprised of the following 3 (Three) Members as on 31<sup>st</sup> March, 2023:

Sr. No.	Name of the Member	Designation & Category
1.	Mr. Ashok V. Hiremath	Chairman (Non-Executive, Non-Independent Director)
2.	Mr. Balram Singh Yadav	Member (Non-Executive, Non-Independent Director)
3.	Mr. R. R. Govindan	Member (Non-Executive, Independent Director)

Mr. Saurav Bhala, former Chief Financial Officer, was also a Member of the Risk Management Committee and ceased to be a Member consequent to his resignation w.e.f. 30<sup>th</sup> September, 2022.

**Terms of Reference of the Risk Management Committee:**

The terms of reference of the Risk Management Committee are in conformity with the regulatory requirements mandated by Regulation 21 of the Listing Regulations. These terms of reference are as follows:

- a) To lay down procedures to inform the Board Members about the risk assessment and minimization procedures;
- b) To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;
- c) To frame, implement, review and monitor the risk management plan for the Company, specifically covering cyber security;
- d) To make necessary amendments / revisions the risk management plan of the Company, as it may deem fit from time to time;
- e) To monitor and oversee implementation of the Risk Management Policy, including evaluating the adequacy of risk management systems;
- f) To periodically review the Risk Management Policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;
- g) To keep the Board of Directors informed about the nature and contents of its discussions, recommendations and actions to be taken;
- h) To review the appointment, removal and terms of remuneration of the Chief Risk Officer (if any);
- i) To carry out any other function as is mandated by the Board of Directors from time to time and / or enforced by any statutory notification(s), amendment(s) or modification(s) as may be applicable or as may be necessary or appropriate for the performance of its duties.

The Board and the senior management are regularly briefed on the risks assessed and the measures adopted by the Company to mitigate the same.

**Meetings of the Risk Management Committee:**

There were 3 (Three) Meetings of the Risk Management Committee held during the Financial Year 2022-23, viz., on 2<sup>nd</sup> May, 2022, 28<sup>th</sup> October, 2022 and 24<sup>th</sup> March, 2023.

**G. Corporate Social Responsibility ('CSR') Committee:**

**Composition of the CSR Committee:**

In terms of Section 135 of the Act, the CSR Committee, during the Financial Year 2022-23 and as on 31<sup>st</sup> March, 2023, comprised of the following 4 (Four) Directors as Members:

Sr. No.	Name of the Member	Designation & Category
1	Mr. Ashok V. Hiremath	Chairman (Non-Executive, Non-Independent Director)
2	Mr. Balram Singh Yadav	Member (Non-Executive, Non-Independent Director)
3	Mr. R. R. Govindan	Member (Non-Executive, Independent Director)
4	Dr. Brahma Nand Vyas	Member (Non-Executive, Independent Director)

#### Terms of Reference of the CSR Committee:

The terms of reference of the CSR Committee are in conformity with the regulatory requirements mandated by Section 135 of the Act read with the Companies (Corporate Social Responsibility Policy) Rules, 2014. These terms of reference are as follows:

- To formulate and recommend to the Board of Directors, the CSR Policy, indicating the CSR activities to be undertaken;
- To recommend the amount of expenditure to be incurred on the CSR activities;
- To monitor the CSR Policy and its implementation by the Company from time to time;
- To constitute a transparent monitoring mechanism for implementation of CSR projects or programmes or activities undertaken by the Company;
- To review, approve and sign the Annual Report on CSR to be annexed to the Board's Report; and
- To perform such other functions or responsibilities and exercise such other powers as may be conferred upon the CSR Committee in terms of the provisions of Section 135 of the Act and the Rules framed thereunder.

#### Meetings of the CSR Committee:

There were 2 (Two) Meetings of the CSR Committee held during the Financial Year 2022-23, viz., on 2<sup>nd</sup> May, 2022 and 28<sup>th</sup> October, 2022.

## H. Managing Committee:

#### Composition of the Managing Committee:

The Managing Committee comprised of the following 2 (Two) Directors as Members as on 31<sup>st</sup> March 2023:

Sr. No.	Name of the Member	Category
1	Mr. Balram Singh Yadav	Chairman (Non-Executive, Non-Independent Director)
2	Mr. Ashok V. Hiremath	Managing Director (*) (Non-Independent Director)

Mr. Rakesh Dogra, former Non-Executive, Non-Independent Director, was also a Member of the Managing Committee and ceased to be a Member consequent to his resignation w.e.f. 2<sup>nd</sup> May, 2022.

#### Terms of Reference of the Managing Committee:

The terms of reference of the Managing Committee include handling of various administrative and other matters of the Company, which have been delegated to the Managing Committee by the Board of Directors from time to time.

## I. Meeting of Independent Directors:

In compliance with the provisions of Regulation 17 of the Listing Regulations, not less than one-half of the composition of the Board of Directors as on 31<sup>st</sup> March, 2023 consists of Independent Directors. There were no changes in the Independent Directors of the Company during the Financial Year 2022-23.

The Board of Directors is of the opinion that all the Independent Directors of the Company satisfy the criteria for independence and the conditions specified in the Listing Regulations for appointment as Independent Directors and that they are independent of the Management of the Company.

During the year under review, 1 (One) Meeting of the Independent Directors was held on 2<sup>nd</sup> May, 2022, at which all the Independent Directors were present.

The Independent Directors, *inter alia*, discussed the following:

- Evaluation of performance of Non-Independent Directors and the Board of Directors as a whole;
- Evaluation of the performance of the Chairman of the Company, taking into account the views of the Executive and Non-Executive Directors;
- Evaluation of the quality, content and timeliness of flow of information between the Management and the Board of Directors that is necessary for the Board to effectively and reasonably perform its duties.

All Independent Directors of the Company are provided with the necessary documents, reports and internal policies to enable them to familiarize with the Company's procedures and practices.

Periodic presentations are made at the Meetings of the Board of Directors and of the Committees thereof, on business and performance updates of the Company, business strategy and risks involved. Quarterly updates on relevant statutory changes covering important applicable laws are discussed at the Meetings of the Board of Directors. Visits of Independent Directors to the Company's factory locations are also arranged as a part of the familiarization programmes.

The details of familiarization programmes for Independent Directors are hosted on the website of the Company, viz., [www.astecls.com](http://www.astecls.com) and available on the web link <https://www.astecls.com/listing-compliance.aspx>.

## 4. APPOINTMENT, REMUNERATION & PERFORMANCE EVALUATION OF DIRECTORS:

### A. Policy for Selection and Appointment / Re-appointment of Directors:

The Nomination and Remuneration Committee has adopted a Policy which, *inter alia*, deals with the manner of selection or appointment of Directors on the Board, including the Managing Director and the Whole Time Director, if any, and their remuneration. This Policy is available on the website of the Company, viz., [www.astecls.com](http://www.astecls.com) and available on web link <https://www.astecls.com/codes-and-policies.aspx>.

The Nomination and Remuneration Committee is required to ensure that the candidate identified for appointment as a 'Director' is not disqualified for appointment under Section 164 of the Act and the applicable provisions of the Listing Regulations.

The Nomination and Remuneration Committee considers the following attributes / criteria, while recommending to the Board of Directors, the candidature for appointment as a 'Director' and his / her remuneration:

- i. Qualification, knowledge, skills, expertise and experience possessed by the appointee;
- ii. Personal, professional and business standing of the appointee;
- iii. Capabilities identified by the Company which are possessed by the appointee;
- iv. Diversity of the Board of Directors.



In case of re-appointment of a Director, the Nomination and Remuneration Committee and the Board of Directors also take into consideration the performance evaluation of the Director.

**Criteria of Selection of Non-Executive and Independent Directors:**

- a. Non-Executive Directors shall be persons of high integrity, with relevant knowledge, skills, expertise and experience so as to have a diverse Board, with Directors having expertise in the fields of manufacturing, marketing, finance, taxation, law, governance and general management.
- b. In case of appointment of Independent Directors, the Nomination and Remuneration Committee shall satisfy itself with regard to the independence of the Directors vis-à-vis the Company, so as to enable the Board to discharge its functions and duties effectively.
- c. In particular, an Independent Director shall be a person who shall:
  - i. uphold ethical standards of integrity and probity;
  - ii. act objectively and constructively while exercising his / her duties;
  - iii. exercise his / her responsibilities in a bona fide manner in the interest of the Company;
  - iv. devote sufficient time and attention to his / her professional obligations for informed and balanced decision-making;
  - v. not allow any extraneous considerations that will vitiate his / her exercise of objective independent judgment in the paramount interest of the Company as a whole, while concurring in or dissenting from the collective judgment of the Board of Directors in its decision-making;
  - vi. not abuse his / her position to the detriment of the Company or its Shareholders or for the purpose of gaining direct or indirect personal advantage or advantage for any associated person;
  - vii. refrain from any action that would lead to loss of his / her independence;
  - viii. where circumstances arise which make an Independent Director lose his / her independence, the Independent Director must immediately inform the Board accordingly;
  - ix. assist the Company in implementing the best Corporate Governance practices.

**Criteria for Selection of Managing Director / Executive Director / Whole Time Director:**

For the purpose of selection of the Managing Director or Executive Director or Whole Time Director (as the case may be), the Nomination and Remuneration Committee shall identify persons of integrity who possess relevant qualifications, knowledge, skills, expertise, experience and leadership qualities required for the position and shall take into consideration the recommendation(s), if any, received from any Member of the Board of Directors. The Committee shall also ensure that the appointee fulfils such other criteria with regard to age and other qualifications as laid down under the Act or the Listing Regulations or any other applicable laws.

**B. Remuneration of Directors and Senior Management Personnel:**

**Policy for Determining Remuneration of Managing Director / Executive Director / Whole Time Director:**

The remuneration to the Managing Director or Executive Director or Whole Time Director (as the case may be) comprises of a fixed salary and other perquisites, allowances, contribution to Provident Fund, Performance Linked Variable Remuneration, employee stock options / grants, Long Term Incentives etc. which are paid/ allowed as per the Company's rules and policies prevailing from time to time. The remuneration paid is subject to tax as per the applicable Income Tax laws.

At the time of appointment or re-appointment, the Managing Director or Executive Director or Whole Time Director (as the case may be), shall be paid such remuneration as may mutually be agreed between the Company (which includes the Nomination and Remuneration Committee and / or the Board of Directors)

and the Managing Director or Executive Director or Whole Time Director (as the case may be), subject to the overall provisions of the Act and / or the Rules framed thereunder.

In determining the remuneration, the Nomination and Remuneration Committee shall ensure / consider the following points:

- a. Qualification, knowledge, skills, expertise and experience possessed by the Managing Director / Executive Director / Whole Time Director (as the case may be);
- b. Clarity in the relationship between remuneration and performance benchmarks;
- c. Balance between fixed and incentive pay, reflecting short term and long term performance objectives, appropriate to the working of the Company and its goals;
- d. Responsibility required to be shouldered by the Managing Director / Executive Director / Whole Time Director (as the case may be), the industry benchmarks and the current trends.

**Policy for Determining Remuneration of Non-Executive Directors:**

Non-Executive, Independent Directors are entitled to receive remuneration by way of sitting fees for attending the Meetings of the Board of Directors and Committees thereof, of such sums as may be approved by the Board of Directors, within the overall limits prescribed under the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

Non-Executive Directors shall also be allowed reimbursement of expenses for participation in the Meetings of the Board of Directors and Committees thereof.

Further, the Nomination and Remuneration Committee may recommend to the Board of Directors, payment of commission to Directors, to reinforce the principles of collective responsibility of the Board. In determining the quantum of commission, if being recommended, the Committee shall take into consideration, the overall performance of the Company and the onerous responsibilities required to be shouldered by the Directors.

**Policy for Determining Remuneration of Senior Management Personnel:**

In determining the remuneration of the Senior Management Personnel (i.e., the Key Managerial Personnel and other senior management employees), the Nomination and Remuneration Committee shall ensure / consider the following:

- a. Qualifications, knowledge, skills, expertise and experience possessed by the Senior Management Personnel;
- b. Clarity in the relationship between remuneration and performance benchmarks;
- c. Balance between fixed and incentive pay, reflecting short term and long term performance objectives, appropriate to the working of the Company and its goals;
- d. Division of remuneration between two components, viz., fixed component comprising of salaries, perquisites and retirement benefits and variable component comprising of performance bonus, employee stock options or grants and long term incentives;
- e. Remuneration and annual increment to be decided based on the criticality of the roles and responsibilities, the Company's performance vis-à-vis the annual budget achievement, individual's performance, industry benchmark and current compensation trends in the market.

The Managing Director / Executive Director / Whole Time Director (as the case may be) shall ensure that an individual performance review of the Senior Management Personnel is carried out, based on the standard appraisal matrix and shall take into account, the appraisal score and other factors mentioned hereinabove, whilst recommending the annual increment and performance incentive or any long-term incentive to the Nomination and Remuneration Committee for its review and approval.

**C. Terms of Appointment of Mr. Anurag Roy, Whole Time Director & Chief Executive Officer:**

Particulars	Terms of Appointment
Period of Appointment	3 (Three) years w.e.f. 28 <sup>th</sup> July, 2021, i.e., upto 27 <sup>th</sup> July, 2024
Basic Salary	In the range of ₹ 6,50,000/- (Rupees Six Lakh Fifty Thousand Only) to ₹ 9,00,000/- (Rupees Nine Lakh Only) per month, with such increment(s) each year, as may be decided by the Nomination and Remuneration Committee and/or the Board of Directors
Other Benefits, Perquisites and Allowances	As may be determined by the Nomination and Remuneration Committee and/or the Board of Directors, from time to time, as per the Rules of the Company
Bonus / Performance Linked Incentives/Long Term Incentives	Based on performance criteria laid down by the Board of Directors and/or the Nomination and Remuneration Committee
Contribution to Provident Fund and Gratuity Fund	As per the Rules of the Company
Notice Period, if any	3 (Three) months
Service Contract	Agreement executed by and between the Company and Mr. Anurag Roy
Minimum Remuneration	Where in any Financial Year during the currency of the tenure of Mr. Anurag Roy, the Company has no profits or its profits are inadequate, the Company will pay remuneration by way of salary, perquisites and allowances, including variable pay and Long Term Incentives (LTI) as specified above, subject to compliance with the applicable provisions of Schedule V to the Companies Act, 2013, if and to the extent necessary, subject to requisite approvals being obtained.

**D. Remuneration of Whole Time Director & Non-Executive Directors during the Financial Year 2022-23:****Remuneration paid to Whole Time Director:**

(₹ in Lakh)

Name of the Director	Gross Earnings	Perquisites	Employee Stock Options	Gratuity	Total
<b>Mr. Anurag Roy,</b> Whole Time Director & Chief Executive Officer	263.86	2.11	24.24	3.85	294.06
<b>TOTAL</b>	<b>263.86</b>	<b>2.11</b>	<b>24.24</b>	<b>3.85</b>	<b>294.06</b>

**Remuneration paid to Non-Executive Directors:**

All Non-Executive, Independent Directors were paid sitting fees for attending the Meetings of the Board of Directors and Committees thereof during the Financial Year 2022-23, as follows:

Sr. No.	Name of the Independent Director	Sitting Fees (Amount in ₹)
1.	Dr. Brahma Nand Vyas	7,00,000
2.	Mr. Vijay Kashinath Khot	7,00,000
3.	Mr. R. R. Govindan	10,50,000
4.	Mr. Nandkumar Dhekne	4,00,000
5.	Ms. Anjali Rajesh Gupte	3,00,000
	<b>TOTAL</b>	<b>31,50,000</b>

No Commission was paid to Directors during the Financial Year 2022-23.

**5. GENERAL MEETINGS & POSTAL BALLOT:**

**A) Details of Preceding 3 (Three) Annual General Meetings (AGMs):**

The date, time and venue of Annual General Meetings held during the preceding 3 (Three) Financial Years and the Special Resolution(s) passed thereat are as follows:

Financial Year	Venue	Date & Day	Time	Special Resolutions passed
2019-20	Through Video Conferencing (VC)	22 <sup>nd</sup> July, 2020 (Wednesday)	4.00 p.m. (IST)	<ol style="list-style-type: none"> <li>1. To approve re-appointment of Mr. Ashok V. Hiremath, Managing Director of the Company for a period of 2 (Two) years from 1<sup>st</sup> April, 2020 upto 31<sup>st</sup> March, 2022, upon recommendation of the Nomination and Remuneration Committee;</li> <li>2. To approve re-appointment of Mr. Vijay Kashinath Khot, Independent Director of the Company for a second term of 5 (Five) years from 29<sup>th</sup> January, 2021 upto 28<sup>th</sup> January, 2026, upon recommendation of the Nomination and Remuneration Committee;</li> <li>3. To approve re-appointment of Dr. Brahma Nand Vyas, Independent Director of the Company for a second term of 5 (Five) years from 29<sup>th</sup> January, 2021 upto 28<sup>th</sup> January, 2026, upon recommendation of the Nomination and Remuneration Committee.</li> </ol>
2020-21	Through Video Conferencing (VC)	28 <sup>th</sup> July, 2021 (Wednesday)	4.00 p.m. (IST)	---
2021-22	Through Video Conferencing (VC)	25 <sup>th</sup> July, 2022 (Monday)	4.00 p.m. (IST)	Approval for Increase in Remuneration of Mr. Anurag Roy, Whole Time Director & Chief Executive Officer

**B) Details of Special Resolutions passed at the Extra-Ordinary General Meetings (EGM) in the Preceding 3 (Three) Financial Years:**

No Extra-Ordinary General Meetings were held during the preceding 3 (Three) Financial Years.

**C) Postal Ballot & Procedure thereof:**

During the Financial Year 2022-23, pursuant to the provisions of Section 110 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules 2014, an Ordinary Resolution was passed by Shareholders on 18<sup>th</sup> September, 2022 through Postal Ballot, the results of which were declared on 19<sup>th</sup> September, 2022.

The Notice of Postal Ballot was sent by e-mail to all the Shareholders having their e-mail addresses registered and notice thereof was published in the newspapers. The Notice of Postal Ballot was also made available on the websites of the Company, the Stock Exchanges where the Equity Shares of the Company are listed (viz., BSE Limited and National Stock Exchange of India Limited) and National

Securities Depository Limited (“NSDL”). E-voting facility was provided through NSDL to the eligible Shareholders, in order to enable them to cast their votes electronically.

Mr. Vikas R. Chomal, Practicing Company Secretary (Certificate of Practice No. 12133), was appointed as the ‘Scrutinizer’ for the Postal Ballot, who submitted the report to Mr. Anurag Roy, Whole Time Director & Chief Executive Officer. The details of the Postal Ballot results are given below:

Date of Passing of Resolution	Date of Announcement of Result	Type of Resolution	Item	Total No. of Votes polled	% of Votes in Favour	% of Votes Against
18 <sup>th</sup> September, 2022	19 <sup>th</sup> September, 2022	Ordinary Resolution	Appointment of Mr. Burjis Godrej (DIN: 08183082) as “Non-Executive, Non-Independent Director” of the Company	1,48,13,489	99.52	0.48

The procedure which is adopted by the Company whenever such resolutions are passed by Postal Ballot is as follows:

- i. The Board of Directors, at its Meeting, approves the items to be placed for approval of the Shareholders through Postal Ballot and the draft of the Postal Ballot Notice and also authorizes any of the Directors and the Company Secretary to be responsible for the conduct of the entire process of Postal Ballot.
- ii. A professional such as a Company Secretary in practice, who is not in employment of the Company, is appointed as the “Scrutinizer” for the Postal Ballot process.
- iii. Notice of Postal Ballot is sent to the Shareholders. An advertisement is published in a national newspaper and a vernacular newspaper about the dispatch of Notice of Postal Ballot. The Notice of Postal Ballot is also filed with the Stock Exchanges and hosted on the Company’s website [www.astecls.com](http://www.astecls.com)
- iv. E-voting facility is offered to eligible Shareholders to enable them to cast their votes electronically. Members who may not be able to access e-voting facilities are allowed to cast their votes by physical Postal Ballot.
- v. Upon completion of voting, the Scrutinizer gives his / her report and the results of the Postal Ballot are announced. The results are intimated to the Stock Exchanges and are hosted on the Company’s website, [www.astecls.com](http://www.astecls.com)

## 6. DISCLOSURES:

### (A) Material Related Party Transactions:

All transactions entered into with Related Parties as defined under the Act and the Listing Regulations during the Financial Year 2022-23 were in the ordinary course of business, at arm’s length price and intended to further the Company’s interests.

In the preparation of the Financial Statements, your Company has adopted accounting policies which are in line with the Indian Accounting Standards notified under Section 133 of the Act, read together with the Companies (Indian Accounting Standards) Rules, 2015. The significant accounting policies, which are consistently applied, have been set out in the Notes to the Financial Statements. Suitable disclosure as required by the Indian Accounting Standards (Ind-AS 24) has been made in the Notes to the Financial Statements. Attention of the Shareholders is drawn to the disclosure of Related Party Transactions set out in Note No. 51 of the Standalone Financial Statements, forming a part of the Annual Report.

None of the transactions with any of the Related Parties during the Financial Year 2022-23 were in conflict with the interests of the Company.

The Company's major Related Party Transactions are with Godrej Agrovet Limited, its Promoter and Holding Company. The Related Party Transactions are entered into based on considerations of various business exigencies, such as synergy in operations and the Company's long term strategy.

Except for drawing remuneration by the Whole Time Director and payment of sitting fees to Independent Directors, none of the Directors have any other material significant Related Party Transactions, pecuniary or business relationship with the Company. Further, the Company has paid consultancy fees to Mr. Ashok V. Hiremath, Promoter of the Company, who is a "Non-Executive, Non-Independent Director" of the Company.

Your Company has formulated a Policy on Materiality and Dealing with Related Party Transactions which specifies the manner of dealing with Related Party Transactions. This Policy has been put up on the website of the Company, viz., [www.astecls.com](http://www.astecls.com) and available on web link <https://www.astecls.com/codes-and-policies.aspx>.

**(B) Vigil Mechanism / Whistle Blower Policy:**

Your Company promotes and creates a conducive environment and culture for ethical and legally compliant behaviour in all its business activities and operations and has put in place a proper mechanism of reporting illegal, unethical behaviour and actual or suspected fraud or violations of the Company's Code of Conduct.

The Company has a Vigil Mechanism / Whistle Blower Policy in place, wherein the employees are free to report violations of laws, rules, regulations or unethical conduct to the Whistle Blowing Officer of the Company. The employees of the Company do have access to the Audit Committee of the Company in the matters of Whistle Blower or Vigil Mechanism. The confidentiality of the reported violations, if any, is maintained and the employees reporting violations are not subjected to any discriminatory practice.

Vigil Mechanism / Whistle Blower Policy is posted on the website of your Company, viz., [www.astecls.com](http://www.astecls.com) and available on web link <https://www.astecls.com/codes-and-policies.aspx>.

**(C) Policy for Prevention of Sexual Harassment at Workplace:**

Your Company is committed to creating and maintaining an atmosphere in which employees can work together, without any fear of sexual harassment, exploitation or intimidation. Every employee is made aware that the Company is strongly opposed to sexual harassment and that such behaviour is prohibited. Your Company has constituted an Internal Complaints Committee ("ICC") pursuant to the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 ("the said Act"). While the said Act is applicable only to the women employees, your Company's Policy covers all employees.

The details of complaints received and resolved by the ICC during the Financial Year 2022-23 are as follows:

Particulars	No. of Complaints
Complaints outstanding as on 1 <sup>st</sup> April, 2022	0
(+) Complaints received during the Financial Year 2022-23	0
(-) Complaints resolved during the Financial Year 2022-23	0
Complaints outstanding as on 31 <sup>st</sup> March, 2023	0

The Company has complied with the applicable provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules framed thereunder.

**(D) Details of Non-compliance on Matters related to Capital Markets:**

There has not been any non-compliance by the Company for which penalties or strictures were imposed on the Company by the Stock Exchange(s) or the Securities and Exchange Board of India (SEBI) or any statutory authority, on any matter related to capital markets, during the preceding 3 (Three) Financial Years.

**(E) Details of Utilization of Funds raised through Preferential Allotment or Qualified Institutions Placement as specified under Regulation 32 (7A) of the Listing Regulations:**

During the Financial Year (F.Y.) 2022-23, the Company has not raised funds through any kind of issue (public issue, rights issue, preferential issue, etc.).

**(F) 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 Companies by the Securities and Exchange Board of India (SEBI) / Ministry of Corporate Affairs (MCA) or any such Statutory Authority:**

Pursuant to the provisions of Regulation 34(3) read with Schedule V to the Listing Regulations, the Company has obtained a Certificate from Mr. Vikas R. Chomal, a Company Secretary in Practice certifying that none of the Directors of the Company have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India (SEBI) or by the Ministry of Corporate Affairs (MCA) or by any such statutory authority. The said Certificate is annexed to this Corporate Governance Report.

**(G) Disclosure about Instances where the Board of Directors had not accepted any Recommendation of any Committee of the Board which is mandatorily required, during the Financial Year 2022-23:**

During the Financial Year (F.Y.) 2022-23, there were no instances reported / recorded, where the Board of Directors of the Company did not accept any recommendation(s) of any of its Committees.

**(H) Total Fees for all Services paid by the Company and its Subsidiaries, on a Consolidated basis, to the Statutory Auditors and all Entities in the Network Firm / Network Entity of which the Statutory Auditors are a part:**

The Company has made the following payments to M/s. B S R and Co. LLP, Chartered Accountants, the Statutory Auditors of the Company during the Financial Year 2022-23:

Nature of Fees / Payment	Amount in ₹
Audit Fees	20,75,496
Certification Fees	75,000
Reimbursement of Expenses	67,544
<b>TOTAL</b>	<b>22,18,040</b>

Behram Chemicals Private Limited, a Subsidiary of your Company, has made payment of ₹ 29,500/- towards Audit Fees to M/s. Shah and Kathariya, Chartered Accountants, its Statutory Auditors, during the Financial Year 2022-23.

**(I) Disclosure by the Company and its Subsidiaries of Loans and Advances in the nature of Loans to Firms / Companies in which Directors are Interested:**

During the Financial Year 2022-23, neither the Company nor its Subsidiaries have given any loans and advances which are in the nature of loans, to any firms / companies in which Directors are interested, except an Inter-Corporate Deposit to Creamline Dairy Products Limited, a Fellow Subsidiary of the Company (a subsidiary of Godrej Agrovet Limited, Holding Company), of an amount of ₹ 25 Crore (Rupees Twenty Five Crore Only), which stands duly repaid as on 31<sup>st</sup> March, 2023.

**(J) Disclosure of Commodity Price Risk / Foreign Exchange Risk and Hedging Activities:**

During the Financial Year 2022-23, the Company has managed Foreign Exchange Risk and hedged to the extent considered necessary. Net open exposures are reviewed regularly and covered through Forward Contracts. The details of Foreign Currency exposure are disclosed in Note No. 40.4 to the Standalone

Financial Statements. Further, raw material price risk is one of the risks for the Company. Your Company has a framework and governance mechanism in place to ensure that the Company is adequately protected from the market volatility in terms of raw material price and availability. The Company does not enter into any derivative instruments for speculative purposes.

**(K) Risk Management:**

The Company considers ongoing risk management to be a core component of the management and functioning of the Company and understands that the Company's ability to identify and address risks is central to achieving its corporate objectives. The Company has, therefore, developed and implemented a Risk Management Policy, which is hosted on the Company's website at the weblink <https://www.astecls.com/codes-and-policies.aspx>.

The Company has formulated a series of processes, structures and guidelines which assist the Company to continuously identify, assess, monitor and manage its business risks. In order to achieve this objective, the Company has clearly defined responsibility and authority of the Company's Board of Directors and of the Risk Management Committee, to oversee and manage the risk management programme, while conferring responsibility and authority on the Company's senior management, to develop and maintain the risk management programme in light of the day-to-day emerging needs of the Company. All key functions and divisions are also independently responsible to monitor risks associated within their respective areas of operations such as production, insurance, legal and other issues like health, safety and environment. Regular communication and review of risk management practices provides the Company with important checks and balances to ensure the efficacy of its risk management.

The Risk Management Committee meets at regular intervals, to ensure that appropriate methodologies, processes and systems are in place to monitor and evaluate risks associated with the business of the Company and also to monitor and oversee the implementation of the Risk Management Policy.

The Board of Directors of the Company is of the opinion that, at present, there are no elements of risks which may threaten the existence of the Company.

**(L) Code of Conduct:**

The Code of Conduct for the Board of Directors and the Senior Management Personnel has been disclosed on the website of your Company, viz., [www.astecls.com](http://www.astecls.com). The web link to access the Code of Conduct is <https://www.astecls.com/codes-and-policies.aspx>. The declaration by Mr. Anurag Roy, Whole Time Director & Chief Executive Officer stating that all the Board Members and Senior Management Personnel have affirmed their compliance with the laid down Code of Conduct for the Financial Year ended 31<sup>st</sup> March, 2023, is annexed to this Corporate Governance Report.

**(M) Disclosures by the Management to the Board of Directors:**

The Company had received disclosures from all the Senior Management Personnel stating that none of them had any personal interest in any of the financial and commercial transactions entered into by the Company during the Financial Year 2022-23.

Interested Directors, if any, neither participate in discussions, nor do they vote on such matters at the Meetings of the Board of Directors or of the Committees thereof.

**(N) Public, Rights and Other Issues:**

There were no Public, Rights and other issues during the Financial Year 2022-23, except allotment of 8,105 (Eight Thousand One Hundred Five) Equity Shares of Face Value of ₹ 10/- (Rupees Ten Only) each, ranking *pari passu* with the existing Equity Shares, as follows:



- (a) 4,000 (Four Thousand) Equity Shares were allotted pursuant to exercise of Options at an exercise price of ₹ 34/- (Rupees Thirty Four Only) each under the original Employees Stock Option Plan, 2012 (“ESOP 2012”);
- (b) 1,105 (One Thousand One Hundred Five) Equity Shares were allotted pursuant to exercise of Options at an exercise price of ₹ 10/- (Rupees Ten Only) each under amended ESOP 2012;
- (c) 3,000 (Three Thousand) Equity Shares were allotted pursuant to exercise of Options at an exercise price of ₹ 387.35 (Rupees Three Hundred Eighty Seven and Paise Thirty Five Only) each under the Employees Stock Option Scheme, 2015 (“ESOS 2015”).

#### **CEO and CFO Certification:**

Mr. Anurag Roy, Whole Time Director & Chief Executive Officer and Mr. Madhur Gundecha, former Chief Financial Officer, have issued the Certificate in accordance with Regulation 17(8) of the Listing Regulations with regard to Quarterly and Annual Financial Statements for the Financial Year ended 31<sup>st</sup> March, 2023.

#### **(O) Management Discussion & Analysis Report:**

The Management Discussion & Analysis Report for the Financial Year 2022-23 forms a part of the Annual Report.

#### **(P) Disclosure of Accounting Treatment in the Preparation of Financial Statements:**

The Financial Statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles (GAAP) in India and comply with the Indian Accounting Standards (Ind-AS) specified under Section 133 of the Act.

#### **(Q) Compliance Certificate on Corporate Governance:**

As per Regulation 34 of the Listing Regulations, the Certificate issued by M/s. BNP & Associates, Company Secretaries, Mumbai (who are also the Secretarial Auditors of the Company), regarding compliance with the conditions of Corporate Governance for the Financial Year 2022-23 is annexed to this Corporate Governance Report.

#### **(R) Shareholders & Means of Communication:**

All vital information relating to the Company and its performance, including Quarterly and Annual Financial Results, official press releases, information about analyst meets, etc. are hosted on the website of the Company, viz., [www.astecls.com](http://www.astecls.com).

The Quarterly and Annual Financial Results of the Company’s performance are published in English daily newspaper ‘Business Standard’ and regional language daily newspaper ‘Mumbai Lakshadeep’. The Financial Results of the Company are also available on the websites of BSE Limited and National Stock Exchange of India Limited, viz., [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com), respectively, being the Stock Exchanges where the Equity Shares of the Company are listed.

The Company files electronically the Quarterly and Annual Financial Results, Corporate Governance Report, Shareholding Pattern, etc. through BSE Listing Centre and NSE Electronic Application Processing System (NEAPS) and/or NSE Digital Portal.

During the Financial Year 2022-23, the Financial Results of the Company were announced as under:

Quarter	Date of Announcement on the Stock Exchanges	Date of Newspaper Publication
First Quarter	25 <sup>th</sup> July, 2022	26 <sup>th</sup> July, 2022
Half Year	28 <sup>th</sup> October, 2022	29 <sup>th</sup> October, 2022
Third Quarter	30 <sup>th</sup> January, 2023	31 <sup>st</sup> January, 2023
Annual	2 <sup>nd</sup> May, 2023	3 <sup>rd</sup> May, 2023

**7. GENERAL SHAREHOLDER INFORMATION:**

**i. Registered Office:**

“Godrej One”, 3<sup>rd</sup> Floor, Pirojshanagar, Eastern Express Highway, Vikhroli (East), Mumbai – 400 079, Maharashtra, India

**ii. 29<sup>th</sup> (Twenty Ninth) Annual General Meeting:**

Date	Day	Time	Venue
27 <sup>th</sup> July, 2023	Thursday	4.00 p.m. (IST)	Through Video Conferencing (VC) / Other Audio Visual Means (OAVM)

**iii. Financial Year:**

Financial Year: From 1<sup>st</sup> April to 31<sup>st</sup> March

**iv. Book Closure Dates and Dividend Payment Date:**

The Book Closure Dates are as under:

**From Saturday, 22<sup>nd</sup> July, 2023 to Wednesday, 26<sup>th</sup> July, 2023 (both days inclusive)**

The Final Dividend for the Financial Year 2022-23, if declared by the Shareholders at the ensuing 29<sup>th</sup> (Twenty Ninth) Annual General Meeting, will be paid by Tuesday, 1<sup>st</sup> August, 2023.

**v. Corporate Identification Number (CIN):**

The Company’s CIN, allotted by the Ministry of Corporate Affairs is L99999MH1994PLC076236. The Company is registered with the Registrar of Companies (ROC) - Mumbai in the State of Maharashtra, India.

**vi. Listing Information and Payment of Listing Fees:**

Your Company’s Equity Shares are listed on BSE Limited (“BSE”) and National Stock Exchange of India Limited (“NSE”).

Name of Stock Exchange	Stock Code
<b>BSE Limited (BSE)</b> P. J. Towers, Dalal Street, Fort, Mumbai – 400 001, Maharashtra	533138
<b>National Stock Exchange of India Limited (NSE)</b> Exchange Plaza, Bandra Kurla Complex, Bandra (East), Mumbai – 400 051, Maharashtra	ASTEC

The Company has paid the Annual Listing Fees to BSE and NSE.

**vii. Payment of Depository Fees:**

The ISIN Number of the Company for both National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) is INE563J01010.

Annual Custody / Issuer Fee for the Financial Year 2022-23 has been paid by the Company to National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).

**viii. Stock Data:**

The stock data pertaining to trading of Equity Shares of the Company on BSE Limited (“BSE”) and National Stock Exchange of India Limited (“NSE”) is as follows:

- Tables 1 and 2 below, respectively give the monthly high and low prices and volumes of Equity Shares of the Company at BSE and NSE for the Financial Year ended 31<sup>st</sup> March, 2023.

- Chart A below, compares the Company's share price at the BSE versus the Sensex and Chart B below, compares the Company's share price at the NSE versus NSE Nifty 50.
- Tables 3 and 4 below respectively give the distribution of shareholding by size and by ownership as on 31<sup>st</sup> March, 2023.

**Table 1: Monthly High and Low Prices and Trading Volumes of Equity Shares of the Company at BSE for the Financial Year 2022-23:**

Month	High (in ₹)	Low (in ₹)	Volume (No. of Shares)
April 2022	1,944.90	1715.55	39,704
May 2022	2,174.90	1610.75	1,02,179
June 2022	1,989.00	1,635.00	1,49,779
July 2022	2,178.85	1,768.70	1,87,370
August 2022	1,950.90	1,811.75	42,885
September 2022	2,020.00	1,789.05	32,083
October 2022	2,274.55	1,780.00	68,569
November 2022	2,285.65	2,015.45	60,495
December 2022	2,030.05	1,630.35	48,556
January 2023	1,814.95	1,304.45	31,407
February 2023	1,558.80	1,314.05	30,567
March 2023	1,474.20	1,050.00	72,786

**Table 2: Monthly High and Low Prices and Trading Volumes of Equity Shares of the Company at NSE for the Financial Year 2022-23:**

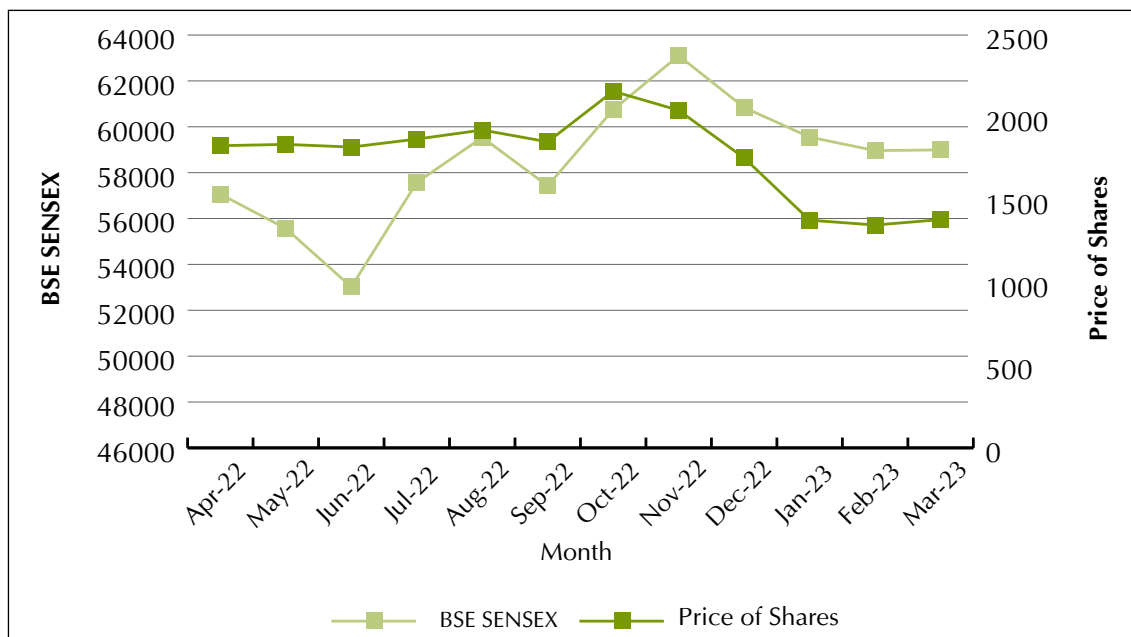
Month	High (in ₹)	Low (in ₹)	Volume (No. of Shares)
April 2022	1,949.00	1,778.35	3,81,337
May 2022	2,099.80	1,612.00	12,71,424
June 2022	1,990.00	1,716.00	5,53,820
July 2022	2,179.70	1,768.70	12,13,687
August 2022	1,952.00	1,813.55	4,74,553
September 2022	2,020.95	1,789.05	5,25,700
October 2022	2,274.00	1,788.60	11,13,925
November 2022	2,288.80	2,018.10	4,89,739
December 2022	2,039.90	1,631.00	4,44,570
January 2023	1,799.85	1,302.95	6,97,811
February 2023	1,559.00	1,315.05	2,36,258
March 2023	1,474.90	1,045.00	14,81,306

The tables showing the performance of the Share Price of the Company in comparison with the broad-based indices (BSE Sensex and Nifty) are as under:

**Chart A – Company’s Share Performance compared to BSE Sensex for the Financial Year 2022-23:**

Month	ASTEC Monthly Close Price on BSE	BSE Monthly Sensex Close
April 2022	1,829.95	57,060.87
May 2022	1,837.90	55,566.41
June 2022	1,821.75	53,018.94
July 2022	1,869.95	57,570.25
August 2022	1,924.90	59,537.07
September 2022	1,853.35	57,426.92
October 2022	2,159.65	60,746.59
November 2022	2,044.30	63,099.65
December 2022	1,755.90	60,840.74
January 2023	1,378.95	59,549.90
February 2023	1,349.55	58,962.12
March 2023	1,382.45	58,991.52

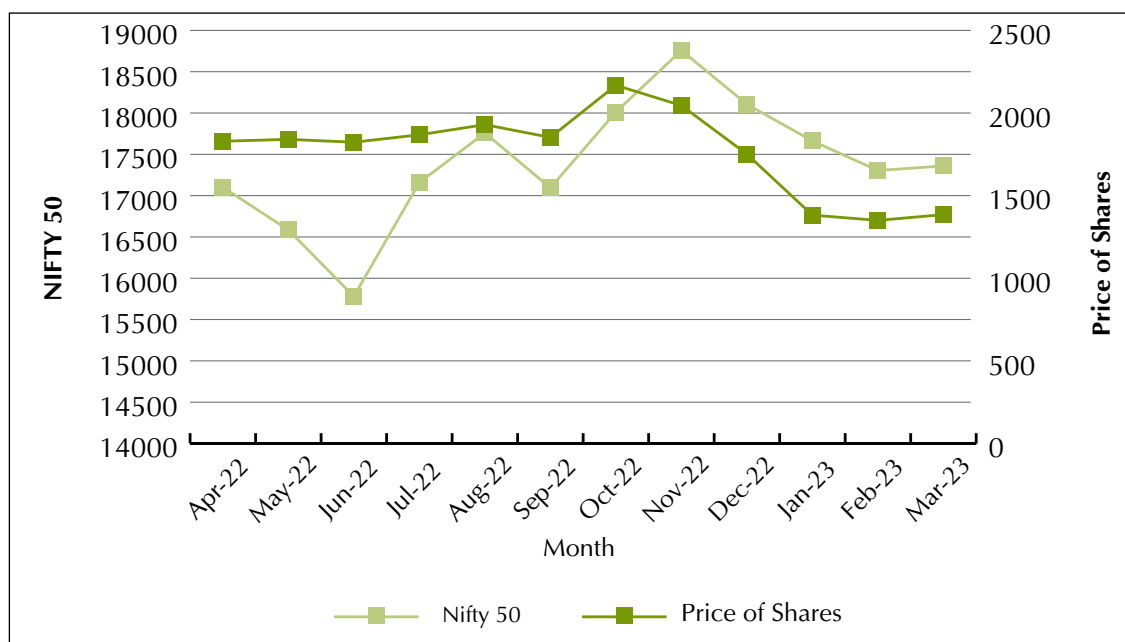
**Monthly Close Share Price in comparison with BSE Sensex for the Financial Year 2022-23:**



**CHART B – Company’s Share Performance compared to NSE Nifty 50 for the Financial Year 2022-23:**

Month	ASTEC Monthly Close Price on NSE	NSE Nifty 50 Monthly Close
April 2022	1,829.20	17,102.55
May 2022	1,840.75	16,584.55
June 2022	1,823.20	15,780.25
July 2022	1,868.25	17,158.25
August 2022	1,929.60	17,759.30
September 2022	1,852.35	17,094.35
October 2022	2,167.85	18,012.20
November 2022	2,045.70	18,758.35
December 2022	1,751.00	18,105.30
January 2023	1,381.95	17,662.15
February 2023	1,350.35	17,303.95
March 2023	1385.00	17,359.75

**Monthly Close Share Price in comparison with NSE Nifty 50 for the Financial Year 2022-23:**



**Table 3: Distribution of Shareholding by Size as on 31<sup>st</sup> March, 2023:**

Distribution of Shareholding (No. of Shares held)	Number of Shareholders	Percentage to the Total Number of Shareholders	Paid-up Share Capital held (In ₹)	Shareholding %
1 - 5000	17,411	96.21	8,822,540.00	4.50
5001 - 10000	318	1.76	2,473,990.00	1.26
10001 - 20000	160	0.88	2,371,230.00	1.21
20001 - 30000	53	0.29	1,294,030.00	0.66
30001 - 40000	45	0.25	1,615,430.00	0.82
40001 - 50000	16	0.09	726,390.00	0.37
50001 - 100000	34	0.19	2,435,400.00	1.24
100001 and above	60	0.33	176,317,590.00	89.93
<b>TOTAL</b>	<b>18,097</b>	<b>100.00</b>	<b>196,056,600.00</b>	<b>100.00</b>

**Table 4: Distribution of Shareholding by Ownership as on 31<sup>st</sup> March, 2023:**

Category (as being reported to Stock Exchanges)	No. of Equity Shares	% of Shareholding
<b>Promoters' Holding</b>		
Individual Promoter (Mr. Ashok V. Hiremath)	390,802	1.99
Corporate Body(ies) (Godrej Agrovet Limited)	12,699,054	64.77
<b>Institutions</b>		
Mutual Funds	1,877,151	9.57
Financial Institutions / Banks	300	0.00
Alternate Investment Funds	197,798	1.01
Foreign Portfolio Investors	447,860	2.28
<b>Others</b>		
Corporate Bodies	372,366	1.90
Hindu Undivided Family	180,404	0.92
Resident Individuals	3,294,712	16.80
Non-Resident Indians	125,672	0.64
Clearing Members	5,924	0.03
Trusts	40	0.00
Government Company (IEPF)	10,187	0.05
Other Directors	3,390	0.02
<b>TOTAL</b>	<b>19,605,660</b>	<b>100.00</b>

**Note:** The details given above are as per Benpos received from Bigshare Services Private Limited, Registrar and Share Transfer Agent of the Company as on 31<sup>st</sup> March, 2023.

**ix. Shares held in Physical & Dematerialized Form:**

As on 31<sup>st</sup> March, 2023, the break-up of Paid-up Equity Share Capital of the Company held in dematerialized or physical form (as per Benpos received from Bigshare Services Private Limited, Registrar and Share Transfer Agent) is as under:

Mode	No. of Equity Shares	Percentage
Demat shares with National Securities Depository Limited (NSDL)	1,85,29,693	94.51
Demat shares with Central Depository Services (India) Limited (CDSL)	10,75,962	5.49
Shares held in Physical mode	5	0.00
<b>TOTAL</b>	<b>1,96,05,660</b>	<b>100.00</b>

**x. Liquidity:**

Higher trading activity is witnessed on National Stock Exchange of India Limited (NSE).

The relevant data for the daily turnover on Stock Exchanges for the Financial Year 2022-23 is given below:

Particulars	BSE	NSE	Total
Equity Shares (Nos.)	8,66,380	88,84,130	17,50,510
Value (in ₹ Lakh)	15,882.08	15,94,008.06	16,09,890.14

**xi. Corporate Benefits to Investors:**

The details of Dividend declared by your Company for the last 10 (Ten) years is as under:

Financial Year	Dividend Declaration Date	Final Dividend Per Equity Share (in ₹)
2021-22	25.07.2022	1.50
2020-21	28.07.2021	1.50
2019-20	22.07.2020	1.50
2018-19	26.07.2019	1.50
2017-18	01.08.2018	1.50
2016-17	28.07.2017	1.50
2015-16	-	-
2014-15	22.09.2015	1.25
2013-14	23.09.2014	1.00
2012-13	17.09.2013	0.75
2011-12	25.09.2012	0.50

**Note:** The Board of Directors has recommended a Final Dividend of 15% (Fifteen per cent) on the Equity Share Capital of your Company, i.e., ₹ 1.50 (Rupee One and Paise Fifty Only) per Equity Share of Face Value of ₹ 10/- (Rupees Ten Only) each for the Financial Year 2022-23, subject to approval of the Shareholders at the ensuing 29<sup>th</sup> (Twenty Ninth) Annual General Meeting of the Company.

**xii. Compliance with Secretarial Standards:**

The Institute of Company Secretaries of India (ICSI), a statutory body, has issued Secretarial Standards on various aspects of corporate law and practices. The Company has complied with the applicable Secretarial Standards.

**xiii. Reconciliation of Share Capital Audit Report:**

As stipulated by the Securities and Exchange Board of India (SEBI), a qualified Practicing Company Secretary carries out Secretarial Audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. This Audit is carried out every Quarter and Report thereon is submitted to the Stock Exchanges where the Equity Shares of the Company are listed (viz., BSE Limited and National Stock Exchange of India Limited). The Audit confirms that the total listed and paid-up capital is in agreement with the aggregate of the total number of shares in dematerialized form (held with NSDL and CDSL) and the total number of shares in physical form, as stated in the Reconciliation Share Capital Audit Reports submitted to the Stock Exchanges during the Financial Year 2022-23.

**xiv. Outstanding GDRs / ADRs / Warrants or any Convertible Instruments and their Impact on Equity:**

The Company does not have any outstanding GDRs / ADRs / Warrants / Convertible Instruments.

**xv. Registrar & Share Transfer Agents and Share Transfer System:**

Share transfer is effected within a maximum period of 30 (Thirty) days from the date of receipt, subject to documents being valid and complete in all respects. The Board of Directors has delegated the authority for approving transfer, transmission, etc. of the Company's shares to the Company Secretary / Authorised Representatives of Bigshare Services Private Limited, Registrar and Share Transfer Agent ("Bigshare"). A summary of transfer / transmission of shares of the Company so approved by the Company Secretary / Authorised Representatives of Bigshare is placed at the Stakeholders' Relationship Committee Meeting.

Moreover, the Company obtains from a Company Secretary in Practice, a Half Yearly Certificate to the effect that all certificates have been issued within 30 (Thirty) days of the date of lodgement of the transfer, subdivision, consolidation and renewal, as required under Regulation 40(9) of the Listing Regulations and files a copy of the said Certificate with the Stock Exchanges where the Company's shares are listed.

The contact details of Bigshare Services Private Limited, the Company's Registrar and Share Transfer Agents are as under:

**Bigshare Services Private Limited**

Office No S6-2, 6<sup>th</sup> Floor, Pinnacle Business Park,  
Next to Ahura Centre,  
Mahakali Caves Road,  
Andheri (East), Mumbai – 400 093

**Tel. No.:** 022 – 6263 8200

**Fax No.:** 022 – 6263 8299

**Website:** [www.bigshareonline.com](http://www.bigshareonline.com)

**E-mail:** [investor@bigshareonline.com](mailto:investor@bigshareonline.com)

**xvi. Credit Ratings:**

The Company continues to manage its treasury operations efficiently and has been able to borrow funds for its operations at competitive rates.

As on 31<sup>st</sup> March, 2023, ICRA Limited has assigned Credit Ratings in respect of ₹ 981.00 Crore of Line of Credit (LOC) and ₹ 300.00 Crore of Commercial Paper Programme availed by the Company, as under:

- a) Rating of "[ICRA] AA- (Stable)" (pronounced "ICRA double A minus") for long term bank facilities of ₹ 556.00 Crore;
- b) Rating of "[ICRA] A1+" (pronounced "ICRA A one plus") for short term bank facilities of ₹ 425.00 Crore;



- c) Rating of “[ICRA] A1+” (pronounced “ICRA A one plus”) for Commercial Paper Programme of ₹ 300.00 Crore.

In accordance with the Credit Rating assigned to the Commercial Paper Programme of the Company as above, the Board of Directors has granted its approval for borrowing by way of issuance of Commercial Papers upto an aggregate limit of ₹ 300.00 Crore.

**xvii. Plant Locations:**

The plant locations during the Financial Year 2022-23 are as follows:

1. Plot Nos. B-16, B-17, B-18 and B-21, MIDC Mahad, Birwadi Industrial Area, Taluka Mahad, District Raigad – 402 302, Maharashtra
2. Plot No. K-2/1/1, Additional MIDC Mahad, Village Kalinj, Taluka Mahad, District Raigad – 402 302, Maharashtra
3. Plot No. K-2/1/2, Additional MIDC Mahad, Village Kalinj, Taluka Mahad, District Raigad – 402 302, Maharashtra
4. Plot No. K-2/2, K-2/3/1, Additional MIDC Mahad, Village Kalinj, Taluka Mahad, District Raigad – 402 302, Maharashtra

**xviii. Research and Development (R&D) Centre:**

The location of R&D Centre during the Financial Year 2022-23 is as follows:

F-39, MIDC-Phase-II, Dombivli (East), District Thane – 421 204, Maharashtra

**xix. Address for Correspondence:**

**Mr. K. Suryanarayan, Chief Financial Officer**

“Godrej One”, 3<sup>rd</sup> Floor,  
Pirojshanagar, Eastern Express Highway,  
Vikhroli (East), Mumbai – 400 079, Maharashtra  
**Phone:** 022 – 2518 8010; **Fax:** 022 - 2261 8289  
**E-mail id:** [k.suryanarayan@godrejastec.com](mailto:k.suryanarayan@godrejastec.com);  
**Website:** [www.astecls.com](http://www.astecls.com)

**Ms. Tejashree Pradhan, Company Secretary & Compliance Officer**

“Godrej One”, 3<sup>rd</sup> Floor,  
Pirojshanagar, Eastern Express Highway,  
Vikhroli (East), Mumbai – 400 079, Maharashtra  
**Phone:** 022 – 2518 8010; **Fax:** 022 - 2261 8289  
**E-mail id:** [tejashree.pradhan@godrejastec.com](mailto:tejashree.pradhan@godrejastec.com);  
**Website:** [www.astecls.com](http://www.astecls.com)

**Investor Correspondence should be addressed to:**

**Bigshare Services Private Limited**

Office No S6-2, 6<sup>th</sup> Floor, Pinnacle Business Park,  
Next to Ahura Centre,  
Mahakali Caves Road,  
Andheri (East), Mumbai – 400 093  
**Tel. No.:** 022 – 6263 8200  
**Fax No.:** 022 – 6263 8299  
**Website:** [www.bigshareonline.com](http://www.bigshareonline.com)  
**E-mail:** [investor@bigshareonline.com](mailto:investor@bigshareonline.com)

**Exclusive E-mail Id for Investors / Shareholders:**

Your Company has designated an e-mail Id to enable the Shareholders and investors to correspond with the Company. The e-mail id is [astecinvestors@godrejastec.com](mailto:astecinvestors@godrejastec.com)

**xx. SEBI Complaints Redressal System (SCORES):**

The investor complaints are processed in a centralised web-based complaints redressal system. The salient features of this system are:

1. Centralised database of all complaints;
2. Online upload of Action Taken Reports (ATRs) by concerned companies; and
3. Online viewing by investors of actions taken on the complaint and its current status.

**xxi. Material Non-Listed Subsidiary Company:**

Your Company does not have material subsidiary Company whose turnover or net worth (i.e., paid-up capital and free reserves) exceeds 10% (Ten per cent) of the consolidated turnover or net worth respectively of the Company and its subsidiaries in the immediate preceding Financial Year.

The Annual Financial Statements of Subsidiary Companies are tabled at the Board Meetings. Copies of the Minutes of the Board Meetings of Subsidiary Companies are individually given to all the Directors and are tabled at the subsequent Board Meetings.

Your Company has formulated a Policy for determining the Material Subsidiaries as defined in Regulation 16 of the Listing Regulations. This Policy has been hosted on the website of the Company, viz., [www.astecls.com](http://www.astecls.com) and available on the web link <https://www.astecls.com/codes-and-policies.aspx>.

**xxii. Non-Compliance of any Requirement of Corporate Governance Report of sub-para (2) to (10) of Para C to Schedule V to the Listing Regulations:**

The Company has complied with all the requirements in this regard, to the extent applicable.

**xxiii. Disclosures of Compliance with Corporate Governance Requirements specified in Regulations 17 to 27 and Regulation 46(2)(b) to (i) of the Listing Regulations:**

Sr. No.	Particulars	Regulation of the Listing Regulations	Compliance Status (Yes/ No/ N.A.)	Areas / Requirements with respect to which Compliance is observed
1.	Board of Directors	17 & 17A	Yes	<ul style="list-style-type: none"> <li>• Composition of the Board of Directors</li> <li>• Meetings of the Board of Directors</li> <li>• Review of compliance reports</li> <li>• Plans for orderly succession for appointments</li> <li>• Code of Conduct</li> <li>• Fees / Compensation</li> <li>• Minimum Information to be placed before the Board of Directors</li> <li>• Compliance Certificate</li> </ul>

Sr. No.	Particulars	Regulation of the Listing Regulations	Compliance Status (Yes/ No/ N.A.)	Areas / Requirements with respect to which Compliance is observed
				<ul style="list-style-type: none"> <li>• Risk Assessment and Management</li> <li>• Performance Evaluation of Independent Directors</li> <li>• Explanatory Statement to be annexed to the Notice of General Meeting</li> <li>• Maximum Number of Directorships</li> </ul>
2.	Audit Committee	18	Yes	<ul style="list-style-type: none"> <li>• Composition of the Audit Committee</li> <li>• Meetings of the Audit Committee</li> <li>• Powers of the Audit Committee</li> <li>• Role of the Audit Committee and Review of Information by the Committee</li> </ul>
3.	Nomination and Remuneration Committee	19	Yes	<ul style="list-style-type: none"> <li>• Composition of the Nomination and Remuneration Committee</li> <li>• Role of the Nomination and Remuneration Committee</li> <li>• Frequency of Meetings of the Nomination and Remuneration Committee</li> </ul>
4.	Stakeholders' Relationship Committee	20	Yes	<ul style="list-style-type: none"> <li>• Composition of the Stakeholders' Relationship Committee</li> <li>• Role of the Stakeholders' Relationship Committee</li> <li>• Frequency of Meetings of the Stakeholders' Relationship Committee</li> </ul>
5.	Risk Management Committee	21	Yes	<ul style="list-style-type: none"> <li>• Composition of the Risk Management Committee</li> <li>• Role of the Risk Management Committee</li> <li>• Frequency of Meetings of the Risk Management Committee</li> </ul>

Sr. No.	Particulars	Regulation of the Listing Regulations	Compliance Status (Yes/ No/ N.A.)	Areas / Requirements with respect to which Compliance is observed
6.	Vigil Mechanism	22	Yes	<ul style="list-style-type: none"> <li>• Formulation of Vigil Mechanism / Whistle Blower Policy for Directors and Employees</li> <li>• Direct Access to Chairperson of the Audit Committee</li> </ul>
7.	Related Party Transactions	23	Yes	<ul style="list-style-type: none"> <li>• Policy on Materiality of Related Party Transactions and on Dealing with Related Party Transactions</li> <li>• Review and Approval for Related Party Transactions</li> <li>• Disclosure of Related Party Transactions</li> </ul>
8.	Corporate Governance requirements with respect to Subsidiary	24 & 24A	Yes	<ul style="list-style-type: none"> <li>• Review of Investments made by Unlisted Subsidiary Companies by the Audit Committee</li> <li>• Minutes of Meetings of Board of Directors of Unlisted Subsidiary Companies placed at the Meetings of the Board of Directors of the Company</li> <li>• Review of Significant Transactions and Arrangements entered into by the Unlisted Subsidiary Companies</li> </ul>
9.	Obligations with respect to Independent Directors	25	Yes	<ul style="list-style-type: none"> <li>• Maximum Number of Directorships</li> <li>• Tenure of Independent Directors</li> <li>• Meetings of Independent Directors</li> <li>• Familiarisation Programmes for Independent Directors</li> <li>• Directors &amp; Officers' Liability Insurance</li> </ul>

Sr. No.	Particulars	Regulation of the Listing Regulations	Compliance Status (Yes/ No/ N.A.)	Areas / Requirements with respect to which Compliance is observed
10.	Obligations with respect to Directors and Senior Management	26	Yes	<ul style="list-style-type: none"> <li>Memberships / Chairmanships in Committees</li> <li>Affirmation with respect to Compliance with the Code of Conduct and Ethics from Directors and Senior Management</li> </ul>
11.	Other Corporate Governance Requirements	27	Yes	<ul style="list-style-type: none"> <li>Compliance with discretionary requirements</li> <li>Filing of Quarterly Compliance Report on Corporate Governance</li> </ul>
12.	Website	46(2)(b) to (i)	Yes	<ul style="list-style-type: none"> <li>Terms and Conditions of Appointment of Independent Directors</li> <li>Composition of various Committees of Board of Directors</li> <li>Code of Conduct and Ethics for Directors and Senior Management Personnel</li> <li>Details of Establishment of Vigil Mechanism / Whistle Blower Policy</li> <li>Policy on Materiality of Related Party Transactions and on Dealing with Related Party Transactions</li> <li>Details of Familiarization Programmes for Independent Directors</li> </ul>

**xxiv. Transfer of Unpaid / Unclaimed Amounts of Dividend to Investor Education and Protection Fund (IEPF):**

During the Financial Year 2022-23, the Company has transferred an amount of ₹1,13,678.75 (Rupees One Lakh Thirteen Thousand Six Hundred Seventy-Eight and Paise Seventy-Five Only) lying in the unpaid / unclaimed dividend account for the Financial Year 2014-15, to the Investor Education and Protection Fund (IEPF) pursuant to Rule 5(4) of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016.

Further, during the said Financial Year 2022-23, the Company has transferred 1,828 (One Thousand Eight Hundred Twenty Eight) Equity Shares to the IEPF in respect of which dividend remained unclaimed progressively for 7 (Seven) consecutive years from the Financial Year 2014-15.

**xxv. Compliance with the Non - Mandatory Requirements:**

Your Company complies with all mandatory requirements and has also adopted some of the non - mandatory requirements as detailed under the head "Non - Mandatory Requirements".

**1. Separate Positions of Chairperson and Chief Executive Officer:**

The Company has separate positions for Chairperson and Chief Executive Officer. Mr. Nadir B. Godrej is the "Chairman" of the Company. Mr. Anurag Roy is the "Whole Time Director & Chief Executive Officer" of the Company.

**2. Reporting of Internal Auditors:**

The Internal Auditors of the Company give their quarterly report / presentation to the Audit Committee and the same is taken for review at the time of Meetings of the Audit Committee.

**For and on behalf of the Board of Directors of  
Astec LifeSciences Limited**

Sd/-  
**Anurag Roy**  
**Whole Time Director & Chief Executive Officer**  
**(DIN: 07444595)**

Sd/-  
**Balram Singh Yadav**  
**Director**  
**(DIN: 00294803)**

**Date: 2<sup>nd</sup> May, 2023**  
**Place: Mumbai**

**DECLARATION BY WHOLE-TIME DIRECTOR WITH RESPECT  
TO COMPLIANCE WITH THE CODE OF CONDUCT OF THE COMPANY**

As provided under Regulation 34 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Listing Regulations") read with Schedule V to the Listing Regulations, this is to confirm that all the Members of the Board of Directors and the Senior Management have affirmed compliance with the Code of Conduct for the Financial Year ended 31<sup>st</sup> March, 2023.

**For Astec LifeSciences Limited**

Sd/-  
**Anurag Roy**  
**Whole Time Director & Chief Executive Officer**

**Date: 2<sup>nd</sup> May, 2023**  
**Place: Mumbai**

## CERTIFICATE OF COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE

To  
The Members,  
**Astec LifeSciences Limited**

We have examined the compliance of conditions of Corporate Governance by **Astec LifeSciences Limited** (the 'Company') for the Financial Year ended March 31, 2023, as prescribed in Regulations 17 to 27, clauses (b) to (i) of sub-regulation (2) of Regulation 46 and Para C, D and E of Schedule V to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('LODR').

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

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

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

**For BNP & Associates**  
**Company Secretaries**  
**Firm Registration No. P2014MH037400**  
**PR No. 637/2019**

Sd/-  
**Avinash Bagul**  
**Partner**  
**FCS No.: F5578 / C P No.: 19862**  
**UDIN: F005578E000192974**

**Date: April 26, 2023**  
**Place: Mumbai**

**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 COMPANIES BY THE SECURITIES AND EXCHANGE BOARD OF INDIA (SEBI) / MINISTRY OF CORPORATE AFFAIRS (MCA) OR ANY SUCH STATUTORY AUTHORITY**

We, Vikas R. Chomal and Associates, Practising Company Secretaries, hereby certify pursuant to the provisions of Regulation 34(3) read with Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 that, none of the following Directors of **Astec LifeSciences Limited**, viz.:

1.	Mr. Nadir B. Godrej	-	Chairman & Non-Executive Director
2.	Mr. Ashok Hiremath	-	Non-Executive Director
3.	Mr. Balram Singh Yadav	-	Non-Executive Director
4.	Mr. Burjis Godrej	-	Non-Executive Director
5.	Mr. Anurag Roy	-	Whole - Time Director & Chief Executive Officer
6.	Mr. Rishinaradamangalam Ramakrishna Govindan	-	Independent Director
7.	Mr. Vijay K. Khot	-	Independent Director
8.	Dr. Brahma Nand Vyas	-	Independent Director
9.	Mr. Nandkumar Dhekne	-	Independent Director
10.	Ms. Anjali Gupte	-	Independent Director

have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India (SEBI) or the Ministry of Corporate Affairs (MCA) or any such statutory authority.

**FOR VIKAS R. CHOMAL AND ASSOCIATES**

Sd/-

**VIKAS R. CHOMAL**

**PROPRIETOR**

**MEMBERSHIP NO.: 24941**

**CERTIFICATE OF PRACTICE NO.: 12133**

**(UDIN: F011623E000028961)**

**Date: 06<sup>th</sup> April, 2023**

**Place: Thane, Maharashtra**



# BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT (BRSR)

## For the Financial Year ended 31<sup>st</sup> March, 2023

### SECTION A: GENERAL DISCLOSURES

#### I. Details of the Listed Entity:

1.	Corporate Identity Number (CIN) of the Listed Entity	L99999MH1994PLC076236										
2.	Name of the Listed Entity	<b>ASTEC LIFESCIENCES LIMITED</b>										
3.	Year of Incorporation	1994										
4.	Registered Office Address	"Godrej One", 3 <sup>rd</sup> Floor, Pirojshanagar, Eastern Express Highway, Vikhroli (East), Mumbai – 400 079, Maharashtra, India										
5.	Corporate Address	"Godrej One", 3 <sup>rd</sup> Floor, Pirojshanagar, Eastern Express Highway, Vikhroli (East), Mumbai – 400 079, Maharashtra, India										
6.	E-mail Address	astecinvestors@godrejastec.com										
7.	Telephone No.	022 – 2518 8010										
8.	Website	www.astecsl.com										
9.	Financial Year for which reporting is being done	From 1 <sup>st</sup> April, 2022 upto 31 <sup>st</sup> March, 2023										
10.	Name(s) of the Stock Exchange(s) where Shares are listed	(1) National Stock Exchange of India Limited (2) BSE Limited										
11.	Paid-up Capital as on 31 <sup>st</sup> March, 2023	₹19,60,56,600/- [Comprising of 1,96,05,660 Equity Shares of Face Value of ₹ 10/- each]										
12.	Name and Contact Details (Telephone, E-mail Address) of the person who may be contacted in case of any queries on this Report	<table border="1"> <tr> <td>Name</td> <td>Mr. Anurag Roy</td> </tr> <tr> <td>Designation</td> <td>Whole Time Director &amp; Chief Executive Officer</td> </tr> <tr> <td>DIN</td> <td>07444595</td> </tr> <tr> <td>Telephone No.</td> <td>022 – 2518 8010</td> </tr> <tr> <td>E-mail ID</td> <td>anurag.roy@godrejastec.com</td> </tr> </table>	Name	Mr. Anurag Roy	Designation	Whole Time Director & Chief Executive Officer	DIN	07444595	Telephone No.	022 – 2518 8010	E-mail ID	anurag.roy@godrejastec.com
Name	Mr. Anurag Roy											
Designation	Whole Time Director & Chief Executive Officer											
DIN	07444595											
Telephone No.	022 – 2518 8010											
E-mail ID	anurag.roy@godrejastec.com											
13.	Reporting Boundary - Are the disclosures under this Report made on a Standalone basis (i.e., only for the Entity) or on a Consolidated basis (i.e., for the Entity and all the entities which form a part of its Consolidated Financial Statements, taken together)	The disclosures under this Report are made on a Standalone basis, i.e., only for the Company.										

II. **Products / Services:**

14. Details of Business Activities (accounting for 90% of the Turnover):

Sr. No.	Description of Main Activity	Description of Business Activity	% of Turnover of the Entity
1.	Agrochemicals	Manufacturing and marketing of agrochemicals	100%

15. Products / Services sold by the Entity (accounting for 90% of the Entity's Turnover):

Sr. No.	Product / Service	NIC Code	% of Total Turnover Contributed
1.	Fungicides and Insecticides	20211	79.9%
2.	Agrochemical Intermediates	20219	12.4%

III. **Operations:**

16. Number of Locations where Plants and/or Operations / Offices of the Entity are situated:

Location	No. of Plants	No. of Offices	No. of Research & Development Centres	Total
National	4	1	1	6
International	0	0	0	0

17. Markets served by the Entity:

a. Number of Locations:

Locations	Number
National (No. of States)	15
International (No. of Countries)	18

b. Contribution of Exports as a Percentage of the Total Turnover of the Entity: 61%

c. A Brief on Types of Customers:

The Company manufactures a range of fungicides, insecticides, herbicides and intermediates for its local and global customers.

With over two decades of experience in development and production of selected chemicals, the Company has built enduring relationships with large and small companies all over the world. This is evident in the fact that more than half of the Company's business comes from exports to about 18 (Eighteen) countries.

The Company is dedicated to offering products of superior quality that are customized to satisfy the expectations of its customers. Further, the Company strives to comply with all agreed specifications and standards for all the different applications.

The Company's analytical labs are equipped with sophisticated equipment to carry out all necessary analysis to ensure the highest standards and to support product development.

The Company also believes in collaborating with global customers to develop newer technologies for the introduction and supply of new products in shortest duration of time. At various stages, the Company works closely with its customers for contract manufacturing.

With a consistent track record of high level of customer satisfaction, the Company has established a reputation of reliability and quality which is backed by a very personal and committed service.

IV. **Employees:**

## 18. Details as at the End of the Financial Year:

## a. Employees and Workers (including Differently abled):

Sr. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
<b>EMPLOYEES</b>						
1.	Permanent (D)	351	310	88%	41	12%
2.	Other than Permanent (E)	0	0	NA	0	0
<b>3.</b>	<b>Total Employees (D + E)</b>	<b>351</b>	<b>310</b>	<b>88%</b>	<b>41</b>	<b>12%</b>
<b>WORKERS</b>						
4.	Permanent (F)	200	200	100%	0	0%
5.	Other than Permanent (G)	0	0	NA	0	0
<b>6.</b>	<b>Total Workers (F + G)</b>	<b>200</b>	<b>200</b>	<b>100%</b>	<b>0</b>	<b>0%</b>

('NA' denotes 'Not Applicable'.)

## b. Differently abled Employees &amp; Workers:

Sr. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
<b>DIFFERENTLY ABLED EMPLOYEES</b>						
1.	Permanent (D)	2	2	100%	0	0%
2.	Other than Permanent (E)	0	0	NA	0	0
<b>3.</b>	<b>Total Employees (D + E)</b>	<b>2</b>	<b>2</b>	<b>100%</b>	<b>0</b>	<b>0%</b>
<b>DIFFERENTLY ABLED WORKERS</b>						
4.	Permanent (F)	0	0	NA	0	0
5.	Other than Permanent (G)	0	0	NA	0	0
<b>6.</b>	<b>Total Workers (F + G)</b>	<b>0</b>	<b>0</b>	<b>NA</b>	<b>0</b>	<b>0</b>

('NA' denotes 'Not Applicable'.)

## 19. Participation / Inclusion / Representation of Women:

Particulars	Total (A)	No. & Percentage of Females	
		No. (B)	% (B / A)
Board of Directors	10	1	10%
Key Managerial Personnel	3	1	33.33%

20. Turnover Rate for Permanent Employees and Workers:

(Disclose trends for the past 3 years)

Particulars	Financial Year 2022-23 (Turnover Rate in Current Financial Year)			Financial Year 2021-22 (Turnover Rate in Previous Financial Year)			Financial Year 2020-21 (Turnover Rate in the Year Prior to the Previous Financial Year)		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	22%	9%	21%	20%	19%	20%	14%	0%	13%
Permanent Workers	2%	0%	2%	3%	0%	3%	1%	0%	1%

V. **Holding, Subsidiary & Associate Companies (including Joint Ventures):**

21. (a) Names of Holding / Subsidiary / Associate Companies / Joint Ventures:

Sr. No.	Names of the Holding / Subsidiary / Associate Companies / Joint Ventures (A)	Whether Holding / Subsidiary / Associate / Joint Venture	% of Shares held by Listed Entity	Whether the Entity indicated at Column A, participates in the Business Responsibility Initiatives of the Listed Entity? (Yes / No)
1.	Godrej Industries Limited	Holding Company	NA	No, the Holding Companies of the Company have their own business responsibility initiatives.
2.	Godrej Agrovet Limited	Holding Company	NA	
3.	Behram Chemicals Private Limited	Subsidiary Company	65.63%	No, none of the Subsidiary Companies of the Company are mandatorily required to comply with the provisions of Section 135 of the Companies Act, 2013.
4.	Comercializadora Agricola Agroastrachem Cia Ltda (Bogota, Colombia)	Subsidiary Company	100.00%	

VI. **Corporate Social Responsibility (CSR) Details:**

22. (i) Whether CSR is applicable as per Section 135 of the Companies Act, 2013: Yes

(ii) Turnover: ₹ 6,28,16,61,941/-

(iii) Net worth: ₹ 4,18,79,36,980/-

VII. **Transparency & Disclosures Compliances:**

23. Complaints / Grievances on any of the Principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:

Stakeholder Group from whom Complaint is received	Grievance Redressal Mechanism in place (Yes / No) (If yes, web-link for grievance redress policy)	Financial Year 2022-23 (Current Financial Year)			Financial Year 2021-22 (Previous Financial Year)		
		Number of Complaints filed during the Year	Number of Complaints pending resolution at close of the Year	Remarks	Number of Complaints filed during the Year	No. of Complaints pending resolution at close of the Year	Remarks
Communities	Not specific	Nil	Nil	-	Nil	Nil	-
Investors (other than Shareholders)	Not specific	Nil	Nil	-	Nil	Nil	-
Shareholders	Yes <a href="https://www.astecls.com/codes-and-policies.aspx">https://www.astecls.com/codes-and-policies.aspx</a>	3	Nil	Resolved	1	Nil	Resolved
Employees and Workers	Yes <a href="https://www.astecls.com/codes-and-policies.aspx">https://www.astecls.com/codes-and-policies.aspx</a>	Nil	Nil	-	Nil	Nil	-
Customers	Not specific	Nil	Nil	-	Nil	Nil	-
Value Chain Partners	Not specific	Nil	Nil	-	Nil	Nil	-
Others	Not specific	Nil	Nil	-	Nil	Nil	-

24. Overview of the Entity’s Material Responsible Business Conduct Issues:

Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications, as per the following format:

Sr. No.	Material Issue Identified	Indicate whether Risk or Opportunity (R / O)	Rationale for identifying the Risk / Opportunity	In case of Risk, Approach to adapt or mitigate	Financial Implications of the Risk or Opportunity (Positive or negative implications)
1.	Occupational Health & Safety	R	<ul style="list-style-type: none"> <li>• Direct potential impact on the Company’s operations, employees and communities at large</li> <li>• Creating and maintaining a safe and healthy work environment for all employees and stakeholders</li> </ul>	<ul style="list-style-type: none"> <li>• 100% of the Company’s manufacturing locations are ISO 45001:2018 certified</li> <li>• Responsible Care logo holder organization since 2015, covering all sites and employees as well as labourers</li> <li>• Robust Risk management framework in place, with periodic audits</li> <li>• Digitized user-friendly platform to report, track and resolve safety incidents</li> </ul>	Negative
2.	Climate Change Mitigation and Adaptation	O	<ul style="list-style-type: none"> <li>• Reduce Green House Gas (GHG) emissions</li> <li>• Reduce energy consumption and improve cost efficiency associated with production, processing and transportation</li> </ul>	<ul style="list-style-type: none"> <li>• Focus on increasing renewable energy portfolio</li> <li>• Committed to reduce scope - 1 &amp; 2 specific Green House Gas (GHG) emission by 37% by 2035, as per Science based target initiatives (SBTi) at a Godrej Agrovet Limited (Holding Company) level</li> <li>• Consistently focusing on installation of various energy efficient technologies</li> <li>• Evaluating projects such as solar roof top / ground mounted or captive solar / hybrid for the Company’s manufacturing plants</li> </ul>	Positive

Sr. No.	Material Issue Identified	Indicate whether Risk or Opportunity (R / O)	Rationale for identifying the Risk / Opportunity	In case of Risk, Approach to adapt or mitigate	Financial Implications of the Risk or Opportunity (Positive or negative implications)
3.	Product Stewardship and Supply Chain	O	<ul style="list-style-type: none"> <li>• Responsible management of a product throughout its entire lifecycle, from development to disposal</li> <li>• Sustainable supply chain management to ensure business continuity and enhancing customer delight</li> </ul>	<ul style="list-style-type: none"> <li>• Being a Responsible Care organization, the Company agrees to commit itself to improve performance in the field of product stewardship and logistics</li> <li>• Strict compliance with Hazardous Waste Management Rules and Regulations</li> <li>• More than 80% of the facilities are equipped with zero liquid discharge facilities</li> <li>• Sustainable Sourcing Policy in place to minimize business disruption from environmental, social and economic impacts</li> </ul>	Positive
4.	Legal & Regulatory Compliance	R	<ul style="list-style-type: none"> <li>• Failure to comply with relevant laws and regulations may lead to adverse impact on brand image, legal &amp; financial penalties, loss of market access</li> </ul>	<ul style="list-style-type: none"> <li>• Robust compliance monitoring systems and strict adherence to the same</li> <li>• Regular employee awareness session</li> </ul>	Negative
5.	Innovation and Technology	O	<ul style="list-style-type: none"> <li>• Product innovation to meet evolving customers' needs and expectations</li> </ul>	<ul style="list-style-type: none"> <li>• A state-of-the-art R&amp;D Centre with sophisticated infrastructure for products and processes development</li> <li>• A healthy pipeline of new products and processes development</li> </ul>	Positive

**SECTION B: MANAGEMENT AND PROCESS DISCLOSURES**

This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the National Guidelines for Responsible Business Conduct (NGRBC) Principles (P1 to P9) and Core Elements.

Disclosure Questions		P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
Policy and Management Processes:										
1.	a. Whether the Entity's Policy / Policies cover each Principle and its core elements of the NGRBCs [Yes (Y) / No (N)]	Y	Y	Y	Y	Y	Y	Y	Y	Y
	b. Has the Policy been approved by the Board? [Yes (Y) / No (N)]	The Company has obtained approval of the Board of Directors for the Policies, wherever necessary.								
	c. Web Link of the Policies, if available	The Policies formulated and adopted by the Company are available on the website of the Company at the weblink <a href="https://www.astecls.com/codes-and-policies.aspx">https://www.astecls.com/codes-and-policies.aspx</a> .								
2.	Whether the Entity has translated the Policy into procedures (Yes / No)	The Company endeavours to implement and translate all the Policies into procedures and practices in true letter and spirit.								
3.	Do the enlisted Policies extend to your value chain partners? (Yes / No)	The Company encourages its value chain partners to uphold standards of ethics, fairness and transparency in all their dealings with the Company.								
4.	Name(s) of the National and International codes / certifications / labels / standards (e.g., Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea) Standards (e.g., SA 8000, OHSAS, ISO, BIS) adopted by the Entity and mapped to each Principle	All the Company's factories at Mahad (Maharashtra) and the Research & Development (R&D) Centre at Dombivali (Maharashtra) are ISO 9001; 14001 and 45001 certified.  The Company, as a signatory to 'Responsible Care' and user of 'Responsible Care' logo, agrees to commit itself to improve performance in the fields of environmental protection, occupational safety and health protection, plant safety, product stewardship and logistics, as well as to continuously improve dialog with its neighbours and the public, independent of legal requirements.								
5.	Specific commitments, goals and targets set by the Entity with defined timelines, if any	Yes, the Company makes specific commitments and defines goals and targets.								
6.	Performance of the Entity against the specific commitments, goals and targets along-with reasons in case the same are not met	The Company monitors and periodically reviews its performance with respect to sustainability goals and targets and the action plans drawn for achieving the same.								

**Governance, Leadership & Oversight:**

7. Statement by Director responsible for the BRSR, highlighting ESG related challenges, targets and achievements:

The Company, as a responsible corporate citizen, stays committed to ensure that its economic growth is socially and environmentally sustainable. While the Financial Year 2022-23 was marked with significant volatilities and unexpected turns, the Company maintained its highest level of unwavering dedication to Environment, Health and Safety (EHS) standards. The Company's safety record remained excellent and it had no lost time injuries in the Financial Year 2022-23 as well. The Company remains committed to Godrej Group's Good and Green philosophy and has made substantial and meaningful progress towards achieving long-term sustainability objectives by 2026. Under its Corporate Social Responsibility (CSR) activities, the Company worked on projects in the area of agriculture and rural livelihoods, women empowerment, water security, education, entitlements and community development. The various CSR programmes of the Company have positively impacted livelihoods for 4,800+ households and 1,000+ students.



8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility Policy (ies)	<p>The implementation and oversight of the Company's Policy towards business responsibility is regularly carried out by:</p> <ol style="list-style-type: none"> <li>1. Whole Time Director &amp; Chief Executive Officer</li> <li>2. Corporate Social Responsibility (CSR) Committee</li> <li>3. Board of Directors</li> </ol>
9. Does the Entity have a specified Committee of the Board / Directors responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.	<p>The Company has a Corporate Social Responsibility (CSR) Policy which approves and oversees CSR projects in line with the Company's strategy to bring about a positive impact on the communities through various CSR programmes. Further, Mr. Anurag Roy, Whole Time Director &amp; Chief Executive Officer also regularly looks into and monitors the CSR projects implemented by the Company.</p>

10. Details of Review of NGRBCs by the Company:

Subject for Review	Whether review was undertaken by Director / Committee of the Board / any other Committee									Frequency (Annual / Half-yearly / Quarterly / Any other)								
	P1	P2	P3	P4	P5	P6	P7	P8	P9	P1	P2	P3	P4	P5	P6	P7	P8	P9
Performance against above Policies and follow-up action	<p>The performance is regularly reviewed by:</p> <ol style="list-style-type: none"> <li>1. Whole Time Director &amp; Chief Executive Officer</li> <li>2. Corporate Social Responsibility (CSR) Committee</li> <li>3. Board of Directors</li> </ol>									<p>The frequency of review is as follows:</p> <ol style="list-style-type: none"> <li>1. Whole Time Director &amp; Chief Executive Officer – Ongoing</li> <li>2. Corporate Social Responsibility (CSR) Committee – Usually twice in a year</li> <li>3. Board of Directors – Quarterly, usually at every Board Meeting</li> </ol>								
Compliance with statutory requirements of relevance to the principles and rectification of any non-compliances	<p>The compliance with the statutory requirements is monitored on a regular basis by:</p> <ol style="list-style-type: none"> <li>1. Management</li> <li>2. Audit Committee</li> <li>3. Board of Directors</li> </ol>									<p>The frequency of review of compliance with the statutory requirements is as under:</p> <ol style="list-style-type: none"> <li>1. Management – Ongoing</li> <li>2. Audit Committee – Quarterly, at every Audit Committee Meeting</li> <li>3. Board of Directors – Quarterly, at every Board Meeting</li> </ol>								

11. Has the Entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency.	<table border="1"> <thead> <tr> <th>P1</th><th>P2</th><th>P3</th><th>P4</th><th>P5</th><th>P6</th><th>P7</th><th>P8</th><th>P9</th> </tr> </thead> <tbody> <tr> <td colspan="9" data-bbox="791 1466 1463 1558"> <p>The working of all the Policies is internally monitored. Audit / evaluation by external agencies is carried out wherever necessary.</p> </td> </tr> </tbody> </table>	P1	P2	P3	P4	P5	P6	P7	P8	P9	<p>The working of all the Policies is internally monitored. Audit / evaluation by external agencies is carried out wherever necessary.</p>								
P1	P2	P3	P4	P5	P6	P7	P8	P9											
<p>The working of all the Policies is internally monitored. Audit / evaluation by external agencies is carried out wherever necessary.</p>																			

12. If answer to Question (1) of Section B above is “No”, i.e., not all Principles are covered by a Policy, reasons to be stated:

Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
The Entity does not consider the Principles material to its business (Yes / No)	Not Applicable								
The Entity is not at a stage where it is in a position to formulate and implement the Policies on specified principles (Yes / No)									
The Entity does not have the financial, human and technical resources available for the task (Yes / No)									
It is planned to be done in the next Financial Year (Yes / No)									
Any other reason (please specify)									

**SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE**

**PRINCIPLE 1: Businesses should conduct and govern themselves with Integrity, and in a manner that is Ethical, Transparent and Accountable**

**ESSENTIAL INDICATORS**

**1. Percentage Coverage by Training and Awareness Programmes on any of the Principles during the Financial Year:**

Segment	Total Number of Training and Awareness Programmes held	Topics / Principles covered under the Training and its Impact	% age of Persons in respective Segment covered by the Awareness Programmes
Board of Directors (BoD)	4	<ol style="list-style-type: none"> <li>1. Corporate Law / Governance Updates</li> <li>2. Environment, Health &amp; Safety Updates</li> <li>3. Risk Management Updates</li> <li>4. Corporate Social Responsibility (CSR) Updates</li> </ol>	100%
Key Managerial Personnel (KMP)	4	<ol style="list-style-type: none"> <li>1. Corporate Law / Governance Updates</li> <li>2. Environment, Health &amp; Safety Updates</li> <li>3. Risk Management Updates</li> <li>4. Corporate Social Responsibility (CSR) Updates</li> </ol>	100%
Employees other than BoD and KMPs	116	<ol style="list-style-type: none"> <li>1. Code of Conduct</li> <li>2. Prevention of Sexual Harassment at the Workplace</li> <li>3. Occupational Health &amp; Safety</li> </ol>	85%

Segment	Total Number of Training and Awareness Programmes held	Topics / Principles covered under the Training and its Impact	% age of Persons in respective Segment covered by the Awareness Programmes
Workers	166	1. Code of Conduct 2. Prevention of Sexual Harassment at the Workplace 3. Occupational Health & Safety	73%

**2. Details of Fines / Penalties / Punishment / Award / Compounding Fees / Settlement Amount paid in proceedings (by the Entity or by Directors / KMPs) with Regulators / Law Enforcement Agencies / Judicial Institutions, in the Financial Year:**

(Note: Entity to make disclosures on the basis of Materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as disclosed on the Entity's Website)

Particulars	Monetary			Non-Monetary	
	Penalty / Fine	Settlement	Compounding Fee	Imprisonment	Punishment
NGRBC Principle	None	None	None	None	None
Name of Regulatory / Enforcement Agencies / Judicial Institutions	N/A	N/A	N/A	N/A	N/A
Amount (INR)	N/A	N/A	N/A	N/A	N/A
Brief of Case	N/A	N/A	N/A	N/A	N/A
Has an Appeal been preferred (Yes / No)	N/A	N/A	N/A	N/A	N/A

(N/A denotes 'Not Applicable'.)

**3. Of the Instances pertaining to Fines / Penalties / Punishment / Award / Compounding Fees / Settlement Amount disclosed above, details of the Appeal / Revision preferred in Cases where Monetary or Non-monetary Action has been appealed:**

Case Details	Not Applicable
Name of the Regulatory / Enforcement Agencies / Judicial Institutions	

**4. Does the Entity have an Anti-Corruption or Anti-Bribery Policy? If yes, provide details in brief and if available, provide a Web-link to the Policy:**

The Company is committed to act as a responsible corporate citizen and recognizes the responsibility cast upon it by belonging to one of the largest professionally run private sector groups in the country, to uphold highest standards of integrity, ethics, fairness and transparency in all its business activities, operations and dealings. The Company strictly prohibits corruption or bribery of any kind in its dealings.

The Company has in place, a Code of Conduct which is applicable to all its employees as well as Directors and the same is available on the website of the Company ([www.astecls.com](http://www.astecls.com)) at the weblink <https://www.astecls.com/codes-and-policies.aspx>.

Under the Code of Conduct, every employee or Director is duty-bound to comply with the following:

- To undertake due diligence specific to anti-bribery and corruption while evaluating mergers, acquisitions and joint ventures;
- To prohibit money laundering and report unaccounted cash or suspicious transactions;
- Not to use one’s official position in the Company to influence anyone for personal gains or favours;
- Not to resort to any form of bribery to Government officials and their representatives and agents, whether directly or indirectly, nor accept bribe from anyone, for any reason whatsoever;
- Not to accept, directly or indirectly, hospitality, gifts or donations which are intended for the purpose of obtaining business or might appear to incur an obligation.

Thus, accepting or giving any kind of bribe is strictly prohibited under the Company’s Code of Conduct and the Company is bound to demonstrate zero-tolerance towards any instances of violation.

The Company’s employees are also made to familiarize the Company’s business associates with the Company’s policies and expectations as to anti-bribery or anti-corruption. The Company encourages all its business partners, viz., group companies, joint ventures, suppliers, distributors, customers, contractors, etc. to follow ethics, transparency, fairness and accountability in their dealings with the Company.

**5. Number of Directors / Key Managerial Personnel (KMPs) / Employees / Workers against whom Disciplinary Action was taken by any Law Enforcement Agency for the Charges of Bribery / Corruption:**

Particulars	FY 2022-23	FY 2021-22
Board of Directors	Nil	Nil
Key Managerial Personnel	Nil	Nil
Employees	Nil	Nil
Workers	Nil	Nil

**6. Details of Complaints with regard to Conflict of Interest:**

Particulars	FY 2022-23		FY 2021-22	
	Number	Remarks	Number	Remarks
Number of Complaints received in relation to Issues of Conflict of Interest of Directors	Nil	-	Nil	-
Number of Complaints received in relation to Issues of Conflict of Interest of KMPs	Nil	-	Nil	-

**7. Details of any Corrective Action taken or underway on Issues related to Fines / Penalties / Action taken by Regulators / Law Enforcement Agencies / Judicial Institutions, on cases of Corruption and Conflicts of Interest:**

Not Applicable

**LEADERSHIP INDICATORS**

**Does the Entity have Processes in place to avoid / manage Conflict of Interests involving Members of the Board? (Yes/No) and if yes, Details of the same:**

The Company has formulated a Code of Conduct for Board of Directors and Senior Management Personnel, which clearly prohibits its Directors and Senior Management Personnel from engaging in any business, relationship or activity which detrimentally conflicts with the interest of the Company or brings discredit to it and further states that any situation that creates a conflict of interest between personal interests and the interests of the Company and its stakeholders must be avoided at all costs.

The Company obtains an annual declaration from its Directors and Senior Management Personnel to the effect that,

during the Financial Year to which such declaration relates:

- they affirm compliance with and have not violated any of the provisions of the Code of Conduct for Board of Directors and Senior Management Personnel; and
- they did not have any personal interest in any of the material, financial and commercial transactions of the Company, which would have had any potential conflict with the interest of the Company at large.

The Code of Conduct for Board of Directors and Senior Management Personnel is available on the website of the Company ([www.astecls.com](http://www.astecls.com)) at the weblink <https://www.astecls.com/codes-and-policies.aspx>.

**PRINCIPLE 2: BUSINESSES SHOULD PROVIDE GOODS AND SERVICES IN A MANNER THAT IS SUSTAINABLE AND SAFE**

**ESSENTIAL INDICATORS**

1. **Percentage of Research & Development (R&D) and Capital Expenditure (Capex) Investments in Specific Technologies to improve the Environmental and Social Impacts of Product and Processes to Total R&D and Capex Investments made by the Entity, respectively:**

Particulars	FY 2022-23	FY 2021-22	Details of Improvements in Environmental and Social Impacts
R&D	17.4%	1.3%	Solvent recovery and recycling across projects, Effluent Treatment, Investment in R&D equipment and technology focused on Green chemistries
CAPEX	11.5%	24.8%	Projects such as Biomass fired boiler, Multiple Effect Evaporator for maximum recycling of water, Equipment purchased for Safety and Circularity

2. **a. Does the Entity have Procedures in place for Sustainable Sourcing? (Yes/No)**  
**b. If yes, what Percentage of Inputs were sourced sustainably?**

The Company has established well-defined framework for selection of suppliers which includes various parameters such as legal compliance, ISO certification, Environment Health & Safety practices, etc. The Company is a signatory to “Responsible Care” and holds Responsible Care® Logo since 2015. By virtue of the same, it agrees to commit itself to improve performance in the field of product stewardship and logistics. The Company plans to carry out sustainable sourcing assessment of key suppliers in the next Financial Year.

3. **Processes in place to safely reclaim Products for Reusing, Recycling and Disposing at the End of Life, for (a) Plastics (including Packaging) (b) E-Waste (c) Hazardous Waste and (d) Other Waste:**

(a) Plastics (including Packaging)	Not Applicable
(b) E-Waste	Not Applicable
(c) Hazardous Waste	Expired products and other hazardous waste are sent to authorised facilities in accordance with the Hazardous Waste Management Rules
(d) Other Waste	Not Applicable

4. **Whether Extended Producer Responsibility (EPR) is applicable to the Entity’s Activities (Yes / No) and if yes, whether the Waste Collection Plan is in line with the Extended Producer Responsibility (EPR) Plan submitted to Pollution Control Boards? If not, steps taken to address the same:**

No

**LEADERSHIP INDICATORS**

**Percentage of Recycled or Reused Input Material to Total Material (by Value) used in Production (for Manufacturing Industry) or providing Services (for Service Industry):**

NIL

**Of the Products and Packaging reclaimed at End of Life of Products, Amount (in metric tonnes) reused, recycled, and safely disposed, for the Current Financial Year and the Previous Financial Year:**

Particulars	FY 2022-23			FY 2021-22		
	Re-used	Recycled	Safely disposed	Re-used	Recycled	Safely disposed
Plastics (including Packaging)		N/A			N/A	
E-Waste		N/A			N/A	
Hazardous Waste		N/A			N/A	
Other Waste		N/A			N/A	

(N/A denotes 'Not Applicable'.)

**Reclaimed Products and their Packaging Materials (as Percentage of Products Sold) for each Product Category**

Nil

**PRINCIPLE 3: BUSINESSES SHOULD RESPECT AND PROMOTE THE WELL-BEING OF ALL EMPLOYEES, INCLUDING THOSE IN THEIR VALUE CHAINS**

**ESSENTIAL INDICATORS**

1. a. **Details of Measures for the Well-being of Employees:**
- b. **Details of Measures for the Well-being of Workers:**

% of Employees & Workers (Permanent and Other Employees) covered	Male	Female	Total
Total (A)	510	41	551
Health Insurance Nos. (B)	510	41	551
Health Insurance % (B/A)	100%	100%	100%
Accident Insurance Nos. (C)	510	41	551
Accident Insurance % (C/A)	100%	100%	100%
Maternity Benefits Nos. (D)	0	41	41
Maternity Benefits % (D/A)	0%	100%	100%
Paternity Benefits Nos. (E)	510	0	510
Paternity Benefits % (E/A)	100%	0%	100%
Day Care Facilities Nos. (F)	73	27	100
Day Care Facilities % (F/A)	14%	66%	18%

**2. Details of Retirement Benefits, for the Current Financial Year and the Previous Financial Year:**

Benefits	No. of Employees covered as a % of Total Employees	No. of Workers covered as a % of Total Workers	Deducted and Deposited with the Authority
Provident Fund (PF)	100%	100%	Yes
Gratuity	100%	100%	Yes
Employees' State Insurance (ESI)	All covered as per eligibility	All covered as per eligibility	Yes
Others	-	-	-

**3. Accessibility of Workplaces - Are the Premises / Offices of the Entity accessible to Differently abled Employees and Workers, as per the Requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any Steps are being taken by the Entity in this regard:**

The Company's Registered Office is accessible for differently abled employees and workers with infrastructural modifications being updated on an on-going basis. Modifications are in progress for manufacturing units.

**4. Does the Entity have an Equal Opportunity Policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a Web-link to the Policy:**

Yes, the Company's Code of conduct outlines its commitment to offering equal opportunities for all team members. Any form of discrimination against any team member or applicant for employment on the basis of nationality, race, colour, religion, caste, gender, gender identity/expression, sexual orientation, disability, age, or marital status is strictly prohibited. Godrej Group companies also subscribes to the CII-ASSOCHAM Code of Conduct for Affirmative Action.

The Company's Code of Conduct is available on the corporate website at the weblink:

<https://www.astecls.com/codes-and-policies.aspx>

**5. Return to Work and Retention Rates of Permanent Employees and Workers that took Parental Leave:**

Particulars	Male	Female	Total
Permanent Employees - Return to Work Rate	100%	100%	100%
Permanent Employees - Retention Rate	100%	100%	100%
Permanent Workers - Return to Work Rate	Not Applicable		
Permanent Workers - Retention Rate	Not Applicable		

**6. Is there a Mechanism available to receive and redress Grievances for the following Categories of Employees and Workers? If yes, Details of the Mechanism in brief:**

Category	Yes / No	If Yes, Details of the Mechanism in brief
Employees (Permanent & Other than Permanent)	Yes	In line with the Godrej Philosophy, Company has multiple engagement forums available for its employees to share their concerns, suggestions etc with line managers, Human Resource departments and senior leadership team. Policies related to Prevention of Sexual Harassment at workplace and Vigil Mechanism / Whistle Blower are also available to all employees and workers. The Company is committed to creating and maintaining an atmosphere in which all employees can work together, without fear of sexual harassment, exploitation or intimidation. A gender-neutral policy on prevention of sexual harassment has been in place for years. All employees are required to go through mandatory training on Prevention of Sexual Harassment. Whistle Blower Policy also enables employees to raise concerns about unacceptable, improper or unethical practices being followed in the organization, without necessarily informing their supervisors. A Whistleblowing Officer has been designated for the purpose of receiving and recording any complaints under this Policy.
Workers (Permanent & Other than Permanent)		

**7. Membership of Employees and Workers in Association(s) or Union(s) recognised by the Entity, for the Current Financial Year and the Previous Financial Year:**

FY 2022-23	Total Employees / Workers in respective Category (A)	No. of Employees / Workers in respective Category, who are part of Association(s) or Union(s) (B)	% (B / A)
<b>Permanent Employees</b>			
Male	310	0	0%
Female	41	0	0%
<b>Permanent Workers</b>			
Male	200	140	70%
Female	0	0	0
FY 2021-22	Total Employees / Workers in respective Category (A)	No. of Employees / Workers in respective Category, who are part of Association(s) or Union(s) (B)	% (B / A)
<b>Permanent Employees</b>			
Male	265	0	0%
Female	23	0	0%
<b>Permanent Workers</b>			
Male	217	142	65%
Female	1	0	0%



**8. Details of Training given to Employees and Workers for the Current Financial Year and the Previous Financial Year:**

	FY 2022-23			FY 2021-22		
<b>Permanent Employees</b>						
	Male	Female	Total	Male	Female	Total
<b>Total (A)</b>	<b>310</b>	<b>41</b>	<b>351</b>	<b>265</b>	<b>23</b>	<b>288</b>
Health & Safety Measures Nos. (B)	258	29	287	189	19	208
On Health & safety Measures % (B/A)	83%	71%	82%	71%	83%	72%
Skill Upgradation Nos. (C)	228	24	252	197	18	215
Skill Upgradation % (C / A)	74%	59%	72%	74%	78%	75%
<b>Permanent Workers</b>						
<b>Total (A)</b>	<b>200</b>	<b>-</b>	<b>200</b>	<b>217</b>	<b>1</b>	<b>218</b>
Health & Safety Measures Nos. (B)	200	-	200	217	1	218
On Health & Safety Measures % (B/A)	100%	-	100%	100%	100%	100%
Skill Upgradation Nos. (C)	73	-	73	57	1	58
Skill Upgradation % (C / A)	37%	NA	37%	27%	100%	27%

**9. Details of Performance and Career Development Reviews of Employees and Workers for Current and Previous Financial Years:**

Performance and career development reviews have been conducted for all employees eligible during the Financial Year.

Particulars	FY 2022-23			FY 2021-22		
	Male	Female	Total	Male	Female	Total
<b>Employees</b>						
Total (A)	310	41	351	265	23	288
Nos. (B)	256	32	288	227	17	244
% (B/A)	83%	78%	82%	86%	73%	85%
<b>Workers</b>	<b>Male</b>	<b>Female</b>	<b>Total</b>	<b>Male</b>	<b>Female</b>	<b>Total</b>
Total (A)	Performance reviews of workers are determined on the basis of Long-Term Settlement Contracts.					
Nos. (B)						
% (B/A)						

**10. Health and Safety Management System:****a. Whether an Occupational Health and Safety Management System has been implemented by the Entity? (Yes/ No). If yes, the coverage such System:**

Yes, the Company has implemented occupational health and safety management system and 100% of its manufacturing locations are ISO 45001:2018 certified. Furthermore, the Company is Responsible Care logo holder organisation since 2015 and the coverage includes all sites and employees as well as labourers. Safety and health of all stakeholders is considered to be of a paramount importance for sustainable growth at Godrej group and associated companies. Godrej group carries a vision to bring about a strong Safety and Health culture across the organization and all companies remain committed to provide a safe and healthy work environment for the well-being of all stakeholders, namely Godrejites, business associates, processors, contractors, sub-contractors, vendors, transporters, customers and visitors.

**b. Processes used to identify Work-related Hazards and assess Risks on a Routine and Non-routine basis by the Entity:**

In line with Godrej Group policies, the Company has a robust Environment, Health and Safety (EHS) risk management framework which is reviewed on a regular basis along with mitigation plans for identified routine and non-routine hazards. The Company has implemented various techniques such as Hazard Identification Risk Assessment (HIRA), Hazard and Operability Analysis (HAZOP), design checklists and other consequence modelling studies. Strict adherence to standard operating procedures (SOPs) for workplace safety is followed on shop floors across our manufacturing locations. For all new projects, EHS compliance is ensured through mandatory Job safety analysis during the construction and operational phases. Periodic cross functional as well as inter-unit audits at a business and corporate levels are conducted for all of our manufacturing locations to identify hazards, design risk mitigation plans and to monitor compliance with policy standards. The Company has also received several awards for its Occupational Health and Safety management systems in the past from Indian Chemical Council and National Safety Council of India etc.

**c. Whether the Entity has Processes for Workers to report the Work-related Hazards and to remove themselves from such Risks (Yes / No):**

Yes, the Company follows digitised safety reporting system through the mobile application called “i-safe” which has been developed internally by Godrej Industries Limited (the Ultimate Holding Company) for its associated companies. Workers and employees across our manufacturing locations have access to this app to report all kinds of work-related unsafe acts and unsafe conditions. A well-defined Standard Operating Procedure (SOP) is in place for defining nature and severity of the reported incident as well as necessary corrective actions and continuous status monitoring of incidents raised on the platform. Furthermore, periodic EHS Committee Meetings are conducted on the shop floors where employee participation is encouraged to discuss safety related issues and promote a transparent safety culture across manufacturing facilities.

**d. Do the Employees / Workers of the Entity have access to Non-Occupational Medical and Healthcare Services? (Yes / No)**

Yes, all of the Company’s manufacturing sites and offices have access to non-occupational medical and healthcare services either on-site or through tie-ups with reputed medical centres in close proximity. All necessary first-aid trainings and equipment are provided across the manufacturing sites. All permanent employees and workers along with their family members have access to the either Company supported medical benefits, group insurance policies and/or where applicable, statutory benefits under Employees State Insurance.

**11. Details of Safety related Incidents for the Current Financial Year and the Previous Financial Year:**

Safety Incident / Number	Category	FY 2022-23	FY 2021-22
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	Nil	Nil
	Workers	Nil	Nil
Total Recordable Work-related Injuries	Employees	Nil	Nil
	Workers	Nil	Nil
No. of Fatalities	Employees	Nil	Nil
	Workers		
High Consequence Work-related Injury or Ill-health (Excluding Fatalities)	Employees	Nil	Nil
	Workers		

**12. Measures taken by the Entity to ensure a Safe and Healthy Workplace:**

The Company is committed to the health and well-being of its team members and has an on-site medical centre and hospital within the Godrej campus at Vikhroli, Mumbai. Regular medical awareness workshops including mental health & well-being and periodic free of cost on-site diagnostic camps are conducted across the Company's locations.

A digitised user-friendly platform has been enabled for all the Company's employees at manufacturing locations to report safety related incidents, provide corrective action and timely resolutions. Employees are encouraged to participate in periodic meetings with senior management to enable continuous dialogue for achieving the Company's goal of incident-free workplace. Well-defined and robust Standard Operating Procedures (SOPs) are in place for hazards identification, safe storage & handling of hazardous chemicals, monitoring storages and operation through competent supervisors to avoid loss of containment, imparting proper induction training to workers as well as labourers. Periodic safety audits are conducted by cross functional teams and a well measurable reward system is in place to inspire safety culture across the organisation.

**13. Number of Complaints on the following made by Employees and Workers for Current Year and Previous Year:**

Particulars	Filed during the Year	Pending resolution at the end of Year	Remarks
Working Conditions		Nil	
Health & Safety			

**14. Assessments for the Financial Year:**

Particulars	% of Plants and Offices that were assessed (by the Entity or Statutory Authorities or Third Parties)
Working Conditions	All our manufacturing facilities are audited by internal as well as external parties, including statutory authorities:
	1. Responsible Care
Health & Safety	2. Godrej Industries Limited and Associated Companies (GILAC) audit teams
	3. Customer audits
	4. Statutory Authorities such as Directorate of Industrial Safety and Health (DISH) and Maharashtra Pollution Control Board (MPCB)
	5. Internal Cross Functional Audit team

**15. Details of any Corrective Action taken or underway to address Safety-related Incidents (if any) and on Significant Risks / Concerns arising from Assessments of Health & Safety Practices and Working Conditions:**

All safety-related incidents are thoroughly studied and investigated with initiation of corrective actions to avoid recurrence of such incidents. Internal as well as external audits measure the effectiveness of corrective actions.

**LEADERSHIP INDICATORS**

**Does the Entity extend any Life Insurance or any Compensatory Package in the Event of Death of:**

**(A) Employees (Y/N); and (B) Workers (Y/N):**

(A) Employees (Y/N)	Yes
(B) Workers (Y/N)	Yes

**Measures undertaken by the Entity to ensure that Statutory Dues have been deducted and deposited by the Value Chain Partners:**

The Company encourages its business partners, viz., suppliers, distributors, contractors, etc. to follow ethics, transparency and accountability in their dealings with the Company. The Company also monitors compliance by contractors supplying third party resources related to statutory dues while processing the invoices.

**Number of Employees / Workers having suffered High Consequence Work-related Injury / Ill-health / Fatalities (as reported in Question 11 of Essential Indicators above), who have been rehabilitated and placed in suitable Employment or whose Family Members have been placed in suitable Employment: in the Current Year and the Previous Year:**

Particulars	Total No. of affected Employees / Workers	No. of Employees / Workers that are rehabilitated and placed in suitable Employment or whose Family Members have been placed in suitable Employment
Employees		Not Applicable
Workers		Not Applicable

**Does the Entity provide Transition Assistance Programmes to facilitate continued Employability and the Management of Career Endings resulting from Retirement or Termination of Employment (Yes / No):**

The Company has continuously invested in skill development programmes for its employees to enhance employability of the workforce and provide diverse work experience.

**PRINCIPLE 4: BUSINESSES SHOULD RESPECT THE INTERESTS OF AND BE RESPONSIVE TO ALL ITS STAKEHOLDERS**

**ESSENTIAL INDICATORS**

**1. Processes for identifying Key Stakeholder Groups of the Entity:**

The Company recognizes that as a good corporate citizen, it is bound to think and act beyond the interests of its internal stakeholders, to include all its stakeholders in addition to its employees, who together help the Company to create a shared value.

The stakeholder engagement process consists of several activities from stakeholder identification, consultation, prioritization, collaboration and reporting. The identification of all relevant stakeholders and understanding their expectations is of high importance to the Company in its quest to be sustainable. The Company identifies key stakeholders on the basis of their influence on the Company’s activities and operations and the Company’s impact on them.

The Company has already identified and prioritized key stakeholders and continues to engage with them through various mechanisms such as consultations with local communities, supplier / vendor meets, customer / employee satisfaction surveys, investor / analyst meets, etc.

The Company continuously endeavours to achieve customer satisfaction and create delight for all its value chain partners and also to implement policies and processes to achieve long term welfare and meet the growth and career aspirations of its employees. The Company also strives to introduce and implement impactful programmes for communities around its plant locations, in partnership with the government, Non-Governmental Organisations (NGOs) and local communities. This approach helps the Company to distribute accountability and ensure long-term impact of its community development initiatives in clearly identified areas of need.

The following are the key stakeholder groups which have been identified by the Company:

- (1) Shareholders
- (2) Employees and Workers
- (3) Customers

- (4) Suppliers and Contractors
- (5) Government and Regulatory Bodies
- (6) Media and Analysts
- (7) Communities at large.

**2. List Stakeholder Groups identified as Key for the Company and the Frequency of Engagement with each Stakeholder Group:**

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group	Channels of Communication	Frequency of Engagement	Purpose and Scope of Engagement, including Key Topics and Concerns raised during such Engagement
Shareholders	No	<ul style="list-style-type: none"> <li>• General Meetings</li> <li>• Media Releases</li> <li>• Investor Presentations</li> <li>• Quarterly Results</li> <li>• Annual Reports</li> <li>• Stock Exchange Filings</li> <li>• Corporate Website</li> <li>• Bulk E-mails regarding Notices of Meetings, Postal Ballots, Tax Deducted at Source (TDS) on Dividend, etc.</li> <li>• Dedicated e-mail address for resolving Shareholders' queries / requests</li> </ul>	Quarterly / Half-yearly / Annual / As and when required	<ul style="list-style-type: none"> <li>• Understanding the aspirations and expectations of the Shareholders</li> <li>• Updating the Shareholders about the operations and financial performance of the Company</li> </ul>
Employees and Workers	No	<ul style="list-style-type: none"> <li>• Regular e-mail circulars and organizational announcements</li> <li>• Quarterly communication on financial performance</li> <li>• Open forum interview with the top management titled as "Mulakaat" to provide business performance updates to employees, notify them about any important updates concerning them and answer their related queries</li> <li>• Training and induction programmes and workshops for employees</li> </ul>		

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group	Channels of Communication	Frequency of Engagement	Purpose and Scope of Engagement, including Key Topics and Concerns raised during such Engagement
		<ul style="list-style-type: none"> <li>• Welfare initiatives for employees and their dependents</li> <li>• Employee engagement / feedback surveys</li> <li>• Employees' participation in community initiatives by encouraging volunteering</li> </ul>	Quarterly / Half-yearly / Annual / As and when required	<ul style="list-style-type: none"> <li>• Updating the employees about the Company's progress, policies and expectations</li> <li>• Gaining valuable feedback from the employees for strengthening the functioning and growth of the Company</li> <li>• Implementing measures for employees' motivation, professional growth and personal well-being</li> </ul>
Customers	No	<ul style="list-style-type: none"> <li>• Business interactions</li> <li>• Formal customer and distributor meets</li> <li>• Market visits</li> </ul>	Ongoing and also specifically as and when required	<ul style="list-style-type: none"> <li>• Understanding customers' expectations and measures which can create delight for them</li> <li>• Effective resolution of customer complaints / issues, if any</li> </ul>
Suppliers	No	<ul style="list-style-type: none"> <li>• Business interactions</li> <li>• Formal supplier meets</li> <li>• Market visits</li> </ul>	Ongoing and also specifically as and when required	<ul style="list-style-type: none"> <li>• Understanding the needs and expectations of suppliers</li> <li>• Identifying issues or gaps, if any, in the supply chain</li> <li>• Awareness amongst suppliers about regulatory norms and Environment, Health &amp; Safety (EHS) standards adopted by the Company</li> </ul>

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group	Channels of Communication	Frequency of Engagement	Purpose and Scope of Engagement, including Key Topics and Concerns raised during such Engagement
Government and Regulatory Bodies	No	<ul style="list-style-type: none"> <li>Filings with Government and regulatory authorities</li> <li>Representations</li> <li>Media Releases</li> <li>Quarterly Results</li> <li>Annual Reports</li> <li>Stock Exchange Filings</li> <li>Corporate Website</li> </ul>	As and when required	<ul style="list-style-type: none"> <li>Complying with statutory / mandatory reporting requirements</li> <li>Regulatory guidance whenever required</li> <li>Raising and resolution of issues faced by the industry</li> </ul>
Media and Analysts	No	<ul style="list-style-type: none"> <li>Analyst Meets</li> <li>Investor Calls</li> <li>Media Releases</li> <li>Investor Presentations</li> <li>Quarterly Results</li> <li>Annual Reports</li> <li>Stock Exchange Filings</li> <li>Corporate Website</li> </ul>	Quarterly / Half-yearly / Annual / As and when required	<ul style="list-style-type: none"> <li>Understanding investor aspirations and market trends</li> <li>Updating on Company's performance and industry standing</li> </ul>
Communities at large	Yes, certain sections of the communities	<ul style="list-style-type: none"> <li>Direct Corporate Social Responsibility (CSR) initiatives</li> <li>CSR interventions undertaken with the assistance of Non-Governmental Organisation (NGO) partners</li> </ul>	Ongoing and also specifically as and when required	<ul style="list-style-type: none"> <li>Assessment of need and impact of Corporate Social Responsibility (CSR) initiatives</li> <li>Harmonious relations with local communities in and around the geographical areas in which the Company operates</li> </ul>

#### LEADERSHIP INDICATORS

#### Processes for Consultation between Stakeholders and the Board on Economic, Environmental and Social Topics or if Consultation is delegated, how is Feedback from such Consultations provided to the Board:

The Board of Directors of the Company oversees matters relating to Environmental, Social and Governance (ESG) topics and has constituted several Committees such as Audit Committee, Corporate Social Responsibility (CSR) Committee, Risk Management Committee, Stakeholders' Relationship Committee and Nomination and Remuneration Committee to deal with specialized areas. The composition and the terms of reference of these Committees are in conformity with the mandatory provisions of law. The observations and recommendations of these Committees are regularly briefed to the Board at every Meeting of the Board, either for its noting or for its approval, as may be required.

The Company also conducts stakeholder engagement activities on ESG topics from time to time, to receive vital feedback from the concerned stakeholders on ESG parameters, performance and related matters. The results of such activities

are briefed to the Board and its concerned Committees during the course of discussions at Meetings and appropriate measures are accordingly devised and implemented to enhance the ESG performance further.

The Company also has specialized functions and roles within its organizational hierarchy and has deployed right software and tools which enable the Company to set and achieve higher and higher standards of ESG performance and also to closely monitor the same, in order to devise and implement appropriate measures to enhance the same further.

**Whether Stakeholder Consultation is used to support the Identification and Management of Environmental and Social Topics (Yes / No). If so, provide details of Instances as to how the Inputs received from Stakeholders on these Topics were incorporated into Policies and Activities of the Entity:**

The Company recognizes the vitality of obtaining feedback from the concerned stakeholders through consultation, in order to identify environmental and social topics which are materially important from time to time. Based on the inputs so received from the stakeholders and in accordance with the changing context and requirements:

- the policies and procedures adopted by the Company are suitably amended or modified;
- critical or priority areas needing special attention and focus are identified and policies and strategies are devised suitably;
- proper systems and plans are devised to achieve the identified objectives and to monitor and measure the performance.

**Details of Instances of Engagement with, and Actions taken to, address the Concerns of Vulnerable / Marginalized Stakeholder Groups:**

The Company, through its Corporate Social Responsibility (CSR) Policy and initiatives, endeavours to address critical social, environmental and economic needs of marginalized and underprivileged sections of our communities around the areas in which the Company operates and to transform their lives, by adopting a shared value approach, i.e., to help in solving problems, while strengthening our competitive advantage. Every attempt possible is made by the Company to achieve holistic development of the communities, through its CSR initiatives. The CSR initiatives are strategically formulated by the Good & Green team, based on a thorough needs assessment, involving active participation of the employees, capable of bearing significant outcomes and measurable in terms of performance or progress.

**PRINCIPLE 5: BUSINESSES SHOULD RESPECT AND PROMOTE HUMAN RIGHTS**

**ESSENTIAL INDICATORS**

**1. Employees and Workers who have been provided Training on Human Rights Issues and Policy(ies) of the Entity, for Current Financial Year and the Previous Financial Year:**

Employees	FY 2022-23			FY 2021-22		
	Total (A)	Covered (B)	% (B / A)	Total (A)	Covered (B)	% (B / A)
Permanent	351	300	85%	288	163	57%
Other than Permanent	0	0	NA	0	0	NA
<b>Total</b>	<b>351</b>	<b>300</b>	<b>85%</b>	<b>288</b>	<b>163</b>	<b>57%</b>
Workers	Total (A)	Covered (B)	% (B / A)	Total (A)	Covered (B)	% (B / A)
Permanent	200	145	73%	218	99	45%
Other than Permanent	0	0	NA	0	0	NA
<b>Total</b>	<b>200</b>	<b>145</b>	<b>73%</b>	<b>218</b>	<b>99</b>	<b>45%</b>



## 2. Details of Minimum Wages paid to Employees and Workers for the Current Financial Year and the Previous Financial Year:

FY 2022-23	Total (A)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B / A)	No. (C)	% (C / A)
<b>EMPLOYEES</b>					
<b>Permanent</b>	<b>351</b>	<b>0</b>	<b>0%</b>	<b>351</b>	<b>100%</b>
Male	310	0	0%	310	100%
Female	41	0	0%	41	100%
<b>Other than Permanent</b>	<b>0</b>	<b>0</b>	<b>NA</b>	<b>0</b>	<b>NA</b>
Male	0	0	NA	0	NA
Female	0	0	NA	0	NA
<b>WORKERS</b>					
<b>Permanent</b>	<b>200</b>	<b>0</b>	<b>0%</b>	<b>200</b>	<b>100%</b>
Male	200	0	0%	200	100%
Female	0	0	NA	0	100%
<b>Other than Permanent</b>	<b>0</b>	<b>0</b>	<b>NA</b>	<b>0</b>	<b>NA</b>
Male	0	0	NA	0	NA
Female	0	0	NA	0	NA
<b>EMPLOYEES</b>					
<b>WORKERS</b>					
FY 2021-22	Total (A)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B / A)	% (B / A)	No. (C)	% (C / A)
<b>EMPLOYEES</b>					
<b>Permanent</b>	<b>288</b>	<b>0</b>	<b>0%</b>	<b>288</b>	<b>100%</b>
Male	265	0	0%	265	100%
Female	23	0	0%	23	100%
<b>Other than Permanent</b>	<b>0</b>	<b>0</b>	<b>NA</b>	<b>0</b>	<b>NA</b>
Male	0	0	NA	0	NA
Female	0	0	NA	0	NA
<b>WORKERS</b>					
<b>Permanent</b>	<b>218</b>	<b>0</b>	<b>0%</b>	<b>218</b>	<b>100%</b>
Male	217	0	0%	217	100%
Female	1	0	0%	1	100%
<b>Other than Permanent</b>	<b>0</b>	<b>0</b>	<b>NA</b>	<b>0</b>	<b>NA</b>
Male	0	0	NA	0	NA
Female	0	0	NA	0	NA

('NA' denotes 'Not Applicable'.)

**3. Details of Remuneration / Salary / Wages:**

Particulars	Male		Female	
	Number	Median Remuneration / Salary / Wages of respective Category (₹ in Lakh)	Number	Median Remuneration / Salary / Wages of respective Category (₹ in Lakh)
Board of Directors (BoD)	9	N/A	1	N/A
Key Managerial Personnel (KMP)	2	57.25	1	N/A
Employees other than BoD and KMPs	351	5.44	41	5.50
Workers	200	2.80	0	N/A

**4. Do you have a Focal Point (Individual / Committee) responsible for addressing Human Rights Impacts or Issues caused or contributed to by the Business? (Yes / No):**

Yes, the Company has adopted Human Rights Policy and the Company’s Human Rights actions are overseen by Godrej Group level internal committee and Board level oversight is also provided.

Please refer to below link to access the Company’s Human Rights Policy:

<https://www.astecls.com/codes-and-policies.aspx>.

**5. Internal Mechanisms in place to redress Grievances related to Human Rights Issues:**

In line with Godrej Group companies, the Company’s Human Rights Policy is guided by international covenants such as the International Bill of Human Rights (i.e., Universal Declaration of Human Rights, the International Covenant on Civil and Political Rights and the International Covenant on Economic, Social and Cultural Rights) and the International Labour Organisation’s Declaration on Fundamental Principles and Rights at Work.

While adhering to local laws, the Company follows higher standards to the greatest extent possible. The Company is committed to identifying, preventing, and mitigating adverse human rights issues which affect employees, suppliers and other external stakeholders. The Company also offers various safeguards to all stakeholders and maintain them with respect for their privacy and dignity.

The Company has Internal Committee (ICs) in place to address sexual harassment complaints as well as Whistleblowing officer to address Whistle Blower complaints. Further, the Anti Sexual Harassment Apex Committee for Godrej Industries and its Associate companies has been formed to oversee the constitution, operations and management of the individual ICs.

Please refer to below link to access access’s Human Rights Policy:

<https://www.astecls.com/codes-and-policies.aspx>.

**6. Number of Complaints on the following made by Employees and Workers for the Current Financial Year and the Previous Financial Year:**

Particulars	FY 2022-23			FY 2021-22		
	Filed during the Year	Pending resolution at the end of the Year	Remarks	Filed during the Year	Pending resolution at the end of the Year	Remarks
Sexual Harassment	Nil	Nil	Not Applicable	Nil	Nil	Not Applicable
Discrimination at Workplace						
Child Labour						
Forced Labour / Involuntary Labour						
Wages						
Other Human Rights related Issues						

**7. Mechanisms to prevent Adverse Consequences to the Complainant in Discrimination and Harassment Cases:**

The Company's Anti-Sexual Harassment Policy is in accordance with the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules thereunder.

As per the Policy, the Company and the Internal Complaints Committee will take all reasonable measures to ensure that any person who has lodged a complaint under this Policy or given evidence or other assistance as part of an inquiry under this Policy, in good faith, is protected and not subjected to any retaliatory conduct. Any retaliatory conduct by an employee violates this Policy and will result in appropriate disciplinary inquiry and action thereunder. The contents of the complaint made, the identity and addresses of the Complainant, the Respondent and witnesses, any and all information relating to inquiry proceedings, shall not be published, communicated or made known to the public, press and media in any manner. If this provision is contravened, the Employer shall be entitled to take all steps to secure confidentiality, take all actions in accordance with the law, the aforesaid Act and the Company's policies for such breach and also recover from such person, such sum as penalty as may be prescribed thereunder.

**8. Do Human Rights Requirements form part of the Entity's Business Agreements and Contracts (Yes / No):**

Yes. Across the Company's diverse and extended supply chain, the Company makes human rights expectations and commitments clear to its suppliers, business partners and contractors. The Company include relevant expectations in its contracts with them, wherever appropriate. For suppliers who do not have similar policies and practices, the Company encourages and supports them to do so.

**9. Assessments for the Year:**

Particulars	% of the Entity's Plants and Offices that were assessed (by the Entity or Statutory Authorities or Third Parties)
Child Labour	The Company internally monitors compliance with all relevant laws and policies pertaining to the Human Right issues for all its plant and office locations. There have been no observations by local statutory / third parties in India in during the Financial Year 2022-23.
Forced Labour / Involuntary Labour	
Sexual Harassment	
Discrimination at Workplace	
Wages	
Others – please specify	

**10. Provide Details of any Corrective Actions taken or underway to address Significant Risks / Concerns arising from the Assessments at Question 9 above:**

Not Applicable

**LEADERSHIP INDICATORS**

**Details of a Business Process being modified / introduced as a result of addressing Human Rights Grievances / Complaints:**

Not Applicable

**Details of the Scope and Coverage of any Human Rights Due Diligence conducted:**

The Company has not conducted any Human Rights due diligence during the Financial Year 2022-23.

**Is the Premise / Office of the Entity accessible to Differently abled Visitors, as per the Requirements of the Rights of Persons with Disabilities Act, 2016:**

Yes

**Details on Assessment of Value Chain Partners:**

Particulars	% of Value Chain Partners (by Value of Business done with such Partners) that were assessed
Sexual Harassment	Nil
Forced Labour / Involuntary Labour	
Discrimination at Workplace	
Child Labour	
Wages	
Others – please specify	

**Details of any Corrective Actions taken or underway to address Significant Risks / Concerns arising from the Assessments of Value Chain Partners above:**

Not Applicable

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

**ESSENTIAL INDICATORS**

**1. Details of Total Energy Consumption (in Joules or multiples) and Energy Intensity:**

Particulars	Units	FY 2022-23	FY 2021-22
Total Electricity Consumption (A)	MJ	7,26,89,044	6,63,04,386
Total Fuel Consumption (B)	MJ	40,91,32,802	44,58,19,318
Energy Consumption through Other Sources (C)	MJ	0.000	0.000
Total Energy Consumption (A+B+C)	MJ	48,18,21,846	51,21,23,704
Energy Intensity per Rupee of Turnover (Total Energy Consumption / Turnover in Rupees)	MJ / Rupees	0.075144	0.074541
Energy intensity (optional)	MJ / MT	60,085	51,834

Note: Indicate if any independent assessment / evaluation / assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. – Independent assurance is proposed to be commissioned in the Financial Year 2023-24.

**2. Does the Entity have any Sites / Facilities identified as Designated Consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India (Y/N)? If yes, disclose whether Targets set under the PAT Scheme have been achieved. In case Targets have not been achieved, provide the Remedial Action taken, if any:**

Not Applicable. None of the Company's manufacturing plants / business has notified as Designated Consumers (DCs) under Performance, Achieve and Trade (PAT) Scheme of Government of India.

**3. Disclosures related to Water Consumption:**

Particulars	Units	FY 2022-23	FY 2021-22
Water Withdrawal by Source (in kilolitres)			
(i) Surface Water	kl	1,56,805	1,39,703
(ii) Ground Water	kl	0	0
(iii) Third Party Water	kl	3,744	14,984
(iv) Sea Water / Desalinated Water	kl	0	0
(v) Others	kl	0	0
Total Volume of Water Withdrawal (in kilolitres) (i + ii + iii + iv + v)	kl	1,60,549	1,54,687
Total Volume of Water Consumption (in kilolitres)	kl	1,60,549	1,54,687
Water Intensity per Rupee of Turnover (Water Consumed / Turnover)	kl / Rupees	0.000025	0.000023
Water Intensity (optional)	kl / MT	20.0211	15.6566

Note: Indicate if any independent assessment / evaluation / assurance has been carried out by an external agency (Y/N)? If yes, name of the external agency – Independent assurance is proposed to be commissioned in the Financial Year 2023-24.

**4. Has the Entity implemented a Mechanism for Zero Liquid Discharge? If yes, provide Details of its Coverage and Implementation:**

All of the Company's manufacturing sites are compliant with Consent to Operate and other Central Pollution Control Board (CPCB) / Maharashtra Pollution Control Board (MPCB) guidelines. 80% of the Company's facilities are equipped with zero liquid discharge facilities. The Company segregates strong and weak stream further for their effective treatment. Strong stream treated in system comprises of primary treatment (collection, neutralization, equalization, clarification & settling etc.), followed by multi effect evaporator & sludge treatment. Weak stream treated in system comprises of primary treatment (collection, neutralization, equalization, clarification & settling etc.), secondary treatment (Bio reactor) and tertiary treatment (pressure & active carbon filtration) processes. Treated water is being used in processes, cleaning application and for irrigation purposes.

**5. Details of Air Emissions (other than GHG Emissions) by the Entity:**

Parameter	Units	FY 2022-23	FY 2021-22
NOx	MT	1.67	6.74
SOx	MT	11.35	19.53
Particulate matter (PM)	MT	3.55	20.38
Persistent organic pollutants (POP)	NA	NA	NA
Volatile organic compounds (VOC)	NA	NA	NA
Hazardous air pollutants (HAP)	NA	NA	NA
Others – please specify	NA	NA	NA

('NA' denotes 'Not Applicable'.)

Note: Indicate if any independent assessment / evaluation / assurance has been carried out by an external agency (Y/N)? If yes, name of the external agency. – Independent assurance is proposed to be commissioned in the Financial Year 2023-24.

**6. Details of Green House Gas Emissions (Scope 1 and Scope 2 Emissions) & its Intensity:**

Parameter	Units	FY 2022-23	FY 2021-22
Total Scope 1 Emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 equivalent	23,309	32,353
Total Scope 2 Emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 equivalent	15,948	14,547
Total Scope 1 and Scope 2 Emissions per Rupee of Turnover	Metric tonnes of CO2 equivalent / Rupees	0.000006	0.000007
Total Scope 1 and Scope 2 Emission Intensity (optional)	Metric tonnes of CO2 equivalent / MT	4.90	4.75

Note: Indicate if any independent assessment / evaluation / assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. – Independent assurance is proposed to be commissioned in the Financial Year 2023-24.

**7. Does the Entity have any Project related to reducing Green House Gas Emission? If yes, then provide Details:**

As per the Science based target initiatives, the Company is committed to reduce its Scope 1 & 2 specific Green House Gas emission by 37% by 2035. The Company continues to focus on emission reduction to achieve this target by investing in energy efficient technology, increasing renewable energy mix in overall energy, accelerating shift towards clean fuel etc.

The Company has installed 20 TPH capacity biomass fired boiler to meet the thermal energy requirement of its new plant and existing plant. The biomass boiler has replaced close to 4,500 MT of coal utilisation in FY22-23. This in turn has helped reduced GHG emissions by ~ 9,000 MT CO2 which is equivalent to carbon sequestered by ~ 10,700 acres of forests in a year. Furthermore, the boiler has kickstarted building of the Company's renewable energy portfolio, the proportion of which increased from 0% to 35% in FY 2022-23. The Company is also evaluating projects such as solar roof top / ground mounted or captive solar / hybrid for its manufacturing plants.

The Company is also continuously focusing on installation of various energy efficient technologies like extensive use of variable frequency drives, efficient pump, motors & lighting system, screw air compressor in place of reciprocating, fuel optimization through automation, improved condensate recovery, thermal insulation for steam pipelines etc.

**8. Details related to Waste Management by the Entity:**

Parameter	FY 2022-23	FY 2021-22
<b>Total Waste generated (in metric tonnes)</b>		
Plastic Waste (A)	167	173
E-Waste (B)		0
Bio-medical Waste (C)	0.009	0.008
Construction and Demolition Waste (D)	0	0
Battery Waste (E)	0	0
Radioactive Waste (F)	0	0
Other Hazardous Waste (Please specify, if any) (G)	2,886	2,256
Other Non-Hazardous Waste generated (H) (Please specify, if any) (Break-up by composition, i.e., by Materials relevant to the sector)	3,152	1,761
<b>Total (A + B + C + D + E + F + G + H)</b>	<b>6,205</b>	<b>4,190</b>
<b>For each Category of Waste generated, Total Waste recovered through Recycling, Re-using or Other Recovery Operations (in metric tonnes)</b>		
i) Recycled	211	0
ii) Re-used	0	0
iii) Other Recovery Operations	0	0
<b>Total</b>	<b>211</b>	<b>0</b>
<b>For each Category of Waste generated, Total Waste disposed by Nature of Disposal Method (in metric tonnes)</b>		
i) Incineration	520	613
ii) Landfilling	4,664	1,796
iii) Other Disposal Operations	811	
<b>Total</b>	<b>5,994</b>	<b>2,409</b>

Note: Indicate if any independent assessment / evaluation / assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. – Independent assurance is proposed to be commissioned in the Financial Year 2023-24.

**9. Briefly describe the Waste Management Practices adopted in the Entity. Describe the Strategy adopted by the Entity to reduce Usage of Hazardous and Toxic Chemicals in the Entity's Products and Processes and the Practices adopted to manage such Wastes:**

The Company works on '4R' principle of waste management, i.e., Reduce, Reuse, Recycle & Recover. All the Company's non-hazardous wastes are sold to recycler for further processing. The Company has bromine recycling process in place and only small quantity of it the Company procured as make up. The Company has a dedicated solvent extraction plant where it is recovering solvent and further reuses into the process. The Company has a dedicated team who does life cycle analysis of products with one of the main objective to recover, reuse and reduce waste at maximum possible extent.

The Company is in the process of diverting its landfill waste for co-processing / pre-processing platform thus to achieve complete circularity. The Company is also sending its coal & briquette ash to nearby brick manufacturer, serving purpose of circularity and acts as enhanced binding agent for them, thus reduces dependency from virgin material.

10. **If the Entity has Operations / Offices in/around Ecologically Sensitive Areas (such as National Parks, Wildlife Sanctuaries, Biosphere Reserves, Wetlands, Biodiversity Hotspots, Forests, Coastal Regulation Zones, etc.) where Environmental Approvals / Clearances are required, please specify Details:**

Not Applicable

11. **Details of Environmental Impact Assessments of Projects undertaken by the Entity based on applicable Laws, in the Current Financial Year:**

Not Applicable

12. **Is the Entity compliant with the Applicable Environmental Law / Regulations / Guidelines in India, such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment Protection Act and Rules thereunder (Y/N). If not, provide Details of all such Non-Compliances:**

All the Company's manufacturing plants are compliance with all the applicable environmental laws and regulations and operates as per the Consent to Operate from Central & State Pollution Control Board.

#### LEADERSHIP INDICATORS

##### Break-up of the Total Energy Consumed (in Joules or multiples) from Renewable and Non-Renewable Sources:

Parameter	FY 2022-23	FY 2021-22
<b>From Renewable Sources</b>		
Total Electricity Consumption (A)	0	0
Total Fuel Consumption (B)	16,13,69,061	10,23,84,554
Energy Consumption through Other Sources (C)	0	0
<b>Total energy consumed from Renewable Sources (A+B+C)</b>	<b>16,13,69,061</b>	<b>10,23,84,554</b>
<b>From Non-Renewable Sources</b>		
Total Electricity Consumption (D)	7,26,89,044	6,63,04,386
Total Fuel Consumption (E)	24,77,63,740	34,34,34,764
Energy Consumption through Other Sources (F)	0	0
<b>Total Energy consumed from Non-Renewable Sources (D+E+F)</b>	<b>32,04,52,784</b>	<b>40,97,39,150</b>

Note: Indicate if any independent assessment / evaluation / assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. – Independent assurance is proposed to be commissioned in the Financial Year 2023-24.



**Details related to Water Discharged:**

Parameter	FY 2022-23	FY 2021-22
Water discharge by Destination and Level of Treatment (in kilolitres)		
(i) To Surface Water	0	0
- No Treatment	0	0
- With Treatment –		
(ii) To Ground Water	0	0
- No Treatment	0	0
- With Treatment –		
(iii) To Sea Water		
- No Treatment	0	0
- With Treatment –	0	0
(iv) Sent to Third Parties		
- No Treatment	0	0
- With Treatment – Secondary Treatment	9,036	9,686
(v) Others		
- No Treatment	0	0
- With Treatment – Please specify Level of Treatment	0	0
<b>Total Water Discharged (in Kilolitres)</b>	<b>9,036</b>	<b>9,686</b>

**Note:** Indicate if any independent assessment / evaluation / assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. – Independent assurance is proposed to be commissioned in the Financial Year 2023-24.

**Water Withdrawal, Consumption and Discharge in Areas of Water Stress (in kilolitres):**

**For each Facility / Plant located in Areas of Water Stress, provide the following Information:**

- (i) Name of the Area**
- (ii) Nature of Operations**
- (iii) Water Withdrawal, Consumption and Discharge in the following format:**

Parameter	FY 2022-23	FY 2021-22		
<b>Water Withdrawal by Source (in Kilolitres)</b>				
(i) Surface Water	Not Applicable. None of the Company's manufacturing sites are located in water stress areas as per Central Ground Water Board Report			
(ii) Ground Water				
(iii) Third Party Water				
(iv) Seawater / Desalinated water				
(v) Others				
Total Volume of Water Withdrawal (in kilolitres)				
Total Volume of Water Consumption (in kilolitres)				
Water Intensity per Rupee of Turnover (Water Consumed / Turnover)				
Water Intensity (optional)				
<b>Water Discharge by Destination and Level of Treatment (in kilolitres)</b>				
(i) Into Surface Water	Not Applicable. None of the Company's manufacturing sites are located in water stress areas as per Central Ground Water Board Report			
- No Treatment				
- With Treatment – please specify level of treatment				
(ii) Into Groundwater				
- No treatment				
- With Treatment – please specify level of treatment				
(iii) Into Seawater				
- No Treatment				
- With Treatment – please specify level of treatment				
(iv) Sent to Third parties				
No Treatment				
- With Treatment – please specify level of treatment				
(v) Others				
- No Treatment				
- With Treatment – please specify level of treatment				
<b>Total Water Discharged (in kilolitres)</b>				

**Note:** Indicate if any independent assessment / evaluation / assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. – Independent assurance is proposed to be commissioned in the Financial Year 2023-24.

**With respect to the Ecologically Sensitive Areas reported at Question 10 of Essential Indicators above, provide Details of Significant Direct & Indirect Impact of the Entity on Biodiversity in such Areas alongwith Prevention and Remediation Activities:**

Not Applicable

**If the Entity has undertaken any Specific Initiatives or used Innovative Technology or Solutions to improve Resource Efficiency, or reduce Impact due to Emissions / Effluent Discharge / Waste generated, please provide Details of the same as well as Outcome of such Initiatives:**

Sr. No.	Initiative Undertaken	Details of the Initiative	Outcome of the Initiative
1.	Renewable Energy Portfolio	The Company installed 20 TPH capacity biomass boiler to meet the thermal energy requirement of its new Herbicide plant and existing DDA plant.	The biomass boiler has replaced approximately 4,500 MT of coal utilisation so far in the Financial Year 2022-23. This has helped reduced GHG emissions by ~9,000 MT CO <sub>2</sub> which is equivalent to carbon sequestered by ~10,700 acres of forests in a year. It has improved the Company's renewable energy portfolio from 0% to 35%.

**PRINCIPLE 7: BUSINESSES, WHEN ENGAGING IN INFLUENCING PUBLIC AND REGULATORY POLICY, SHOULD DO SO IN A MANNER THAT IS RESPONSIBLE AND TRANSPARENT**

**ESSENTIAL INDICATORS**

1. A) **Number of Affiliations with Trade and Industry Chambers / Associations**
- B) **List the Top 10 Trade and Industry Chambers / Associations (determined based on the total Members of such Body) the Entity is a Member of / affiliated to:**

Sr. No.	Name of the Trade and Industry Chambers / Associations	Reach of Trade and Industry Chambers / Associations (State / National)
1	Pesticides Manufacturers & Formulators Association of India (PMFAI)	National
2	Confederation of Indian Industry (CII)	National
3	International Council of Chemical Associations (ICCA)	International
4	Nicer Globe	National

2. **Details of Corrective Action taken or underway on any Issues related to Anti-competitive Conduct by the Entity, based on Adverse Orders from Regulatory Authorities:**

Name of Authority	Brief of the Case	Corrective Action taken
Not Applicable		

**LEADERSHIP INDICATORS**

**Details of Public Policy Positions advocated by the Entity:**

Public Policy advocated	The Company actively participates in the discussions and activities of the industry chambers and associations of which it is a member. The Company also engages with Government and regulatory bodies while: <ul style="list-style-type: none"> <li>• Representing the interests of the industry; or</li> <li>• Providing vital inputs on behalf of the industry; or</li> <li>• Taking up the technical or regulatory issues faced by the industry as a whole with the appropriate authorities / forums and having the same resolved.</li> </ul> Specific officials of the Company are authorized to communicate with industrial bodies, for and on behalf of the Company, in accordance with communication policy of the Company. Through participation of the top management executives in several committees and task forces, the Company does play its small role in helping formulation of public policy.
Method resorted for such Advocacy	
Whether Information available in Public Domain? (Yes / No)	
Frequency of Review by Board (Annually / Half-yearly / Quarterly / Others – please specify)	
Web Link, if available	

**PRINCIPLE 8: BUSINESSES SHOULD PROMOTE INCLUSIVE GROWTH AND EQUITABLE DEVELOPMENT**

**ESSENTIAL INDICATORS**

**1. Details of Social Impact Assessments (SIA) of Projects undertaken by the Entity based on Applicable Laws, in the Current Financial Year:**

Not Applicable

**2. Information on Project(s) for which Ongoing Rehabilitation and Resettlement (R&R) is being undertaken by the Entity:**

Not Applicable

**3. Mechanisms to receive and redress Grievances of the Community:**

The Company, being a Godrej Group company, remains committed to the Godrej Group’s ‘Good & Green’ vision of creating a more inclusive and greener India. The Company’s strategic Corporate Social Responsibility (CSR) projects, undertaken as part of overall sustainability framework, actively work towards the Godrej Group’s Good & Green goals. Through these projects, there is a regular engagement and interaction with community representatives nearby the Company’s manufacturing locations. The Company’s CSR activities are implemented by on-ground program managers and they are required to send regular feedback / updates to the management committee and Corporate Good & Green team. The management committee in turn reports to Board level CSR Committee.

**4. Percentage of Input Material (Inputs to Total Inputs by Value) sourced from Suppliers:**

Particulars	FY 2022-23	FY 2021-22
Directly sourced from MSMEs / Small Producers	5.23%	3.23%
Sourced directly from within the District and Neighbouring Districts	4.50%	7.03%

**LEADERSHIP INDICATORS**

**Details of Actions taken to mitigate any Negative Social Impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above):**

Not Applicable

**Information on CSR Projects undertaken by the Entity in Designated Aspirational Districts as identified by Government Bodies:**

Not Applicable

**(a) Do you have a Preferential Procurement Policy where you give preference to purchase from Suppliers comprising Marginalized / Vulnerable Groups? (Yes / No)**

**(b) From which Marginalized / Vulnerable Groups do you procure?**

**(c) What Percentage of Total Procurement (by Value) does it constitute?**

The Company does not have any preferential procurement policy.

**Details of the Benefits derived and shared from the Intellectual Properties owned or acquired by the Entity (in the Current Financial Year), based on traditional knowledge:**

Not Applicable

**Details of Corrective Actions taken or underway, based on any Adverse Order in Intellectual Property related Disputes wherein Usage of Traditional Knowledge is involved:**

Not Applicable

**Details of Beneficiaries of Corporate Social Responsibility (CSR) Projects:**

CSR Project	No. of Persons benefitted from CSR Projects	% of Beneficiaries from Vulnerable & Marginalized Groups
Pragati - Digital Literacy and promoting Sports	1,021	100%
Grameen Vikas – Livelihoods and Entitlements	7,193	100%

**PRINCIPLE 9: BUSINESSES SHOULD ENGAGE WITH AND PROVIDE VALUE TO THEIR CONSUMERS IN A RESPONSIBLE MANNER****ESSENTIAL INDICATORS****1. Mechanisms in place to receive and respond to Consumer Complaints and Feedback:**

Customer complaints and feedback regarding any of the Company's products are received by Sales & Marketing teams and are discussed with respective Production and Quality personnel. Appropriate corrective actions are taken post comprehensive root-cause analysis and approval from Operational leadership.

**2. Turnover of Products and/or Services as a Percentage of Turnover from all Products / Services that carry Information about:**

Particulars	As a Percentage to Total Turnover
Environmental and Social Parameters relevant to the Product	100%
Safe and Responsible Usage	100%
Recycling and/or Safe Disposal	100%

**3. Number of Consumer Complaints in respect of the following for the Current Year and the Previous Year:**

Particulars	Received during the Year	Pending resolution at end of Year	Remarks
Data Privacy	Nil	Nil	Not Applicable
Advertising			
Cyber-Security			
Delivery of Essential Services			
Restrictive Trade Practices			
Unfair Trade Practices			
Other			

**4. Details of Instances of Product Recalls on account of Safety Issues:**

Particulars	Number	Reasons for Recall
Voluntary Recalls	Nil	NA
Forced Recalls		

**5. Does the Entity have a Framework / Policy on Cyber Security and Risks related to Data Privacy (Yes/No)? If available, provide a Web-link of the Policy:**

Godrej Industries Limited and Associated Companies (GILAC) has documented an Information Security Policy (ISMS Policy) that outlines all the information security objectives to be met by all the associated companies which includes Astec LifeSciences Limited as well. The Information Security Policy of GILAC addresses several domains including security at people, technology and process levels. Also, there are supporting process and procedure documents available for various aspects of Information Security.

**6. Details of any Corrective Actions taken or underway on Issues relating to Advertising, and Delivery of Essential Services; Cyber Security and Data Privacy of Customers; Re-occurrence of Instances of Product Recalls; Penalty / Action taken by Regulatory Authorities on Safety of Products / Services:**

Nil

**LEADERSHIP INDICATORS**

**Channels / Platforms where Information on Products and Services of the Entity can be accessed (provide web link, if available):**

Information relating to all products of the Company is available on the Company's website - [www.astecls.com](http://www.astecls.com).

**Steps taken to inform and educate Consumers about Safe and Responsible Usage of Products and/or Services:**

All of the Company's product shipments carry Material Safety Data Sheets (MSDS) and Transport Emergency Cards (TREM) which have necessary information regarding safe usage and disposal in any situation. As a signatory to Responsible Care, the Company follows guidelines under Product Safety and Stewardship Code which entails sharing information regarding product hazards, intended uses, handling practices, exposures and risks with the concerned parties.

**Mechanisms in place to inform Consumers of any Risk of Disruption / Discontinuation of Essential Services:**

Not Applicable

**Does the Entity display Product Information on the Product over and above what is mandated as per Local Laws? (Yes/No/Not Applicable)? If yes, provide details in brief:**

**Did the Entity carry out any Survey with regard to Consumer Satisfaction relating to the Major Products / Services of the Entity, Significant Locations of Operation of the Entity or the Entity as a whole? (Yes / No):**

No, product information is displayed in compliance with the relevant laws.

Yes, customer satisfaction surveys are conducted once in a year.

**Information relating to Data Breaches:**

- a. Number of Instances of Data Breaches along with Impact**
- b. Percentage of Data Breaches involving personally identifiable Information of Customers**

Nil

# Independent Auditor's Report

To the Members of Astec LifeSciences Limited

## Report on the Audit of the Standalone Financial Statements

### OPINION

We have audited the standalone financial statements of Astec LifeSciences Limited (the "Company") which comprise the standalone balance sheet as at 31 March 2023, and the standalone statement of profit and loss (including other comprehensive income), standalone statement of changes in equity and standalone statement of cash flows for the year then ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2023, and its profit and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

### BASIS FOR OPINION

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

### KEY AUDIT MATTER(S)

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

#### Revenue Recognition

See Note 29 to standalone financial statements

The key audit matter	How the matter was addressed in our audit
Revenue from sale of goods is recognised when the control of the goods has passed, which is usually on delivery of the goods. We have considered that there is a risk of fraud on account of revenue being overstated on account of it being recognised in the wrong period or before the control has passed.	In view of the importance of the matter we applied the following audit procedures in this area, among others to obtain sufficient audit evidence: <ol style="list-style-type: none"> <li>We have assessed the appropriateness of the Company's accounting policies in respect of revenue recognition by comparing with applicable accounting standards;</li> </ol>

**Revenue Recognition**

**See Note 29 to standalone financial statements**

The key audit matter	How the matter was addressed in our audit
	<ul style="list-style-type: none"> <li>ii. We have evaluated the design, testing the implementation and operating effectiveness of the Company's internal controls over recognition of revenue</li> <li>iii. We have evaluated the process followed by the company for revenue recognition including understanding and testing of key controls relating to recognition of revenue in correct period;</li> <li>iv. We have inspected documentation/records for sales transactions recorded both side of year-end to determine if revenue has been recognised in the correct period; and</li> <li>v. We have critically assessed manual journals posted to revenue to identify unusual or irregular items.</li> </ul>

**Pending Litigation and Claim**

**See Note 46 to standalone financial statements**

The key audit matter	How the matter was addressed in our audit
<p>As at 31 March 2023, the Company is having pending litigations under various laws such as Income Tax, Excise, VAT, Customs and GST.</p> <p>The company applies significant judgment estimating the likelihood of the future outcome in each case based on its own past assessments, judicial precedents and opinions of experts when considering how much to provide or in determining the required disclosure for the potential exposure.</p> <p>Due to inherent complexity and magnitude of potential exposures, we regard this as key audit matter.</p>	<p>In view of the significance of the matter we applied the following audit procedures in this area, among others to obtain sufficient audit evidence:</p> <ul style="list-style-type: none"> <li>i. We evaluated the design and tested the operating effectiveness of controls in respect of identification and evaluation of claims, proceedings and the recording and continuous re-assessment of the related contingent liabilities and disclosure.</li> <li>ii. Obtained and read the list of direct and indirect tax assessment/ litigations for movements from previous period;</li> <li>iii. We inquired the status of significant and potential litigations with company who have knowledge of these matters and where relevant we also obtained formal communication from the Company's external tax consultants;</li> <li>iv. Use of our own local Direct and Indirect tax specialists to assess the value of contingent liabilities in light of the nature of exposure, applicable regulations and related correspondence with authorities; and</li> <li>v. Considered the adequacy of the provision/ disclosure made in the financial statements</li> </ul>



## OTHER INFORMATION

The Company's Management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report, but does not include the financial statements and auditor's report(s) thereon.

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

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

## MANAGEMENT'S AND BOARD OF DIRECTORS RESPONSIBILITIES FOR THE STANDALONE FINANCIAL STATEMENTS

The Company's Management and Board of Directors are responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the state of affairs, profit/ loss and other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (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 standalone financial statements, the Management and Board of Directors are 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 the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

## AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE STANDALONE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our

opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting in preparation of standalone financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

## REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. A. 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 balance sheet, the standalone statement of profit and loss (including other comprehensive income), the standalone statement of changes in equity and the standalone statement of cash flows dealt with by this Report are in agreement with the books of account.
  - d. In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act.
  - e. On the basis of the written representations received from the directors as on 31 March 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2023 from being appointed as a director in terms of Section 164(2) of the Act.

- f. With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- B. 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:
- a. The Company has disclosed the impact of pending litigations as at 31 March 2023 on its financial position in its standalone financial statements - Refer Note 46 to the standalone financial statements.
  - b. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - c. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
  - d.
    - (i) The management has represented that, to the best of its knowledge and belief, as disclosed in the Note 13 to the standalone financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
    - (ii) The management has represented that, to the best of its knowledge and belief, as disclosed in the Note 13 to the standalone financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Parties ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries
    - (iii) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (i) and (ii) above, contain any material misstatement.
  - e. The dividend declared or paid during the year by the Company is in compliance with Section 123 of the Act.
  - f. As proviso to rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable for the Company only with effect from 1 April 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 is not applicable.
- C. In our opinion and according to the information and explanations given to us, the remuneration paid by to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The excess remuneration paid to a director is in accordance with the requisite approvals as mandated by the provisions of Section 197 read with Schedule V to the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

**For B S R & Co. LLP**

Chartered Accountants

Firm's Registration No.:101248W/W-100022

**Burjis Pardiwala**

Partner

Membership No.: 103595

ICAI UDIN:23103595BGTPPEX2990

Place: Mumbai  
Date: 02 May 2023

## Annexure A to the Independent Auditor's Report on the Standalone Financial Statements of Astec LifeSciences Limited for the year ended 31 March 2023

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

- (i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
- (i) (a) (B) The Company has maintained proper records showing full particulars of intangible assets.
- (i) (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has a regular programme of physical verification of its Property, Plant and Equipment by which all property, plant and equipment are verified every year. In accordance with this programme, certain property, plant and equipment were verified during the year. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties (other than immovable properties where the Company is the lessee and the leases agreements are duly executed in favour of the lessee) disclosed in the standalone financial statements are held in the name of the Company.
- (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.
- (e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- (ii) (a) The inventory has been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable and procedures and coverage as followed by management were appropriate. No discrepancies were noticed on verification between the physical stocks and the book records that were more than 10% in the aggregate of each class of inventory.
- (ii) (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets. In our opinion, the quarterly returns or statements filed by the Company with such banks or financial institutions are in agreement with the books of account of the Company.
- (iii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any investments in companies, firms, limited liability partnership or any other parties. The Company has granted loans to Companies during the year in respect of which the requisite information is as below. The Company has not provided guarantee and security and has not granted advances in nature of loans to Companies during the year. The Company has not provided any guarantee or security, granted any loans or advances in the nature of loans, secured or unsecured, to limited liability partnership or any other parties during the year.

- (a) Based on the audit procedures carried on by us and as per the information and explanations given to us the Company has provided loans as below:

Particulars	Loans (₹ Lakh)
Aggregate amount during the year	
Fellow Subsidiary	2500
Others	-
Balance outstanding as at balance sheet date	
Fellow Subsidiary	-
Others	-

- (b) According to the information and explanations given to us and based on the audit procedures conducted by us, we are of the opinion that the terms and conditions of the grant of loans are, prima facie, not prejudicial to the interest of the Company.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the loan granted is repayable on demand. As informed to us, the Company has demanded repayment of the loan during the year. Thus, there has been no default on the part of the party to whom the money has been lent. Further, the Company has not given any advance in the nature of loan to any party during the year.
- (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no overdue amount for more than ninety days in respect of loans given which are repayable on demand. Further, the Company has not given any advances in the nature of loans to any party during the year.
- (e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no loan or advance in the nature of loan granted falling due during the year, which has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to same parties.
- (f) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion the Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment except for the following loans or advances in the nature of loans to its related parties as defined in Clause (76) of Section 2 of the Companies Act, 2013 ("the Act"):

Particulars	All Parties (₹ lakhs)	Promoters	Related Parties (₹ Lakhs)
Aggregate of loans/advances in nature of loan			
- Repayable on demand (A)	2500	-	2500
- Agreement does not specify any terms or period of Repayment (B)	-	-	-
<b>Total (A+B)</b>	<b>2500</b>	<b>-</b>	<b>2500</b>
Percentage of loans/advances in nature of loan to the total loans	100%	-	100%

- (iv) According to the information and explanations given to us and on the basis of our examination of records of the Company, in respect of investments made and loans, guarantees and security given by the Company, in our opinion the provisions of Section 185 and 186 of the Companies Act, 2013 ("the Act") have been complied with.

- (v) The Company has not accepted any deposits or amounts which are deemed to be deposits from the public. Accordingly, clause 3(v) of the Order is not applicable.
- (vi) We have broadly reviewed the books of accounts maintained by the Company pursuant to the rules prescribed by the Central Government for maintenance of cost records under Section 148(1) of the Act in respect of its manufactured goods and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. However, we have not carried out a detailed examination of the records with a view to determine whether these are accurate or complete.
- (vii) (a) The Company does not have liability in respect of Service tax, Duty of excise, Sales tax and Value added tax during the year since effective 1 July 2017, these statutory dues has been subsumed into GST. According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including Goods and Services Tax ('GST'), Provident Fund, Employees' state insurance, duty of customs, Income Tax, Cess and other statutory dues have been regularly deposited by the Company during the year with the appropriate authorities. According to the information and explanations given to us and on the basis of our examination of the records of the Company, no undisputed amounts payable in respect of Goods and Services Tax ('GST'), Provident fund, Employees' State Insurance, Income-Tax, Duty of Customs, Cess and other statutory dues were in arrears as at 31 March 2023 for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, statutory dues relating to Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues which have not been deposited on account of any dispute are as follows:

Name of the statute	Nature of the dues	Amount (₹) in Lakhs	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	*340.79	FY 2016-17	CIT(A)
Income Tax Act, 1961	Income Tax	**36.85	FY 2004-05	JCIT/DCIT
Income Tax Act, 1961	Income Tax	23.20	FY 2012-13	High Court
Central Excise Act	Excise Duty	#5218.36	FY 2009-14	CESTAT
Central Excise Act	Excise Duty	5727.03	FY 2009-14	High Court
Central Excise Act	Excise Duty	133.96	FY 2016-17	Joint Commissioner
Customs Act, 1962	Custom Duty	34.83	FY 2013-14	Commissioner of Custom
VAT & Sales Tax Act	Sales Tax	##446.33	FY 2011-12	Joint Commissioner
VAT & Sales Tax Act	Sales Tax	###8.16	FY 2012-13	Joint Commissioner
VAT & Sales Tax Act	Sales Tax	####97.13	FY 2013-14	Joint Commissioner
VAT & Sales Tax Act	Sales Tax	#####0.56	FY 2014-15	Joint Commissioner
VAT & Sales Tax Act	Sales Tax	#####61.81	FY 2015-16	Joint Commissioner
Central Goods and Service Tax Act, 2017	Goods & Service Tax	#####148.63	FY 2015-16	CESTAT

\* Net of amount paid under protest amounting to ₹ 30.00 lakhs

\*\* Net of amount paid under protest amounting to ₹ 41.41 lakhs

# Net of amount paid under protest amounting to ₹ 233.65 lakhs

## Net of amount paid under protest amounting to ₹ 25.58 lakhs

### Net of amount paid under protest amounting to ₹ 1.97 lakhs

#### Net of amount paid under protest amounting to ₹ 10.80 lakhs

##### Net of amount paid under protest amounting to ₹ 0.81 lakhs  
 ##### Net of amount paid under protest amounting to ₹ 6.78 lakhs  
 ##### Net of amount paid under protest amounting to ₹ 6.73 lakhs

- (viii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year.
- (ix) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not defaulted in repayment of loans and borrowing or in the payment of interest thereon to any lender.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a wilful defaulter by any bank or financial institution or government or government authority.
- (c) In our opinion and according to the information and explanations given to us by the management, term loans were applied for the purpose for which the loans were obtained.
- (d) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.
- (e) According to the information and explanations given to us and on an overall examination of the standalone financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries as defined under the Act.
- (f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries (as defined under the Act).
- (x) (a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments). Accordingly, clause 3(x)(a) of the Order is not applicable.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, clause 3(x)(b) of the Order is not applicable.
- (xi) (a) Based on examination of the books and records of the Company and according to the information and explanations given to us, no fraud by the Company or on the Company has been noticed or reported during the course of the audit.
- (b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.
- (xii) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3(xii) of the Order is not applicable.
- (xiii) In our opinion and according to the information and explanations given to us, the transactions with related parties are in compliance with Section 177 and 188 of the Act, where applicable, and the details of the related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.
- (xiv) (a) Based on information and explanations provided to us and our audit procedures, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business.

- (b) We have considered the internal audit reports of the Company issued till date for the period under audit.
- (xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence, provisions of Section 192 of the Act are not applicable to the Company.
- (xvi) (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(a) of the Order is not applicable.
- (b) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(b) of the Order is not applicable.
- (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.
- (d) The Company is not part of any group (as per the provisions of the Core Investment Companies (Reserve Bank) Directions, 2016 as amended). Accordingly, the requirements of clause 3(xvi)(d) are not applicable.
- (xvii) The Company has not incurred cash losses in the current and in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year. Accordingly, clause 3(xviii) of the Order is not applicable.
- (xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- (xx) (a) In our opinion and according to the information and explanations given to us, there is no unspent amount under sub-section (5) of Section 135 of the Act pursuant to any project other than ongoing projects. Accordingly, clause 3(xx)(a) of the Order is not applicable.
- (b) In respect of ongoing projects, the Company has transferred the unspent amount to a Special Account within a period of 30 days from the end of the financial year in compliance with Section 135(6) of the said Act.

**For B S R & Co. LLP**

Chartered Accountants

Firm's Registration No.:101248W/W-100022

**Burjis Pardiwala**

Partner

Membership No.: 103595

ICAI UDIN:23103595BGTPEX2990

Place: Mumbai

Date: 02 May 2023



## **Annexure B to the Independent Auditor's Report on the standalone financial statements of Astec LifeSciences Limited for the year ended 31 March 2023**

### **Report on the internal financial controls with reference to the aforesaid standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Act**

(Referred to in paragraph 2(A)(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

#### **OPINION**

We have audited the internal financial controls with reference to financial statements of Astec LifeSciences Limited ("the Company") as of 31 March 2023 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2023, based on the internal financial controls with reference to financial statements 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 (the "Guidance Note").

#### **MANAGEMENT'S AND BOARD OF DIRECTORS' RESPONSIBILITIES FOR INTERNAL FINANCIAL CONTROLS**

The Company's Management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

#### **AUDITOR'S RESPONSIBILITY**

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

## MEANING OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO FINANCIAL STATEMENTS

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

## INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO FINANCIAL STATEMENTS

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

**For B S R & Co. LLP**

Chartered Accountants

Firm's Registration No.:101248W/W-100022

**Burjis Pardiwala**

Partner

Membership No.: 103595

ICAI UDIN:23103595BGTPEX2990

Place: Mumbai

Date: 02 May 2023

**STANDALONE BALANCE SHEET**

as at March 31, 2023

Particulars	Note No.	(₹ Lakh)	
		As at March 31, 2023	As at March 31, 2022
<b>ASSETS</b>			
<b>(I) Non-current assets</b>			
(a) Property, plant and equipment	2 (a)	28,653.04	30,790.86
(b) Capital work-in-progress	2 (b)	11,238.43	1,373.24
(c) Right of use assets	3	3,013.46	2,967.49
(d) Intangible assets	4 (a)	168.53	229.79
(e) Intangible assets under development	4 (b)	1,421.86	909.25
(f) Financial assets			
(i) Investments			
Investments in subsidiaries	5 (a)	42.18	42.18
Other investments	5 (b)	0.53	0.53
(ii) Other financial assets	6	326.38	278.94
(g) Other tax assets (net)	7	1,092.75	242.92
(h) Other non-current assets	8	2,118.20	1,298.15
<b>Total Non-current assets</b>		<b>48,075.36</b>	<b>38,133.35</b>
<b>(II) Current assets</b>			
(a) Inventories	9	29,484.77	18,694.64
(b) Financial assets			
(i) Trade receivables	10	15,490.03	27,362.76
(ii) Cash and cash equivalents	11	45.65	54.46
(iii) Bank balances, other than (ii) above	12	92.25	127.02
(iv) Loans	13	2.04	14.62
(v) Other financial assets	14	59.57	500.65
(c) Other current assets	15	4,634.95	4,783.48
<b>Total current assets</b>		<b>49,809.26</b>	<b>51,537.63</b>
<b>Total Assets</b>		<b>97,884.62</b>	<b>89,670.98</b>
<b>EQUITY AND LIABILITIES</b>			
<b>(I) Equity</b>			
(a) Equity share capital	16	1,960.57	1,959.76
(b) Other equity	17	39,918.80	37,638.34
<b>Total equity</b>		<b>41,879.37</b>	<b>39,598.10</b>
<b>(II) Liabilities</b>			
<b>(1) Non current liabilities</b>			
(a) Financial liabilities			
(i) Borrowings	18	1,086.25	-
(ii) Lease liabilities	19	11.42	20.39
(iii) Other non-current liabilities	20	134.92	100.00
(b) Provisions	21	47.82	42.77
(c) Deferred tax liabilities (net)	22	2,092.09	803.16
<b>Total non current liabilities</b>		<b>3,372.50</b>	<b>966.32</b>
<b>(2) Current liabilities</b>			
(a) Financial liabilities			
(i) Borrowings	23	33,031.76	27,937.31
(ii) Lease liabilities	24	8.97	8.22
(iii) Trade payables	25		
Total outstanding dues of Micro and Small Enterprises		304.78	213.44
Total outstanding dues of creditors other than Micro and Small Enterprises		17,419.82	18,811.05
(iv) Other financial liabilities	26	1,431.29	1,415.71
(b) Other current liabilities	27	361.13	677.65
(c) Provisions	28	75.00	43.18
<b>Total current liabilities</b>		<b>52,632.75</b>	<b>49,106.56</b>
<b>Total liabilities</b>		<b>56,005.25</b>	<b>50,072.88</b>
<b>Total Equity and Liabilities</b>		<b>97,884.62</b>	<b>89,670.98</b>

The Notes 1 to 52 form an integral part of the Standalone Financial Statements

As per our report of even date attached

**For B S R & Co. LLP**

Chartered Accountants

Firm Registration Number 101248W/W-100022

For and on behalf of the Board of Directors of **Astec LifeSciences Limited**

(CIN:L99999MH1994PLC076236)

**ANURAG ROY**

Whole – Time Director &amp; Chief Executive Officer

DIN: 07444595

Mumbai, May 02, 2023

**B. S. YADAV**

Director

DIN: 00294803

Mumbai, May 02, 2023

**BURJIS PARDIWALA**

Partner

Membership Number: 103595

Mumbai, May 02, 2023

**MADHUR GUNDECHA**

Chief Financial Officer

ICAI Memb. No. 106349

Mumbai, May 02, 2023

**TEJASHREE PRADHAN**

Company Secretary

ICSI Memb. No. FCS7167

Mumbai, May 02, 2023

## STANDALONE STATEMENT OF PROFIT AND LOSS

for the period ended March 31, 2023

(₹ Lakh)			
Particulars	Note No.	For the Year ended March 31, 2023	For the Year ended March 31, 2022
I. Revenue from operations	29	62,816.62	67,656.61
II. Other income	30	1,303.62	1,046.34
<b>III. Total Income (I + II)</b>		<b>64,120.24</b>	<b>68,702.95</b>
<b>IV. Expenses</b>			
Cost of materials consumed	31	46,083.46	44,481.50
Changes in inventories of finished goods and work-in-progress	32	(5,959.03)	(5,800.42)
Employee benefits expense	33	5,225.88	5,031.41
Finance costs	34	2,074.01	909.02
Depreciation and amortisation expense	35	3,371.19	3,441.59
Other expenses	36	9,839.82	8,535.77
<b>Total expenses (IV)</b>		<b>60,635.33</b>	<b>56,598.87</b>
<b>V. Profit before tax (III - IV)</b>		<b>3,484.91</b>	<b>12,104.08</b>
<b>VI. Tax expense:</b>		<b>932.87</b>	<b>3,122.28</b>
1. Current tax		-	2,861.27
2. Deferred tax		932.87	261.01
<b>VII. Profit for the year after tax (V - VI)</b>		<b>2,552.04</b>	<b>8,981.80</b>
<b>VIII. Other comprehensive income</b>			
(A) (i) Items that will not be reclassified to profit or loss			
Remeasurement of defined benefit liability		(30.58)	(0.72)
(ii) Income tax related to items that will not be reclassified to profit or loss		7.70	0.18
<b>Total other comprehensive income</b>		<b>(22.88)</b>	<b>(0.54)</b>
<b>IX. Total comprehensive income for the year (VII + VIII)</b>		<b>2,529.16</b>	<b>8,981.26</b>
<b>X. Earnings per equity share (Nominal value of ₹ 10 each, fully paid-up)</b>	37		
Basic (in ₹)		13.02	45.85
Diluted (in ₹)		13.02	45.83

The Notes 1 to 52 form an integral part of the Standalone Financial Statements

As per our report of even date attached  
**For B S R & Co. LLP**  
 Chartered Accountants  
 Firm Registration Number 101248W/W-100022

For and on behalf of the Board of Directors of **Astec LifeSciences Limited**  
 (CIN:L99999MH1994PLC076236)

**ANURAG ROY**  
 Whole – Time Director & Chief Executive Officer  
 DIN: 07444595  
 Mumbai, May 02, 2023

**B. S. YADAV**  
 Director  
 DIN: 00294803  
 Mumbai, May 02, 2023

**BURJIS PARDIWALA**  
 Partner  
 Membership Number: 103595  
 Mumbai, May 02, 2023

**MADHUR GUNDECHA**  
 Chief Financial Officer  
 ICAI Memb. No. 106349  
 Mumbai, May 02, 2023

**TEJASHREE PRADHAN**  
 Company Secretary  
 ICSI Memb. No. FCS7167  
 Mumbai, May 02, 2023

## Standalone Statement of Cash Flows

for the Year ended March 31, 2023

	(₹ lakh)	
Particulars	March 31, 2023	March 31, 2022
<b>Cash flow from operating activities</b>		
<b>Profit before tax</b>	3,484.91	12,104.08
Adjustments for		
Depreciation and amortisation expense	3,371.19	3,441.59
Interest income	(402.53)	(25.87)
Finance cost	2,074.01	909.02
Unrealised foreign exchange gain	(151.11)	(151.30)
Allowance for trade receivables	1.98	(24.78)
Allowance for other receivables	(7.11)	28.22
Bad debts written off	-	25.14
Loss/(Gain) on sale of property, plant and equipment	52.35	(1.43)
Provision for inventory	89.55	228.67
Employee stock options expense	33.07	10.47
Sundry balances written back	-	(28.38)
<b>Total non-cash &amp; non-operating adjustments</b>	<b>5,061.40</b>	<b>4,411.35</b>
<b>Operating profit before working capital changes</b>	<b>8,546.31</b>	<b>16,515.43</b>
<b>Change in operating assets and liabilities</b>		
Decrease/(Increase) in trade receivables	12,159.89	(8,368.32)
Decrease/(Increase) in loans	12.58	(8.63)
Decrease/(Increase) in other financial assets	390.05	(315.26)
Decrease/(Increase) in other current assets	148.53	(1,361.69)
(Increase) in inventories	(10,879.69)	(8,314.16)
(Increase)/Decrease in other non-current assets	(820.05)	145.73
(Decrease)/Increase in trade payables	(1,463.93)	6,049.31
Increase in other financial liabilities	100.00	285.54
(Decrease)/Increase in other current liabilities	(316.52)	555.96
Increase/(Decrease) in provisions	6.30	(29.92)
Increase in other non-current financial liabilities	34.92	100.00
	(627.92)	(11,261.44)
<b>Cash generated from operations</b>	<b>7,918.39</b>	<b>5,253.99</b>
Direct Taxes paid (net of refunds received)	(486.07)	(2,912.79)
<b>Net cash inflow from operating activities</b>	<b>7,432.32</b>	<b>2,341.20</b>
<b>Cash flow from investing activities</b>		
Acquisition of property, plant and equipment, intangible assets and capital work-in-progress	(11,725.91)	(10,397.83)
Proceeds from sale of property, plant and equipment	77.67	12.39
Intercompany deposits given	(2,500.00)	-
Intercompany deposits returned	2,500.00	-
Deposits redeemed / (placed)	34.77	(3.58)
Interest received	406.13	32.39
<b>Net cash outflow from investing activities</b>	<b>(11,207.34)</b>	<b>(10,356.63)</b>

## Standalone Statement of Cash Flows

for the Year ended March 31, 2023

Particulars	(₹ lakh)	
	March 31, 2023	March 31, 2022
<b>Cash flow from financing activities</b>		
Proceeds from Long term Borrowings	5,860.00	-
Repayment of Long term Borrowings	(4,270.00)	-
Proceeds / (Repayment) of short term borrowings (net)	4,474.78	9,202.67
Proceeds from issue of shares	13.09	29.90
Payment of lease liabilities	(8.22)	(7.55)
Payment of Interest on lease liabilities	(2.58)	(3.25)
Intercorporate deposits taken	8,300.00	-
Intercorporate deposits repaid	(8,300.00)	-
Finance cost paid	(2,006.80)	(891.04)
Dividend paid to company's shareholders	(294.06)	(293.78)
Dividend Distribution Tax paid	-	-
<b>Net cash inflow from financing activities</b>	<b>3,766.21</b>	<b>8,036.95</b>
Net increase / (decrease) in cash and cash equivalents	(8.81)	21.52
Cash and cash equivalents at the beginning of the year	54.46	32.94
<b>Cash and cash equivalents at the end of the year</b>	<b>45.65</b>	<b>54.46</b>

### Note 1 :

The above statement of cash flow has been prepared under the indirect method as set out in Indian Accounting Standard 7 Statement of Cash Flow notified u/s 133 of Companies Act, 2013 ("Act") read with Rule 4 of the Companies (Indian Accounting Standards) Rules 2015, as amended and the relevant provisions of the Act.

### Note 2 : Movement in Borrowings

Particulars	(₹ lakh)			
	March 31, 2022	Cash Flows	Non-cash changes	March 31, 2023
Long term borrowings (Refer Note 2.1)	4,000.00	1,590.00	0.18	5,590.18
Short term borrowings	23,937.31	4,474.78	115.73	28,527.82
<b>Total borrowings</b>	<b>27,937.31</b>	<b>6,064.78</b>	<b>115.91</b>	<b>34,118.00</b>

Particulars	(₹ lakh)			
	March 31, 2021	Cash Flows	Non-cash changes	March 31, 2022
Long term borrowings (Refer Note 2.1)	4,016.81	-	(16.81)	4,000.00
Short term borrowings	14,703.10	9,202.67	31.54	23,937.31
<b>Total borrowings</b>	<b>18,719.91</b>	<b>9,202.67</b>	<b>14.73</b>	<b>27,937.31</b>

**Note 2.1:** The Term Loan from Bank for ₹ 4,503.93 lakh (previous year ₹ 4,000.00 Lakh) has been disclosed as current maturity of Long term Borrowing Under Current Liabilities.

The Notes 1 to 52 form an integral part of the Standalone Financial Statements

As per our report of even date attached

**For B S R & Co. LLP**

Chartered Accountants

Firm Registration Number 101248W/W-100022

For and on behalf of the Board of Directors of **Astec LifeSciences Limited**

(CIN:L99999MH1994PLC076236)

**ANURAG ROY**

Whole – Time Director & Chief Executive Officer

DIN: 07444595

Mumbai, May 02, 2023

**B. S. YADAV**

Director

DIN: 00294803

Mumbai, May 02, 2023

**BURJIS PARDIWALA**

Partner

Membership Number: 103595

Mumbai, May 02, 2023

**MADHUR GUNDECHA**

Chief Financial Officer

ICAI Memb. No. 106349

Mumbai, May 02, 2023

**TEJASHREE PRADHAN**

Company Secretary

ICSI Memb. No. FCS7167

Mumbai, May 02, 2023

## Standalone Statement Of Changes In Equity

for the Year ended March 31, 2023

### (a) Equity share capital

	(₹ lakh)			
	Balance as at April 1, 2022	Changes in equity share capital due to prior period errors	Restated balance as at April 1, 2022	Balance as at March 31, 2023
(1) Current reporting period ended March 2023	1,959.76	-	1,959.76	1,960.57
				0.81
(1) Previous reporting period ended March 2022	1,958.76	-	1,958.76	1,959.76
				1.00

Particulars	(₹ lakh)					
	Capital redemption reserve	Securities Premium	General reserve	Employee share option outstanding	Retained earnings	Total Equity
<b>Balance as at April 1, 2022</b>	0.30	6,034.80	1,249.28	29.21	30,324.75	37,638.34
Changes in accounting policy or prior period errors	-	-	-	-	-	-
<b>Restated Balance as at April 1, 2022</b>	0.30	6,034.80	1,249.28	29.21	30,324.75	37,638.34
Profit for the year	-	-	-	-	2,552.04	2,552.04
Other comprehensive income for the year	-	-	-	-	(22.88)	(22.88)
<b>Total comprehensive income for the year</b>	-	-	-	-	<b>2,529.16</b>	<b>2,529.16</b>
<b>Transactions with the owners of the Company</b>						
<b>Contributions and distributions</b>						
Dividends	-	-	-	-	(294.06)	(294.06)
Exercise of employee stock options	-	38.76	-	(26.47)	-	12.29
Employee stock option expense	-	-	-	33.07	-	33.07
<b>Balance as at March 31, 2023</b>	<b>0.30</b>	<b>6,073.56</b>	<b>1,249.28</b>	<b>35.81</b>	<b>32,559.85</b>	<b>39,918.80</b>
<b>Balance as at April 1, 2021 (net)</b>	<b>0.30</b>	<b>5,983.14</b>	<b>1,249.28</b>	<b>41.50</b>	<b>21,637.28</b>	<b>28,911.50</b>
Changes in accounting policy or prior period errors	-	-	-	-	-	-
<b>Restated Balance as at April 1, 2021</b>	<b>0.30</b>	<b>5,983.14</b>	<b>1,249.28</b>	<b>41.50</b>	<b>21,637.28</b>	<b>28,911.50</b>
<b>Balance as at April 1, 2021 (net)</b>	<b>0.30</b>	<b>5,983.14</b>	<b>1,249.28</b>	<b>41.50</b>	<b>21,637.27</b>	<b>28,911.49</b>
Profit for the year	-	-	-	-	8,981.80	6,469.25
Other comprehensive income for the year	-	-	-	-	(0.54)	(17.62)
<b>Total comprehensive income for the year</b>	-	-	-	-	<b>8,981.26</b>	<b>8,981.26</b>
<b>Transactions with the owners of the Company</b>						
<b>Contributions and distributions</b>						
Final Dividend	-	-	-	-	(293.78)	(293.56)
Exercise of employee stock options	-	51.66	-	(22.76)	-	65.38
Employee stock option expense	-	-	-	10.47	-	0.99
<b>Balance as at March 31, 2022</b>	<b>0.30</b>	<b>6,034.80</b>	<b>1,249.28</b>	<b>29.21</b>	<b>30,324.75</b>	<b>37,638.34</b>

The Notes 1 to 52 form an integral part of the Standalone Financial Statements

As per our report of even date attached

**For B S R & Co. LLP**

Chartered Accountants

Firm Registration Number 101248W/W-100022

For and on behalf of the Board of Directors of **Astec LifeSciences Limited**  
(CIN:L99999MH1994PLC076236)

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Mumbai, May 02, 2023

**TEJASHREE PRADHAN**

Company Secretary

ICSI Memb. No. FCS7167

Mumbai, May 02, 2023

# Notes forming part of the Standalone Financial Statements

## for the Year ended March 31, 2023

### NOTE 1 : SIGNIFICANT ACCOUNTING POLICIES

#### A. General Information

Astec LifeSciences Limited ("the Company") is a public limited company, which is domiciled and incorporated in the Republic of India with its registered office situated at Godrej One, 3rd Floor, Pirojsha Nagar, Eastern Express Highway, Vikhroli East, Mumbai - 400 079. The Company was incorporated under the Companies Act, 1956 on January 25, 1994. The Company manufactures a wide range of Agrochemical active ingredients and pharmaceutical intermediates.

#### B. Basis of preparation

##### (1) Statement of compliance with Ind AS

The accompanying financial statements have been prepared in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015, as amended and notified under section 133 of the Companies Act, 2013, (the 'Act') and other relevant provisions of the Act.

The financial statements for the year ended March 31st, 2023 have been reviewed by the Audit Committee and subsequently approved by the Board of Directors at its meeting held on May 02, 2023.

##### (2) Historical cost convention

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

- certain financial assets and liabilities (including derivative instruments) that is measured at fair value (refer- Accounting policy regarding financial instruments);
- defined benefit plans – plan assets measured at fair value less present value of defined benefit obligation; and
- share-based payments - measured at fair value

##### (3) Functional and presentation currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the entity operates ('the functional currency') The Indian Rupee (INR) is the functional and presentation currency of the company. All amounts have been rounded off to the nearest lakh, unless otherwise indicated.

#### C. Key estimates and assumptions

While preparing financial statements in conformity with Ind AS, the management has made certain estimates and assumptions that require subjective and complex judgments. These judgments affect the application of accounting policies and the reported amount of assets, liabilities, income and expenses, disclosure of contingent liabilities at the balance sheet date and the reported amount of income and expenses for the reporting period. Future events rarely develop exactly as forecasted and the best estimates require adjustments, as actual results may differ from these estimates under different assumptions or conditions.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized prospectively.



Judgement, estimates and assumptions are required in particular for:

**(1) Determination of the estimated useful lives**

Useful lives of property, plant and equipment are based on the life prescribed in Schedule II of the Companies Act, 2013. In cases, where the useful lives are different from that prescribed in Schedule II and in case of intangible assets, they are based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers' warranties and maintenance support.

**(2) Recognition and measurement of defined benefit obligations**

The obligation arising from defined benefit plan is determined on the basis of actuarial assumptions. Key actuarial assumptions include discount rate, trends in salary escalation, actuarial rates and life expectancy. The discount rate is determined by reference to market yields at the end of the reporting period on government bonds. The period to maturity of the underlying bonds correspond to the probable maturity of the post-employment benefit obligations. Due to complexities involved in the valuation and its long term nature, defined benefit obligation is sensitive to changes in these assumptions. All assumptions are reviewed at each reporting period.

**(3) Recognition of deferred tax assets**

Deferred tax assets and liabilities are recognized for the future tax consequences of temporary differences between the carrying values of assets and liabilities and their respective tax bases, and unutilized business loss and depreciation carry-forwards and tax credits. Deferred tax assets are recognized to the extent that it is probable that future taxable income will be available against which the deductible temporary differences, unused tax losses, depreciation carry-forwards and unused tax credits could be utilized.

**(4) Recognition and measurement of other provisions**

The recognition and measurement of other provisions are based on the assessment of the probability of an outflow of resources, and on past experience and circumstances known at the balance sheet date. The actual outflow of resources at a future date may therefore, vary from the amount included in other provisions.

**(5) Discounting of long-term financial assets / liabilities**

All financial assets / liabilities are required to be measured at fair value on initial recognition. In case of financial liabilities/assets which are required to subsequently be measured at amortised cost, interest is accrued using the effective interest method.

**(6) Fair valuation of employee share options**

The fair valuation of the employee share options is based on the Black-Scholes model used for valuation of options. Key assumptions made with respect to expected volatility includes share price, expected dividends and discount rate, under this option pricing model.

**(7) Determining whether an arrangement contains a lease**

Ind AS 116 requires lessee to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Company makes an assessment on the expected lease term on a lease-by-lease basis and thereby assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised. In evaluating the lease term, the Company considers factors such as any significant leasehold improvements undertaken over the lease term, costs relating to the termination of the lease and the importance of the underlying asset taking into account the location of the underlying asset and the availability of suitable alternatives. The lease term in future periods is reassessed to ensure that the lease term reflects the current economic circumstances. After considering current and future economic conditions, the Company has concluded that no changes are required to lease period relating to the existing lease contracts.

**(8) Fair value of financial instruments**

Derivatives are carried at fair value. Derivatives includes foreign currency forward contracts. Fair value of foreign currency forward contracts are determined using the fair value reports provided by respective bankers.

**(9) Liability for Sales Return**

Accruals for estimated product returns, which are based on historical experience of actual sales returns and adjustment on account of current market scenario is considered by Company to be reliable estimate of future sales returns.

**(10) Provisions and contingent liabilities**

A provision is recognised when the Company has a present obligation because of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

Contingent assets are neither recognised nor disclosed in the standalone financial statements.

**D. Measurement of fair values**

The Company's accounting policies and disclosures require the measurement of fair values for, both financial and non-financial assets and liabilities. The Company has an established control framework with respect to the measurement of fair values. The management regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the management assesses the evidence obtained from the third parties to support the conclusion that such valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which such valuations should be classified.

When measuring the fair value of a financial asset or a financial liability, the Company uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

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

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

The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

**E. Significant accounting policies**

**(1) Revenue recognition :**

**i. Sale of goods**

Revenue from operations comprises of sales of goods after the deduction of discounts, goods and service tax and estimated returns. Discounts given by the Company includes trade discounts, volume rebates and other incentive given to the customers. Accumulated experience is used to estimate the provision for discounts. Revenue is only recognized to the extent that it is highly probable a significant reversal will not occur.

Revenue is measured based on the consideration specified in a contract with a customer. Revenue from the sale of goods are recognized when control of the goods has transferred to our customer and when there are no longer any unfulfilled obligations to the customer, This is generally when the goods are delivered to the customer depending on individual customer terms, which can be at the time of dispatch or delivery. This is considered the appropriate point where the performance obligations in our contracts are satisfied as the Company no longer have control over the inventory.

Our customers have the contractual right to return goods only when authorized by the Company. As at March 31st 2023, an estimate has been made of goods that will be returned and a liability has been recognized for this amount. An asset has also been recorded for the corresponding inventory that is estimated to return to the Company using a best estimate based on accumulated experience.

**ii. Dividend income**

Dividend income is recognised only when the right to receive the same is established, it is probable that the economic benefits associated with the dividend will flow to the Company, and the amount of dividend can be measured reliably.

**iii. Interest income**

For all financial instruments measured at amortised cost, interest income is recorded using the effective interest rate (EIR), which is the rate that discounts the estimated future cash payments or receipts through the expected life of the financial instruments or a shorter period, where appropriate, to the net carrying amount of the financial assets. Interest income is included in other income in the Statement of Profit and Loss.

**(2) Foreign currency :**

**(i) Transaction and balances**

Transactions in foreign currencies are translated into the respective functional currencies of the Company at the exchange rates at the dates of the transactions or an average rate if the average rate approximates the actual rate at the date of the transaction. Foreign currency transactions are recorded on initial recognition in the functional currency, using the exchange rate at the date of the transaction. At each balance sheet date, foreign currency monetary items are reported using the closing exchange rate. Exchange differences that arise on settlement of monetary items or on reporting at each balance sheet date of the Company's monetary items at the closing rate are recognized as income and expenses in the period in which they arise.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of transactions. Non-monetary items that are measured at fair value in a foreign currency shall be translated using the exchange rates at the date when the fair value was measured.

Exchange differences are generally recognised in the Statement of Profit and Loss, except exchange differences arising from the translation of the following item which are recognized in OCI:

- Qualifying cash flow hedges to the extent that the hedges are effective.

**(3) Employment Benefits**

**(i) Short-term obligations**

Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably. The Company has a scheme of Performance Linked Variable Remuneration (PLVR) which is fully written off to the Standalone Statement of Profit & Loss. The Scheme rewards its employees based on the achievement of key performance indicators and profitability, as prescribed in the scheme.

**(ii) Other long-term employee benefit obligations**

The liabilities for earned leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss.

Liability toward Long-term Compensated Absences is provided for on the basis of an actuarial valuation, using the Projected Unit Credit Method, as at the date of the Balance Sheet. Actuarial gains / losses comprising of experience adjustments and the effects of changes in actuarial assumptions are immediately recognised in the Statement of Profit and Loss.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

**(iii) Post-employment obligations**

The Company operates the following post-employment schemes:

- (a) defined benefit plans such as gratuity, and
- (b) defined contribution plans such as provident fund.

**Gratuity obligations**

The following post – employment benefit plans are covered under the defined benefit plans:

**Gratuity :**

The Company's net obligation in respect of defined benefit plans is calculated by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

The calculation of defined benefit obligations is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Company, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan.

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

**Defined contribution plans**

The Company pays provident fund contributions to publicly administered provident funds as per local regulations. The Company has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefit expense when they are due.

**(iv) Share-based payments**

Share-based compensation benefits are provided to employees via the Astec LifeSciences Limited Employee Stock Option Plan.

**Employee options:**

The fair value of options granted under the Astec LifeSciences Limited Employee Stock Option Plan is recognised as an employee benefits expense with a corresponding increase in equity. The total amount to be expensed is determined by reference to the fair value of the options granted:

- including any market performance conditions (e.g., the entity's share price)
- excluding the impact of any service and non-market performance vesting conditions (e.g. profitability, sales growth targets and remaining an employee of the entity over a specified time period), and
- including the impact of any non-vesting conditions (e.g. the requirement for employees to save or holdings shares for a specific period of time).

The total expense is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of each period, the entity revises its estimates of the number of options that are expected to vest based on the non-market vesting and service conditions. It recognises the impact of the revision to original estimates, if any, in profit or loss, with a corresponding adjustment to equity.

**(v) Bonus plans**

The Company recognises a liability and an expense for bonuses. The Company recognises a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

**(vi) Terminal benefits**

All terminal benefits are recognized as an expense in the period in which they are incurred.

**(4) Income-tax**

Income tax expense comprises current and deferred tax. It is recognised in the Statement of Profit and Loss except to the extent that it relates to a business combination, or items recognised directly in equity or in the OCI.

**(i) Current tax**

Current tax is the amount of tax payable (recoverable) in respect of the taxable profit / (tax loss) for the year determined in accordance with the provisions of the Income-Tax Act, 1961. Current income tax for current and prior periods is recognized at the amount expected to be paid to or recovered from the tax authorities, using tax rates and tax laws that have been enacted or substantively enacted at the reporting date.

Current tax assets and liabilities are offset only if, the Company:

- a) has a legally enforceable right to set off the recognised amounts; and
- b) intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

**(ii) Deferred tax**

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for:

- temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss;
- temporary differences related to investments in subsidiaries and associates to the extent that the Company is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and

- taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves. Unrecognized deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. Taxes relating to items recognized directly in equity or OCI is recognized in equity or OCI and not in the statement of profit and loss.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset only if:

- the entity has a legally enforceable right to set off current tax assets against current tax liabilities; and
- the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority on the same taxable entity.

## (5) Inventories

### (i) Raw materials and stores, work in progress, traded and finished goods

Raw materials and stores, work in progress, traded and finished goods are stated at the lower of cost and net realisable value. Cost of raw materials and traded goods comprises cost of purchases. Cost of work-in progress and finished goods comprises direct materials, direct labour and an appropriate proportion of variable and fixed overhead expenditure, the latter being allocated on the basis of normal operating capacity. Cost of inventories also include all other costs incurred in bringing the inventories to their present location and condition. Cost includes the reclassification from equity of any gains or losses on qualifying cash flow hedges relating to purchases of raw material but excludes borrowing costs. Costs are assigned to individual items of inventory on the basis of weighted average price. Costs of purchased inventory are determined after deducting rebates and discounts. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

## (6) Property, plant and equipment

### (i) Recognition and measurement

Items of property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses, if any.

The cost of an item of property, plant and equipment comprises:

- its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates.
- any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

- c) the initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located, the obligation for which an entity incurs either when the item is acquired or as a consequence of having used the item during a particular period for purposes other than to produce inventories during that period.

Income and expenses related to the incidental operations, not necessary to bring the item to the location and condition necessary for it to be capable of operating in the manner intended by management, are recognised in the Statement of Profit and Loss.

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

Any gain or loss on disposal of an item of property, plant and equipment is recognised in the Statement of Profit and Loss.

**(ii) Subsequent expenditure**

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

**(iii) Depreciation/ Amortizations**

Depreciation is calculated using the straight-line method to allocate their cost, net of their residual values, over their estimated useful lives specified in schedule II to the Companies Act, 2013 except for the following:

**(a) Plant and Machinery:**

Based on the condition of the plants, regular maintenance schedule, material of construction, external and internal assessment and past experience, the Company has considered useful life of Plant and Machinery as 20 years.

**(b) Computer Hardware:**

Depreciated over its estimated useful life of 4 years.

**(c) Right of use Asset:**

Amortized over the primary lease period.

**(d) Leasehold improvements and equipments:**

Amortised over the Primary lease period

Assets costing less than ₹ 5,000 are fully depreciated in the year of purchase/acquisition. Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

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

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss within other gains/(losses).

**(7) Intangible assets**

**(i) Computer software**

**Recognition and measurement**

Intangible assets are recognized when it is probable that the future economic benefits that are attributable to the assets will flow to the Company and the cost of the asset can be measured reliably.

Intangible assets viz. Computer software and product registration, which are acquired by the Company and have finite useful lives are measured at cost less accumulated amortisation and any accumulated impairment losses.

#### **Amortisation**

Amortisation is calculated to write off the cost of intangible assets less their estimated residual values using the straight-line method over their estimated useful lives, and is generally recognised in profit or loss.

The intangible assets are amortised over the estimated useful lives as given below:

- Computer software 6 years
- Product Registration 5 years

#### **(ii) Research and development**

Revenue expenditure on research and development is charged to the Statement of Profit and Loss of the year in which it is incurred.

Capital expenditure incurred during the period on research and development is accounted for as an addition to property, plant and equipment.

#### **(8) Borrowing costs**

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

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

#### **(9) Segment Reporting**

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 and Chief Operating Officer of the Company. The Company has identified only one segment i.e. Agrochemicals as reporting segment based on the information reviewed by CODM.

#### **(10) 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. Financial instruments also include derivative contracts such as foreign currency foreign exchange forward contracts.

Financial instruments also covers contracts to buy or sell a non-financial item that can be settled net in cash or another financial instrument, or by exchanging financial instruments, as if the contracts were financial instruments, with the exception of contracts that were entered into and continue to be held for the purpose of the receipt or delivery of a non-financial item in accordance with the entity's expected purchase, sale or usage requirements.

Derivatives are currently recognized at fair value on the date on which the derivative contract is entered into and are subsequently re-measured to their fair value at the end of each reporting period.

#### **(11) Hedge accounting**

The Company designates certain hedging instruments in respect of foreign currency risk, interest rate risk and commodity price risk as cash flow hedges. At the inception of the hedge relationship, the entity documents



the relationship between the hedging instrument and the hedged item, along with its risk management objectives and its strategy for undertaking various hedge transactions. Furthermore, at the inception of the hedge and on an ongoing basis, the Company documents whether the hedging instrument is highly effective in offsetting changes in fair values or cash flows of the hedged item attributable to the hedged risk.

The effective portion of changes in the fair value of the designated portion of derivatives that qualify as cash flow hedges is recognised in other comprehensive income and accumulated under equity. The gain or loss relating to the ineffective portion is recognised immediately in statement of profit or loss.

Amounts previously recognised in other comprehensive income and accumulated in equity relating to effective portion as described above are reclassified to profit or loss in the periods when the hedged item affects profit or loss, in the same line as the recognised hedged item. However, when the hedged forecast transaction results in the recognition of a non-financial asset or a non-financial liability, such gains and losses are transferred from equity and included in the initial measurement of the cost of the non-financial asset or non-financial liability.

Hedge accounting is discontinued prospectively when the hedging instrument expires or is sold, terminated, or exercised, or when it no longer qualifies for hedge accounting. Any gain or loss recognised in other comprehensive income and accumulated in equity at that time remains in equity and is recognised when the forecast transaction is ultimately recognised in profit or loss. When a forecast transaction is no longer expected to occur, the gain or loss accumulated in equity is recognised immediately in the statement profit or loss.

#### **i. Financial assets**

##### **Classification**

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

- Where assets are measured at fair value, gains and losses are either recognized entirely in the Statement of Profit and Loss (i.e. fair value through profit or loss), or recognized in Other Comprehensive Income (i.e. fair value through other comprehensive income).
- A financial asset that meets the following two conditions is measured at amortized cost (net of any write down for impairment) unless the asset is designated at fair value through profit or loss under the fair value option.

**Business model test:** The objective of the Company's business model is to hold the financial asset to collect the contractual cash flows (rather than to sell the instrument prior to its contractual maturity to realize its fair value changes).

**Cash flow characteristics test:** The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

##### **Initial recognition and measurement**

At initial recognition, the Company measures a financial asset at fair value plus, in the case of a financial asset not recorded at fair value through the Statement of Profit and Loss, transaction costs that are attributable to the acquisition of the financial asset.

##### **Equity investments**

- All equity investments in scope of Ind-AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Company decides to classify the same either as at FVOCI or FVTPL. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

- If the Company decides to classify an equity instrument as FVOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to profit and loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.
- Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

### **Derecognition**

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognised (i.e. removed from the Company's balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

### **Impairment of financial assets**

In accordance with Ind-AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- a) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, deposits, and bank balance.
- b) Trade receivables - The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition. Trade receivables are tested for impairment on a specific basis after considering the sanctioned credit limits, security like letters of credit, security deposit collected etc. and expectations about future cash flows.

## **ii. Financial liabilities**

### **Classification**

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.

The Company classifies all financial liabilities as subsequently measured at amortised cost, except for financial liabilities at fair value through the Statement of Profit and Loss. Such liabilities, including derivatives that are liabilities, shall be subsequently measured at fair value.

### **Initial recognition and measurement**

Financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, 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 and incremental transaction cost.

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.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

### **Financial guarantee contracts**

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.

### **Derecognition**

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. 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 the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit and loss.

### **Offsetting of 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.

### **Derivative financial instruments**

The Company uses derivative financial instruments, such as forward currency contracts and interest rate swaps, to hedge its foreign currency risks and interest rate risks respectively. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. The accounting for subsequent changes in fair value depends on whether the derivative is designated as a hedging instrument, and if so, the nature of item being hedged and the type of hedge relationship designated.

Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

## **(12) Provisions, contingent liabilities and contingent assets**

Provisions are recognized when there is a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the

obligation and a reliable estimate can be made of the amount of the obligation.

The expenses relating to a provision is presented in the Statement of Profit and Loss net of any reimbursement.

If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows specific to the liability. The unwinding of the discount is recognised as finance cost.

A provision for onerous contracts is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established, the Company recognises any impairment loss on the assets associated with that contract.

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but will probably not, require an outflow of resources. When there is a possible obligation of a present obligation in respect of which the likelihood of outflow of resources is remote, no provision disclosure is made.

A contingent asset is not recognised but disclosed in the financial statements where an inflow of economic benefit is probable.

Commitments includes the amount of purchase order (net of advance) issued to parties for completion of assets.

Provisions, contingent assets, contingent liabilities and commitments are reviewed at each balance sheet date.

### (13) Cash flow hedges that qualify for hedge accounting

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognized in the other comprehensive income in cash flow hedging reserve within equity, limited to the cumulative change in fair value of hedged item on a present value basis from the inception of hedge. The gain or loss relating to the effective portion is recognized immediately in profit or loss.

Amounts accumulated in equity are reclassified to profit or loss in the periods when the hedged item affects profit or loss.

### (14) Leases

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.

#### Company as a lessee

The Company's lease asset classes primarily consist of leases for land. 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.

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

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 if 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.

#### **(15) Impairment of non-financial assets**

Goodwill and intangible assets that have infinite useful life are not subjected to amortization and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired.

The carrying values of other assets/cash generating units at each balance sheet date are reviewed for impairment if any indication of impairment exists. If the carrying amount of the assets exceed the estimated recoverable amount, an impairment is recognised for such excess amount.

The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor that reflects current market assessments of the time value of money and the risk specific to the asset.

When there is indication that an impairment loss recognised for an asset (other than a revalued asset) in earlier accounting periods which no longer exists or may have decreased, such reversal of impairment loss is recognised in the Statement of Profit and Loss, to the extent the amount was previously charged to the Statement of Profit and Loss. In case of revalued assets, such reversal is not recognised.

#### **(16) Dividends**

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.

**(17) Cash and cash equivalents**

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

**(18) Earnings per share****(i) Basic earnings per share**

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the Company
- by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year and excluding treasury shares.

**(ii) Diluted earnings per share**

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

**(F) Recent Pronouncements**

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 31, 2023, MCA amended the Companies (Indian Accounting Standards) Rules, 2015 by issuing the Companies (Indian Accounting Standards) Amendment Rules, 2023, applicable from April 1, 2023, as below:

**Ind AS 1 – Presentation of Financial Statements**

The amendments require companies to disclose their material accounting policies rather than their significant accounting policies. Accounting policy information, together with other information, is material when it can reasonably be expected to influence decisions of primary users of general purpose financial statements. The Group does not expect this amendment to have any significant impact in its financial statements.

**Ind AS 12 – Income Taxes**

The amendments clarify how companies account for deferred tax on transactions such as leases and decommissioning obligations. The amendments narrowed the scope of the recognition exemption in paragraphs 15 and 24 of Ind AS 12 (recognition exemption) so that it no longer applies to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences. The Group is evaluating the impact, if any, in its financial statements.

**Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors**

The amendments will help entities to distinguish between accounting policies and accounting estimates. The definition of a change in accounting estimates has been replaced with a definition of accounting estimates. Under the new definition, accounting estimates are "monetary amounts in financial statements that are subject to measurement uncertainty". Entities develop accounting estimates if accounting policies require items in financial statements to be measured in a way that involves measurement uncertainty. The Group does not expect this amendment to have any significant impact in its financial statements.

## NOTE 2 (A) : PROPERTY, PLANT AND EQUIPMENT

Particulars	Plant and Machinery							Office Buildings			Electrical Installations and Fixtures			Furniture and Fixtures			Vehicles			Computers			Office and Other Equipment			Total		
	Plant and Machinery	Factory Buildings	Office Buildings	Electrical Installations and Fixtures	Furniture and Fixtures	Vehicles	Computers	Office and Other Equipment	Office Buildings	Electrical Installations and Fixtures	Furniture and Fixtures	Vehicles	Computers	Office and Other Equipment	Office Buildings	Electrical Installations and Fixtures	Furniture and Fixtures	Vehicles	Computers	Office and Other Equipment	Office Buildings	Electrical Installations and Fixtures	Furniture and Fixtures	Vehicles	Computers		Office and Other Equipment	Total
<b>Gross Block</b>																												
As at April 1, 2022	28,280.71	12,567.49	267.48	1,696.11	275.44	406.25	194.73	214.36	267.48	1,696.11	275.44	406.25	194.73	214.36	267.48	1,696.11	275.44	406.25	194.73	214.36	267.48	1,696.11	275.44	406.25	194.73	214.36	43,902.57	
Additions	948.33	44.98	-	29.90	4.28	90.37	80.47	40.97	-	29.90	4.28	90.37	80.47	40.97	-	29.90	4.28	90.37	80.47	40.97	-	29.90	4.28	90.37	80.47	40.97	1,239.30	
Disposals	170.06	-	-	-	0.25	81.74	2.63	-	-	-	0.25	81.74	2.63	-	-	-	0.25	81.74	2.63	-	-	-	0.25	81.74	2.63	-	254.68	
<b>As at March 31, 2023</b>	<b>29,058.98</b>	<b>12,612.47</b>	<b>267.48</b>	<b>1,726.01</b>	<b>279.47</b>	<b>414.88</b>	<b>272.57</b>	<b>255.33</b>	<b>267.48</b>	<b>1,726.01</b>	<b>279.47</b>	<b>414.88</b>	<b>272.57</b>	<b>255.33</b>	<b>267.48</b>	<b>1,726.01</b>	<b>279.47</b>	<b>414.88</b>	<b>272.57</b>	<b>255.33</b>	<b>267.48</b>	<b>1,726.01</b>	<b>279.47</b>	<b>414.88</b>	<b>272.57</b>	<b>255.33</b>	<b>44,887.19</b>	
<b>Accumulated Depreciation</b>																												
As at April 1, 2022	10,799.57	1,475.20	32.93	317.29	140.30	169.04	103.07	74.31	32.93	317.29	140.30	169.04	103.07	74.31	32.93	317.29	140.30	169.04	103.07	74.31	32.93	317.29	140.30	169.04	103.07	74.31	13,111.71	
For the year	2,388.61	551.11	4.73	158.80	21.74	45.99	39.83	36.29	4.73	158.80	21.74	45.99	39.83	36.29	4.73	158.80	21.74	45.99	39.83	36.29	4.73	158.80	21.74	45.99	39.83	36.29	3,247.10	
Disposals	91.68	-	-	-	0.16	30.20	2.63	-	-	-	0.16	30.20	2.63	-	-	-	0.16	30.20	2.63	-	-	-	0.16	30.20	2.63	-	124.66	
<b>As at March 31, 2023</b>	<b>13,096.50</b>	<b>2,026.31</b>	<b>37.66</b>	<b>476.09</b>	<b>161.88</b>	<b>184.83</b>	<b>140.27</b>	<b>110.60</b>	<b>37.66</b>	<b>476.09</b>	<b>161.88</b>	<b>184.83</b>	<b>140.27</b>	<b>110.60</b>	<b>37.66</b>	<b>476.09</b>	<b>161.88</b>	<b>184.83</b>	<b>140.27</b>	<b>110.60</b>	<b>37.66</b>	<b>476.09</b>	<b>161.88</b>	<b>184.83</b>	<b>140.27</b>	<b>110.60</b>	<b>16,234.15</b>	
<b>Net Block as at March 31, 2023</b>	<b>15,962.48</b>	<b>10,586.16</b>	<b>229.82</b>	<b>1,249.93</b>	<b>117.59</b>	<b>230.05</b>	<b>132.30</b>	<b>144.73</b>	<b>229.82</b>	<b>1,249.93</b>	<b>117.59</b>	<b>230.05</b>	<b>132.30</b>	<b>144.73</b>	<b>229.82</b>	<b>1,249.93</b>	<b>117.59</b>	<b>230.05</b>	<b>132.30</b>	<b>144.73</b>	<b>229.82</b>	<b>1,249.93</b>	<b>117.59</b>	<b>230.05</b>	<b>132.30</b>	<b>144.73</b>	<b>28,653.04</b>	
<b>Gross Block</b>																												
As at April 1, 2021	19,788.32	6,627.85	267.48	542.76	176.81	305.88	132.49	90.90	267.48	542.76	176.81	305.88	132.49	90.90	267.48	542.76	176.81	305.88	132.49	90.90	267.48	542.76	176.81	305.88	132.49	90.90	27,932.49	
Additions	8,492.39	5,939.64	-	1,153.35	98.63	111.99	65.08	123.46	-	1,153.35	98.63	111.99	65.08	123.46	-	1,153.35	98.63	111.99	65.08	123.46	-	1,153.35	98.63	111.99	65.08	123.46	15,984.54	
Disposals	-	-	-	-	-	11.62	2.84	-	-	-	-	11.62	2.84	-	-	-	-	11.62	2.84	-	-	-	-	11.62	2.84	-	14.46	
<b>As at March 31, 2022</b>	<b>28,280.71</b>	<b>12,567.49</b>	<b>267.48</b>	<b>1,696.11</b>	<b>275.44</b>	<b>406.25</b>	<b>194.73</b>	<b>214.36</b>	<b>267.48</b>	<b>1,696.11</b>	<b>275.44</b>	<b>406.25</b>	<b>194.73</b>	<b>214.36</b>	<b>267.48</b>	<b>1,696.11</b>	<b>275.44</b>	<b>406.25</b>	<b>194.73</b>	<b>214.36</b>	<b>267.48</b>	<b>1,696.11</b>	<b>275.44</b>	<b>406.25</b>	<b>194.73</b>	<b>214.36</b>	<b>43,902.57</b>	
<b>Accumulated Depreciation</b>																												
As At April 1, 2021	8,179.38	1,011.91	28.20	197.22	118.45	127.75	75.78	48.54	28.20	197.22	118.45	127.75	75.78	48.54	28.20	197.22	118.45	127.75	75.78	48.54	28.20	197.22	118.45	127.75	75.78	48.54	9,787.23	
For the year	2,620.19	463.29	4.73	120.07	21.85	41.98	30.10	25.77	4.73	120.07	21.85	41.98	30.10	25.77	4.73	120.07	21.85	41.98	30.10	25.77	4.73	120.07	21.85	41.98	30.10	25.77	3,327.98	
Disposals	-	-	-	-	-	0.69	2.81	-	-	-	-	0.69	2.81	-	-	-	-	0.69	2.81	-	-	-	-	0.69	2.81	-	3.50	
<b>As at March 31, 2022</b>	<b>10,799.57</b>	<b>1,475.20</b>	<b>32.93</b>	<b>317.29</b>	<b>140.30</b>	<b>169.04</b>	<b>103.07</b>	<b>74.31</b>	<b>32.93</b>	<b>317.29</b>	<b>140.30</b>	<b>169.04</b>	<b>103.07</b>	<b>74.31</b>	<b>32.93</b>	<b>317.29</b>	<b>140.30</b>	<b>169.04</b>	<b>103.07</b>	<b>74.31</b>	<b>32.93</b>	<b>317.29</b>	<b>140.30</b>	<b>169.04</b>	<b>103.07</b>	<b>74.31</b>	<b>13,111.71</b>	
<b>Net Block as at March 31, 2022</b>	<b>17,481.14</b>	<b>11,092.29</b>	<b>234.55</b>	<b>1,378.82</b>	<b>135.14</b>	<b>237.21</b>	<b>91.66</b>	<b>140.05</b>	<b>234.55</b>	<b>1,378.82</b>	<b>135.14</b>	<b>237.21</b>	<b>91.66</b>	<b>140.05</b>	<b>234.55</b>	<b>1,378.82</b>	<b>135.14</b>	<b>237.21</b>	<b>91.66</b>	<b>140.05</b>	<b>234.55</b>	<b>1,378.82</b>	<b>135.14</b>	<b>237.21</b>	<b>91.66</b>	<b>140.05</b>	<b>30,790.86</b>	

**Note 2(a). 1 :-**

During the year, the Company has capitalised borrowing cost for ₹ 180.67 lakhs (Previous Year ₹ 74.02 lakhs)

**Note 2 (b). 1 : Capital work-in-progress**

(₹ lakh)

Particulars	Amount
As at April 1, 2022	1,373.24
Additions	10,930.17
Capitalised during the year	(1,064.98)
<b>As at March 31, 2023</b>	<b>11,238.43</b>
As at April 1, 2021	11,167.69
For the year	6,037.19
Capitalised during the year	(15,831.64)
<b>As at March 31, 2022</b>	<b>1,373.24</b>

**Note 2 (b). 2 : Capital work-in-progress Ageing Schedule as of March 31, 2023**

Capital work-in-progress Ageing Schedule for current year	Amount in Capital work-in-progress for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	TOTAL
Projects in Progress	10,111.22	1,070.06	30.25	26.90	11,238.43

- There are no Projects temporarily suspended during the current year.
- There are no Projects where the costs have exceeded the original plan approved by the Board of Directors and there are no Projects where the project timelines are overdue as on 31st March, 2023

Capital work-in-progress Ageing Schedule for previous year	Amount in Capital work-in-progress for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	TOTAL
Projects in Progress	1,316.09	30.25	26.90	-	1,373.24

There are no Projects temporarily suspended during the previous year



**NOTE 3 - RIGHT-OF-USE ASSETS**

	(₹ lakh)
<b>Particulars</b>	<b>Land and Buildings</b>
<b>As at April 1, 2021</b>	3,061.00
Additions	1.65
Disposals	-
<b>Balance as at March 31, 2022</b>	<b>3,062.65</b>
Additions	90.45
Disposals	-
<b>Balance as at March 31, 2023</b>	<b>3,153.10</b>
<b>As at April 1, 2021</b>	51.73
Depreciation	43.43
Impairment loss	-
<b>Balance as at March 31, 2022</b>	<b>95.16</b>
Depreciation	44.48
Impairment loss	-
<b>Balance as at March 31, 2023</b>	<b>139.64</b>
<b>Carrying amounts</b>	
As at April 1, 2021	3,009.27
Balance as at March 31, 2022	2,967.49
<b>Balance as at March 31, 2023</b>	<b>3,013.46</b>

**Note 3.1 - Breakdown of lease expenses**

	(₹ lakh)	
<b>Particulars</b>	<b>For the Year ended March 31, 2023</b>	<b>For the Year ended March 31, 2022</b>
Short-term lease expense	106.27	101.22
<b>Total lease expense</b>	<b>106.27</b>	<b>101.22</b>

**Note 3.2 - Cash outflow on leases**

	(₹ lakh)	
<b>Particulars</b>	<b>For the Year ended March 31, 2023</b>	<b>For the Year ended March 31, 2022</b>
Repayment of lease liabilities	8.22	7.55
Interest on lease liabilities	2.58	3.25
Short-term lease expense	106.27	101.22
<b>Total cash outflow on leases</b>	<b>117.07</b>	<b>112.02</b>

**Note 3.3 - Maturity analysis**

Particulars	(₹ lakh)			
	Less than 1 year	Between 1 and 5 years	Over 5 years	Weighted average effective interest rate %
<b>April 1, 2020</b>				
Lease liabilities	6.92	34.51	1.65	9.00
<b>Total</b>	<b>6.92</b>	<b>34.51</b>	<b>1.65</b>	
<b>March 31, 2021</b>				
Lease liabilities	7.55	28.61	-	9.00
<b>Total</b>	<b>7.55</b>	<b>28.61</b>	<b>-</b>	
<b>March 31, 2022</b>				
Lease liabilities	8.22	20.39	-	9.00
<b>Total</b>	<b>8.22</b>	<b>20.39</b>	<b>-</b>	
<b>March 31, 2023</b>				
Lease liabilities	8.97	11.42	-	9.00
<b>Total</b>	<b>8.97</b>	<b>11.42</b>	<b>-</b>	

**Note 4 (a) : Intangible Assets**

Particulars	(₹ lakh)		
	Computer Software	Product Registration	Total
<b>Gross Block</b>			
As at April 1, 2022	504.61	250.58	755.19
Additions	11.92	6.44	18.36
Disposals	-	-	-
<b>As at March 31, 2023</b>	<b>516.53</b>	<b>257.02</b>	<b>773.55</b>
<b>Accumulated amortisation</b>			
As at April 1, 2022	274.82	250.58	525.40
For the year	79.62	-	79.62
Disposals	-	-	-
<b>As at March 31, 2023</b>	<b>354.44</b>	<b>250.58</b>	<b>605.02</b>
<b>Net Block as at March 31, 2023</b>	<b>162.09</b>	<b>6.44</b>	<b>168.53</b>
<b>Gross Block</b>			
As at April 1, 2021	317.41	250.58	567.99
Additions	187.20	-	187.20
Disposals	-	-	-
<b>As at March 31, 2022</b>	<b>504.61</b>	<b>250.58</b>	<b>755.19</b>
<b>Accumulated amortisation</b>			
As at April 1, 2021	204.64	250.58	455.22
For the year	70.18	-	70.18
Disposals	-	-	-
<b>As at March 31, 2022</b>	<b>274.82</b>	<b>250.58</b>	<b>525.40</b>
<b>Net Block as at March 31, 2022</b>	<b>229.79</b>	<b>-</b>	<b>229.79</b>

**Note 4 (b). 1 : Intangible Assets under development**

Particulars	(₹ lakh)
<b>As at April 1, 2022</b>	<b>909.25</b>
Additions	530.52
Capitalised during the year	(17.91)
<b>As at March 31, 2023</b>	<b>1,421.86</b>
<b>As at April 1, 2021</b>	<b>403.50</b>
For the year	672.70
Capitalised during the year	(166.95)
<b>As at March 31, 2022</b>	<b>909.25</b>

**Note 4 (b). 2 : Intangible Assets under development Ageing Schedule as of March 31, 2023**

Intangible Assets under development Ageing Schedule for current year	Amount in Intangible Assets under development for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	TOTAL
Projects in Progress	512.61	601.33	137.49	170.44	1,421.86

There are no Projects temporarily suspended during the current year.

There are no projects as on 31st March, 2023 where the project timelines are overdue.

Intangible Assets under development Ageing Schedule for previous year	Amount in Intangible Assets under development for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	TOTAL
Projects in Progress	601.33	137.49	135.69	34.74	909.25

There are no Projects temporarily suspended during the previous year

**NOTE 5 : NON-CURRENT FINANCIAL ASSETS- INVESTMENTS**

(₹ lakh)		
Particulars	As at March 31, 2023	As at March 31, 2022
<b>A. Investments in subsidiaries</b>		
(a) Investments in equity instruments (Fully Paid, unquoted)		
(i) Behram Chemicals Private Limited 39,380 (Previous year 39,380) Equity Shares of ₹ 100/- each.	42.18	42.18
(ii) Comercializadora Agricola Agroastrachem Cia Ltda 400 (Previous Year 400) Equity Shares of USD 1/- each. Less : Provision for diminution in the value	1.00  (1.00)	1.00  (1.00)
	-	-
<b>Total (A)</b>	<b>42.18</b>	<b>42.18</b>
<b>B. Investment in equity instruments at fair value through Statement of Profit &amp; Loss (Fully paid, unquoted)</b>		
Shamrao Vithal Co-operative Bank Ltd 2,100 (Previous Year 2,100) equity shares of ₹ 25/- each.	0.53	0.53
<b>Total (B)</b>	<b>0.53</b>	<b>0.53</b>
<b>TOTAL (A + B)</b>	<b>42.71</b>	<b>42.71</b>

**Note 5.1 : Other disclosures**

(₹ lakh)		
Particulars	As at March 31, 2023	As at March 31, 2022
Aggregate amount of quoted investment	-	-
Market value of quoted investment	-	-
Aggregate amount of unquoted investments	42.71	42.71
Aggregate amount of impairment in value of investments	1.00	1.00

**Note 5.2**

(₹ lakh)		
Particulars	As at March 31, 2023	As at March 31, 2022
Name of subsidiary - Place of business	% of holding	% of holding
1. Behram Chemicals Private Limited - Mumbai, India	65.63	65.63
2. Comercializadora Agricola Agroastrachem cia Ltda - Colombia	100.00	100.00

**NOTE 6 : NON-CURRENT FINANCIAL ASSETS**

Particulars	(₹ lakh)	
	As at March 31, 2023	As at March 31, 2022
Unsecured, considered good (unless otherwise stated)		
Security deposits	326.38	278.94
<b>TOTAL</b>	<b>326.38</b>	<b>278.94</b>

**NOTE 7 : OTHER TAX ASSETS / (LIABILITIES) (NET)**

Particulars	(₹ lakh)	
	As at March 31, 2023	As at March 31, 2022
<b>Opening balance</b>	242.92	191.40
Less: Current tax payable for the year	-	2,861.27
Add: Taxes paid	486.07	2,912.79
Add: Earlier year tax adjustment	363.76	-
<b>Closing balance</b>	<b>1,092.75</b>	<b>242.92</b>

Refer note 41(a) for Tax Reconciliation

**NOTE 8 : OTHER NON-CURRENT ASSETS**

Particulars	(₹ lakh)	
	As at March 31, 2023	As at March 31, 2022
1 Capital advances	1,156.05	336.00
2 Balance with Government Authorities		
i) Considered good	962.15	962.15
ii) Credit impaired	93.33	93.33
Less : Loss allowance	(93.33)	(93.33)
	<b>962.15</b>	<b>962.15</b>
<b>TOTAL</b>	<b>2,118.20</b>	<b>1,298.15</b>

**NOTE 9 : INVENTORIES**

Particulars	(₹ lakh)	
	As at March 31, 2023	As at March 31, 2022
<b>(Valued at lower of cost and net realisable value)</b>		
1 Raw materials (including Stock in transit of ₹ Nil (Previous year : ₹ 2355.47 lakhs))	12,805.28	8,044.14
2 Work-in-progress	6,155.23	5,830.68
3 Finished goods	10,123.91	4,489.43
4 Stores and Spares	400.35	330.39
<b>TOTAL</b>	<b>29,484.77</b>	<b>18,694.64</b>

**Note 9.1 :** During the year ended March 31, 2023, an amount of ₹ 89.55 lakhs ( previous year ₹ 228.67 lakhs) was charged to the statement of profit and loss on account of write-down of inventories.

**NOTE 10 : CURRENT TRADE RECEIVABLES (REFER NOTE 40.2)**

(₹ lakh)

Particulars	As at March 31, 2023	As at March 31, 2022
- Unsecured and considered good	15,490.03	27,362.76
- Credit impaired	1.98	-
Less : Loss allowance	(1.98)	-
<b>TOTAL</b>	<b>15,490.03</b>	<b>27,362.76</b>

**Note 10.1: Trade Receivables Ageing Schedule**

Trade Receivables Ageing Schedule as at March 31, 2023	Outstanding for following periods from due date of payment					
	Not due	Less than 6 months	6 months - 1 year	1-2 years	More than 2 years	TOTAL
<b>Undisputed Trade receivables</b>						
- considered good	13,933.49	1,288.42	250.36	16.22	1.54	15,490.03
- credit impaired	-	-	-	-	1.98	1.98
<b>TOTAL</b>	<b>13,933.49</b>	<b>1,288.42</b>	<b>250.36</b>	<b>16.22</b>	<b>3.52</b>	<b>15,492.02</b>

Trade Receivables Ageing Schedule as at March 31, 2022	Outstanding for following periods from due date of payment					
	Not due	Less than 6 months	6 months - 1 year	1-2 years	More than 2 years	TOTAL
<b>Undisputed Trade receivables</b>						
- considered good	26,436.28	832.41	91.95	2.12	-	27,362.76
- credit impaired	-	-	-	-	-	-
<b>TOTAL</b>	<b>26,436.28</b>	<b>832.41</b>	<b>91.95</b>	<b>2.12</b>	<b>-</b>	<b>27,362.76</b>

**Note 10.2:** There are no Disputed Trade Receivables during the current year or previous year.

**Note 10.3:** Refer note no. 51 for outstanding receivables from Related Party.

**NOTE 11 : CASH AND CASH EQUIVALENTS**

(₹ lakh)

Particulars	As at March 31, 2023	As at March 31, 2022
1 Balances with banks:		
Current accounts	45.65	54.46
<b>TOTAL</b>	<b>45.65</b>	<b>54.46</b>

**NOTE 12 : BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS**

(₹ lakh)		
Particulars	As at March 31, 2023	As at March 31, 2022
1 Fixed deposits - Original maturity more than 3 months and less than 12 months (Refer Note 12.1)	87.55	121.09
2 Unclaimed dividend accounts	4.70	5.93
<b>TOTAL</b>	<b>92.25</b>	<b>127.02</b>

**Note 12.1:** Fixed deposits are restricted and the same is held towards security of bank guarantees.

**NOTE 13 : CURRENT FINANCIAL ASSETS - LOANS**

(₹ lakh)		
Particulars	As at March 31, 2023	As at March 31, 2022
Unsecured, considered good, unless otherwise stated		
Loans and advances to employees	2.04	14.62
<b>TOTAL</b>	<b>2.04</b>	<b>14.62</b>

**Note 13.1:** No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Company or provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

The Company has not received any funds from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

**NOTE 14 : OTHER CURRENT FINANCIAL ASSETS**

(₹ lakh)		
Particulars	As at March 31, 2023	As at March 31, 2022
1 Security Deposits	19.68	2.85
2 Merchandise exports incentive scheme - scripts in hand	24.65	278.96
3 Interest accrued on financial assets	15.24	18.84
4 Claims receivable	-	200.00
<b>TOTAL</b>	<b>59.57</b>	<b>500.65</b>

**NOTE 15 : OTHER CURRENT ASSETS**

		(₹ lakh)	
Particulars	As at March 31, 2023	As at March 31, 2022	
1 Advances to suppliers	122.05	419.86	
2 Balance with government authorities			
i) Unsecured and considered good	4,013.92	3,875.59	
ii) Credit impaired	16.18	23.29	
Less : Loss allowance	(16.18)	(23.29)	
<b>Total Balance with government authorities (net)</b>	<b>4,013.92</b>	<b>3,875.59</b>	
3 Prepaid expenses	495.71	484.76	
4 Advance to related party (Refer note 51)	3.27	3.27	
<b>TOTAL</b>	<b>4,634.95</b>	<b>4,783.48</b>	

**NOTE 16 : SHARE CAPITAL**

Particulars	As at March 31, 2023	As at March 31, 2022
<b>1 Authorised :</b>		
2,50,00,000 (Previous year: 2,50,00,000) Equity shares of the par value of ₹ 10 each	2,500.00	2,500.00
<b>TOTAL</b>	<b>2,500.00</b>	<b>2,500.00</b>
<b>2 Issued, Subscribed and Paid-up:</b>		
1,96,05,660 (Previous year: 1,95,97,555) Equity shares fully paid up	1,960.57	1,959.76
<b>TOTAL</b>	<b>1,960.57</b>	<b>1,959.76</b>

Particulars	As at March 31, 2023	As at March 31, 2022
<b>3 Reconciliation of number of shares outstanding at the beginning and end of the year :</b>	No. of shares	No. of shares
<b>Equity shares :</b>		
Outstanding at the beginning of the year	1,95,97,555	1,95,87,555
Issued during the year	8,105	10,000
Outstanding at the end of the year	1,96,05,660	1,95,97,555

**4 Rights, preferences and restrictions attached to equity shares**

**Equity Shares:** The Company has one class of Equity shares having a par value of ₹ 10 per share. Each Shareholder is eligible for one vote per share held. All Equity Shareholders are eligible to receive dividends in proportion to their shareholdings. The dividends proposed by the Board of Directors are subject to the approval of the Shareholders in the ensuing Annual General Meeting. In the event of liquidation, the Equity Shareholders are eligible to receive the remaining assets of the Company, after distribution of all preferential amounts, in proportion to their shareholding.



**5 Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company**

Equity shares	As at March 31, 2023		As at March 31, 2022	
	No. of shares	% of share holding	No. of shares	% of share holding
<b>Godrej Agrovet Limited - Holding company</b>	<b>1,26,99,054</b>	<b>64.77%</b>	1,24,04,016	63.29%

**6 Shares held by promoters at the end of the year in the company is set out below:**

Sr. No.	Promoter name	As at March 31, 2023			As at March 31, 2022		
		No. of shares	% of total shares	% Change during the year	No. of shares	% of total shares	% Change during the year
1	<b>Godrej Agrovet Limited - Holding company</b>	1,26,99,054	64.77%	1.48%	1,24,04,016	63.29%	-0.06%
2	<b>Ashok Hiremath</b>	3,90,802	1.99%	0.00%	3,90,802	1.99%	-7.04%

**7 8,105 equity shares were issued as a result of the exercise of vested options arising from the:**

- ESOP 2012: 4,000 shares (Exercise price:- ₹ 34/share)
- ESOP 2015: 3,000 shares (Exercise price:- ₹ 387.35/share)
- ESOP 2012(Amended): 1,105 shares (Exercise price:- ₹ 10/share)

**NOTE 17 : OTHER EQUITY**

Particulars	As at March 31, 2023	As at March 31, 2022
1. Retained earnings	32,559.85	30,324.75
2. General reserve	1,249.28	1,249.28
3. Capital redemption reserve	0.30	0.30
4. Employee stock options outstanding	35.81	29.21
5. Securities premium	6,073.56	6,034.80
<b>TOTAL OTHER EQUITY</b>	<b>39,918.80</b>	<b>37,638.34</b>

**General Reserve**

General reserve is a free reserve which is created by transferring fund from retained earnings to meet future obligations and purposes.

**Capital redemption reserve**

Capital redemption reserve was created for buy back of shares. The company may issue fully paid-up bonus shares out of the capital redemption reserve.

**Employee stock options outstanding**

The employee stock options outstanding is used to recognise the grant date fair value of options issued to employees under the Company's stock option plan.

**Securities Premium**

Securities Premium is used to record the premium received on issue of shares. The reserve is utilised in accordance with the provisions of the Companies Act, 2013.

**NOTE 18 : NON-CURRENT FINANCIAL LIABILITIES-BORROWINGS**

Particulars	(₹ lakh)	
	As at March 31, 2023	As at March 31, 2022
Unsecured		
Term Loan from Bank (Refer Note 18.1)	1,086.25	-
<b>TOTAL</b>	<b>1,086.25</b>	<b>-</b>

**Note 18.1 :** Term Loan from Bank during the previous year carries interest rate at 7.39% to 7.83% and is repayable over a period till FY 2024-25. During the current year the 4,503 lakhs (previous year ₹ 4,000 Lakh) has been disclosed under current maturity of Long term Borrowing.

The Company does not have any continuing default as on the Balance Sheet date in repayment of loans and interest.

**NOTE 19 : LEASE LIABILITIES**

Particulars	(₹ lakh)	
	As at March 31, 2023	As at March 31, 2022
Lease liabilities	11.42	20.39
<b>TOTAL</b>	<b>11.42</b>	<b>20.39</b>

**NOTE 20 : OTHER NON-CURRENT LIABILITIES**

Particulars	(₹ lakh)	
	As at March 31, 2023	As at March 31, 2022
Employee benefit payable	134.92	100.00
<b>TOTAL</b>	<b>134.92</b>	<b>100.00</b>

**NOTE 21 : NON-CURRENT LIABILITIES - PROVISIONS**

Particulars	(₹ lakh)	
	As at March 31, 2023	As at March 31, 2022
Provision for employee benefits :		
- Provision for compensated absences	47.82	42.77
<b>TOTAL</b>	<b>47.82</b>	<b>42.77</b>

**NOTE 22 : DEFERRED TAX LIABILITIES (NET)**

Particulars	(₹ lakh)	
	As at March 31, 2023	As at March 31, 2022
Deferred tax liabilities (net) (Refer note 42)	2,092.09	803.16
<b>TOTAL</b>	<b>2,092.09</b>	<b>803.16</b>

**NOTE 23 : CURRENT FINANCIAL LIABILITIES - BORROWINGS**

		(₹ lakh)	
Particulars	As at March 31, 2023	As at March 31, 2022	
<b>1 Secured</b>			
(a) Cash credit from banks (Refer Note 23.1)	-	719.38	
(b) Working Capital loan Rupee (Refer Note 23.3)	-	1,200.00	
<b>2 Unsecured</b>			
(a) Cash credit/Overdraft from banks (Refer Note 23.1)	268.99	-	
(b) Working Capital loan Rupee (Refer Note 23.3)	13,563.31	2,017.93	
(c) Commercial Paper (Refer Note 23.4)	12,500.00	20,000.00	
(d) Buyers credit (Refer Note 23.2)	2,195.53	-	
(e) Current maturities of long-term debt - Term Loan from Bank (Refer Note 18.1)	4,503.93	4,000.00	
<b>TOTAL</b>	<b>33,031.76</b>	<b>27,937.31</b>	

**Note 23.1 :** Cash Credit from banks are repayable on demand and carries interest at MCLR + 0.25% (Previous year - MCLR + 0.25%).

**Note 23.2 :** Buyers Credit from banks are repayable on as per due dates rates between 7.46% pa to 8.05% pa (Previous Year : No Buyers credit Transactions)

**Note 23.3 :** Working capital loan (Rupee) from banks carries interest rate at 7.45% to 8.25%(Previous year 6.10%). These loans are repayable on different dates within 6 months.

**Note 23.4 :** Commercial Paper carries interest rate of 7.56% to 7.84% (Previous year - 4.16.% to 4.78%) and are repayable on different dates within 6 months.

**Details of security:**

The Company has all the current borrowings on unsecured basis (Previous year: All the secured current borrowings (Note 23 above) have first pari-passu charge on the current assets of the Company, including inventory and receivables both present and future.)

The company does not have any default as on the Balance Sheet date in repayment of any loan or interest.

**NOTE 24 : LEASE LIABILITIES**

Particulars	(₹ lakh)	
	As at March 31, 2023	As at March 31, 2022
Lease liabilities	8.97	8.22
<b>TOTAL</b>	<b>8.97</b>	<b>8.22</b>

**NOTE 25 : CURRENT - TRADE PAYABLES**

Particulars	(₹ lakh)	
	As at March 31, 2023	As at March 31, 2022
1 Trade payables		
a. Outstanding dues of Micro and Small Enterprises (refer note 25.1)	304.78	213.44
b. Outstanding dues of creditors other than Micro and Small Enterprises	17,419.82	18,811.05
<b>TOTAL</b>	<b>17,724.60</b>	<b>19,024.49</b>

**Note 25.1: Additional disclosure related to Micro Enterprises and Small Enterprises**

Particulars	(₹ lakh)	
	As at March 31, 2023	As at March 31, 2022
A Principal amount remaining unpaid	304.78	213.44
B Interest due thereon	-	-
C Interest paid by the company in term of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 along with the amount of the payment made to the suppliers beyond the appointed day during the year	-	-
D Interest due and payable for the year of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro, Small and Medium Enterprises Development Act, 2006	-	-
E Interest accrued and remaining unpaid	-	-
F 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	-	-

**Note 25.2:** Micro and small enterprises as defined under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) have been identified by the Company on the basis of the information available with the Company and the auditors have relied on the same. Accordingly, ₹ Nil is overdue as on March 31, 2023 (Previous year ₹ Nil) to Micro, Small and Medium Enterprises on account of principal or interest.

**Note 25.3: Trade Payable Ageing Schedule**

Trade Payable Ageing Schedule for current year	Outstanding for following periods from due date of payment					
	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
<b>Undisputed Trade Payable</b>						
(i) MSME	298.61	6.17	-	-	-	304.78
(ii) Others	10,180.73	7,198.19	27.73	12.85	0.32	17,419.82
<b>TOTAL</b>	<b>10,479.34</b>	<b>7,204.36</b>	<b>27.73</b>	<b>12.85</b>	<b>0.32</b>	<b>17,724.60</b>

Trade Payable Ageing Schedule for previous year	Outstanding for following periods from due date of payment					
	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
<b>Undisputed Trade Payable</b>						
(i) MSME	213.44	-	-	-	-	213.44
(ii) Others	7,498.50	11,251.94	20.59	10.81	29.21	18,811.05
<b>TOTAL</b>	<b>7,711.94</b>	<b>11,251.94</b>	<b>20.59</b>	<b>10.81</b>	<b>29.21</b>	<b>19,024.49</b>

**Note 25.4:** There are no Disputed Trade Payable during the current year or earlier year.

**NOTE 26 : OTHER FINANCIAL LIABILITIES**

Particulars	(₹ lakh)	
	As at March 31, 2023	As at March 31, 2022
1 Non trade payables	1,032.46	593.06
2 Interest accrued but not due		
3 Derivative liability		
- Foreign exchange forward contracts not designated as hedge	35.06	6.37
4 Unclaimed dividend	4.70	5.61
5 Others (includes accrual for bonus, incentives, etc.)	359.07	810.67
<b>TOTAL</b>	<b>1,431.29</b>	<b>1,415.71</b>

There are no amounts due to be credited to Investor Education and Protection Fund in accordance with Section 125 (2) (c) of the Companies Act, 2013 as at the year end.

**NOTE 27 : OTHER CURRENT LIABILITIES**

Particulars	(₹ lakh)	
	As at March 31, 2023	As at March 31, 2022
1 Advances from customers	206.68	536.07
2 Employee deductions	34.87	30.66
3 Statutory liabilities	119.58	110.92
<b>TOTAL</b>	<b>361.13</b>	<b>677.65</b>

There are no amounts due to be credited to Investor Education and Protection Fund in accordance with Section 205C of the Companies Act, 1956 as at the year end.

**NOTE 28 : CURRENT LIABILITIES - PROVISIONS**

		(₹ lakh)	
Particulars	As at March 31, 2023	As at March 31, 2022	
1	Provision for employee benefits		
	- Provision for compensated absences	3.19	3.36
	- Provision for gratuity (Refer note 39)	42.32	11.23
2	Provision for sales return (Refer note 28.1)	29.49	28.59
<b>TOTAL</b>		<b>75.00</b>	<b>43.18</b>

**Note 28.1 - Movement of Provision for Sales return**

		(₹ lakh)	
Particulars	As at March 31, 2023	As at March 31, 2022	
	Opening balance	28.59	15.35
	Less:- Utilised during the year	-	15.35
	Add:- Provision for the year	0.90	28.59
<b>Closing balance</b>		<b>29.49</b>	<b>28.59</b>

**Note 28.2 :** The Company makes a provision on estimated sales return based on historical experience. The Sales returns are generally expected within a year.

**NOTE 29 : REVENUE FROM OPERATIONS (REFER NOTE 29.1)**

		(₹ lakh)	
Particulars	For the Year ended March 31, 2023	For the Year ended March 31, 2022	
1	<b>Sale of products</b>		
	- Export sales	38,232.54	39,060.09
	- Domestic sales	24,584.08	28,596.52
<b>TOTAL</b>		<b>62,816.62</b>	<b>67,656.61</b>

**Note 29.1**

(₹ lakh)

Particulars	For the Year ended March 31, 2023	For the Year ended March 31, 2022
<b>1 Sales by performance obligations</b>		
Upon delivery	24,776.95	26,961.88
Upon shipment	38,039.67	40,694.73
	<b>62,816.62</b>	<b>67,656.61</b>
<b>2 Reconciliation of revenue from contract with customers</b>		
Revenue from contract with customer as per the contract price	63,123.19	67,983.07
Adjustments made to contract price on account of :-		
a) Commission / Discounts	(306.57)	(326.46)
	<b>62,816.62</b>	<b>67,656.61</b>

**NOTE 30 : OTHER INCOME**

(₹ lakh)

Particulars	For the Year ended March 31, 2023	For the Year ended March 31, 2022
1 Export incentives	33.09	33.35
2 Interest income		
(a) Instruments measured at amortised cost		
(i) Interest received on fixed deposits	364.93	5.86
(ii) Interest received on Inter Corporate Deposit	26.32	-
(ii) Interest received on others	11.28	20.01
3 Profit on sale of Property, Plant and Equipment	-	1.43
4 Insurance claims	11.66	200.00
5 Sundry balances/Provisions written back	-	28.38
6 Foreign exchange difference (net)	839.20	724.53
7 Miscellaneous income	10.03	32.78
8 Provision for other receivables	7.11	-
<b>TOTAL</b>	<b>1,303.62</b>	<b>1,046.34</b>

**NOTE 31 : COST OF MATERIALS CONSUMED**

(₹ lakh)

Particulars	For the Year ended March 31, 2023	For the Year ended March 31, 2022
1 Stocks at the beginning of the year	8,044.14	5,786.79
2 Add : Purchases	50,844.60	46,738.85
	<b>58,888.74</b>	<b>52,525.64</b>
3 Less: Stocks at the end of the year	12,805.28	8,044.14
<b>TOTAL</b>	<b>46,083.46</b>	<b>44,481.50</b>

**NOTE 32 : CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK-IN-PROGRESS**

(₹ lakh)

Particulars	For the Year ended March 31, 2023	For the Year ended March 31, 2022
<b>1 Stocks at the beginning of the year</b>		
(a) Finished goods	4,489.43	727.89
(b) Work-in-progress	5,830.68	3,791.80
<b>Total Stock at the beginning of the year</b>	<b>10,320.11</b>	<b>4,519.69</b>
<b>2 Less : Stocks at the end of the year</b>		
(a) Finished goods	10,123.91	4,489.43
(b) Work-in-progress	6,155.23	5,830.68
<b>Total Stock at the end of the year</b>	<b>16,279.14</b>	<b>10,320.11</b>
Changes in the stock of finished goods and work-in-progress	(5,959.03)	(5,800.42)

**NOTE 33 : EMPLOYEE BENEFIT EXPENSE**

(₹ lakh)

Particulars	For the Year ended March 31, 2023	For the Year ended March 31, 2022
1 Salaries, wages, bonus and allowances	4,811.11	4,671.72
2 Contribution to provident, gratuity and other funds	254.98	201.70
3 Expense on employee stock based payments (Refer Note 45)	33.07	10.47
4 Staff welfare expense	126.72	147.52
<b>TOTAL</b>	<b>5,225.88</b>	<b>5,031.41</b>



**NOTE 34 : FINANCE COSTS**

(₹ lakh)

Particulars	For the Year ended March 31, 2023	For the Year ended March 31, 2022
1 Interest expense		
Paid towards loans and cash credit	2,018.41	872.74
2 Other borrowing costs	55.60	36.28
<b>TOTAL</b>	<b>2,074.01</b>	<b>909.02</b>

**NOTE 35 : DEPRECIATION AND AMORTISATION EXPENSE**

(₹ lakh)

Particulars	For the Year ended March 31, 2023	For the Year ended March 31, 2022
1 Depreciation	3,247.10	3,327.98
2 Amortisation	79.62	70.18
3 Amortisation of right of use asset (Refer Note 3)	44.48	43.43
<b>TOTAL</b>	<b>3,371.20</b>	<b>3,441.59</b>

**NOTE 36 : OTHER EXPENSES**

(₹ lakh)

Particulars	For the Year ended March 31, 2023	For the Year ended March 31, 2022
1 Power and fuel	4,567.75	3,804.16
2 Rent	106.27	101.22
3 Rates and taxes	64.67	60.32
4 Effluent treatment plant charges	663.62	415.68
5 Stores and spares consumed	418.95	402.56
6 Repairs and maintenance		
(a) Machinery	514.90	450.49
(b) Buildings	27.19	49.74
(c) Other assets	21.67	18.82
7 Insurance	644.77	502.92
8 Auditor's remuneration (Refer Note 36 (a) below)	22.18	21.05
9 Freight	751.02	1,083.38
10 Professional and legal fees	558.34	289.83
11 Directors sitting fees	31.50	31.00
12 Bad debts written off		
Less: Utilised from loss allowance	1.98	0.36
13 Security charges	168.33	137.36
14 Loss on sale of Property, Plant and Equipment	52.35	-
15 Research expenses	148.53	91.40
16 Travelling expenses	79.91	35.77
17 Provision for other receivables	-	28.22
18 Corporate social responsibility (Refer Note No. 50)	180.73	137.69
19 Miscellaneous expenses	815.16	873.80
<b>TOTAL</b>	<b>9,839.82</b>	<b>8,535.77</b>

**Note 36 (a) : Auditor's remuneration**

Particulars	(₹ lakh)	
	For the Year ended March 31, 2023	For the Year ended March 31, 2022
(a) Audit Fees (including limited reviews)	20.75	20.15
(b) Other matters (Certification)	0.75	0.85
(c) Reimbursement of Expenses	0.68	0.05
<b>TOTAL</b>	<b>22.18</b>	<b>21.05</b>

**NOTE 37 : EARNINGS PER SHARE**

**Calculation of weighted average number of equity shares**

Particulars	March 31, 2023	March 31, 2022
<b>1 Calculation of weighted average number of equity shares - Basic</b>		
(a) Number of shares at the beginning of the year	1,95,97,555	1,95,87,555
Number of shares outstanding at the end of the year	1,96,05,660	1,95,97,555
Weighted average number of equity shares outstanding during the year	<b>1,96,03,024</b>	<b>1,95,89,899</b>
<b>2 Calculation of weighted average number of equity shares - Diluted</b>		
(a) Number of shares at the beginning of the year	1,95,97,555	1,95,87,555
Effect of potential equity shares	9,097	14,049
Revised number of potential shares at the beginning of the year	<b>1,96,06,652</b>	<b>1,96,01,604</b>
(b) Number of equity shares outstanding at the end of the year	1,96,05,660	1,95,97,555
Effect of potential equity shares	3,882	9,097
Revised number of potential equity shares outstanding at the end of the year	<b>1,96,09,542</b>	<b>1,96,06,652</b>
Weighted average number of potential equity shares outstanding during the year	<b>1,96,06,906</b>	<b>1,95,98,996</b>
<b>3 Profit attributable to ordinary shareholders (Basic/diluted)</b>		
Profit (loss) for the year, attributable to the owners of the Company	2,552.04	8,981.80
<b>4 Basic Earnings per share (₹ )</b>	13.02	45.85
<b>5 Diluted Earnings per share (₹ )</b>	13.02	45.83
<b>6 Nominal Value of Shares (₹ )</b>	10	10

**Note 37.1**

The calculation of diluted earnings per share is based on profit attributed to equity shareholders and weighted average number of equity shares outstanding after adjustments for the effects of all dilutive potential equity shares.

**NOTE 38 : FINANCIAL RATIOS**

Particulars	March 31, 2023	March 31, 2022
(a) Current Ratio (refer note 38. 1)	0.95	1.05
(b) Debt Equity ratio (refer note 38. 2)	0.81	0.71
(c) Debt Service Coverage Ratio (DSCR) (refer note 38. 3)	1.25	13.10
(d) Return on Equity Ratio (refer note 38. 4)	6%	25%
(e) Inventory turnover (refer note 38. 5)	1.67	2.64
(f) Trade Receivables turnover ratio (refer note 38. 6)	2.75	2.92
(g) Trade payables turnover ratio (refer note 38. 7)	2.67	3.03
(h) Net capital turnover ratio (refer note 38. 8)	37.38	10.52
(i) Net profit ratio (refer note 38. 9)	4%	13%
(j) Return on Capital employed (refer note 38. 10)	7.3%	19%

**Note 38. 1** Current ratio : Current assets / Current liabilities

**Note 38. 2** Debt Equity ratio : Total Debt / Shareholder's Equity

**Note 38. 3** Debt Service Coverage Ratio : (Net Profit after taxes + Non-cash operating expenses like depreciation and other amortizations + Interest + other adjustments like loss on sale of Fixed assets/Investment etc.) / (Interest & Lease Payments + Principal Repayments)

**Note 38. 4** Return on Equity Ratio : Net Profits after taxes – Preference Dividend (if any) / Average Shareholder's Equity

**Note 38. 5** Inventory turnover : Cost of goods sold / Average Inventory

The Inventory Turnover ratio has decreased substantially during the current year. This is due to sharp fall in demand of few products in the second half of the current year.

**Note 38. 6** Trade Receivables turnover ratio : Net Credit Sales / Average Trade Receivable

**Note 38. 7** Trade payables turnover ratio : Net Credit Purchases / Average Trade Payables

**Note 38. 8** Net capital turnover ratio : Net Sales / Working Capital

During the current financial year, the working Capital were decreased significantly due to lower sales in second half. Hence, increase in Net Capital Turnover Ratio.

**Note 38. 9** Net profit ratio : Net Profit / Net Sales

**Note 38. 10** Return on Capital employed : Earning before interest and taxes / (Tangible Net Worth + Total Debt + Deferred Tax Liability)

The Debt service coverage ratio(DSCR), Return on Equity, Net profit ratio and Return on Capital employed for the current financial year are less than that of previous financial year. The Profit was sharply down due to challenging market conditions in the agro-chemical industry.

**NOTE 39 : EMPLOYEE BENEFITS**

The Company contributes to the following post-employment plans in India.

**Defined Contribution Plan:**

The Company pays provident fund contributions to publicly administered provident funds as per local regulations and are recognised as expense in the Statement of Profit and Loss during the period in which the employee renders the related service. There are no further obligations other than the contributions payable to the appropriate authorities.

The Company recognised ₹ 187.78 lakh for the year ended March 31, 2023 (Previous Year ₹ 163.36 lakh ) towards provident fund contribution in the Statement of Profit and Loss.

**Defined Benefit Plan:**

The Company's gratuity scheme is defined benefit plan. The Company's liability for the defined benefit scheme is actuarially determined based on the projected unit credit method. The Company's net obligations in respect of such plans is calculated by estimating the amount of future benefit that the employees have earned in return for their services and the current and prior periods that benefit is discounted to determine its present value and the fair value of the plan asset is deducted. Actuarial gains and losses are recognised in Other Comprehensive Income.

In accordance with the provisions of the Payment of Gratuity Act, 1972, the Company has a defined benefit plan which provides for gratuity payments. The plan provides a lump sum gratuity payment to eligible employees at retirement or termination of their employment. The amounts are based on the respective employee's last drawn salary and the years of employment with the Company.

Liabilities in respect of the gratuity plan are determined by an actuarial valuation, based upon which the Company makes annual contributions to the Group Gratuity cum Life Assurance Schemes administered by the LIC of India, a funded defined benefit plan for qualifying employees. Trustees administer the contributions made by the Company to the gratuity scheme.

The most recent actuarial valuation of the defined benefit obligation along with the fair valuation of the plan assets in relation to the gratuity scheme was carried out as at March 31, 2023. The present value of the defined benefit obligations and the related current service cost and past service cost, were measured using the Projected Unit Credit Method.

Based on the actuarial valuation obtained in this respect, the following table sets out the details of the employee benefit obligation and the plan assets as at balance sheet date:

Particulars	(₹ lakh)	
	March 31, 2023	March 31, 2022
Defined benefit obligation	(253.08)	(226.86)
Fair value of plan assets	210.76	215.63
<b>Net defined benefit (obligation)/assets</b>	<b>(42.32)</b>	<b>(11.23)</b>

**i. Movement in net defined benefit (asset) / liability**

The following table shows a reconciliation from the opening balances to the closing balances for net defined benefit (asset) / liability and its components

(₹ lakh)

Particulars	Defined Benefit Obligation		Fair value of plan assets		Net defined benefit (asset) liability	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
Opening balance	226.86	201.46	215.63	156.70	11.23	44.76
<b>Included in profit or loss</b>						
Current service cost	28.14	23.90	-	-	28.14	23.90
Past service cost		-		-	-	-
Interest cost (income)	16.63	14.00	15.81	10.89	0.82	3.11
Liability / Assets transferred in / Acquisitions	3.63	-	3.63	-	-	-
<b>Included in OCI</b>						
Remeasurement loss (gain):	-	-	-	-	-	-
Actuarial loss (gain) arising from:	20.29	(0.30)	-	-	20.29	(0.30)
Demographic assumptions	(2.00)	(0.21)	-	-	(2.00)	(0.21)
Financial assumptions	(4.49)	(9.34)	-	-	(4.49)	(9.34)
Experience adjustment	26.78	9.25	-	-	26.78	9.25
Return on plan assets excluding interest income	-	-	(10.29)	(1.02)	10.29	1.02
	<b>295.55</b>	<b>239.06</b>	<b>224.78</b>	<b>166.57</b>	<b>70.77</b>	<b>72.49</b>
<b>Others</b>						
Contributions paid by the employer	-	-	28.46	61.26	(28.46)	(61.26)
Benefits paid	(42.47)	(12.20)	(42.47)	(12.20)	-	-
<b>Closing balance</b>	<b>253.08</b>	<b>226.86</b>	<b>210.76</b>	<b>215.63</b>	<b>42.32</b>	<b>11.23</b>

**Represented by**

(₹ lakh)

Particulars	March 31, 2023	March 31, 2022
Net defined benefit asset	-	-
Net defined benefit liability	42.32	11.23
<b>TOTAL</b>	<b>42.32</b>	<b>11.23</b>

**ii. Plan assets**

**Plan assets comprise the following**

Particulars	(₹ lakh)	
	March 31, 2023	March 31, 2022
Cash And Cash Equivalents	4.85	16.50
Insurer managed fund	205.91	199.13
<b>TOTAL</b>	<b>210.76</b>	<b>215.63</b>

**iii. Actuarial assumptions**

The following were the principal actuarial assumptions at the reporting date (expressed as weighted averages).

Particulars	March 31, 2023	March 31, 2022
Discount rate	7.49%	7.33%
Future salary growth	5.00%	5.00%
Rate of employee turnover	For service 4 years and below 10.00% p.a. For service 5 years and above 2.00% p.a.	For service 4 yrs & Below 7.00 % p.a. & For service 5 yrs and above 2.00 % p.a.
Mortality rate	Indian Assured Lives Mortality 2012-14 (Urban)	Indian Assured Lives Mortality (2012-14)

Assumptions regarding future mortality have been based on published statistics and mortality tables.

**iv. Sensitivity analysis**

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.

Particulars	(₹ lakh)			
	March 31, 2023		March 31, 2022	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	(25.51)	30.17	(21.88)	25.96
Future salary growth (1% movement)	30.63	(26.29)	26.31	(22.52)
Rate of employee turnover (1% movement)	6.28	(7.26)	5.05	(5.85)

The sensitivity analysis above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period.

**v. Expected future cash flows**

The expected future cash flows in respect of gratuity as at March 31, 2023 were as follows

	(₹ lakh)	
Expected future benefit payments	March 31, 2023	March 31, 2022
1st Following year	7.15	24.57
2nd Following year	7.57	6.16
3rd Following year	18.57	6.52
4th Following year	10.69	16.81
5th Following year	10.22	9.18
Thereafter	109.80	89.05

**Other long-term employee benefits:**

Compensated absences are payable to employees at the rate of daily salary for each day of accumulated leave on death or on resignation or upon retirement. The charge towards compensated absences for the year ended March 31, 2023 based on actuarial valuation using the projected accrued benefit method is ₹ 10.59 lakh (Previous year : ₹ 1.45 lakh).

Terminal Benefits: All terminal benefits including voluntary retirement compensation are fully written off to the Statement of Profit & Loss.

**NOTE 40: FINANCIAL INSTRUMENTS – FAIR VALUES AND RISK MANAGEMENT****Note 40.1 : Accounting classification and fair values**

Carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy, are presented below. It does not include the fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

		Carrying amount				Fair value			
March 31, 2023		FVTPL	FVOCI	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
<b>Financial assets</b>									
<b>I Non Current Financial Assets</b>									
1	Investments	0.53	-	-	0.53	-	0.53	-	0.53
2	Loans	-	-	326.38	326.38	-	-	-	-
<b>II Current Financial Assets</b>									
1	Trade and other receivables	-	-	15,490.03	15,490.03	-	-	-	-
2	Cash and cash equivalents	-	-	45.65	45.65	-	-	-	-
3	Bank balance other than (2) above	-	-	92.25	92.25	-	-	-	-
4	Loans and advances	-	-	2.04	2.04	-	-	-	-
5	Others	24.65	-	34.92	59.57	-	24.64	-	24.64
<b>TOTAL</b>		<b>25.17</b>	<b>-</b>	<b>15,991.26</b>	<b>16,016.44</b>	<b>-</b>	<b>25.17</b>	<b>-</b>	<b>25.17</b>

(₹ lakh)

March 31, 2023	Carrying amount				Fair value			
	FVTPL	FVOCI	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
<b>Financial liabilities</b>								
<b>I Non Current Financial Liabilities</b>								
2	Lease liabilities	-	-	11.42	11.42	-	-	-
<b>II Current Financial liabilities</b>								
1	Borrowings	-	-	33,031.76	33,031.76	-	-	-
2	Trade payables	-	-	17,724.60	17,724.60	-	-	-
3	Other financial liabilities	35.06	-	1,396.23	1,431.29	-	35.06	-
<b>TOTAL</b>		<b>35.06</b>	<b>-</b>	<b>53,250.26</b>	<b>53,285.32</b>	<b>-</b>	<b>35.06</b>	<b>-</b>

(₹ lakh)

March 31, 2022	Carrying amount				Fair value			
	FVTPL	FVOCI	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
<b>I Non-current Financial Assets</b>								
1	Investments	0.53	-	-	0.53	-	0.53	-
2	Loans	-	-	278.94	278.94	-	-	-
<b>II Current Financial Assets</b>								
1	Trade and other receivables	-	-	27,362.76	27,362.76	-	-	-
2	Cash and cash equivalents	-	-	54.46	54.46	-	-	-
3	Bank balance other than (2) above	-	-	127.02	127.02	-	-	-
4	Loans and advances	-	-	14.62	14.62	-	-	-
5	Others	278.96	-	221.69	500.65	-	278.90	-
<b>TOTAL</b>		<b>279.49</b>	<b>-</b>	<b>28,059.49</b>	<b>28,338.98</b>	<b>-</b>	<b>279.43</b>	<b>-</b>
<b>I Non-current Financial Liabilities</b>								
1	Lease Liabilities	-	-	20.39	20.39	-	-	-
2	Other non-current financial liabilities	-	-	-	-	-	-	-
<b>II Current Financial Liabilities</b>								
1	Borrowings	-	-	27,937.31	27,937.31	-	-	-
2	Trade payables	-	-	19,024.49	19,024.49	-	-	-
3	Other financial liabilities	6.37	-	1,409.34	1,415.71	-	6.37	-
<b>TOTAL</b>		<b>6.37</b>	<b>-</b>	<b>48,391.53</b>	<b>48,397.90</b>	<b>-</b>	<b>6.37</b>	<b>-</b>



### **Valuation technique used to determine fair value**

Specific valuation techniques used to value financial instruments include :

- the fair value of the forward foreign exchange contracts is determined using forward exchange rates at the balance sheet date.
- the fair value of the remaining financial instruments is determined using discounted cash flow analysis.

All of the resulting fair value estimates are included in level 2 where the fair values have been determined based on present values and the discount rates used were adjusted for counterparty or own credit risk.

### **C. Financial risk management**

The Company has exposure to the following risks arising from financial instruments:

- Credit risk ;
- Liquidity risk;
- Market risk;
- Currency risk;

#### **i. Risk management framework**

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The board of directors has established the Risk Management Committee, which is responsible for developing and monitoring the Company's risk management policies. The committee reports regularly to the board of directors on its activities.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The audit committee oversees how management monitors compliance with the company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and adhoc reviews of risk management controls and procedures, the results of which are reported to the audit committee.

#### **Note 40.2 : Credit risk**

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers and loans and advances.

The carrying amount of following financial assets represents the maximum credit exposure:

#### **Trade receivables and loans and advances**

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer and the geography in which it operates. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business.

The Company has established a credit policy under which each new customer is analysed individually for creditworthiness before the Company's standard payment and delivery terms and conditions are offered. The Company's export sales are backed by letters of credit and Trade Credit Insurance policy from Export Credit Guarantee Corporation of India (ECGC).

The company individually monitors the sanctioned credit limits as against the outstanding balances. Accordingly, the Company makes specific provisions against such trade receivables wherever required and monitors the same at periodic intervals.

The Company monitors each loans and advances given and makes any specific provision wherever required.

The Company establishes an allowance for impairment that represents its estimate of expected losses in respect of trade receivables and loans and advances.

The maximum exposure to credit risk for trade and other receivables by type of counterparty was as follows.

(₹ lakh)

Particulars	Carrying amount	
	March 31, 2023	March 31, 2022
Exports	6,934.15	16,492.05
Domestic	8,555.88	10,870.71
<b>Total of Trade Receivables (Net of Loss Allowance)</b>	<b>15,490.03</b>	<b>27,362.76</b>

Impairment - The ageing of trade receivables that were not impaired is as per Note 10. 1.

The movement in the allowance for impairment in respect of trade and other receivables during the year was as follows:

(₹ lakh)

For Trade Receivables	March 31, 2023	March 31, 2022
Balance as at the beginning of the year	-	24.78
Loss allowance recognised	1.98	-
Amounts written off	-	(24.78)
<b>Balance as at the end of the year</b>	<b>1.98</b>	<b>-</b>

#### Other financial assets

This comprises mainly of balances with banks, deposits with Government authorities and other receivables. Credit risk arising from these financial assets is limited and there is no collateral held against these because the counterparties are banks and government organizations. The Company considers that its balances with banks have low credit risk based on the external credit ratings of the counterparties. The Company has created the loss allowance for other receivables on specific identification basis.

#### Cash and cash equivalents

The Company held cash and cash equivalents of ₹ 45.65 lakh at March 31, 2023 (previous year ₹ 54.46 lakh) . The cash and cash equivalents are held with bank and financial institution counterparties with good credit rating.

#### Note 40.3 : Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

**Exposure to liquidity risk**

The company has sufficient current assets to manage the liquidity risk, if any in relation to current financial liabilities.

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include estimated interest payments and exclude the impact of netting agreements.

(₹ lakh)

March 31, 2023	Contractual cash flows						
	Carrying amount	Total	0-6 months	6-12 months	1-2 years	2-5 years	More than 5 years
<b>Non-derivative financial liabilities</b>							
<b>Non current, non derivative financial liabilities</b>							
Long term borrowings	1,086.25	1,086.25	-	-	1,086.25	-	-
Lease Liability	11.42	11.42	-	-	9.77	1.65	-
<b>Current, non derivative financial liabilities</b>	-	-	-	-	-	-	-
Lease Liability	8.97	8.97	4.48	4.48	-	-	-
Cash credit from bank	268.99	268.99	268.99	-	-	-	-
Working capital loans	13,563.31	13,563.31	13,563.31	-	-	-	-
Commercial Paper	12,500.00	12,500.00	12,500.00	-	-	-	-
Buyers credit	2,195.53	-	-	-	-	-	-
Current maturities of long-term debt	4,503.93	4,503.93	1,843.93	2,660.00	-	-	-
Trade payables	17,724.60	17,724.60	17,724.60	-	-	-	-
Other current financial liabilities	1,396.23	1,396.23	1,396.23	-	-	-	-
	-	-	-	-	-	-	-
<b>Derivative liability</b>	35.06	35.06	-	35.06	-	-	-
<b>TOTAL</b>	<b>53,294.29</b>	<b>51,098.76</b>	<b>47,301.54</b>	<b>2,699.54</b>	<b>1,096.02</b>	<b>1.65</b>	<b>-</b>

(₹ lakh)

March 31, 2022	Contractual cash flows						
	Carrying amount	Total	0-6 months	6-12 months	1-2 years	2-5 years	More than 5 years
<b>Non-derivative financial liabilities</b>							
<b>Non current, non derivative financial liabilities</b>							
Long term borrowings	-	-	-	-	-	-	-
Lease Liability	20.39	23.40	-	-	10.80	12.60	-
<b>Current, non derivative financial liabilities</b>							
Lease Liability	8.22	8.22	4.11	4.11	-	-	-
Cash credit from bank	719.38	719.38	719.38	-	-	-	-
Working capital loans	3,217.93	3,217.93	3,217.93	-	-	-	-
Commercial Paper	20,000.00	20,000.00	20,000.00	-	-	-	-
Current maturities of long-term debt	4,000.00	4,000.00	4,000.00	-	-	-	-
Trade payables	19,024.49	19,024.49	19,024.49	-	-	-	-
Other current financial liabilities	1,409.34	1,409.34	1,409.34	-	-	-	-
<b>Derivative liability</b>	6.37	6.37	6.37	-	-	-	-
<b>Total</b>	<b>48,406.12</b>	<b>48,409.13</b>	<b>48,381.62</b>	<b>4.11</b>	<b>10.80</b>	<b>12.60</b>	<b>-</b>

The gross outflows disclosed in the above table represent the contractual undiscounted cash flows relating to derivative financial liabilities held for risk management purposes and which are not usually closed out before contractual maturity. The disclosure shows net cash flow amounts for derivatives that are net cash-settled and gross cash inflow and outflow amounts for derivatives that have simultaneous gross cash settlement.

#### Note 40.4 : Currency Risk

##### Market risk

Market risk is the risk that changes in market prices – such as foreign exchange rates, interest rates and equity prices – will affect the Company’s income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return. The Company uses derivatives to manage market risks. Generally, the Company hedge the financial instruments to manage volatility in profit or loss.

##### Currency risk

The company operates internationally and portion of the business is transacted in USD, EURO and CHF currencies and consequently the company is exposed to foreign exchange risk through its sales in overseas market and purchases from overseas suppliers in various foreign currencies. Foreign currency exchange rate exposure is partly balanced by purchasing of goods and services in the respective currencies and through derivative instruments.

The company evaluates exchange rate exposure arising from foreign currency transactions and the company follows established risk management policies, including the use of derivatives like foreign exchange forward contracts to hedge exposure to foreign currency risk.

##### Exposure to currency risk

The summary quantitative data about the Company’s exposure to currency risk as reported to the management of the Company is as follows. The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include estimated interest payments and exclude the impact of netting agreements.

Particulars	(₹ lakh)					
	March 31, 2023			March 31, 2022		
	USD	EUR	CHF	USD	EUR	CHF
<b>Financial Assets</b>						
Trade receivables	6,934.15	-	-	15,955.97	-	-
Foreign exchange forward contracts	-	-	-	(6,083.46)	-	-
<b>Net exposure to foreign currency risk (Assets)</b>	<b>6,934.15</b>	<b>-</b>	<b>-</b>	<b>9,872.51</b>	<b>-</b>	<b>-</b>
<b>Financial Liabilities</b>						
Buyers credit / PCFC	(2,195.53)	-	-	-	-	-
Trade payables	(14,437.30)	(31.33)	2.29	(13,845.02)	(29.61)	-
Foreign exchange forward contracts	7,941.28	-	-	-	-	-
<b>Net exposure to foreign currency risk (Liabilities)</b>	<b>(8,691.55)</b>	<b>(31.33)</b>	<b>2.29</b>	<b>(13,845.02)</b>	<b>(29.61)</b>	<b>-</b>
<b>Net exposure</b>	<b>(1,757.40)</b>	<b>(31.33)</b>	<b>2.29</b>	<b>(3,972.50)</b>	<b>(29.61)</b>	<b>-</b>
Un-hedged foreign currency exposures						
Payable	(8,691.55)	(31.33)	2.29	(13,845.02)	(29.61)	-
Receivable	6,934.15	-	-	9,872.51	-	-

Forward exchanges forwards contract has been restated at closing RBI rate.

## Sensitivity analysis

A reasonably possible strengthening / (weakening) of the Indian Rupee against all other currencies at March 31, 2023 would have affected the measurement of financial instruments denominated in a foreign currency and affected equity and 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.

Effect ₹ in lakh	Profit or (loss) before tax	
	Strengthening	Weakening
<b>March 31, 2023</b>		
USD (4% movement)	(70.30)	70.30
EUR (3% movement)	(0.94)	0.94
CHF (4% movement)	0.09	(0.09)
<b>Total</b>	<b>(71.14)</b>	<b>71.14</b>

Effect ₹ in lakh	Profit or (loss) before tax	
	Strengthening	Weakening
<b>March 31, 2022</b>		
USD (2% movement)	(79.45)	79.45
EUR (3% movement)	(0.89)	0.89
<b>Total</b>	<b>(80.34)</b>	<b>80.34</b>

Note: Sensitivity has been calculated using standard Deviation % of Foreign currency rate movement.

### Note 40.5 : Interest rate risk

Interest rate risk can either be fair value interest rate risk or cash flow interest rate risk. Fair value interest rate risk is the risk of changes in fair values of fixed interest bearing financial assets or borrowings because of fluctuations in the interest rates, if such assets/borrowings are measured at fair value through profit or loss. Cash flow interest rate risk is the risk that the future cash flows of floating interest bearing borrowings will fluctuate because of fluctuations in the interest rates.

### Exposure to interest rate risk

The interest rate profile of the Company's interest-bearing financial instruments as reported to the management of the Company is as follows.

Particulars	(₹ lakh)	
	March 31, 2023	March 31, 2022
<b>Fixed-rate instruments</b>		
<b>Financial assets</b>		
Loans	360.49	270.75
Bank Deposits	87.55	121.09
<b>Total</b>	<b>448.04</b>	<b>391.84</b>
<b>Financial liabilities</b>		
Working capital loan	8,382.20	3,200.00
Buyer's Credit	2,195.53	-
Commercial papers	12,500.00	20,000.00
<b>Total</b>	<b>23,077.73</b>	<b>23,200.00</b>
<b>Variable-rate instruments</b>		
<b>Financial liabilities</b>		
Borrowings - Non-Current	1,086.25	-
Borrowings - Current	9,954.02	4,737.31
<b>Total</b>	<b>11,040.27</b>	<b>4,737.31</b>

**Cash flow sensitivity analysis for variable-rate instruments**

A reasonably possible change of 100 basis points in interest rates at the reporting date would have increased / (decreased) profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency exchange rates, remain constant.

Particulars	Profit or (loss) before tax		Profit or (loss) before tax	
	March 31, 2023		March 31, 2022	
	100 bp increase	100 bp decrease	100 bp increase	100 bp decrease
Variable-rate instruments	(110.40)	110.40	(47.37)	47.37
<b>Cash flow sensitivity (net)</b>	<b>(110.40)</b>	<b>110.40</b>	<b>(47.37)</b>	<b>47.37</b>

The risk estimates provided assume a change of 100 basis points interest rate for the interest rate benchmark as applicable to the borrowings summarized above. This calculation also assumes that the change occurs at the balance sheet date and has been calculated based on risk exposures outstanding as at that date. The year end balances are not necessarily representative of the average debt outstanding during the year.

**NOTE 41 : INCOME TAXES**
**(a) Amounts recognised in profit and loss**

Particulars	Profit or (loss) before tax	
	March 31, 2023	March 31, 2022
<b>Current income tax</b>		
In respect of current year	-	2,861.27
Adjustments in respect of earlier years	(363.76)	-
<b>Deferred income tax</b>		
In respect of current year		
Origination and reversal of temporary differences	932.87	261.01
Adjustments in respect of earlier years		
Origination and reversal of temporary differences	363.76	-
<b>Deferred tax expense</b>	<b>1,296.63</b>	<b>261.01</b>
<b>Tax expense recognised in the Statement of Profit &amp; Loss</b>	<b>932.87</b>	<b>3,122.28</b>

The Company in its Income tax return for the previous year had claimed deduction of Research and Development based on the Capital expenditure incurred, but not in the books of accounts. Accordingly, current tax pertaining to previous period has been reduced while Deferred tax has increased correspondingly.

**(b) Amounts recognised in other comprehensive income**

Particulars	March 31, 2023			March 31, 2022		
	Before tax	Tax (expense) / benefit	Net of tax	Before tax	Tax (expense) / benefit	Net of tax
	<b>Items that will not be reclassified to profit or loss</b>					
Remeasurement of defined benefit (liability) / asset	(30.58)	7.70	(22.88)	(0.72)	0.18	(0.54)
	<b>(30.58)</b>	<b>7.70</b>	<b>(22.88)</b>	<b>(0.72)</b>	<b>0.18</b>	<b>(0.54)</b>

**(c) Reconciliation of tax expense and accounting profit for the year is as under:**

Particulars	(₹ lakh)	
	March 31, 2023	March 31, 2022
<b>Profit before tax</b>	<b>3,484.91</b>	<b>12,104.08</b>
Company's domestic tax rate	25.17%	25.168%
Tax using the Company's domestic tax rate (Current year 25.168% and Previous Year 25.168%)	877.08	3,046.35
<b>Tax effect of:</b>		
Expense not allowed for tax purposes	55.79	47.51
Others	-	28.42
<b>TOTAL</b>	<b>932.88</b>	<b>3,122.28</b>
Adjustments in respect of earlier years	-	-
<b>Tax expense as per Statement of Profit &amp; Loss</b>	<b>932.88</b>	<b>3,122.28</b>
Current tax	-	2,861.27
Deferred tax	932.87	261.01

The Company's weighted average tax rates for the year ended March 31, 2023 and March 31, 2021 were 26.77% and 25.80%, respectively.

**NOTE 42 : MOVEMENT IN DEFERRED TAX BALANCES FOR THE YEAR ENDED MARCH 31, 2023**

Particulars	(₹ lakh)							
	Net balance April 1, 2022	Recognised in profit or loss	Prior year adjustment	Recognised in OCI	Net	Deferred tax liability	Deferred tax asset	Net Deferred Tax March 31, 2023
<b>Deferred tax asset/(liabilities)</b>								
Property, plant and equipment & Intangible assets	(904.07)	1,853.65	421.31	-	2,274.96	3,179.03	-	(3,179.03)
Lease	1.75	0.35	-	-	0.35	-	1.40	1.40
Provision for gratuity	2.84	(7.81)	-	-	(7.81)	-	10.65	10.65
Provision for PLVR	25.17	(8.81)	-	-	(8.81)	-	33.98	33.98
Provisions for leave encashment	11.61	(1.23)	-	-	(1.23)	-	12.84	12.84
Provisions for doubtful debts & other receivables	29.35	1.29	-	-	1.29	-	28.06	28.06
Others-Sales return provision	7.19	(0.23)	-	-	(0.23)	-	7.42	7.42
Provisions for Inventory	-	(22.54)	(57.55)	-	(80.09)	-	80.09	80.09
Carried forward losses	-	(881.80)	-	-	(881.80)	-	881.80	881.80
OCI Item	23.00	-	-	(7.71)	(7.71)	-	30.71	30.71
<b>Deferred Tax assets / (Liabilities)</b>	<b>(803.16)</b>	<b>932.88</b>	<b>363.76</b>	<b>(7.71)</b>	<b>1,288.93</b>	<b>3,179.03</b>	<b>1,086.95</b>	<b>(2,092.09)</b>

**Movement in deferred tax balances for the year ended March 31, 2022**

Particulars	(₹ lakh)							
	Net balance April 1, 2021	Recognised in profit or loss	Prior year Adjustment	Recognised in OCI	Net	Deferred tax liability	Deferred tax asset	Net Deferred Tax March 31, 2022
<b>Deferred tax asset/(liabilities)</b>								
Property, plant and equipment & Intangible assets	(624.54)	279.53	-	-	279.53	904.07	-	(904.07)
Lease	1.94	0.19	-	-	0.19	-	1.75	1.75
Provision for gratuity	11.26	8.42	-	-	8.42	-	2.84	2.84
Provisions for leave encashment	13.85	2.24	-	-	2.24	-	11.61	11.61
Provisions for doubtful debts & other receivables	28.48	(0.87)	-	-	(0.87)	-	29.35	29.35
Carried forward losses	3.86	(28.50)	-	-	(28.50)	-	32.36	32.36
OCI Item	22.82	-	-	(0.18)	(0.18)	-	23.00	23.00
<b>Deferred Tax assets / (Liabilities)</b>	<b>(542.33)</b>	<b>261.01</b>	<b>-</b>	<b>(0.18)</b>	<b>260.83</b>	<b>904.07</b>	<b>100.91</b>	<b>(803.16)</b>

The company offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority. Significant management judgement is required in determining provision for income tax, deferred income tax assets and liabilities and recoverability of deferred income tax assets. The recoverability of deferred income tax assets is based on estimates of taxable income by each jurisdiction in which the relevant entity operates and the period over which deferred income tax assets will be recovered. Given that the Company does not have any intention to dispose investments in subsidiaries in the foreseeable future, deferred tax asset on indexation benefit in relation to such investments has not been recognised.



**NOTE 43 : CAPITAL MANAGEMENT**

The Company's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. Management monitors the return on capital as well as the level of dividends to ordinary shareholders.

The board of directors seeks to maintain a balance between the higher returns that might be possible with higher levels of borrowings and the advantages and security afforded by a sound capital position. The primary objective of the Company's Capital Management is to maximise shareholder value. The Company manages its capital structure and makes adjustments in the light of changes in the economic environment and the requirements of the financial covenants, if any.

The Company monitors capital using a ratio of 'adjusted net debt' to 'equity'. For this purpose, adjusted net debt is defined as total borrowings, comprising interest-bearing loans and borrowings less cash and cash equivalents. Equity comprises all components of equity.

**a) The Company's adjusted net debt to equity ratio at March 31, 2023 was as follows:-**

Particulars	(₹ lakh)	
	March 31, 2023	March 31, 2022
Total borrowings	34,118.01	27,937.31
Less : Cash and cash equivalents	45.65	54.46
<b>Adjusted net debt</b>	<b>34,072.36</b>	<b>27,882.85</b>
<b>Total equity</b>	<b>41,879.37</b>	<b>39,598.10</b>
<b>Adjusted net debt to total equity ratio</b>	<b>0.81</b>	<b>0.70</b>

**b) Dividends**

Particulars	(₹ lakh)	
	March 31, 2023	March 31, 2022
<b>(i) Equity shares</b>		
Final dividend for the year ended March 31, 2022 of ₹ 1.50/- (March 31, 2021 - ₹ 1.50/-) per fully paid share	294.06	293.78
<b>(ii) Dividend not recognised at the end of the reporting period</b>		
The directors have recommended the payment of a final dividend of ₹ 1.50/- per fully paid equity share (March 31, 2022 - ₹ 1.50/- per fully paid equity share). This proposed dividend is subject to the approval of shareholders in the ensuing annual general meeting.	294.08	293.96

**NOTE 44: OPERATING SEGMENT**

In accordance with Ind AS 108 "Operating Segments", segment information has been given in the consolidated financial statements of Astec LifeSciences Limited and therefore no separate disclosure on segment information is given in these financial statements.

**NOTE 45 : SHARE BASED PAYMENTS****(a) Employee stock option scheme (ESOP, 2012 as amended by the Shareholders by way of a Special Resolution)**

The Company had set up the Employees Stock Option Plan 2012 which was amended by the Shareholders by way of a Special Resolution obtained by way of Postal Ballot, whose results have been declared on September 27, 2021.

The Scheme applies to the Eligible Employees who are in whole time employment of the Company or its Subsidiary Companies. The entitlement of each employee would be decided by the Nomination and Remuneration Committee of the respective Company based on the employee's performance, level, grade, etc.

The total number of Stock Option to be awarded under the ESOP Scheme are restricted to 1% of the issued equity share capital at the time of awarding the Stock Option, can be awarded to any one employee in any one year.

The Stock Options shall vest in the Eligible Employees pursuant to the ESOP Scheme in the proportion of 1/3rd at the end of each year from the date on which the Stock Options are awarded for a period of three consecutive years, or as may be determined by the Nomination and Remuneration Committee, subject to the condition that the Eligible Employee continues to be in employment of the Company or the Subsidiary company as the case may be.

The Eligible Employee shall exercise her / his right to acquire the shares vested in her / him all at one time within 1 month from the date on which the shares vested in her / him or such other period as may be determined by the Nomination and Remuneration Committee.

**(b) Employee stock option scheme (ESOS, 2015)**

The Company has implemented Employees under Employee stock option scheme (ESOS, 2015) which was approved by the Shareholders at the 21st Annual General Meeting. The employee stock option scheme is designed to provide incentives to all the permanent employees to deliver long-term returns. Under the plan, participants are granted options which will vest in 4 years (40% in 1st year, 30% in 2nd year, 20% in 3rd year and 10% in 4th year) from the date of grant. Participation in the plan is at the discretion of the Compensation Committee / Board of Directors of the Company.

Once vested, the options remains exercisable for a period of three years.

Options are granted at the market price on which the options are granted to the employees under ESOS 2015. When exercisable, each option is convertible into one equity share.

**(c) Employee stock option plan (ESOP, 2012)**

The Company has implemented Employee Stock Option Plan (ESOP 2012) which was approved by the Shareholders at the Extra-Ordinary General Meeting of the Company in the Year 2012. The employee stock option plan is designed to provide incentives to all the permanent employees to deliver long-term returns. Under the plan, participants are granted options which will vest in 4 years (40% in 1st year, 30% in 2nd year, 20% in 3rd year and 10% in 4th year) from the grant date. Participation in the plan is at the discretion of the Compensation Committee / Board of Directors of the Company.

Once vested, the options remains exercisable for a period of seven years.

Options are granted under ESOP 2012 at an exercise price of ₹ 34/- each. When exercisable, each option is convertible into one equity share.

Set out below is a summary of options granted under both the plans:

**Employee stock option scheme (ESOP, 2012 as amended by the Shareholders by way of a Special Resolution)**

Particulars	March 31, 2023		March 31, 2022	
	Average exercise price per share option (₹ )	Number of options	Average exercise price per share option (₹ )	Number of options
Opening balance	10.00	3,316	-	-
Granted during the year	10.00	1,322	10.00	3,316
Exercised during the year	-	1,105	-	-
Lapsed during the year	-	-	-	-
<b>Closing balance</b>	-	<b>3,533</b>	-	<b>3,316</b>
<b>Vested and exercisable</b>	-	<b>1,546</b>	-	-

**Employee stock option scheme (ESOS,2015)**

Particulars	March 31, 2023		March 31, 2022	
	Average exercise price per share option (₹ )	Number of options	Average exercise price per share option (₹ )	Number of options
Opening balance	387.35	5,000	387.35	12,500
Granted during the year	-	-	-	-
Exercised during the year	387.35	3,000	387.35	7,500
Lapsed during the year	-	-	-	-
<b>Closing balance</b>	-	<b>2,000</b>	-	<b>5,000</b>
<b>Vested and exercisable</b>	-	<b>2,000</b>	-	<b>5,000</b>

**Employee stock option plan (ESOP,2012)**

Particulars	March 31, 2023		March 31, 2022	
	Average exercise price per share option (₹ )	Number of options	Average exercise price per share option (₹ )	Number of options
Opening balance	34.00	4,300	34.00	6,800
Granted during the year	-	-	-	-
Exercised during the year	34.00	4,000	34.00	2,500
Lapsed during the year	-	-	-	-
<b>Closing balance</b>	-	<b>300</b>	-	<b>4,300</b>
<b>Vested and exercisable</b>	-	<b>300</b>	-	<b>4,300</b>

No options expired during the periods covered in the above tables.

**Share options outstanding at the end of the year have the following expiry date and exercise prices:**

Grant date	Expiry date	Exercise price	March 31, 2023	March 31, 2022
			Share options	Share options
January 31, 2015	January 30, 2023	34.00	-	-
January 31, 2015	January 30, 2024	34.00	-	-
January 31, 2015	January 30, 2025	34.00	-	-
January 31, 2015	January 30, 2026	34.00	300	1,300
May 16, 2015	May 15, 2023	34.00	-	-
May 16, 2015	May 15, 2024	34.00	-	-
May 16, 2015	May 15, 2025	34.00	-	2,000
May 16, 2015	May 15, 2026	34.00	-	1,000
July 26, 2016	July 25, 2020	387.35	-	-
July 26, 2016	July 25, 2021	387.35	-	-
July 26, 2016	July 25, 2022	387.35	-	1,000
July 26, 2016	July 25, 2023	387.35	2,000	4,000
October 30, 2021	November 30, 2022	10.00	-	1,105
October 30, 2021	August 31, 2023	10.00	1,105	1,105
October 30, 2021	August 31, 2024	10.00	1,106	1,106
May 6, 2022	June 9, 2023	10.00	441	-
May 6, 2022	June 9, 2024	10.00	441	-
May 6, 2022	June 9, 2025	10.00	440	-
<b>Total</b>			<b>5,833</b>	<b>12,616</b>
<b>Weighted average remaining contractual life of options outstanding at end of period</b>			<b>0.78</b>	<b>2.30</b>

**(i) Fair value of options granted**

The fair value of grant date of options granted is mentioned in the table below. The fair value at grant date is determined using the Black Scholes model which takes into account the exercise price, the term of option, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option.

Grant date	Expiry date	Fair Value	March 31, 2023	March 31, 2022
			Share options	Share options
January 31, 2015	January 30, 2023	95.84	-	-
January 31, 2015	January 30, 2024	109.41	-	-
January 31, 2015	January 30, 2025	109.91	-	-
January 31, 2015	January 30, 2026	110.49	300	1,300
May 16, 2015	May 15, 2023	105.77	-	-
May 16, 2015	May 15, 2024	118.18	-	-
May 16, 2015	May 15, 2025	119.30	-	2,000
May 16, 2015	May 15, 2026	119.67	-	1,000
July 26, 2016	July 25, 2020	100.00	-	-
July 26, 2016	July 25, 2021	159.00	-	-
July 26, 2016	July 25, 2022	278.00	-	1,000
July 26, 2016	July 25, 2023	297.00	2,000	4,000
October 30, 2021	November 30, 2022	1,241.00	-	1,105
October 30, 2021	August 31, 2023	1,239.65	1,105	1,105
October 30, 2021	August 31, 2024	1,238.16	1,106	1,106
May 6, 2022	June 9, 2023	1,932.04	441	-
May 6, 2022	June 9, 2024	1,930.58	441	-
May 6, 2022	June 9, 2025	1,929.08	440	-
<b>Total</b>			<b>5,833</b>	<b>12,616</b>

The model inputs for options granted includes:

**ESOP, 2012 as amended, granted on May 6, 2022**

Particulars	6th May, 2022
Exercise Price	₹ 10
Grant Date	6th May, 2022
Expected life of share options	1 to 3 years
Share price at grant date	1,933.64
Expected price volatility of the company's shares	46% to 55%
Expected dividend yield	0.08%
Risk free interest rate	5.487% to 6.932

**ESOP, 2012 as amended, granted on October 31, 2021**

Particulars	October 30, 2021
Exercise Price	₹ 10
Grant Date	October 30, 2021
Expected life of share options	1 to 3 years
Share price at grant date	1,242.71
Expected price volatility of the company's shares	44% to 58%
Expected dividend yield	0.12%
Risk free interest rate	4.107% to 5.124%

**ESOS, 2015 granted on 26 July 2016**

Options are granted for a consideration as mentioned in the below table and 40% of options vest after 1 year, 30% of options after 2 years, 20% of options after 3 years and 10% of options after 4 years. Vested options are exercisable for a period of 3 years after vesting.

Particulars	July 25, 2020	July 25, 2021	July 25, 2022	July 25, 2023
Exercise Price	₹ 387.35	₹ 387.35	₹ 387.35	₹ 387.35
Grant Date	July 26, 2016	July 26, 2016	July 26, 2016	July 26, 2016
Expiry Date	July 25, 2020	July 25, 2021	July 25, 2022	July 25, 2023
Share price at grant date	₹ 387.35/-	₹ 387.35/-	₹ 387.35/-	₹ 387.35/-
Expected price volatility of the company's shares	57%	66%	115%	109%
Expected dividend yield	0.00%	0.00%	0.00%	0.00%
Risk free interest rate	8.27%	8.17%	8.20%	8.32%

The model inputs for options granted includes:

**ESOP, 2012- Option B granted on 16 May 2015**

Options are granted for a consideration as mentioned in the below table and 40% of options vest after 1 year, 30% of options after 2 years, 20% of options after 3 years and 10% of options after 4 years. Vested options are exercisable for a period of 7 years after vesting.

Particulars	May 15, 2023	May 15, 2024	May 15, 2025	May 15, 2026
Exercise Price	₹ 34/-	₹ 34/-	₹ 34/-	₹ 34/-
Grant Date	May 16, 2015	May 16, 2015	May 16, 2015	May 16, 2015
Expiry Date	May 15, 2023	May 15, 2024	May 15, 2025	May 15, 2026
Share price at grant date	₹ 138/-	₹ 138/-	₹ 138/-	₹ 138/-
Expected price volatility of the company's shares	71%	139%	121%	108%
Expected dividend yield	0.91%	0.91%	0.91%	0.91%
Risk free interest rate	8.30%	8.19%	8.21%	8.30%

The model inputs for options granted includes:

### ESOP, 2012- Option A granted on 31 January 2015

Options are granted for a consideration as mentioned below in the table and vest 40% of options after 1 year, 30% of options after 2 years, 20% of options after 3 years and 10% of options after 4 years. Vested options are exercisable for a period of 7 years after vesting.

Particulars	January 30, 2023	January 30, 2024	January 30, 2025	January 30, 2026
Exercise Price	₹ 34/-	₹ 34/-	₹ 34/-	₹ 34/-
Grant Date	January 31, 2015	January 31, 2015	January 31, 2015	January 31, 2015
Expiry Date	January 30, 2023	January 30, 2024	January 30, 2025	January 30, 2026
Share price at grant date	₹ 127.70/-	₹ 127.70/-	₹ 127.70/-	₹ 127.70/-
Expected price volatility of the company's shares	72%	143%	120%	108%
Expected dividend yield	0.78%	0.78%	0.78%	0.78%
Risk free interest rate	8.27%	8.17%	8.20%	8.32%

The expected price volatility is based on the historic volatility (based on the remaining life of the options), adjusted for any expected changes to future volatility due to publicly available information.

### c) Expense arising from share based payment transactions

Total expenses arising from share-based payment transactions recognised in profit or loss as part of employee benefit expense were as follows:

Particulars	(₹ lakh)	
	March 31, 2023	March 31, 2022
Employee stock option plan (Note No. 33)	33.07	10.47
<b>TOTAL</b>	<b>33.07</b>	<b>10.47</b>

**NOTE 46 : CONTINGENT LIABILITIES**

		(₹ lakh)	
Particulars	March 31, 2023	March 31, 2022	
<b>Claims against the Company not acknowledged as debts:</b>			
<b>(i) Excise matter</b>			
Excise duty demands relating to clearance/storage of Raw Material/goods from DTA and used/manufactured in 100% EOU unit, availment of cenvat credit, etc. The said amount includes up-to-date interest.	11,313.00	10,705.01	
<b>(ii) Customs matter</b>			
The company has replied to the SCN no. 1624 / 2013 -14 dated 9th July 2013 issued by the Commissioner of Custom - Raigarh alleging that goods imported in Unit B-16 were kept in unit B-17 and therefore are liable for confiscation. The personal hearing of the said SCN is pending. The said amount includes up-to-date interest.	34.83	32.77	
<b>(iii) Goods and Service tax (GST)</b>			
a. GST demands relating to issues pertaining to cenvat credit transition to GST. The said amount includes up-to-date interest.	13.86	319.04	
b. Issue pertaining to service tax credit of EOU unit -The said amount includes up-to-date interest.	155.36	143.23	
c. GST Demands pertaining to Compensation Cess credit -The said amount includes up-to-date interest.	-	65.97	
<b>(iv) Income tax</b>			
The company has preferred appeal against the order of various income tax authorities in which demand of ₹ 449.05 lakh has been determined for various assessment years. The said demand also includes interest payable as determined by the competent authority.			
a. Pending before DCIT/JCIT/AO	78.26	78.26	
b. Pending before CIT (Appeal)	370.79	370.79	
c. Pending before High Court	23.20	23.20	
<b>(v) Sales tax matters</b>			
a. Pending before JSCT(Appeal)	659.93	659.93	
b. Pending C & H Forms	66.19	61.51	
<b>(vi) Civil matters</b>			
Nath Bio-Genes (India) Ltd has filed a suit against the Company alleging that some product supplied by the company was responsible for the poor germination of its seeds.	6,500.00	6,500.00	
<b>(vii) Guarantees outstanding</b>	755.84	462.14	
<b>(viii) Letters of Credit</b> given by the company (different letter of credits issued to various suppliers for supply of materials)	314.48	5,018.89	



**Note 46.1 :** Contingent liabilities represents estimates made mainly for probable claims arising out of litigation/ disputes pending with authorities under various statutes (Excise duty, Customs duty, Income tax, etc).The probability and timing of outflow with regard to these matters depend on the final outcome of litigations/ disputes. Hence, the Company is not able to reasonably ascertain the timing of the outflow.

#### NOTE 47

The Hon'ble Supreme Court of India ("SC") by their order dated February 28, 2019, in the case of Surya Roshani Limited & others v/s EPFO, set out the principles based on which allowances paid to the employees should be identified for inclusion in basic wages for the purposes of computation of Provident Fund contribution. The company has started complying with this prospectively from the month of March 2019. In respect of the past period there are significant implementation and interpretative challenges that the management is facing and is awaiting for clarity to emerge in this regard, pending which, this matter has been disclosed under the Contingent liability section in the financial statements. The impact of the same is not ascertainable.

#### NOTE 48 : COMMITMENTS

Particulars	(₹ lakh)	
	March 31, 2023	March 31, 2022
Estimated value of contracts remaining to be executed on capital account (net of advances), to the extent not provided for	5,327.50	2,100.03

#### NOTE 49 : QUARTERLY STATEMENTS SUBMITTED WITH BANKS FOR BORROWINGS

Company has borrowings from banks on the basis of security of current assets. The Quarterly returns/ statements of current assets filed by the company are in agreement with the books of accounts.

#### NOTE 50 : CORPORATE SOCIAL RESPONSIBILITY (CSR) EXPENDITURE

Particulars	(₹ lakh)	
	March 31, 2023	March 31, 2022
1 Amount required to be spent by the company during the year	180.73	137.69
2 Amount of expenditure incurred on:		
(i) Construction/acquisition of any asset	-	-
(ii) On purposes other than (i) above	141.99	99.40
3 Shortfall at the end of the year	38.74	38.29
4 Total of previous years shortfall	39.89	-
5 Reason for shortfall	The amount was carried forward for ongoing projects	The amount was carried forward for ongoing projects
6 Nature of CSR activities Details	Disaster Relief, Education, Skilling, Employment, Entrepreneurship, Health, Wellness and Water, Sanitation and Hygiene, Heritage	
7 Details of Related party transactions	-	-

**NOTE 51 : RELATED PARTY DISCLOSURES**

**In compliance with Ind AS 24 - "Related Party Disclosures" as notified under Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015, as amended, the required disclosures are given below:**

**Relationships:**

**(i) Holding Companies:**

Godrej Agrovet Limited (GAVL) holds 64.77% Equity Shareholding in Astec LifeSciences Limited. GAVL is the subsidiary of Godrej Industries Limited (GIL). GIL is the Ultimate Holding Company of the Company.

**(ii) Subsidiary Companies:**

- 1 Behram Chemicals Private Limited
- 2 Comercializadora Agricola Agroastrachem Cia Ltda

**(iii) Fellow Subsidiaries:**

- 1 Creamline Dairy Products Limited
- 2 Godrej Tyson Foods Limited
- 3 Godrej Maxximilk Private Limited
- 4 Godrej One Premises Management Private Limited
- 5 Godvet Agrochem Limited

**(iv) Associates / Joint Ventures of Godrej Industries Limited (GIL) :**

Godrej Consumer Products Limited

**(v) Entities which is controlled/jointly controlled/has significant influence of KMP's of Astec LifeSciences Limited :**

Astec Crop Care Private Limited

**(vi) Other related parties**

Godrej & Boyce Manufacturing Company Limited

**(vii) Post-employment benefit plan (entities) for the benefit of employees of the company**

Astec LifeSciences Limited Employees Group Gratuity Trust

**(viii) Key Management Personnel**

- 1 Mr. Nadir B. Godrej, Chairman and Non-Executive Director
- 2 Mr. Ashok V. Hiremath, Director
- 3 Mr. B.S. Yadav, Non-Executive Director
- 4 Mr. Rakesh Dogra, (Director upto 01st May 2022)
- 5 Mr. Burjis Godrej, (Director w.e.f. 25th July, 2022)
- 6 Mr. R.R. Govindan, Independent Director
- 7 Dr. Bhramanand Vyas, Independent Director
- 8 Mr. Vijay Kashinath Khot, Independent Director
- 9 Mr. Nandkumar Vasant Dhekne, Independent Director
- 10 Ms. Anjali Rajesh Gupte, Independent Director
- 11 Mr. Anurag Roy, (Whole-Time Director and Chief Executive Officer)
- 12 Mr. Saurav Bhala, (Chief Financial Officer upto 30th September, 2022)
- 13 Mr. Madhur Gundecha (Chief Financial Officer w.e.f 28th October, 2022)
- 14 Ms. Tejashree Pradhan, Company Secretary

Related party disclosures as required by IND AS - 24, "Related Party Disclosures", are given below "

**2. The following transactions were carried out with the related parties in the ordinary course of business :**

Sr. No.	Nature of Transaction	Nature of Relationship	₹ lakh)	
			March 31, 2023	March 31, 2022
<b>1</b>	<b>Sale of materials / finished goods</b>			
	Godrej Agrovet Limited	Holding company	3,303.46	2,885.42
<b>2</b>	<b>Purchase of materials / finished goods</b>			
	Godrej Agrovet Limited	Holding company	-	3.79
	Godrej Consumer Products Limited	Other related party	12.40	8.57
<b>3</b>	<b>Purchase of Property, plant &amp; equipment</b>			
	Godrej & Boyce Manufacturing Company Limited	Other related party	821.32	5.86
<b>4</b>	<b>Expenses Charged by / Reimbursement made to other companies/related parties</b>			
	Godrej Agrovet Limited	Holding company	749.13	612.11
	Godrej Industries Limited	Holding company	0.56	5.24
	Godrej & Boyce Manufacturing Company Limited	Other related party	0.42	11.16
<b>5</b>	<b>Expenses Charged to / Reimbursement made by other companies</b>			
	Godrej Agrovet Limited	Holding company	23.05	62.37
	Behram Chemicals Private Limited	Subsidiary company	2.03	0.95
<b>6</b>	<b>Plant Maintenance charges</b>			
	Behram Chemicals Private Limited	Subsidiary company	10.80	10.80
<b>7</b>	<b>Dividend Paid</b>			
	Godrej Agrovet Limited	Holding company	186.06	186.06
<b>8</b>	<b>Intercompany deposits taken</b>			
	Godrej Agrovet Limited	Holding company	8,300.00	-
<b>9</b>	<b>Intercompany deposits repaid</b>			
	Godrej Agrovet Limited	Holding company	8,300.00	-
<b>10</b>	<b>Interest expense on intercompany deposits taken</b>			
	Godrej Agrovet Limited	Holding company	20.49	-

(₹ lakh)

Sr. No.	Nature of Transaction	Nature of Relationship	March 31, 2023	March 31, 2022
<b>11</b>	<b>Intercorporate deposits placed</b>			
	Creamline Dairy Products Limited	Fellow subsidiary	2,500.00	-
<b>12</b>	<b>Intercorporate deposits returned</b>			
	Creamline Dairy Products Limited	Fellow subsidiary	2,500.00	-
<b>13</b>	<b>Interest income on intercorporate deposits given</b>			
	Creamline Dairy Products Limited	Fellow subsidiary	26.32	-
<b>14</b>	<b>Capital advance given</b>			
	Godrej & Boyce Manufacturing Company Limited	Other related party	740.44	4.07
<b>15</b>	<b>Contribution to post employment benefit plans</b>			
	Astec LifeSciences Limited Employees Group Gratuity Trust	Other related party	28.46	44.76
<b>16</b>	<b>Outstanding capital advance</b>			
	Godrej & Boyce Manufacturing Company Limited	Other related party	-	0.49
<b>17</b>	<b>Outstanding Receivables</b>			
	Godrej Agrovet Limited	Holding company	1,533.64	1,127.73
	Comercializadora Agricola Agroastrachem Cia Ltda	Subsidiary company	3.27	3.27
<b>18</b>	<b>Outstanding Payables</b>			
	Godrej Agrovet Limited	Holding company	84.44	56.24
	Behram Chemicals Private Limited	Subsidiary company	9.21	45.66
	Godrej & Boyce Manufacturing Company Limited	Other related party	70.96	-
	Godrej Consumer Products Limited	Other related party	10.81	-
	Godrej Industries Limited	Holding company	-	0.06
<b>19</b>	<b>Remuneration to Key Management Personnel</b>			
	Short Term Employee Benefit		677.44	571.37
	Post employment gratuity benefits		31.45	8.75
	Share based payment		24.24	45.23
	<b>Dividend Paid</b>		5.91	4.96
	<b>Director's Sitting Fees</b>		31.84	31.12

**NOTE 52: ADDITIONAL REGULATORY INFORMATION PURSUANT TO THE REQUIREMENT IN DIVISION II OF SCHEDULE III TO THE COMPANIES ACT, 2013.**

The remuneration paid to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The excess remuneration paid to a director is in accordance with the requisite approvals as mandated by the provisions of Section 197 read with Schedule V to the Act.

As per our report of even date attached

**For B S R & Co. LLP**

Chartered Accountants

Firm Registration Number 101248W/W-100022

For and on behalf of the Board of Directors of **Astec LifeSciences Limited**  
(CIN:L99999MH1994PLC076236)

**ANURAG ROY**

Whole – Time Director & Chief Executive Officer

DIN: 07444595

Mumbai, May 02, 2023

**B. S. YADAV**

Director

DIN: 00294803

Mumbai, May 02, 2023

**BURJIS PARDIWALA**

Partner

Membership Number: 103595

Mumbai, May 02, 2023

**MADHUR GUNDECHA**

Chief Financial Officer

ICAI Memb. No. 106349

Mumbai, May 02, 2023

**TEJASHREE PRADHAN**

Company Secretary

ICSI Memb. No. FCS7167

Mumbai, May 02, 2023

# Independent Auditor’s Report

To the Members of Astec LifeSciences Limited

## Report on the Audit of the Consolidated Financial Statements

### OPINION

We have audited the consolidated financial statements of Astec LifeSciences Limited (hereinafter referred to as the “Holding Company”) and its subsidiaries (Holding Company and its subsidiaries together referred to as “the Group”), which comprise the consolidated balance sheet as at 31 March 2023, and the consolidated statement of profit and loss (including other comprehensive income), consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as “the consolidated financial statements”).

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of report of the other auditor on separate financial statements of such subsidiary as were audited by the other auditor, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 (“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 31 March 2023, of its consolidated profit and other comprehensive income, consolidated changes in equity and consolidated cash flows for the year then ended.

### BASIS FOR OPINION

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor’s Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in terms of the Code of Ethics issued by the Institute of Chartered Accountants of India and the relevant provisions of the Act, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence obtained by us along with the consideration of report of the other auditor referred to in paragraph (a) of the “Other Matters” section below, is sufficient and appropriate to provide a basis for our opinion on the consolidated financial statements.

### KEY AUDIT MATTERS

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

<b>Revenue Recognition</b>	
<b>See Note 27 to consolidated financial statements</b>	
<b>The key audit matter</b>	<b>How the matter was addressed in our audit</b>
Revenue from sale of goods is recognised when the control of the goods has passed, which is usually on delivery of the goods. We have considered that there is a risk of fraud on account of revenue being overstated on account of it being recognised in the wrong period or before the control has passed.	<p>In view of the importance of the matter we applied the following audit procedures in this area, among others to obtain sufficient audit evidence:</p> <ul style="list-style-type: none"> <li>i. We have assessed the appropriateness of the Group’s accounting policies in respect of revenue recognition by comparing with applicable accounting standards;</li> <li>ii. We have evaluated the design, testing the implementation and operating effectiveness of the Group’s internal controls over recognition of revenue;</li> </ul>

**Revenue Recognition****See Note 27 to consolidated financial statements**

<b>The key audit matter</b>	<b>How the matter was addressed in our audit</b>
	<ul style="list-style-type: none"> <li>iii. We have evaluated the process followed by the company for revenue recognition including understanding and testing of key controls relating to recognition of revenue in correct period;</li> <li>iv. We have inspected documentation/records for sales transactions recorded both side of year-end to determine if revenue has been recognised in the correct period; and</li> <li>v. We have critically assessed manual journals posted to revenue to identify unusual or irregular items.</li> </ul>

**Pending Litigation and Claim****See Note 44 to consolidated financial statements**

<b>The key audit matter</b>	<b>How the matter was addressed in our audit</b>
<p>As at 31 March 2023, the Group is having pending litigations under various laws such as Income Tax, Excise, VAT, Customs and GST. The Group applies significant judgment estimating the likelihood of the future outcome in each case based on its own past assessments, judicial precedents and opinions of experts when considering how much to provide or in determining the required disclosure for the potential exposure.</p> <p>Due to inherent complexity and magnitude of potential exposures, we regard this as key audit matter.</p>	<p>In view of the significance of the matter we applied the following audit procedures in this area, among others to obtain sufficient audit evidence:</p> <ul style="list-style-type: none"> <li>i. We evaluated the design and tested the operating effectiveness of controls in respect of identification and evaluation of claims, proceedings and the recording and continuous re-assessment of the related contingent liabilities and disclosure.</li> <li>ii. Obtained and read the list of direct and indirect tax assessment/ litigations for movements from previous period;</li> <li>iii. We inquired the status of significant and potential litigations with Group who have knowledge of these matters and where relevant we also obtained formal communication from the Group's external tax consultants;</li> <li>iv. Use of our own local Direct and Indirect tax specialists to assess the value of contingent liabilities in light of the nature of exposure, applicable regulations and related correspondence with authorities; and</li> <li>v. Considered the adequacy of the provision/ disclosure made in the financial statements</li> </ul>

**OTHER INFORMATION**

The Holding Company's Management and Board of Directors are responsible for the other information. The other information comprises the information included in the Holding Company's annual report, but does not include the financial statements and auditor's report thereon.

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed and based on the work done/audit report of other auditor, 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.

### **MANAGEMENT'S AND BOARD OF DIRECTORS RESPONSIBILITIES FOR THE CONSOLIDATED FINANCIAL STATEMENTS**

The Holding Company's Management and Board of Directors are responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Act that give a true and fair view of the consolidated state of affairs, consolidated profit/ loss and other comprehensive income, consolidated statement of changes in equity and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. The respective Management and 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 each company 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 the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Management and Board of Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Management and Board of Directors of the companies included in the Group are responsible for assessing the ability of each company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate the Company 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 each company.

### **AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS**

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management and Board of Directors.



- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting in preparation of consolidated financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the appropriateness of this assumption. 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 statements/financial information of such 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/financial information of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entity included in the consolidated financial statements, which have been audited by other auditor, such other auditor remain responsible for the direction, supervision and performance of the audit carried out by them. We remain solely responsible for our audit opinion. Our responsibilities in this regard are further described in paragraph (a) of the section titled "Other Matters" in this audit report.

We communicate with those charged with governance of the Holding 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.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

## OTHER MATTERS

- a. We did not audit the financial statements of one subsidiary, whose financial statements reflect total assets (before consolidation adjustments) of ₹ 126.14 lakhs as at 31 March 2023, total revenues (before consolidation adjustments) of ₹ 13.18 lakhs and net cash flows (before consolidation adjustments) amounting to ₹ 0.72 lakhs for the period ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditor whose report has 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 this subsidiary, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiary is based solely on the report of the other auditor.

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 matter with respect to our reliance on the work done and the report of the other auditor.

- b. The financial information of one subsidiary, whose financial information reflect total assets (before consolidation adjustments) of ₹ 0.15 lakhs as at 31 March 2023, total revenues (before consolidation adjustments) of ₹ Nil and net cash flows (before consolidation adjustments) amounting to ₹ Nil for the period ended on that date, as considered in the consolidated financial statements, have not been audited either by us or by other auditor. This unaudited

financial information 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 subsidiary, and our report in terms of sub-section (3) of Section 143 of the Act in so far as it relates to the aforesaid subsidiary, is based solely on such unaudited financial information. In our opinion and according to the information and explanations given to us by the Management, this financial information are not material to the Group.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of this matter with respect to the financial information certified by the Management.

## REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. A. As required by Section 143(3) of the Act, based on our audit and on the consideration of report of the other auditor on separate financial statements of such subsidiary, as were audited by other auditor, as noted in the "Other Matters" paragraph, 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 report of the other auditor.
  - c. The consolidated balance sheet, the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of changes in equity and the consolidated statement of cash flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
  - d. In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act.
  - e. On the basis of the written representations received from the directors of the Holding Company as on 31 March 2023 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary company incorporated in India, none of the directors of the Group companies incorporated in India is disqualified as on 31 March 2023 from being appointed as a director in terms of Section 164(2) of the Act.
  - f. With respect to the adequacy of the internal financial controls with reference to financial statements of the Holding Company and its subsidiary company incorporated in India and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- B. 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 and based on the consideration of the report of the other auditor on separate financial statements of the subsidiary, as noted in the "Other Matters" paragraph:
  - a. The consolidated financial statements disclose the impact of pending litigations as at 31 March 2023 on the consolidated financial position of the Group. Refer Note 44 to the consolidated financial statements.
  - b. The Group did not have any material foreseeable losses on long-term contracts including derivative contracts during the year ended 31 March 2023.
  - c. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company and there are no amounts which are required to be transferred to the Investor Education and Protection Fund in case of its subsidiary company incorporated in India during the year ended 31 March 2023.

- d (i) The management of the Holding Company and its subsidiary company incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditor of such subsidiary company that, to the best of their knowledge and belief, as disclosed in the Note 13 to the consolidated financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or any of such subsidiary companies to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company or any of such subsidiary companies ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (ii) The management of the Holding Company and its subsidiary company incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditor of such subsidiary company that, to the best of their knowledge and belief, as disclosed in the Note 13 to the consolidated financial statements, no funds have been received by the Holding Company or any of such subsidiary companies from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or any of such subsidiary companies shall directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Parties ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (iii) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (i) and (ii) above, contain any material misstatement.
- e. The dividend declared or paid during the year by the Holding Company is in compliance with Section 123 of the Act. The subsidiary company incorporated in India has neither declared nor paid any dividend during the year.
- f. As proviso to rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable for the Holding Company or any of such subsidiary companies only with effect from 1 April 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 is not applicable.
- C. With respect to the matter to be included in the Auditor's report under section 197(16): In our opinion and according to the information and explanations given to us and based on the reports of the statutory auditors of such subsidiary companies, incorporated in India which were not audited by us, the remuneration paid during the current year by the Holding Company, its subsidiary companies, to its directors is in accordance with the provisions of Section 197 of the Act. The excess remuneration paid to any director by the Holding Company is in accordance with the requisite approvals as mandated by the provisions of Section 197 read with Schedule V to 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 B S R & Co. LLP**

Chartered Accountants

Firm's Registration No.:101248W/W-100022

**Burjis Pardiwala**

Partner

Membership No.: 103595

ICAI UDIN:23103595BGTPEY9866

Place: Mumbai  
Date: 02 May 2023

## Annexure A to the Independent Auditor's Report on the Consolidated Financial Statements of Astec LifeSciences Limited for the year ended 31 March 2023

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

(xxi) In our opinion and according to the information and explanations given to us, there are no qualifications or adverse remarks by the respective auditors in the Companies (Auditor's Report) Order, 2020 reports of the companies incorporated in India and included in the consolidated financial statements.

**For B S R & Co. LLP**

Chartered Accountants

Firm's Registration No.:101248W/W-100022

**Burjis Pardiwala**

Partner

Membership No.: 103595

ICAI UDIN:23103595BGTPEY9866

Place: Mumbai

Date: 02 May 2023

## **Annexure B to the Independent Auditor's Report on the consolidated financial statements of Astec LifeSciences Limited for the year ended 31 March 2023**

### **Report on the internal financial controls with reference to the aforesaid consolidated financial statements under Clause (i) of Sub-section 3 of Section 143 of the Act**

(Referred to in paragraph 2(A)(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

#### **OPINION**

In conjunction with our audit of the consolidated financial statements of Astec LifeSciences Limited (hereinafter referred to as "the Holding Company") as of and for the year ended 31 March 2023, we have audited the internal financial controls with reference to financial statements of the Holding Company and such company incorporated in India under the Act which is its subsidiary company, as of that date.

In our opinion and based on the consideration of report of the other auditor on internal financial controls with reference to financial statements of subsidiary company, as were audited by the other auditor, the Holding Company and such company incorporated in India which is its subsidiary company, have, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2023, based on the internal financial controls with reference to financial statements criteria established by such companies considering the essential components of such internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

#### **MANAGEMENT'S AND BOARD OF DIRECTORS' RESPONSIBILITIES FOR INTERNAL FINANCIAL CONTROLS**

The respective Company's Management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the respective company considering the essential components of internal control stated in the Guidance Note. 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 with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were 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 with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditor of the relevant subsidiary company in terms of their report referred to in the Other Matter paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to financial statements.

#### **MEANING OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO FINANCIAL STATEMENTS**

A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements include 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 consolidated financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the consolidated financial statements.

#### **INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO FINANCIAL STATEMENTS**

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

#### **OTHER MATTER**

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to financial statements insofar as it relates to one subsidiary company, which is a company incorporated in India, is based on the corresponding report of the auditor of such company incorporated in India.

Our opinion is not modified in respect of this matter.

**For B S R & Co. LLP**

Chartered Accountants

Firm's Registration No.:101248W/W-100022

**Burjis Pardiwala**

Partner

Membership No.: 103595

ICAI UDIN:23103595BGTPEY9866

Place: Mumbai

Date: 02 May 2023

**CONSOLIDATED BALANCE SHEET**

as at March 31, 2023

Particulars	Note No.	(₹ lakh)	
		As at March 31, 2023	As at March 31, 2022
<b>ASSETS</b>			
<b>(I) Non-current assets</b>			
(a) Property, plant and equipment	2 (a)	28,675.57	30,814.21
(b) Capital work-in-progress	2 (b)	11,238.43	1,373.24
(c) Right of use assets	3	3,003.18	2,950.45
(d) Intangible assets	4 (a)	168.53	229.79
(e) Intangible assets under development	4 (b)	1,421.86	909.25
(f) Financial assets			
(i) Investments	5	0.53	0.53
(ii) Other non-current financial assets	6	336.50	289.06
(g) Other tax assets (net)	7	1,093.37	243.27
(h) Other non-current assets	8	2,118.20	1,298.15
<b>Total Non current assets</b>		<b>48,056.17</b>	<b>38,107.95</b>
<b>(II) Current Assets</b>			
(a) Inventories	9	29,484.77	18,694.64
(b) Financial assets			
(i) Trade receivables	10	15,490.03	27,362.76
(ii) Cash and cash equivalents	11	47.34	55.45
(iii) Bank balances, other than (ii) above	12	168.44	157.42
(iv) Loans	13	2.04	14.62
(v) Others	14	59.57	500.65
(c) Other current assets	15	4,633.06	4,782.18
<b>Total current assets</b>		<b>49,885.25</b>	<b>51,567.72</b>
<b>Total Assets</b>		<b>97,941.42</b>	<b>89,675.67</b>
<b>EQUITY AND LIABILITIES</b>			
<b>(I) Equity</b>			
(a) Equity share capital	16	1,960.57	1,959.76
(b) Other equity	17	39,975.75	37,689.78
<b>Equity attributable to equity holders of the parent</b>		<b>41,936.32</b>	<b>39,649.54</b>
Non-controlling interests		19.21	16.32
<b>Total equity</b>		<b>41,955.53</b>	<b>39,665.86</b>
<b>(II) Liabilities</b>			
<b>(1) Non current liabilities</b>			
(a) Financial liabilities			
(i) Borrowings	18	1,086.25	-
(ii) Other non-current liabilities	19	134.92	100.00
(b) Provisions	20	47.82	42.77
(c) Deferred tax liabilities (net)	21	2,096.96	808.23
<b>Total non current liabilities</b>		<b>3,365.95</b>	<b>951.00</b>
<b>(2) Current liabilities</b>			
(a) Financial liabilities			
(i) Borrowings	22	33,031.76	27,937.31
(ii) Trade payables	23		
Total outstanding dues of Micro Enterprises and Small Enterprises		304.78	213.44
Total outstanding dues of other than Micro Enterprises and Small Enterprises		17,413.67	18,769.32
(iii) Other financial liabilities	24	1,432.84	1,417.48
(b) Other current liabilities	25	361.90	678.08
(c) Provisions	26	74.99	43.18
<b>Total current liabilities</b>		<b>52,619.94</b>	<b>49,058.81</b>
<b>Total liabilities</b>		<b>55,985.89</b>	<b>50,009.81</b>
<b>Total Equity and Liabilities</b>		<b>97,941.42</b>	<b>89,675.67</b>

The Notes 1 to 51 form an integral part of the Consolidated Financial Statements

As per our report of even date attached

**For B S R & Co. LLP**

Chartered Accountants

Firm Registration Number 101248W/W-100022

For and on behalf of the Board of Directors of **Astec LifeSciences Limited**

(CIN:L99999MH1994PLC076236)

**ANURAG ROY**

Whole – Time Director &amp; Chief Executive Officer

DIN: 07444595

Mumbai, May 02, 2023

**B. S. YADAV**

Director

DIN: 00294803

Mumbai, May 02, 2023

**BURJIS PARDIWALA**

Partner

Membership Number: 103595

Mumbai, May 02, 2023

**MADHUR GUNDECHA**

Chief Financial Officer

ICAI Memb. No. 106349

Mumbai, May 02, 2023

**TEJASHREE PRADHAN**

Company Secretary

ICSI Memb. No. FCS7167

Mumbai, May 02, 2023

# CONSOLIDATED STATEMENT OF PROFIT AND LOSS

for the period ended March 31, 2023

(₹ lakh)			
Particulars	Note No.	For the year ended March 31, 2023	For the year ended March 31, 2022
I. Revenue from operations	27	62,816.62	67,656.61
II. Other income	28	1,306.01	1,046.78
<b>III. Total Income (I + II)</b>		<b>64,122.63</b>	<b>68,703.39</b>
<b>IV. Expenses</b>			
Cost of materials consumed	29	46,083.44	44,481.50
Changes in inventories of finished goods work-in-progress and stock-in-trade	30	(5,959.03)	(5,800.42)
Employee benefits expense	31	5,225.88	5,031.41
Finance costs	32	2,071.43	905.77
Depreciation and amortisation expense	33	3,365.25	3,435.63
Other expenses	34	9,840.93	8,536.92
<b>Total expenses (IV)</b>		<b>60,627.90</b>	<b>56,590.81</b>
<b>V. Profit before tax (III - IV)</b>		<b>3,494.73</b>	<b>12,112.58</b>
<b>VI. Tax expense:</b>		<b>935.34</b>	<b>3,124.32</b>
1. Current tax		2.67	2,863.40
2. Deferred tax		932.67	260.92
<b>VII. Profit for the year (V - VI)</b>		<b>2,559.39</b>	<b>8,988.26</b>
<b>VIII. Other comprehensive income</b>			
(A) (i) Items that will not be reclassified to profit or loss			
Remeasurement of defined benefit liability		(30.58)	(0.72)
(ii) Income tax related to items that will not be reclassified to profit or loss		7.70	0.18
		<b>(22.88)</b>	<b>(0.54)</b>
(B) (i) Items that will be reclassified to profit or loss			
Foreign operations – foreign currency translation differences		1.06	(0.18)
		<b>1.06</b>	<b>(0.18)</b>
<b>Other comprehensive income for the year</b>		<b>(21.82)</b>	<b>(0.72)</b>
<b>IX. Total comprehensive income for the year (VII + VIII)</b>		<b>2,537.57</b>	<b>8,987.54</b>
<b>Profit attributable to:</b>			
Equity holders of the Company		2,556.49	8,985.86
Non-controlling interest		2.90	2.40
		<b>2,559.39</b>	<b>8,988.26</b>
<b>Other Comprehensive Income is attributable to:</b>			
Equity holders of the Company		(21.82)	(0.72)
Non-controlling interest		-	-
		<b>(21.82)</b>	<b>(0.72)</b>
<b>Total Comprehensive income attributable to:</b>			
Equity holders of the Company		2,534.67	8,985.14
Non-controlling interest		2.90	2.40
		<b>2,537.57</b>	<b>8,987.54</b>
<b>X. Earnings per equity share (Nominal value of ₹ 10 each, fully paid-up)</b>			
Basic (in ₹)	35	13.04	45.87
Diluted (in ₹)		13.04	45.85

The Notes 1 to 51 form an integral part of the Consolidated Financial Statements

As per our report of even date attached

**For B S R & Co. LLP**

Chartered Accountants

Firm Registration Number 101248W/W-100022

For and on behalf of the Board of Directors of **Astec LifeSciences Limited**

(CIN:L99999MH1994PLC076236)

**ANURAG ROY**

Whole – Time Director & Chief Executive Officer

DIN: 07444595

Mumbai, May 02, 2023

**B. S. YADAV**

Director

DIN: 00294803

Mumbai, May 02, 2023

**BURJIS PARDIWALA**

Partner

Membership Number: 103595

Mumbai, May 02, 2023

**MADHUR GUNDECHA**

Chief Financial Officer

ICAI Memb. No. 106349

Mumbai, May 02, 2023

**TEJASHREE PRADHAN**

Company Secretary

ICSI Memb. No. FCS7167

Mumbai, May 02, 2023



## Consolidated Statement of Cash Flows

for the Year ended March 31, 2023

	(₹ lakh)	
	March 31, 2023	March 31, 2022
<b>Cash flow from operating activities</b>		
<b>Profit before tax</b>	3,494.73	12,112.58
Adjustments for		
Depreciation and amortisation expense	3,365.25	3,435.63
Interest income	(404.92)	(26.31)
Finance cost	2,071.43	905.77
Unrealised foreign exchange (gain)/loss	(151.11)	(151.30)
Loss allowance - trade receivables	1.98	(24.78)
Bad debts written off	-	25.14
Loss allowance - other receivables	(7.11)	28.22
Loss/(Gain) on sale of property, plant and equipment	52.35	(1.43)
Provision for Inventory	89.55	228.67
Employee stock options expense	33.07	10.47
Sundry balances written back	-	(28.38)
<b>Total non-cash &amp; non-operating adjustments</b>	<b>5,050.49</b>	<b>4,401.70</b>
<b>Operating profit before working capital changes</b>	<b>8,545.24</b>	<b>16,514.28</b>
<b>Change in operating assets and liabilities</b>		
Decrease/(Increase) in trade receivables	12,159.89	(8,368.32)
Decrease/(Increase) in loans	12.58	(8.63)
Decrease/(Increase) in other financial assets	390.05	(315.26)
Decrease/(Increase) in other current assets	149.12	(1,361.11)
(Increase) in inventories	(10,879.68)	(8,314.16)
(Increase)/Decrease in other non-current assets	(820.05)	145.73
(Decrease)/Increase in trade payables	(1,427.50)	6,071.50
Increase in other financial liabilities	99.93	285.53
(Decrease)/Increase in other current liabilities	(316.18)	555.72
Increase/(Decrease) in provisions	6.29	(29.92)
Increase in other non-current financial liabilities	34.92	100.00
	(590.63)	(11,238.92)
<b>Cash generated from operations</b>	<b>7,954.61</b>	<b>5,275.36</b>
Direct Taxes paid (net of refunds received)	(489.01)	(2,914.95)
<b>Net cash inflow operating activities</b>	<b>7,465.60</b>	<b>2,360.41</b>
<b>Cash flow from investing activities</b>		
Acquisition of property, plant and equipment, intangible assets and capital work-in-progress	(11,725.91)	(10,397.83)
Proceeds from sale of property, plant and equipment	77.67	12.39
Intercompany deposits given	(2,500.00)	-
Intercompany deposits returned	2,500.00	-
Deposits redeemed / (placed)	(11.02)	(33.98)
Interest received	408.52	32.83
<b>Net cash outflow from investing activities</b>	<b>(11,250.74)</b>	<b>(10,386.59)</b>

## Consolidated Statement of Cash Flows

for the Year ended March 31, 2023

	(₹ lakh)	
	March 31, 2023	March 31, 2022
<b>Cash flow from financing activities</b>		
Proceeds from Long term Borrowings	5,860.00	-
Repayment of Long term Borrowings	(4,270.00)	-
Proceeds / (Repayment) of short term borrowings (net)	4,474.79	9,202.67
Proceeds from issue of shares	13.09	29.90
Intercompany deposits taken	8,300.00	-
Intercompany deposits repaid	(8,300.00)	-
Finance cost paid	(2,006.79)	(891.04)
Dividend paid to company's shareholders	(294.06)	(293.78)
<b>Net cash inflow from financing activities</b>	<b>3,777.03</b>	<b>8,047.75</b>
Net increase / (Decrease) in cash and cash equivalents	(8.11)	21.57
Cash and cash equivalents at the beginning of the year	55.45	33.88
<b>Cash and cash equivalents at the end of the year</b>	<b>47.34</b>	<b>55.45</b>

### Note 1 :

The above statement of cash flow has been prepared under the indirect method as set out in Indian Accounting Standard 7 Statement of Cash Flow notified u/s 133 of Companies Act, 2013 ("Act") read with Rule 4 of the Companies (Indian Accounting Standards) Rules 2015 and the relevant provisions of the Act.

### Note 2 : Movement in Borrowings

	(₹ in lakh)			
Particulars	As at March 31, 2022	Cash Flows	Non-cash changes	As at March 31, 2023
Long term borrowings (Refer Note 2.1)	4,000.00	1,590.00	0.18	5,590.18
Short term borrowings	23,937.31	4,474.79	115.73	28,527.83
<b>Total borrowings</b>	<b>27,937.31</b>	<b>6,064.79</b>	<b>115.91</b>	<b>34,118.01</b>

Particulars	As at March 31, 2021	Cash Flows	Non-cash changes	As at March 31, 2022
Long term borrowings (Refer Note 2.1)	4,016.81	-	(16.81)	4,000.00
Short term borrowings	14,703.10	9,202.67	31.54	23,937.31
<b>Total borrowings</b>	<b>18,719.91</b>	<b>9,202.67</b>	<b>14.73</b>	<b>27,937.31</b>

**Note 2.1:** The Term Loan from Bank for ₹ 4,503.93 lakh (previous year ₹ 4,000.00 Lakh) has been disclosed as current maturity of Long term Borrowing Under Current Liabilities.

The Notes 1 to 51 form an integral part of the Consolidated Financial Statements

As per our report of even date attached

**For B S R & Co. LLP**

Chartered Accountants

Firm Registration Number 101248W/W-100022

For and on behalf of the Board of Directors of **Astec LifeSciences Limited**

(CIN:L99999MH1994PLC076236)

**ANURAG ROY**

Whole – Time Director & Chief Executive Officer

DIN: 07444595

Mumbai, May 02, 2023

**B. S. YADAV**

Director

DIN: 00294803

Mumbai, May 02, 2023

**BURJIS PARDIWALA**

Partner

Membership Number: 103595

Mumbai, May 02, 2023

**MADHUR GUNDECHA**

Chief Financial Officer

ICAI Memb. No. 106349

Mumbai, May 02, 2023

**TEJASHREE PRADHAN**

Company Secretary

ICSI Memb. No. FCS7167

Mumbai, May 02, 2023

# Consolidated Statement Of Changes In Equity

for the Year ended March 31, 2023

## (a) Equity share capital

	Balance as at April 1, 2022	Changes in equity share capital due to prior period errors	Restated balance as at April 1, 2022	Changes in equity share capital during the year	Balance as at March 31, 2023
(1) Current reporting period ended March 31, 2023	1,959.76	-	1,959.76	0.81	1,960.57
(1) Previous reporting period ended March 31, 2022	1,958.76	-	1,958.76	1.00	1,959.76

## (b) Other equity

Particulars	Capital redemption reserve	Securities Premium	General reserve	Employee share option outstanding	Retained earnings	Foreign currency translation reserve	Total	Non-controlling interest	Total
Balance as at April 1, 2022	0.30	6,034.80	1,249.28	29.21	30,375.04	1.15	37,689.78	16.32	37,706.10
Changes in accounting policy or prior period errors	-	-	-	-	-	-	-	-	-
<b>Restated Balance as at April 1, 2022</b>	<b>0.30</b>	<b>6,034.80</b>	<b>1,249.28</b>	<b>29.21</b>	<b>30,375.04</b>	<b>1.15</b>	<b>37,689.78</b>	<b>16.32</b>	<b>37,706.10</b>
Total comprehensive income for the year	-	-	-	-	2,556.49	-	2,556.49	2.90	2,559.39
Other comprehensive income for the year	-	-	-	-	(22.88)	1.06	(21.82)	-	(21.82)
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,533.61</b>	<b>1.06</b>	<b>2,534.67</b>	<b>2.90</b>	<b>2,537.57</b>
<b>Transactions with the owners of the Company</b>									
<b>Contributions and distributions</b>									
Dividends	-	-	-	-	(294.06)	-	(294.06)	-	(294.06)
Exercise of employee stock options	-	38.76	-	(26.47)	-	-	12.29	-	12.29
Employee stock option expense	-	-	-	33.07	-	-	33.07	-	33.07
<b>Balance at March 31, 2023</b>	<b>0.30</b>	<b>6,073.56</b>	<b>1,249.28</b>	<b>35.81</b>	<b>32,614.59</b>	<b>2.22</b>	<b>39,975.75</b>	<b>19.22</b>	<b>39,994.97</b>
Balance as at April 1, 2021	0.30	5,983.14	1,249.28	41.50	21,683.50	1.33	28,959.05	13.92	28,972.97
<b>Changes in accounting policy or prior period errors</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Restated Balance as at April 1, 2021</b>	<b>0.30</b>	<b>5,983.14</b>	<b>1,249.28</b>	<b>41.50</b>	<b>21,683.50</b>	<b>1.33</b>	<b>28,959.05</b>	<b>13.92</b>	<b>28,972.97</b>
Profit for the year	-	-	-	-	8,985.86	-	8,985.86	2.40	8,988.26
Other comprehensive income for the year	-	-	-	-	(0.54)	(0.18)	(0.72)	-	(0.72)
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>8,985.32</b>	<b>(0.18)</b>	<b>8,985.14</b>	<b>2.40</b>	<b>8,987.54</b>
<b>Transactions with the owners of the Company</b>									
Dividends	-	-	-	-	(293.78)	-	(293.78)	-	(293.78)
Exercise of employee stock options	-	51.66	-	(22.76)	-	-	28.90	-	28.90
Employee stock option expense	-	-	-	10.47	-	-	10.47	-	10.47
<b>Balance at March 31, 2022</b>	<b>0.30</b>	<b>6,034.80</b>	<b>1,249.28</b>	<b>29.21</b>	<b>30,375.04</b>	<b>1.15</b>	<b>37,689.78</b>	<b>16.32</b>	<b>37,706.10</b>

The Notes 1 to 51 form an integral part of the Consolidated Financial Statements

As per our report of even date attached

**For B S R & Co. LLP**  
Chartered Accountants  
Firm Registration Number 101248W/W-100022

For and on behalf of the Board of Directors of **Astec LifeSciences Limited**  
(CIN:L99999MH1994PLC076236)

**ANURAG ROY**  
Whole – Time Director & Chief Executive Officer  
DIN: 07444595  
Mumbai, May 02, 2023

**B. S. YADAV**  
Director  
DIN: 00294803  
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**BURJIS PARDIWALA**  
Partner  
Membership Number: 103595  
Mumbai, May 02, 2023

**TEJASHREE PRADHAN**  
Company Secretary  
ICSI Memb. No. FCS7167  
Mumbai, May 02, 2023

# Notes forming part of the Consolidated Financial Statements

## for the Year ended March 31, 2023

### NOTE 1 : SIGNIFICANT ACCOUNTING POLICIES

#### A. General Information

Astec LifeSciences Limited ("the Company") is a public limited Group, which is domiciled and incorporated in the Republic of India with its registered office situated at Godrej One, 3rd Floor, Pirojsha Nagar, Eastern Express Highway, Vikhroli East, Mumbai - 400 079. The Company & its subsidiaries together considered as a group manufactures & distributes a wide range of Agrochemical active ingredients and pharmaceutical intermediates.

#### B. Basis of preparation

##### (1) Statement of compliance with Ind AS

The accompanying consolidated financial statements have been prepared in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015, as amended and notified under section 133 of the Companies Act, 2013, (the 'Act') and other relevant provisions of the Act.

The consolidated financial statements for the year ended March 31st, 2023 have been reviewed by the Audit Committee and subsequently approved by the Board of Directors at its meeting held on May 02, 2023.

##### (2) Historical cost convention

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

- certain financial assets and liabilities (including derivative instruments) that is measured at fair value (refer- Accounting policy regarding financials instruments);
- defined benefit plans – plan assets measured at fair value less present value of defined benefit obligation; and
- share-based payments - measured at fair value

##### (3) Basis of Consolidation

###### (i) Subsidiaries :

Subsidiaries are all entities over which the group has control. The group controls an entity when the group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the group. They are deconsolidated from the date that control ceases.

The acquisition method of accounting is used to account for business combinations by the group. The group combines the financial statements of the parent and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses. Inter Group transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed wherever necessary to ensure consistency with the policies adopted by the group.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of profit and loss, consolidated statement of changes in equity and balance sheet respectively.

**(ii) Equity method :**

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the group's share of the post-acquisition profits or losses of the investee in the Consolidated Statement of Profit and Loss, and the group's share of other comprehensive income of the investee in other comprehensive income.

When the group's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the unless it has incurred obligations or made payments on behalf of the other entity group does not recognise further losses, Unrealised gains on transactions between the group and its subsidiaries are eliminated to the extent of the group's interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of equity accounted investees have been changed where necessary to ensure consistency with the policies adopted by the group.

**(4) Functional and presentation currency**

Items included in the financial statements of the Group are measured using the currency of the primary economic environment in which the entity operates ('the functional currency') The Indian Rupee (INR) is the functional and presentation currency of the Group. All amounts have been rounded off to the nearest lakh, unless otherwise indicated.

**C. Key estimates and assumptions**

While preparing consolidated financial statements in conformity with Ind AS, the management has made certain estimates and assumptions that require subjective and complex judgments. These judgments affect the application of accounting policies and the reported amount of assets, liabilities, income and expenses, disclosure of contingent liabilities at the balance sheet date and the reported amount of income and expenses for the reporting period. Future events rarely develop exactly as forecasted and the best estimates require adjustments, as actual results may differ from these estimates under different assumptions or conditions.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized prospectively.

Judgement, estimates and assumptions are required in particular for:

**(1) Determination of the estimated useful lives**

Useful lives of property, plant and equipment are based on the life prescribed in Schedule II of the Companies Act, 2013. In cases, where the useful lives are different from that prescribed in Schedule II and in case of intangible assets, they are based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers' warranties and maintenance support.

**(2) Recognition and measurement of defined benefit obligations**

The obligation arising from defined benefit plan is determined on the basis of actuarial assumptions. Key actuarial assumptions include discount rate, trends in salary escalation, actuarial rates and life expectancy. The discount rate is determined by reference to market yields at the end of the reporting period on government bonds. The period to maturity of the underlying bonds correspond to the probable maturity of the post-employment benefit obligations. Due to complexities involved in the valuation and its long term nature, defined benefit obligation is sensitive to changes in these assumptions. All assumptions are reviewed at each reporting period.

**(3) Recognition of deferred tax assets**

Deferred tax assets and liabilities are recognized for the future tax consequences of temporary differences between the carrying values of assets and liabilities and their respective tax bases, and unutilized business

loss and depreciation carry-forwards and tax credits. Deferred tax assets are recognized to the extent that it is probable that future taxable income will be available against which the deductible temporary differences, unused tax losses, depreciation carry-forwards and unused tax credits could be utilized.

**(4) Recognition and measurement of other provisions**

The recognition and measurement of other provisions are based on the assessment of the probability of an outflow of resources, and on past experience and circumstances known at the balance sheet date. The actual outflow of resources at a future date may therefore, vary from the amount included in other provisions.

**(5) Discounting of long-term financial assets / liabilities**

All financial assets / liabilities are required to be measured at fair value on initial recognition. In case of financial liabilities/assets which are required to subsequently be measured at amortised cost, interest is accrued using the effective interest method.

**(6) Fair valuation of employee share options**

The fair valuation of the employee share options is based on the Black-Scholes model used for valuation of options. Key assumptions made with respect to expected volatility includes share price, expected dividends and discount rate, under this option pricing model.

**(7) Determining whether an arrangement contains a lease**

Ind AS 116 requires lessee to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Group makes an assessment on the expected lease term on a lease-by-lease basis and thereby assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised. In evaluating the lease term, the Group considers factors such as any significant leasehold improvements undertaken over the lease term, costs relating to the termination of the lease and the importance of the underlying asset taking into account the location of the underlying asset and the availability of suitable alternatives. The lease term in future periods is reassessed to ensure that the lease term reflects the current economic circumstances. After considering current and future economic conditions, the Group has concluded that no changes are required to lease period relating to the existing lease contracts.

**(8) Fair value of financial instruments**

Derivatives are carried at fair value. Derivatives includes foreign currency forward contracts. Fair value of foreign currency forward contracts are determined using the fair value reports provided by respective bankers.

**(9) Liability for Sales Return**

Accruals for estimated product returns, which are based on historical experience of actual sales returns and adjustment on account of current market scenario is considered by Group to be reliable estimate of future sales returns.

**(10) Provisions and contingent liabilities**

A provision is recognised when the Group has a present obligation because of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

Contingent assets are neither recognised nor disclosed in the consolidated financial statements.

**D. Measurement of fair values**

The Group's accounting policies and disclosures require the measurement of fair values for, both financial and non-financial assets and liabilities. The Group has an established control framework with respect to the measurement of

fair values. The management regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the management assesses the evidence obtained from the third parties to support the conclusion that such valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which such valuations should be classified.

When measuring the fair value of a financial asset or a financial liability, the Group uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

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

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

The Group recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

## **E. Significant accounting policies**

### **(1) Revenue recognition :**

#### **i. Sale of goods**

Revenue from operations comprises of sales of goods after the deduction of discounts, goods and service tax and estimated returns. Discounts given by the Group includes trade discounts, volume rebates and other incentive given to the customers. Accumulated experience is used to estimate the provision for discounts. Revenue is only recognized to the extent that it is highly probable a significant reversal will not occur.

Revenue is measured based on the consideration specified in a contract with a customer. Revenue from the sale of goods are recognized when control of the goods has transferred to our customer and when there are no longer any unfulfilled obligations to the customer, This is generally when the goods are delivered to the customer depending on individual customer terms, which can be at the time of dispatch or delivery. This is considered the appropriate point where the performance obligations in our contracts are satisfied as the Group no longer have control over the inventory.

Our customers have the contractual right to return goods only when authorized by the Group. As at March 31st 2023, an estimate has been made of goods that will be returned and a liability has been recognized for this amount. An asset has also been recorded for the corresponding inventory that is estimated to return to the Group using a best estimate based on accumulated experience.

#### **ii. Dividend income**

Dividend income is recognised only when the right to receive the same is established, it is probable that the economic benefits associated with the dividend will flow to the Group, and the amount of dividend can be measured reliably.

#### **iii. Interest income**

For all financial instruments measured at amortised cost, interest income is recorded using the effective interest rate (EIR), which is the rate that discounts the estimated future cash payments or receipts through the expected life of the financial instruments or a shorter period, where appropriate, to the net carrying amount of the financial assets. Interest income is included in other income in the Statement of Profit and Loss.

**(2) Foreign currency :****(i) Transaction and balances**

Transactions in foreign currencies are translated into the respective functional currencies of the Group at the exchange rates at the dates of the transactions or an average rate if the average rate approximates the actual rate at the date of the transaction. Foreign currency transactions are recorded on initial recognition in the functional currency, using the exchange rate at the date of the transaction. At each balance sheet date, foreign currency monetary items are reported using the closing exchange rate. Exchange differences that arise on settlement of monetary items or on reporting at each balance sheet date of the Group's monetary items at the closing rate are recognized as income and expenses in the period in which they arise.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of transactions. Non-monetary items that are measured at fair value in a foreign currency shall be translated using the exchange rates at the date when the fair value was measured.

Exchange differences are generally recognised in the Statement of Profit and Loss, except exchange differences arising from the translation of the following item which are recognized in OCI:

- Qualifying cash flow hedges to the extent that the hedges are effective.

**(3) Employment Benefits****(i) Short-term obligations**

Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably. The Group has a scheme of Performance Linked Variable Remuneration (PLVR) which is fully written off to the Standalone Statement of Profit & Loss. The Scheme rewards its employees based on the achievement of key performance indicators and profitability, as prescribed in the scheme.

**(ii) Other long-term employee benefit obligations**

The liabilities for earned leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss.

Liability toward Long-term Compensated Absences is provided for on the basis of an actuarial valuation, using the Projected Unit Credit Method, as at the date of the Balance Sheet. Actuarial gains / losses comprising of experience adjustments and the effects of changes in actuarial assumptions are immediately recognised in the Statement of Profit and Loss.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

**(iii) Post-employment obligations**

The Group operates the following post-employment schemes:

- (a) defined benefit plans such as gratuity, and



(b) defined contribution plans such as provident fund.

### **Gratuity obligations**

The following post – employment benefit plans are covered under the defined benefit plans:

#### **Gratuity :**

The Group's net obligation in respect of defined benefit plans is calculated by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

The calculation of defined benefit obligations is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Group, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan.

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

#### **Defined contribution plans**

The Group pays provident fund contributions to publicly administered provident funds as per local regulations. The Group has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefit expense when they are due.

#### **(iv) Share-based payments**

Share-based compensation benefits are provided to employees via the Astec LifeSciences Limited Employee Stock Option Plan.

#### **Employee options:**

The fair value of options granted under the Astec LifeSciences Limited Employee Stock Option Plan is recognised as an employee benefits expense with a corresponding increase in equity. The total amount to be expensed is determined by reference to the fair value of the options granted:

- including any market performance conditions (e.g., the entity's share price)
- excluding the impact of any service and non-market performance vesting conditions (e.g. profitability, sales growth targets and remaining an employee of the entity over a specified time period), and
- including the impact of any non-vesting conditions (e.g. the requirement for employees to save or holdings shares for a specific period of time).

The total expense is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of each period, the entity revises its estimates of the number of options that are expected to vest based on the non-market vesting and service conditions. It recognises the impact of the revision to original estimates, if any, in profit or loss, with a corresponding adjustment to equity.

#### **(v) Bonus plans**

The Group recognises a liability and an expense for bonuses. The Group recognises a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

**(vi) Terminal benefits**

All terminal benefits are recognized as an expense in the period in which they are incurred.

**(4) Income-tax**

Income tax expense comprises current and deferred tax. It is recognised in the Statement of Profit and Loss except to the extent that it relates to a business combination, or items recognised directly in equity or in the OCI.

**(i) Current tax**

Current tax is the amount of tax payable (recoverable) in respect of the taxable profit / (tax loss) for the year determined in accordance with the provisions of the Income-Tax Act, 1961. Current income tax for current and prior periods is recognized at the amount expected to be paid to or recovered from the tax authorities, using tax rates and tax laws that have been enacted or substantively enacted at the reporting date.

Current tax assets and liabilities are offset only if, the Group:

- a) has a legally enforceable right to set off the recognised amounts; and
- b) intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

**(ii) Deferred tax**

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for:

- temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss;
- temporary differences related to investments in subsidiaries and associates to the extent that the Group is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and
- taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves. Unrecognized deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. Taxes relating to items recognized directly in equity or OCI is recognized in equity or OCI and not in the statement of profit and loss.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

**Deferred tax assets and liabilities are offset only if:**

- a) the entity has a legally enforceable right to set off current tax assets against current tax liabilities; and
- b) the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority on the same taxable entity.

**(5) Inventories****(i) Raw materials and stores, work in progress, traded and finished goods**

Raw materials and stores, work in progress, traded and finished goods are stated at the lower of cost and net realisable value. Cost of raw materials and traded goods comprises cost of purchases. Cost of work-in progress and finished goods comprises direct materials, direct labour and an appropriate proportion of variable and fixed overhead expenditure, the latter being allocated on the basis of normal operating capacity. Cost of inventories also include all other costs incurred in bringing the inventories to their present location and condition. Cost includes the reclassification from equity of any gains or losses on qualifying cash flow hedges relating to purchases of raw material but excludes borrowing costs. Costs are assigned to individual items of inventory on the basis of weighted average price. Costs of purchased inventory are determined after deducting rebates and discounts. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

**(6) Property, plant and equipment****(i) Recognition and measurement**

Items of property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses, if any.

The cost of an item of property, plant and equipment comprises:

- a) its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates.
- b) any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.
- c) the initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located, the obligation for which an entity incurs either when the item is acquired or as a consequence of having used the item during a particular period for purposes other than to produce inventories during that period.

Income and expenses related to the incidental operations, not necessary to bring the item to the location and condition necessary for it to be capable of operating in the manner intended by management, are recognised in the Statement of Profit and Loss.

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

Any gain or loss on disposal of an item of property, plant and equipment is recognised in the Statement of Profit and Loss.

**(ii) Subsequent expenditure**

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Group.

**(iii) Depreciation/ Amortizations**

Depreciation is calculated using the straight-line method to allocate their cost, net of their residual values, over their estimated useful lives specified in schedule II to the Companies Act, 2013 except for the following:

**(a) Plant and Machinery:**

Based on the condition of the plants, regular maintenance schedule, material of construction, external and internal assessment and past experience, the Group has considered useful life of Plant and Machinery as 20 years.

**(b) Computer Hardware:**

Depreciated over its estimated useful life of 4 years.

**(c) Right of use Asset :**

Amortized over the primary lease period.

**(d) Leasehold improvements and equipments:**

Amortised over the Primary lease period or 16 years whichever is less

Assets costing less than ₹ 5,000 are fully depreciated in the year of purchase/acquisition. Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

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

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss within other gains/(losses).

**(7) Intangible assets**

**(i) Computer software**

**Recognition and measurement**

Intangible assets are recognized when it is probable that the future economic benefits that are attributable to the assets will flow to the Group and the cost of the asset can be measured reliably.

Intangible assets viz. Computer software and product registration, which are acquired by the Group and have finite useful lives are measured at cost less accumulated amortisation and any accumulated impairment losses.

**Amortisation**

Amortisation is calculated to write off the cost of intangible assets less their estimated residual values using the straight-line method over their estimated useful lives, and is generally recognised in profit or loss.

The intangible assets are amortised over the estimated useful lives as given below:

- Computer software 6 years
- Product Registration 5 years

**(ii) Research and development**

Revenue expenditure on research & development is charged to the Statement of Profit and Loss of the year in which it is incurred.

Capital expenditure incurred during the period on research & development is accounted for as an addition to property, plant & equipment.

**(8) Borrowing costs**

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

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

**(9) Segment Reporting**

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 and Chief Operating Officer of the Group. The Group has identified only one segment i.e. Agrochemicals as reporting segment based on the information reviewed by CODM.

**(10) 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. Financial instruments also include derivative contracts such as foreign currency foreign exchange forward contracts.

Financial instruments also covers contracts to buy or sell a non-financial item that can be settled net in cash or another financial instrument, or by exchanging financial instruments, as if the contracts were financial instruments, with the exception of contracts that were entered into and continue to be held for the purpose of the receipt or delivery of a non-financial item in accordance with the entity's expected purchase, sale or usage requirements.

Derivatives are currently recognized at fair value on the date on which the derivative contract is entered into and are subsequently re-measured to their fair value at the end of each reporting period.

**(11) Hedge accounting**

The Group designates certain hedging instruments in respect of foreign currency risk, interest rate risk and commodity price risk as cash flow hedges. At the inception of the hedge relationship, the entity documents the relationship between the hedging instrument and the hedged item, along with its risk management objectives and its strategy for undertaking various hedge transactions. Furthermore, at the inception of the hedge and on an ongoing basis, the Group documents whether the hedging instrument is highly effective in offsetting changes in fair values or cash flows of the hedged item attributable to the hedged risk.

The effective portion of changes in the fair value of the designated portion of derivatives that qualify as cash flow hedges is recognised in other comprehensive income and accumulated under equity. The gain or loss relating to the ineffective portion is recognised immediately in statement of profit or loss.

Amounts previously recognised in other comprehensive income and accumulated in equity relating to effective portion as described above are reclassified to profit or loss in the periods when the hedged item affects profit or loss, in the same line as the recognised hedged item. However, when the hedged forecast transaction results in the recognition of a non-financial asset or a non-financial liability, such gains and losses are transferred from equity and included in the initial measurement of the cost of the non-financial asset or non-financial liability.

Hedge accounting is discontinued prospectively when the hedging instrument expires or is sold, terminated, or exercised, or when it no longer qualifies for hedge accounting. Any gain or loss recognised in other comprehensive income and accumulated in equity at that time remains in equity and is recognised when

the forecast transaction is ultimately recognised in profit or loss. When a forecast transaction is no longer expected to occur, the gain or loss accumulated in equity is recognised immediately in the statement profit or loss.

#### **i. Financial assets**

##### **Classification**

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

- Where assets are measured at fair value, gains and losses are either recognized entirely in the Statement of Profit and Loss (i.e. fair value through profit or loss), or recognized in Other Comprehensive Income (i.e. fair value through other comprehensive income).
- A financial asset that meets the following two conditions is measured at amortized cost (net of any write down for impairment) unless the asset is designated at fair value through profit or loss under the fair value option.

**Business model test:** The objective of the Group's business model is to hold the financial asset to collect the contractual cash flows (rather than to sell the instrument prior to its contractual maturity to realize its fair value changes).

**Cash flow characteristics test:** The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

##### **Initial recognition & measurement**

At initial recognition, the Group measures a financial asset at fair value plus, in the case of a financial asset not recorded at fair value through the Statement of Profit and Loss, transaction costs that are attributable to the acquisition of the financial asset.

##### **Equity investments**

- All equity investments in scope of Ind-AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Group decides to classify the same either as at FVOCI or FVTPL. The Group makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.
- If the Group decides to classify an equity instrument as FVOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to profit and loss, even on sale of investment. However, the Group may transfer the cumulative gain or loss within equity.
- Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

##### **Derecognition**

A financial asset (or, where applicable, a part of a financial asset or part of a Group of similar financial assets) is primarily derecognised (i.e. removed from the Group's balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of the Group's continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

#### **Impairment of financial assets**

In accordance with Ind-AS 109, the Group applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- a) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, deposits, and bank balance.
- b) Trade receivables - The application of simplified approach does not require the Group to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition. Trade receivables are tested for impairment on a specific basis after considering the sanctioned credit limits, security like letters of credit, security deposit collected etc. and expectations about future cash flows.

## **ii. Financial liabilities**

### **Classification**

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.

The Group classifies all financial liabilities as subsequently measured at amortised cost, except for financial liabilities at fair value through the Statement of Profit and Loss. Such liabilities, including derivatives that are liabilities, shall be subsequently measured at fair value.

### **Initial recognition and measurement**

Financial liabilities are recognised when the Group becomes a party to the contractual provisions of the instrument. Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, 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 and incremental transaction cost.

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.

The Group's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

### **Financial guarantee contracts**

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.

### **Derecognition**

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. 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 the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit and loss.

### **Offsetting of 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.

### **Derivative financial instruments**

The Group uses derivative financial instruments, such as forward currency contracts and interest rate swaps, to hedge its foreign currency risks and interest rate risks respectively. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. The accounting for subsequent changes in fair value depends on whether the derivative is designated as a hedging instrument, and if so, the nature of item being hedged and the type of hedge relationship designated.

Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

## **(12) Provisions, contingent liabilities and contingent assets**

Provisions are recognized when there is a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

The expenses relating to a provision is presented in the Statement of Profit and Loss net of any reimbursement.

If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows specific to the liability. The unwinding of the discount is recognised as finance cost.

A provision for onerous contracts is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established, the Group recognises any impairment loss on the assets associated with that contract.

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but will probably not, require an outflow of resources. When there is a possible obligation of a present obligation in respect of which the likelihood of outflow of resources is remote, no provision disclosure is made.

A contingent asset is not recognised but disclosed in the financial statements where an inflow of economic benefit is probable.

Commitments includes the amount of purchase order (net of advance) issued to parties for completion of assets.



Provisions, contingent assets, contingent liabilities and commitments are reviewed at each balance sheet date.

**(13) Cash flow hedges that qualify for hedge accounting**

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognized in the other comprehensive income in cash flow hedging reserve within equity, limited to the cumulative change in fair value of hedged item on a present value basis from the inception of hedge. The gain or loss relating to the effective portion is recognized immediately in profit or loss.

Amounts accumulated in equity are reclassified to profit or loss in the periods when the hedged item affects profit or loss.

**(14) Leases**

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.

**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: (1) the contract involves the use of an identified asset (2) the group has substantially all of the economic benefits from use of the asset through the period of the lease and (3) the group has the right to direct the use of the asset.

At the date of commencement of the lease, the Group recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short term and low value leases, the Group recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset.

Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

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 if 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.

### **(15) Impairment of non-financial assets**

Goodwill and intangible assets that have infinite useful life are not subjected to amortization and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired.

The carrying values of other assets/cash generating units at each balance sheet date are reviewed for impairment if any indication of impairment exists. If the carrying amount of the assets exceed the estimated recoverable amount, an impairment is recognised for such excess amount.

The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor that reflects current market assessments of the time value of money and the risk specific to the asset.

When there is indication that an impairment loss recognised for an asset (other than a revalued asset) in earlier accounting periods which no longer exists or may have decreased, such reversal of impairment loss is recognised in the Statement of Profit and Loss, to the extent the amount was previously charged to the Statement of Profit and Loss. In case of revalued assets, such reversal is not recognised.

### **(16) Dividends**

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.

### **(17) Cash and cash equivalents**

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Group's cash management.

### **(18) Earnings per share**

#### **(i) Basic earnings per share**

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the Group
- by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year and excluding treasury shares.

**(ii) Diluted earnings per share**

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

**(F) Recent Pronouncements**

Ministry of Corporate Affairs (“MCA”) notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 31, 2023, MCA amended the Companies (Indian Accounting Standards) Rules, 2015 by issuing the Companies (Indian Accounting Standards) Amendment Rules, 2023, applicable from April 1, 2023, as below:

**Ind AS 1 – Presentation of Financial Statements**

The amendments require companies to disclose their material accounting policies rather than their significant accounting policies. Accounting policy information, together with other information, is material when it can reasonably be expected to influence decisions of primary users of general purpose financial statements. The Group does not expect this amendment to have any significant impact in its financial statements.

**Ind AS 12 – Income Taxes**

The amendments clarify how companies account for deferred tax on transactions such as leases and decommissioning obligations. The amendments narrowed the scope of the recognition exemption in paragraphs 15 and 24 of Ind AS 12 (recognition exemption) so that it no longer applies to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences. The Group is evaluating the impact, if any, in its financial statements.

**Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors**

The amendments will help entities to distinguish between accounting policies and accounting estimates. The definition of a change in accounting estimates has been replaced with a definition of accounting estimates. Under the new definition, accounting estimates are “monetary amounts in financial statements that are subject to measurement uncertainty”. Entities develop accounting estimates if accounting policies require items in financial statements to be measured in a way that involves measurement uncertainty. The Group does not expect this amendment to have any significant impact in its financial statements.

**NOTE 2 (A) : PROPERTY, PLANT & EQUIPMENT**

(₹ lakh)

Particulars	Plant and Machinery	Factory Building	Office Buildings	Electrical Installations	Furniture and Fixtures	Vehicles	Computers	Office & Other Equipment	Total
<b>Gross Block</b>									
<b>As at April 1, 2022</b>	28,285.22	12,590.84	267.48	1,696.11	275.44	406.25	194.76	215.47	43,931.57
Additions	948.33	44.98	-	29.90	4.28	90.37	80.47	40.97	1,239.30
Disposals	170.06	-	-	-	0.25	81.74	2.63	-	254.68
<b>As at March 31, 2023</b>	<b>29,063.49</b>	<b>12,635.82</b>	<b>267.48</b>	<b>1,726.01</b>	<b>279.47</b>	<b>414.88</b>	<b>272.60</b>	<b>256.44</b>	<b>44,916.19</b>
<b>Accumulated Depreciation</b>									
<b>As at April 1, 2022</b>	10,799.54	1,480.88	32.93	317.29	140.29	169.04	103.09	74.30	13,117.36
For the year	2,388.61	551.92	4.73	158.80	21.74	45.99	39.83	36.29	3,247.91
Disposals	91.67	-	-	-	0.15	30.19	2.63	-	124.65
<b>As at March 31, 2023</b>	<b>13,096.47</b>	<b>2,032.80</b>	<b>37.66</b>	<b>476.09</b>	<b>161.87</b>	<b>184.84</b>	<b>140.29</b>	<b>110.59</b>	<b>16,240.62</b>
<b>Net Block as at March 31, 2023</b>	<b>15,967.02</b>	<b>10,603.02</b>	<b>229.82</b>	<b>1,249.92</b>	<b>117.60</b>	<b>230.04</b>	<b>132.31</b>	<b>145.85</b>	<b>28,675.57</b>
<b>Gross Block</b>									
<b>As at April 1, 2021</b>	19,792.83	6,651.20	267.48	542.76	176.81	305.88	132.52	92.01	27,961.49
Additions	8,492.39	5,939.64	-	1,153.35	98.63	111.99	65.08	123.46	15,984.54
Disposals	-	-	-	-	-	11.62	2.84	-	14.46
<b>As at March 31, 2022</b>	<b>28,285.22</b>	<b>12,590.84</b>	<b>267.48</b>	<b>1,696.11</b>	<b>275.44</b>	<b>406.25</b>	<b>194.76</b>	<b>215.47</b>	<b>43,931.57</b>
<b>Accumulated Depreciation</b>									
<b>As at April 1, 2021</b>	8,179.35	1,016.78	28.20	197.22	118.44	127.75	75.80	48.53	9,792.07
For the period	2,620.19	464.10	4.73	120.07	21.85	41.98	30.10	25.77	3,328.79
Disposals	-	-	-	-	-	0.69	2.81	-	3.50
<b>As at March 31, 2022</b>	<b>10,799.54</b>	<b>1,480.88</b>	<b>32.93</b>	<b>317.29</b>	<b>140.29</b>	<b>169.04</b>	<b>103.09</b>	<b>74.30</b>	<b>13,117.36</b>
<b>Net Block as at March 31, 2022</b>	<b>17,485.68</b>	<b>11,109.96</b>	<b>234.55</b>	<b>1,378.82</b>	<b>135.15</b>	<b>237.21</b>	<b>91.67</b>	<b>141.17</b>	<b>30,814.21</b>

**Note 2(a). 1 :-**

During the year, the group has capitalised borrowing cost for ₹ 180.67 lakhs (Previous Year ₹ 74.02 lakhs)

**Note 2 (b) : Capital work-in-progress**

(₹ lakh)	
Particulars	Amount
As at April 1, 2022	1,373.24
Additions	10,930.17
Capitalised during the year	(1,064.98)
<b>As at March 31, 2023</b>	<b>11,238.43</b>
As at April 1, 2021	11,167.69
For the year	6,037.19
Capitalised during the year	(15,831.64)
<b>As at March 31, 2022</b>	<b>1,373.24</b>

**Note 2 (b). 2 : Capital work-in-progress Ageing Schedule as of March 31, 2023**

Capital work-in-progress Ageing Schedule for current year	Amount in Capital work-in-progress for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	TOTAL
Projects in Progress	10,111.22	1,070.06	30.25	26.90	11,238.43

- There are no Projects temporarily suspended during the current year.
- There are no Projects where the costs have exceeded the original plan approved by the Board of Directors and there are no Projects where the project timelines are overdue as on 31st March, 2023

Capital work-in-progress Ageing Schedule for previous year	Amount in Capital work-in-progress for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	TOTAL
Projects in Progress	1,316.09	30.25	26.90	-	1,373.24

There are no Projects temporarily suspended during the previous year

**NOTE 3 - RIGHT-OF-USE ASSETS**

		(₹ lakh)
Particulars	Leasehold Land	
<b>Gross Block</b>		
As at April 1, 2021	3,023.66	
Additions	1.65	
Disposals	-	
<b>Balance as at March 31, 2022</b>	<b>3,025.31</b>	
Additions	90.45	
Disposals	-	
<b>Balance as at March 31, 2023</b>	<b>3,115.76</b>	
<b>As at April 1, 2021</b>		
As at April 1, 2021	38.20	
Depreciation	36.66	
Impairment loss	-	
<b>Balance as at March 31, 2022</b>	<b>74.86</b>	
Depreciation	37.72	
Impairment loss	-	
<b>Balance as at March 31, 2023</b>	<b>112.58</b>	
<b>Carrying amounts</b>		
As at April 1, 2021	2,985.46	
<b>Balance as at March 31, 2022</b>	<b>2,950.45</b>	
<b>Balance as at March 31, 2023</b>	<b>3,003.18</b>	

**Note 3.1 - Breakdown of lease expenses**

		(₹ lakh)	
Particulars	For the Year ended March 31, 2023	For the Year ended March 31, 2022	
Short-term lease expense	106.86	101.80	
<b>Total lease expense</b>	<b>106.86</b>	<b>101.80</b>	

**Note 3.2 - Cash outflow on leases**

		(₹ lakh)	
Particulars	For the Year ended March 31, 2023	For the Year ended March 31, 2022	
Repayment of lease liabilities	-	-	
Interest on lease liabilities	-	-	
Short-term lease expense	106.86	101.80	
<b>Total cash outflow on leases</b>	<b>106.86</b>	<b>101.80</b>	

**NOTE 4 (A) : INTANGIBLE ASSETS**

Particulars			(₹ lakh)
	Computer Software	Product Registration	Total
<b>Gross Block</b>			
As at April 1, 2022	504.61	250.57	755.18
Additions	11.92	6.45	18.37
Disposals	-	-	-
<b>As at March 31, 2023</b>	<b>516.53</b>	<b>257.02</b>	<b>773.55</b>
<b>Accumulated amortisation</b>			
As at April 1, 2022	274.82	250.57	525.39
For the year	79.62	-	79.62
Disposals	-	-	-
<b>As at March 31, 2023</b>	<b>354.44</b>	<b>250.57</b>	<b>605.01</b>
<b>Net Block as at March 31, 2023</b>	<b>162.09</b>	<b>6.45</b>	<b>168.54</b>

<b>Gross Block</b>			
As at April 1, 2021	317.41	250.57	567.98
Additions	187.20	-	187.20
Disposals	-	-	-
<b>As at March 31, 2022</b>	<b>504.61</b>	<b>250.57</b>	<b>755.18</b>
<b>Accumulated amortisation</b>			
As at April 1, 2021	204.64	250.57	455.21
For the period	70.18	-	70.18
Disposals	-	-	-
<b>As at March 31, 2022</b>	<b>274.82</b>	<b>250.57</b>	<b>525.39</b>
<b>Net Block as at March 31, 2022</b>	<b>229.79</b>	<b>-</b>	<b>229.79</b>

**Note 4 (b) : Intangible Assets under development**

Particulars			(₹ lakh)
			Amount
As at April 1, 2022			909.25
Additions			530.52
Capitalised during the year			(17.91)
<b>As at March 31, 2023</b>			<b>1,421.86</b>
As at April 1, 2021			403.50
For the year			672.70
Capitalised during the year			(166.95)
<b>As at March 31, 2022</b>			<b>909.25</b>

**Note 4 (b). 2 : Intangible Assets under development Ageing Schedule as of March 31, 2023.**

Intangible Assets under development Ageing Schedule for current year	Amount in Intangible Assets under development for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	TOTAL
<b>Projects in Progress</b>	<b>512.60</b>	<b>601.33</b>	<b>137.49</b>	<b>170.44</b>	<b>1,421.86</b>

There are no Projects temporarily suspended during the current year.

There are no projects as on 31st March, 2023 where the project timelines are overdue.

Intangible Assets under development Ageing Schedule for previous year	Amount in Intangible Assets under development for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	TOTAL
<b>Projects in Progress</b>	<b>601.33</b>	<b>137.49</b>	<b>135.69</b>	<b>34.74</b>	<b>909.25</b>

There are no Projects temporarily suspended during the previous year

**NOTE 5 : NON-CURRENT FINANCIAL ASSETS- INVESTMENTS**

Particulars	(₹ lakh)	
	As at March 31, 2023	As at March 31, 2022
A. Investment in equity instruments at fair value through Statement of Profit & Loss (Fully paid, unquoted)		
Shamrao Vithal Co-operative Bank Ltd	0.53	0.53
2,100 (Previous Year 2,100) equity shares of ₹ 25/- each.		
<b>Total A</b>	<b>0.53</b>	<b>0.53</b>
<b>TOTAL</b>	<b>0.53</b>	<b>0.53</b>

**Note 5.1 : Other disclosures**

Particulars	(₹ lakh)	
	As at March 31, 2023	As at March 31, 2022
Aggregate amount of quoted investment	-	-
Market value of quoted investment	-	-
Aggregate amount of unquoted investments	0.53	0.53
Aggregate amount of impairment in value of investments	-	-

**NOTE 6 : NON-CURRENT FINANCIAL ASSETS**

Particulars	(₹ lakh)	
	As at March 31, 2023	As at March 31, 2022
Unsecured, considered good (unless otherwise stated)		
Security deposits	336.50	289.06
<b>TOTAL</b>	<b>336.50</b>	<b>289.06</b>



**NOTE 7 : OTHER TAX ASSETS / (LIABILITIES) (NET)**

Particulars	(₹ lakh)	
	As at March 31, 2023	As at March 31, 2022
Opening balance	243.27	191.72
Less: Current tax payable for the year	2.67	2,863.40
Add: Taxes paid	489.01	2,914.95
Add: Earlier year tax adjustment	363.76	-
<b>Closing balance</b>	<b>1,093.37</b>	<b>243.27</b>

**NOTE 8 : OTHER NON-CURRENT ASSETS**

Particulars	(₹ lakh)	
	As at March 31, 2023	As at March 31, 2022
1 Capital advances	1,156.05	336.00
2 Balance with Government Authorities		
i) Considered good	962.15	962.15
ii) Credit impaired	93.33	93.33
Less : Loss allowance	(93.33)	(93.33)
	<b>962.15</b>	<b>962.15</b>
<b>TOTAL</b>	<b>2,118.20</b>	<b>1,298.15</b>

**NOTE 9 : INVENTORIES**

Particulars	(₹ lakh)	
	As at March 31, 2023	As at March 31, 2022
<b>(Valued at lower of cost and net realisable value)</b>		
1 Raw materials	12,805.28	8,044.14
2 Work-in-progress	6,155.23	5,830.68
3 Finished goods	10,123.91	4,489.43
4 Stores and Spares	400.35	330.39
<b>TOTAL</b>	<b>29,484.77</b>	<b>18,694.64</b>

**Note 9.1 :** During the year ended March 31, 2023, an amount of ₹ 89.55 lakhs ( previous year ₹ 228.67 lakhs) was charged to the statement of profit and loss on account of write-down of inventories.

**NOTE 10 : CURRENT TRADE RECEIVABLES (REFER NOTE 38.2)**

(₹ lakh)

Particulars	As at March 31, 2023	As at March 31, 2022
- Unsecured and considered good	15,490.03	27,362.76
- Credit impaired	1.98	-
Less : Loss allowance	(1.98)	-
<b>TOTAL</b>	<b>15,490.03</b>	<b>27,362.76</b>

**Note 10.1: Trade Receivables Ageing Schedule**

Trade Receivables Ageing Schedule as at March 31, 2023	Outstanding for following periods from due date of payment					
	Not due	Less than 6 months	6 months - 1 year	1-2 years	More than 2 years	TOTAL
<b>Undisputed Trade receivables</b>						
- considered good	13,933.49	1,288.42	250.36	16.22	1.54	15,490.03
- credit impaired	-	-	-	-	1.98	1.98
<b>TOTAL</b>	<b>13,933.49</b>	<b>1,288.42</b>	<b>250.36</b>	<b>16.22</b>	<b>3.52</b>	<b>15,492.02</b>

Trade Receivables Ageing Schedule as at March 31, 2022	Outstanding for following periods from due date of payment					
	Not due	Less than 6 months	6 months - 1 year	1-2 years	More than 2 years	Total
<b>Undisputed Trade receivables</b>						
- considered good	26,436.28	832.41	91.95	2.12	-	27,362.77
- credit impaired	-	-	-	-	-	-
<b>TOTAL</b>	<b>26,436.28</b>	<b>832.41</b>	<b>91.95</b>	<b>2.12</b>	<b>-</b>	<b>27,362.76</b>

**Note 10.2:** There are no Disputed Trade Receivables during the current year or previous year.

**Note 10.3:** Refer note no. 51 for outstanding receivables from Related Party.

**NOTE 11 : CASH AND CASH EQUIVALENTS**

(₹ lakh)

Particulars	As at March 31, 2023	As at March 31, 2022
1 Cash on hand	0.13	0.15
2 Balances with banks:		
Current Accounts	47.21	55.30
<b>TOTAL</b>	<b>47.34</b>	<b>55.45</b>

**NOTE 12 : BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS**

(₹ lakh)		
Particulars	As at March 31, 2023	As at March 31, 2022
1 Fixed deposits - maturity more than 3 months and less than 12 months (Refer Note 12.1)	163.74	151.49
2 Unclaimed Dividend accounts	4.70	5.93
<b>TOTAL</b>	<b>168.44</b>	<b>157.42</b>

**Note 12.1:** Fixed deposits are restricted and the same is held towards security of bank guarantees.

**NOTE 13 : CURRENT FINANCIAL ASSETS - LOANS**

(₹ lakh)		
Particulars	As at March 31, 2023	As at March 31, 2022
Unsecured, considered good, unless otherwise stated		
Loans and advances to employees	2.04	14.62
<b>TOTAL</b>	<b>2.04</b>	<b>14.62</b>

**Note 13.1:** No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or its subsidiary companies incorporated in India to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall: directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Holding Company or its subsidiary companies incorporated in India or provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

The Holding Company or its subsidiary companies, incorporated in India have not received any funds from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or its subsidiary companies incorporated in India shall: directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Funding Parties or provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries

**NOTE 14 : OTHER CURRENT FINANCIAL ASSETS**

(₹ lakh)		
Particulars	As at March 31, 2023	As at March 31, 2022
1 Security Deposits	19.68	2.85
2 Merchandise exports incentive scheme - scripts in hand	24.65	278.96
3 Interest accrued on financial assets	15.24	18.84
4 Claims receivable	-	200.00
<b>TOTAL</b>	<b>59.57</b>	<b>500.65</b>

**NOTE 15 : OTHER CURRENT ASSETS**

		(₹ lakh)	
Particulars	As at March 31, 2023	As at March 31, 2022	
1 Advances to suppliers	122.05	419.86	
2 Balance with government authorities			
i) Unsecured and considered good	4,013.92	3,875.59	
ii) Credit impaired	16.18	23.29	
Less : Loss allowance	(16.18)	(23.29)	
<b>Total Balance with government authorities (net)</b>	<b>4,013.92</b>	<b>3,875.59</b>	
3 Prepaid expenses	497.07	486.71	
4 Others	0.02	0.02	
<b>TOTAL</b>	<b>4,633.06</b>	<b>4,782.18</b>	

**NOTE 16 : SHARE CAPITAL**

		(₹ lakh)	
Particulars	As at March 31, 2023	As at March 31, 2022	
<b>1 Authorised :</b>			
2,50,00,000 (Previous year: 2,50,00,000) Equity shares of the par value of ₹ 10 each	2,500.00	2,500.00	
<b>TOTAL</b>	<b>2,500.00</b>	<b>2,500.00</b>	

<b>2 Issued, Subscribed and Paid-up:</b>			
1,96,05,660 (Previous year: 1,95,97,555) Equity shares fully paid up	1,960.57	1,959.76	
<b>TOTAL</b>	<b>1,960.57</b>	<b>1,959.76</b>	

Particulars	As at March 31, 2023	As at March 31, 2022	
<b>3 Reconciliation of number of shares outstanding at the beginning and end of the year :</b>	No. of shares	No. of shares	
Equity shares :			
Outstanding at the beginning of the year	1,95,97,555	1,95,87,555	
Issued during the year	8,105	10,000	
<b>Outstanding at the end of the year</b>	<b>1,96,05,660</b>	<b>1,95,97,555</b>	

**4 Rights, preferences and restrictions attached to equity shares**

Equity Shares: The Company has one class of Equity shares having a par value of ₹ 10 per share. Each Shareholder is eligible for one vote per share held. All Equity Shareholders are eligible to receive dividends in proportion to their shareholdings. The dividends proposed by the Board of Directors are subject to the approval of the Shareholders in the ensuing Annual General Meeting. In the event of liquidation, the Equity Shareholders are eligible to receive the remaining assets of the Company, after distribution of all preferential amounts, in proportion to their share holding.

**5 Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company**

Equity shares	As at March 31, 2023		As at March 31, 2022	
	No. of shares	% of share holding	No. of shares	% of share holding
<b>Godrej Agrovet Limited - Holding company</b>	<b>1,26,99,054</b>	<b>64.77%</b>	<b>1,24,04,016</b>	<b>63.29%</b>

**6 Shares held by promoters at the end of the year in the company is set out below:**

Sr. No.	Promoter name	As at March 31, 2023			As at March 31, 2022	
		No. of shares	% of total shares	% Change during the year	No. of shares	% of total shares
<b>1</b>	<b>Godrej Agrovet Limited - Holding company</b>	1,26,99,054	64.77%	1.48%	1,24,04,016	63.29%
<b>2</b>	<b>Ashok Hiremath</b>	<b>3,90,802</b>	<b>1.99%</b>	<b>0.00%</b>	<b>3,90,802</b>	<b>1.99%</b>

**7 8,105 equity shares were issued as a result of the exercise of vested options arising from the:**

- ESOP 2012: 4,000 shares (Exercise price:- ₹ 34/share)
- ESOP 2015: 3,000 shares (Exercise price:- ₹ 387.35/share)
- ESOP 2012(Amended): 1,105 shares (Exercise price:- ₹ 10/share)

**NOTE 17 : OTHER EQUITY**

Particulars	(₹ lakh)	
	As at March 31, 2023	As at March 31, 2022
1. Retained earnings	32,614.59	30,375.04
2. General reserve	1,249.28	1,249.28
3. Capital redemption reserve	0.30	0.30
4. Employee stock options outstanding	35.81	29.21
5. Securities premium	6,073.56	6,034.80
6. Foreign currency translation reserve	2.22	1.15
7. Share application money pending allotment	-	-
<b>TOTAL OTHER EQUITY</b>	<b>39,975.76</b>	<b>37,689.78</b>

**General reserve**

General reserve is a free reserve which is created by transferring fund from retained earnings to meet future obligations and purposes.

**Capital redemption reserve**

Capital redemption reserve was created for buy back of shares. The company may issue fully paid-up bonus shares out of the capital redemption reserve.

**Employee stock options outstanding**

The employee stock options outstanding is used to recognise the grant date fair value of options issued to employees under the Company's stock option plan.

### Securities Premium

Securities Premium is used to record the premium received on issue of shares. The reserve is utilised in accordance with the provisions of the Companies Act, 2013.

### Foreign currency translation reserve

Exchange differences arising on translation of the foreign operations, if any, are recognised in other comprehensive income as described in accounting policy and accumulated in a separate reserve within equity. The cumulative amount is reclassified to profit or loss when the net investment is disposed-off.

### NOTE 18 : NON CURRENT FINANCIAL LIABILITIES-BORROWINGS

(₹ lakh)		
Particulars	As at March 31, 2023	As at March 31, 2022
<b>Unsecured</b>		
Term Loan from Bank (Refer Note 18.1)	1,086.25	-
<b>TOTAL</b>	<b>1,086.25</b>	<b>-</b>

**Note 18.1 :** Term Loan from Bank during the previous year carries interest rate at 7.39% to 7.83% and is repayable over a period till FY 2024-25. During the current year the 4,503 lakhs (previous year ₹ 4,000 Lakh) has been disclosed under current maturity of Long term Borrowing.

The Group does not have any continuing default as on the Balance Sheet date in repayment of loans and interest.

### NOTE 19 : OTHER NON-CURRENT LIABILITIES

(₹ lakh)		
Particulars	As at March 31, 2023	As at March 31, 2022
Employee benefit payable	134.92	100.00
<b>TOTAL</b>	<b>134.92</b>	<b>100.00</b>

### NOTE 20 : NON-CURRENT LIABILITIES - PROVISIONS

(₹ lakh)		
Particulars	As at March 31, 2023	As at March 31, 2022
Provision for employee benefits :		
- Provision for compensated absences	47.82	42.77
<b>TOTAL</b>	<b>47.82</b>	<b>42.77</b>

### NOTE 21 : DEFERRED TAX LIABILITIES (NET)

(₹ lakh)		
Particulars	As at March 31, 2023	As at March 31, 2022
Deferred tax liabilities (net) (Refer Note 39)	2,096.96	808.23
<b>TOTAL</b>	<b>2,096.96</b>	<b>808.23</b>

**NOTE 22 : CURRENT FINANCIAL LIABILITIES - BORROWINGS**

		(₹ lakh)	
Particulars	As at March 31, 2023	As at March 31, 2022	
<b>1 Secured</b>			
(a) Cash credit from banks (Refer Note 22.1)	-	719.38	
(b) Working Capital loan Rupee (Refer Note 22.3)	-	1,200.00	
<b>2 Unsecured</b>			
(a) Cash/Overdraft credit from banks (Refer Note 22.1)	268.99	-	
(b) Working Capital loan Rupee (Refer Note 22.3)	13,563.31	2,017.93	
(c) Commercial Paper (Refer Note 22.4)	12,500.00	20,000.00	
(d) Buyers credit (Refer Note 22.2)	2,195.53	-	
(e) Current maturities of secured long-term debt (Refer Note 18.1)	4,503.93	4,000.00	
<b>TOTAL</b>	<b>33,031.76</b>	<b>27,937.31</b>	

**Note 22.1 :** Cash Credit from banks are repayable on demand and carries interest at MCLR + 0.25% (Previous year - MCLR + 0.25%).

**Note 22.2 :** Buyers Credit from banks are repayable on as per due dates rates between 7.46% pa to 8.05% pa (Previous Year : No Buyers credit Transactions)

**Note 22.3 :** Working capital loan (Rupee) from banks carries interest rate at 7.45% to 8.25%(Previous year 6.10%). These loans are repayable on different dates within 6 months.

**Note 22.4 :** Commercial Paper carries interest rate of 7.56% to 7.84% (Previous year - 4.16% to 4.78%) and are repayable on different dates within 6 months.

**Details of security:**

The Group has all the current borrowings on unsecured basis (Previous year: All the secured current borrowings (Note 22 above) have first pari passu charge on the current assets of the group, including inventory and receivables both present and future.)

The group does not have any default as on the Balance Sheet date in repayment of any loan or interest.

**NOTE 23 : CURRENT - TRADE PAYABLES**

		(₹ lakh)	
Particulars	As at March 31, 2023	As at March 31, 2022	
<b>1 Trade Payables</b>			
a. Due to micro and small enterprises (Refer Note 23.1)	304.78	213.44	
b. Others	17,413.67	18,769.32	
<b>TOTAL</b>	<b>17,718.45</b>	<b>18,982.76</b>	

**NOTE 23.1: ADDITIONAL DISCLOSURE RELATED TO MICRO ENTERPRISES AND SMALL ENTERPRISES**

(₹ lakh)

Particulars	As at March 31, 2023	As at March 31, 2022
A Principal amount remaining unpaid	304.78	213.44
B Interest due thereon	-	-
C Interest paid by the company in term of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 along with the amount of the payment made to the suppliers beyond the appointed day during the year	-	-
D Interest due and payable for the year of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro, Small and Medium Enterprises Development Act, 2006	-	-
E Interest accrued and remaining unpaid	-	-
F 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	-	-

**Note 23.2:** Micro and small enterprises as defined under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) have been identified by the Group on the basis of the information available with the Group and the auditors have relied on the same. Accordingly, ₹ Nil is overdue as on March 31, 2023 (Previous year ₹ Nil) to Micro and Small Enterprises on account of principal or interest.

**Note 23.3: Trade Payable Ageing Schedule**

Trade Payable Ageing Schedule for current year	Outstanding for following periods from due date of payment					
	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	TOTAL
<b>Undisputed Trade Payable</b>						
(i) MSME	298.61	6.17	-	-	-	304.78
(ii) Others	10,174.58	7,198.19	27.73	12.85	0.32	17,413.67
<b>TOTAL</b>	<b>10,473.19</b>	<b>7,204.36</b>	<b>27.73</b>	<b>12.85</b>	<b>0.32</b>	<b>17,718.45</b>

Trade Payable Ageing Schedule for previous year	Outstanding for following periods from due date of payment					
	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	TOTAL
<b>Undisputed Trade Payable</b>						
(i) MSME	213.44	-	-	-	-	213.44
(ii) Others	7,490.93	11,251.94	12.70	2.10	11.65	18,769.32
<b>TOTAL</b>	<b>7,704.37</b>	<b>11,251.94</b>	<b>12.70</b>	<b>2.10</b>	<b>11.65</b>	<b>18,982.76</b>



**Note 23.4:** There are no Disputed Trade Payable during the current year or earlier year.

#### NOTE 24 : OTHER FINANCIAL LIABILITIES

		(₹ lakh)	
Particulars	As at March 31, 2023	As at March 31, 2022	
1 Non trade payables	1,032.46	593.06	
2 Derivative liability			
- Foreign exchange forward contracts designated as hedge	35.06	6.37	
3 Unclaimed dividend	4.70	5.61	
4 Others (includes accrual for bonus, incentives, etc.)	360.62	812.44	
<b>TOTAL</b>	<b>1,432.84</b>	<b>1,417.48</b>	

There are no amounts due to be credited to Investor Education and Protection Fund in accordance with Section 125 (2) (c) of the Companies Act, 2013 as at the year end.

#### NOTE 25 : OTHER CURRENT LIABILITIES

		(₹ lakh)	
Particulars	As at March 31, 2023	As at March 31, 2022	
1 Advances from customers	206.68	536.07	
2 Employee deductions	34.87	30.66	
3 Statutory liabilities	119.58	110.94	
4 Others	0.77	0.41	
<b>TOTAL</b>	<b>361.90</b>	<b>678.08</b>	

#### NOTE 26 : CURRENT LIABILITIES - PROVISIONS

		(₹ lakh)	
Particulars	As at March 31, 2023	As at March 31, 2022	
1 Provision for employee benefits			
- Provision for compensated absences	3.19	3.36	
- Provision for gratuity	42.32	11.23	
2 Provision for sales return (Refer note 26.1)	29.48	28.59	
<b>TOTAL</b>	<b>74.99</b>	<b>43.18</b>	

#### Note 26.1 - Movement of Provision for Sales return

		(₹ lakh)	
Particulars	As at March 31, 2023	As at March 31, 2022	
<b>Opening balance</b>	28.59	15.35	
Less:- Utilised during the year	-	15.35	
Less:- Reversed during the year	-	-	
Add:- Provision for the year	0.89	28.59	
<b>Closing balance</b>	<b>29.48</b>	<b>28.59</b>	

**Note 26.2 :** The Group makes a provision on estimated sales return based on historical experience. The Sales returns are generally expected within a year.

**NOTE 27 : REVENUE FROM OPERATIONS (REFER NOTE 27.1)**

(₹ lakh)		
Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>1 Sale of products</b>		
- Export sales	38,232.54	39,060.09
- Domestic sales	24,584.08	28,596.52
<b>TOTAL</b>	<b>62,816.62</b>	<b>67,656.61</b>

**Note 27.1**

**1 Sales by performance obligations**

(₹ lakh)		
Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Upon delivery	24,776.95	26,961.88
Upon shipment	38,039.67	40,694.73
<b>TOTAL</b>	<b>62,816.62</b>	<b>67,656.61</b>

**2 Reconciliation of revenue from contract with customers**

(₹ lakh)		
Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Revenue from contract with customer as per the contract price	63,123.19	67,983.07
Adjustments made to contract price on account of :-		
a) Commission / Discounts	(306.57)	(326.46)
<b>TOTAL</b>	<b>62,816.62</b>	<b>67,656.61</b>

**NOTE 28 : OTHER INCOME**

		(₹ lakh)	
Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022	
1	Export Incentives	33.09	33.35
2	Interest income		
	(a) Instruments measured at amortised cost		
	(i) Interest received on deposits	367.32	6.30
	(ii) Interest received on Inter Corporate Deposit	26.32	-
	(iii) Interest received on others	11.28	20.01
3	Profit on sale of Property, Plant and Equipment	-	1.43
4	Insurance claims	11.66	200.00
5	Sundry balances/Provision written back		28.38
6	Foreign exchange difference (net)	839.20	724.53
7	Loss allowance - other receivables	7.11	-
8	Miscellaneous income	10.03	32.78
	<b>TOTAL</b>	<b>1,306.01</b>	<b>1,046.78</b>

**NOTE 29 : COST OF MATERIALS CONSUMED**

		(₹ lakh)	
Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022	
1	Stocks at the beginning of the year	8,044.14	5,786.79
2	Add : Purchases	50,844.59	46,738.85
		<b>58,888.73</b>	<b>52,525.64</b>
3	Less: Stocks at the end of the year	12,805.29	8,044.14
	<b>TOTAL</b>	<b>46,083.44</b>	<b>44,481.50</b>

**NOTE 30 : CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK-IN-PROGRESS**

(₹ lakh)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>1 Stocks at the beginning of the year</b>		
(a) Finished goods	4,489.43	727.89
(b) Work-in-progress	5,830.68	3,791.80
<b>Total Stock at the beginning of the year</b>	<b>10,320.11</b>	<b>4,519.69</b>
<b>2 Less : Stocks at the end of the year</b>		
(a) Finished goods	10,123.91	4,489.43
(b) Work-in-progress	6,155.23	5,830.68
<b>Total Stock at the end of the year</b>	<b>16,279.14</b>	<b>10,320.11</b>
Changes in the stock of finished goods and work-in-progress	(5,959.03)	(5,800.42)

**NOTE 31 : EMPLOYEE BENEFIT EXPENSE**

(₹ lakh)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
1 Salaries, wages, bonus and allowances	4,811.11	4,671.72
2 Contribution to provident, gratuity and other funds	254.98	201.70
3 Expense on employee stock based payments (Refer note 43)	33.07	10.47
4 Staff welfare expense	126.72	147.52
<b>TOTAL</b>	<b>5,225.88</b>	<b>5,031.41</b>

**NOTE 32 : FINANCE COSTS**

(₹ lakh)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
1 Interest expense		
Paid towards loans and cash credit	2,015.83	869.49
2 Other borrowing costs	55.60	36.28
<b>TOTAL</b>	<b>2,071.43</b>	<b>905.77</b>

**NOTE 33 : DEPRECIATION AND AMORTISATION EXPENSE**

(₹ lakh)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
1 Depreciation	3,247.91	3,328.79
2 Amortisation	79.62	70.18
3 Amortisation of right of use asset (Refer Note 3)	37.72	36.66
<b>TOTAL</b>	<b>3,365.25</b>	<b>3,435.63</b>

**NOTE 34 : OTHER EXPENSES**

(₹ lakh)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
1 Power and fuel	4,567.75	3,804.16
2 Rent	106.86	101.80
3 Rates and taxes	64.76	60.41
4 Effluent treatment plant charges	663.62	415.68
5 Stores and spares consumed	418.95	402.56
6 Repairs and maintenance		
(a) Machinery	514.90	450.49
(b) Buildings	27.19	49.74
(c) Other assets	21.67	18.82
7 Insurance	644.77	502.92
8 Auditor's remuneration	22.48	21.35
9 Freight	751.02	1,083.38
10 Professional and legal fees	558.39	289.89
11 Directors sitting fees	31.50	31.00
12 Bad debts/advances written off		
Less: Utilised from loss allowance	1.98	0.36
13 Security charges	168.33	137.36
14 Loss on sale of Property, Plant and Equipment (Net)	52.35	-
15 Research expenses	148.53	91.40
16 Travelling expenses	79.91	35.77
17 Loss allowance - other receivables	-	28.22
19 Corporate social responsibility (Refer note 47)	180.73	137.69
20 Miscellaneous expenses	815.24	873.92
<b>TOTAL</b>	<b>9,840.93</b>	<b>8,536.92</b>

**NOTE 35 : EARNINGS PER SHARE**
**Calculation of weighted average number of equity shares - Basic**

Particulars	March 31, 2023	March 31, 2022
1 Calculation of weighted average number of equity shares - Basic		
(a) Number of shares at the beginning of the year	1,95,97,555	1,95,87,555
Number of shares outstanding at the end of the year	1,96,05,660	1,95,97,555
Weighted average number of equity shares outstanding during the year	<b>1,96,03,024</b>	<b>1,95,89,899</b>
2 Calculation of weighted average number of equity shares - Diluted		
(a) Number of equity shares at the beginning of the year	1,95,97,555	1,95,87,555
Effect of potential equity shares	9,097	14,049
Revised number of potential shares at the beginning of the year	<b>1,96,06,652</b>	<b>1,96,01,604</b>
(b) Number of equity shares outstanding at the end of the year	1,96,05,660	1,95,97,555
Effect of potential equity shares	3,882	9,097
Revised number of potential equity shares outstanding at the end of the year	<b>1,96,09,542</b>	<b>1,96,06,652</b>
Weighted average number of potential equity shares outstanding during the year	<b>1,96,06,906</b>	<b>1,95,98,996</b>
3 <b>Profit attributable to ordinary shareholders (Basic/diluted)</b>		
Profit (loss) for the period/year, attributable to the owners of the Group	2,556.49	8,985.86
<b>Income/(Expense) recognized in Reserves</b>	-	-
Employee Compensation Expenses	-	-
Merger Expenses	-	-
<b>Profit (loss) for the year, attributable to ordinary shareholders</b>	<b>2,556.49</b>	<b>8,985.86</b>
4 Basic Earnings per share (₹)	13.04	45.87
5 Diluted Earnings per share (₹)	13.04	45.85
6 Nominal Value of Shares (₹)	10	10

**Note 35.1**

The calculation of diluted earnings per share is based on profit attributed to equity shareholders and weighted average number of equity shares outstanding after adjustments for the effects of all dilutive potential equity shares.

**NOTE 36 : FINANCIAL RATIOS**

Particulars	March 31, 2023	March 31, 2022
(a) Current Ratio (refer note 36. 1)	0.95	1.05
(b) Debt Equity ratio (refer note 36. 2)	0.81	0.70
(c) Debt Service Coverage Ratio (DSCR) (refer note 36. 3)	1.25	13.23
(d) Return on Equity Ratio (refer note 36. 4)	6%	25%
(e) Inventory turnover (refer note 36. 5)	1.67	2.64
(f) Trade Receivables turnover ratio (refer note 36. 6)	2.75	2.92
(g) Trade payables turnover ratio (refer note 36. 7)	2.77	3.03
(h) Net capital turnover ratio (refer note 36. 8)	35.50	10.39
(i) Net profit ratio (refer note 36. 9)	4%	13%
(j) Return on Capital employed (refer note 36. 10)	7%	19%

**Note 36. 1:** Current ratio : Current assets / Current liabilities

**Note 36. 2:** Debt Equity ratio : Total Debt / Shareholder's Equity

**Note 36. 3:** Debt Service Coverage Ratio : (Net Profit after taxes + Non-cash operating expenses like depreciation and other amortizations + Interest + other adjustments like loss on sale of Fixed assets/Investment etc.) / (Interest & Lease Payments + Principal Repayments)

**Note 36. 4:** Return on Equity Ratio : Net Profits after taxes – Preference Dividend (if any) / Average Shareholder's Equity

**Note 36. 5:** Inventory turnover : Cost of goods sold / Average Inventory

The Inventory Turnover ratio has decreased substantially during the current year. This is due to sharp fall in demand of few products in the second half of the current year.

**Note 36. 6:** Trade Receivables turnover ratio : Net Credit Sales / Average Trade Receivable

**Note 36. 7:** Trade payables turnover ratio : Net Credit Purchases / Average Trade Payables

**Note 36. 8:** Net capital turnover ratio : Net Sales / Working Capital

During the current financial year, the working Capital were decreased significantly due to lower sales in second half. Hence, increase in Net Capital Turnover Ratio.

**Note 36. 9:** Net profit ratio : Net Profit / Net Sales

**Note 36. 10:** Return on Capital employed : Earning before interest and taxes / (Tangible Net Worth + Total Debt + Deferred Tax Liability)

The Debt service coverage ratio(DSCR), Return on Equity, Net profit ratio and Return on Capital employed for the current financial year are less than that of previous financial year. The Profit was sharply down due to challenging market conditions in the agro-chemical industry.

**NOTE 37 : EMPLOYEE BENEFITS**

The Group contributes to the following post-employment plans in India.

**Defined Contribution Plans:**

The Group pays provident fund contributions to publicly administered provident funds as per local regulations and are recognised as expense in the Statement of Profit and Loss during the period in which the employee renders the related service. There are no further obligations other than the contributions payable to the appropriate authorities.

The Group recognised ₹ 187.78 lakh for the year ended March 31, 2023 (Previous Year ₹ 163.36 lakh ) towards provident fund contribution in the Statement of Profit and Loss.

**Defined Benefit Plan:**

The Group’s gratuity scheme is defined benefit plan. The Group’s liability for the defined benefit schemes is actuarially determined based on the projected unit credit method. The Group’s net obligations in respect of such plans is calculated by estimating the amount of future benefit that the employees have earned in return for their services and the current and prior periods that benefit is discounted to determine its present value and the fair value of the plan asset is deducted. Actuarial gains and losses are recognised in Other Comprehensive Income.

In accordance with the provisions of the Payment of Gratuity Act, 1972, the Group has a defined benefit plan which provides for gratuity payments. The plan provides a lump sum gratuity payment to eligible employees at retirement or termination of their employment. The amounts are based on the respective employee’s last drawn salary and the years of employment with the Group.

Liabilities in respect of the gratuity plan are determined by an actuarial valuation, based upon which the Group makes annual contributions to the Group Gratuity cum Life Assurance Schemes administered by the LIC of India, a funded defined benefit plan for qualifying employees. Trustees administer the contributions made by the Group to the gratuity scheme.

The most recent actuarial valuation of the defined benefit obligation along with the fair valuation of the plan assets in relation to the gratuity scheme was carried out as at March 31, 2022. The present value of the defined benefit obligations and the related current service cost and past service cost, were measured using the Projected Unit Credit Method.

Based on the actuarial valuation obtained in this respect, the following table sets out the details of the employee benefit obligation and the plan assets as at balance sheet date:

	(₹ lakh)	
<b>Particulars</b>	<b>March 31, 2023</b>	<b>March 31, 2022</b>
Defined benefit obligation	(253.08)	(226.86)
Fair value of plan assets	210.76	215.63
<b>Net defined benefit (obligation)/assets</b>	<b>(42.32)</b>	<b>(11.23)</b>



**i. Movement in net defined benefit (asset) / liability**

The following table shows a reconciliation from the opening balances to the closing balances for net defined benefit (asset) / liability and its components

Particulars	(₹ lakh)					
	Defined Benefit Obligation		Fair value of plan assets		Net defined benefit (asset) liability	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
Opening balance	226.86	201.46	215.63	156.70	11.23	44.76
<b>Included in Profit or Loss</b>						
Current service cost	28.14	23.90	-	-	28.14	23.90
Past service cost	-	-	-	-	-	-
Interest cost (income)	16.63	14.00	15.81	10.89	0.82	3.11
Liability / Assets transferred in / Acquisitions	3.63	-	3.63	-	-	-
<b>Included in OCI</b>						
Remeasurement loss (gain):						
Actuarial loss (gain) arising from:	20.29	(0.30)	-	-	20.29	(0.30)
Demographic assumptions	(2.00)	(0.21)	-	-	(2.00)	(0.21)
Financial assumptions	(4.49)	(9.34)	-	-	(4.49)	(9.34)
Experience adjustment	26.78	9.25	-	-	26.78	9.25
Return on plan assets excluding interest income	-	-	(10.29)	(1.02)	10.29	1.02
	<b>295.55</b>	<b>239.06</b>	<b>224.78</b>	<b>166.57</b>	<b>70.77</b>	<b>72.49</b>
<b>Other</b>						
Contributions paid by the employer	-	-	28.46	61.26	(28.46)	(61.26)
Benefits paid	(42.47)	(12.20)	(42.47)	(12.20)	-	-
<b>Closing balance</b>	<b>253.08</b>	<b>226.86</b>	<b>210.76</b>	<b>215.63</b>	<b>42.32</b>	<b>11.23</b>

**Represented by**

(₹ lakh)

Particulars	March 31, 2023	March 31, 2022
Net defined benefit asset	-	-
Net defined benefit liability	42.32	11.23
<b>TOTAL</b>	<b>42.32</b>	<b>11.23</b>

**ii. Plan assets**

Plan assets comprise the following

Particulars	(₹ lakh)	
	March 31, 2023	March 31, 2022
Cash and Cash Equivalents	4.85	16.51
Insurer managed fund (100%)	205.91	199.12
<b>TOTAL</b>	<b>210.76</b>	<b>215.63</b>

**iii. Actuarial assumptions**

The following were the principal actuarial assumptions at the reporting date (expressed as weighted averages).

Particulars	March 31, 2023	March 31, 2022
Discount rate	7.49%	7.33%
Future salary growth	5.00%	5.00%
Rate of employee turnover	For service 4 years and below 10.00% p.a. For service 5 years and above 2.00% p.a.	For service 4 yrs & Below 7.00 % p.a. & For service 5 yrs and above 2.00 % p.a.
Mortality rate	Indian Assured Lives Mortality 2012-14 (Urban)	Indian Assured Lives Mortality (2012-14)

Assumptions regarding future mortality have been based on published statistics and mortality tables.

**iv. Sensitivity analysis**

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.

(₹ lakh)

Particulars	March 31, 2023		March 31, 2022	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	(25.51)	30.17	(21.88)	25.96
Future salary growth (1% movement)	30.63	(26.29)	26.31	(22.52)
Rate of employee turnover (1% movement)	<b>6.28</b>	<b>(7.26)</b>	<b>5.05</b>	<b>(5.85)</b>

The sensitivity analysis above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period.

**v. Expected future cash flows**

The expected future cash flows in respect of gratuity as at March 31, 2023 were as follows

(₹ lakh)

Expected future benefit payments	March 31, 2023	March 31, 2022
1st Following year	7.15	24.57
2nd Following year	7.57	6.16
3rd Following year	18.57	6.52
4th Following year	10.69	16.81
5th Following year	10.22	9.18
Therafter	109.80	89.05

**Other long-term employee benefits:**

Compensated absences are payable to employees at the rate of daily salary for each day of accumulated leave on death or on resignation or upon retirement. The charge towards compensated absences for the year ended March 31, 2023 based on actuarial valuation using the projected accrued benefit method is ₹ 10.59 lakh (Previous year : ₹ 1.45 lakh).

Terminal Benefits: All terminal benefits including voluntary retirement compensation are fully written off to the Statement of Profit & Loss.

**NOTE 38 : FINANCIAL INSTRUMENTS – FAIR VALUES AND RISK MANAGEMENT****Note 38.1: Accounting classification and fair values**

Carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy, are presented below. It does not include the fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

March 31, 2023		Carrying amount				Fair value			
		FVTPL	FVOCI	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
(₹ lakh)									
<b>Financial assets</b>									
<b>I Non Current Financial Assets</b>									
1	Investments	0.53	-	-	0.53	-	0.53	-	0.53
2	Loans	-	-	336.50	336.50	-	-	-	-
<b>II Current Financial Assets</b>									
1	Trade and other receivables	-	-	15,490.03	15,490.03	-	-	-	-
2	Cash and cash equivalents	-	-	47.34	47.34	-	-	-	-
3	Bank balance other than (2) above	-	-	168.44	168.44	-	-	-	-
4	Loans and advances	-	-	2.04	2.04	-	-	-	-
5	Others	24.65	-	34.92	59.57	-	24.64	-	24.64
		<b>25.17</b>	<b>-</b>	<b>16,079.27</b>	<b>16,104.44</b>	<b>-</b>	<b>25.17</b>	<b>-</b>	<b>25.17</b>
<b>Financial liabilities</b>									
<b>I Current Financial liabilities</b>									
1	Borrowings	-	-	33,031.76	33,031.76	-	-	-	-
2	Trade payables	-	-	17,718.45	17,718.45	-	-	-	-
3	Other financial liabilities	35.06	-	1,397.78	1,432.84	-	6.37	-	6.37
		<b>35.06</b>	<b>-</b>	<b>53,234.25</b>	<b>53,269.31</b>	<b>-</b>	<b>6.37</b>	<b>-</b>	<b>6.37</b>

March 31, 2022		Carrying amount				Fair value			
		FVTPL	FVOCI	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
(₹ lakh)									
<b>I Non-current Financial Assets</b>									
1	Investments	0.53	-	-	0.53	-	0.53	-	0.53
2	Loans	-	-	289.06	289.06	-	-	-	-
<b>II Current Financial Assets</b>									
1	Trade and other receivables	-	-	27,362.76	27,362.76	-	-	-	-
2	Cash and cash equivalents	-	-	55.45	55.45	-	-	-	-
3	Bank balance other than (2) above	-	-	157.42	157.42	-	-	-	-
4	Loans and advances	-	-	14.62	14.62	-	-	-	-
5	Others	278.96	-	221.69	500.65	-	278.90	-	278.90
		<b>279.49</b>	<b>-</b>	<b>28,101.00</b>	<b>28,380.49</b>	<b>-</b>	<b>279.43</b>	<b>-</b>	<b>279.43</b>
<b>Financial liabilities</b>									
<b>I Non-Current Financial liabilities</b>									
1	Long term borrowings	-	-	-	-	-	-	-	-
<b>II Current Financial liabilities</b>									
1	Borrowings	-	-	27,937.31	27,937.31	-	-	-	-
2	Trade payables	-	-	18,982.76	18,982.76	-	-	-	-
3	Other financial liabilities	6.37	-	1,411.11	1,417.48	-	6.37	-	6.37
		<b>6.37</b>	<b>-</b>	<b>48,331.18</b>	<b>48,337.55</b>	<b>-</b>	<b>6.37</b>	<b>-</b>	<b>6.37</b>

### Valuation technique used to determine fair value

Specific valuation techniques used to value financial instruments include :

- the fair value of the forward foreign exchange contracts is determined using forward exchange rates at the balance sheet date.
- the fair value of the remaining financial instruments is determined using discounted cash flow analysis.

All of the resulting fair value estimates are included in level 2 where the fair values have been determined based on present values and the discount rates used were adjusted for counterparty or own credit risk.

### C. Financial risk management

The Group has exposure to the following risks arising from financial instruments:

- Credit risk ;
- Liquidity risk;
- Market risk;
- Currency risk;

#### i. Risk management framework

The Group's board of directors has overall responsibility for the establishment and oversight of the Group's risk management framework. The board of directors has established the Risk Management Committee, which is responsible for developing and monitoring the Group's risk management policies. The committee reports regularly to the board of directors on its activities.

The Group's risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities. The Group, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The audit committee oversees how management monitors compliance with the Group's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Group. The audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the audit committee.

#### Note 38.2 : Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's receivables from customers and loans and advances.

The carrying amount of following financial assets represents the maximum credit exposure:

#### Trade receivables and loans and advances.

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer and the geography in which it operates. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Group grants credit terms in the normal course of business.

The Group has established a credit policy under which each new customer is analysed individually for creditworthiness before the Group's standard payment and delivery terms and conditions are offered. The Group's export sales are backed by letters of credit and Trade Credit Insurance policy from Export Credit Guarantee Corporation of India (ECGC).

The Group individually monitors the sanctioned credit limits as against the outstanding balances. Accordingly, the Group makes specific provisions against such trade receivables wherever required and monitors the same at periodic intervals.

The Group monitors each loans and advances given and makes any specific provision wherever required.

The Group establishes an allowance for impairment that represents its estimate of expected losses in respect of trade receivables and loans and advances.

The maximum exposure to credit risk for trade and other receivables by type of counterparty was as follows.

Particulars	Carrying amount	
	₹ lakh	
	March 31, 2023	March 31, 2022
Exports	6,934.15	16,492.04
Domestic	8,555.88	10,870.71
<b>Total of Trade Receivables (Net of Loss Allowance)</b>	<b>15,490.03</b>	<b>27,362.76</b>

Impairment - The ageing of trade receivables that were not impaired is as per Note 10. 1.

The movement in the allowance for impairment in respect of trade and other receivables during the year was as follows:

For Trade Receivables	₹ lakh	
	March 31, 2023	March 31, 2022
Balance as at the beginning of the year	-	24.78
Loss allowance recognised	1.98	-
Amounts written off	-	(24.78)
<b>Balance as at the end of the year</b>	<b>1.98</b>	<b>-</b>

#### Other financial assets

This comprises mainly of balances with banks, deposits with Government authorities and other receivables. Credit risk arising from these financial assets is limited and there is no collateral held against these because the counterparties are banks and government organizations. The Group considers that its balances with banks have low credit risk based on the external credit ratings of the counterparties. The Group has created the loss allowance for other receivables on specific identification basis.

#### Cash and cash equivalents

The Group held cash and cash equivalents of ₹ 47.33 lakh at March 31, 2023 (previous year ₹ 54.45 lakh) . The cash and cash equivalents are held with bank and financial institution counterparties with good credit rating.

#### Note 38.3 : Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

## Exposure to liquidity risk

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include estimated interest payments and exclude the impact of netting agreements.

(₹ lakh)

March 31, 2023	Contractual cash flows						
	Carrying amount	Total	0-6 months	6-12 months	1-2 years	2-5 years	More than 5 years
<b>Non-derivative financial liabilities</b>							
<b>Non current, non derivative financial liabilities</b>							
Borrowings	1,086.25	1,086.25	-	-	1,086.25	-	-
<b>Current, non derivative financial liabilities</b>							
Cash credit from bank	268.99	268.99	268.99	-	-	-	-
Working Capital Loans	13,563.31	13,563.31	13,563.31	-	-	-	-
Commercial Paper	12,500.00	12,500.00	12,500.00	-	-	-	-
Buyers credit	2,195.53	2,195.53	2,195.53	-	-	-	-
Current maturities of long-term debt	4,503.93	4,503.93	1,843.93	2,660.00	-	-	-
Trade payables	17,718.45	17,718.45	17,718.45	-	-	-	-
Other current financial liabilities	1,397.78	1,397.78	1,397.78	-	-	-	-
<b>Derivative liability</b>	35.06	35.06	35.06	-	-	-	-
<b>Total</b>	<b>53,269.30</b>	<b>53,269.30</b>	<b>49,523.05</b>	<b>2,660.00</b>	<b>1,086.25</b>	-	-

(₹ lakh)

March 31, 2022	Contractual cash flows						
	Carrying amount	Total	0-6 months	6-12 months	1-2 years	2-5 years	More than 5 years
<b>Non-derivative financial liabilities</b>							
<b>Non current, non derivative financial liabilities</b>							
Borrowings	-	-	-	-	-	-	-
<b>Current, non derivative financial liabilities</b>							
Cash credit from bank	719.38	719.38	719.38	-	-	-	-
Working Capital Loans	3,217.93	3,217.93	3,217.93	-	-	-	-
Buyers credit	20,000.00	20,000.00	20,000.00	-	-	-	-
Current maturities of long-term debt	4,000.00	4,000.00	4,000.00	-	-	-	-
Trade payables	18,982.76	18,982.76	18,982.76	-	-	-	-
Other current financial liabilities	1,411.11	1,411.11	1,411.11	-	-	-	-
<b>Derivative liability</b>	6.37	6.37	6.37	-	-	-	-
<b>Total</b>	<b>48,337.55</b>	<b>48,337.55</b>	<b>48,337.55</b>	-	-	-	-

The gross inflows/(outflows) disclosed in the above table represent the contractual undiscounted cash flows relating to derivative financial liabilities held for risk management purposes and which are not usually closed out before contractual maturity. The disclosure shows net cash flow amounts for derivatives that are net cash-settled and gross cash inflow and outflow amounts for derivatives that have simultaneous gross cash settlement.

**Note 38.4 : Currency Risk****Market risk**

Market risk is the risk that changes in market prices – such as foreign exchange rates, interest rates and equity prices – will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return. The Group uses derivatives to manage market risks. Generally, the Group hedge the financial instruments to manage volatility in profit or loss.

**Currency risk**

The Group operates internationally and portion of the business is transacted in USD, CHF & EURO currencies and consequently the Group is exposed to foreign exchange risk through its sales in overseas market and purchases from overseas suppliers in various foreign currencies. Foreign currency exchange rate exposure is partly balanced by purchasing of goods and services in the respective currencies and through derivative instruments.

The Group evaluates exchange rate exposure arising from foreign currency transactions and the Group follows established risk management policies, including the use of derivatives like foreign exchange forward contracts to hedge exposure to foreign currency risk.

**Exposure to currency risk**

The summary quantitative data about the Group's exposure to currency risk as reported to the management of the Group is as follows. The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include estimated interest payments and exclude the impact of netting agreements.

Particulars	March 31, 2023			March 31, 2022		
	USD	EUR	CHF	USD	EUR	CHF
<b>Financial Assets</b>						
Trade receivables	6,934.15	-	-	15,955.97	-	-
Foreign exchange forward contracts	-	-	-	(6,083.46)	-	-
<b>Net exposure to foreign currency risk (Assets)</b>	<b>6,934.15</b>	<b>-</b>	<b>-</b>	<b>9,872.51</b>	<b>-</b>	<b>-</b>
<b>Financial Liabilities</b>						
Buyers credit / PCFC	(2,195.53)	-	-	-	-	-
Trade payables	(14,437.30)	(31.33)	2.29	(13,845.02)	(29.61)	-
Foreign exchange forward contracts	7,941.28	-	-	-	-	-
<b>Net exposure to foreign currency risk (Liabilities)</b>	<b>(8,691.55)</b>	<b>(31.33)</b>	<b>2.29</b>	<b>(13,845.02)</b>	<b>(29.61)</b>	<b>-</b>
<b>Net exposure</b>	<b>(1,757.40)</b>	<b>(31.33)</b>	<b>2.29</b>	<b>(3,972.50)</b>	<b>(29.61)</b>	<b>-</b>
Un-hedged foreign currency exposures						
Payable	(8,691.55)	(31.33)	2.29	(13,845.02)	(29.61)	-
Receivable	6,934.15	-	-	9,872.51	-	-

(₹ lakh)

### Sensitivity analysis

A reasonably possible strengthening / (weakening) of the Indian Rupee against all other currencies at 31 March, 2023 would have affected the measurement of financial instruments denominated in a foreign currency and affected equity and 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.

Effect ₹ in lakh	Profit or (loss) before tax	
	Strengthening	Weakening
<b>March 31, 2023</b>		
USD (4% movement)	(70.30)	70.30
EUR (3% movement)	(0.94)	0.94
CHF (4% movement)	0.09	(0.09)
	<b>(71.14)</b>	<b>71.14</b>

Effect ₹ in lakh	Profit or (loss) before tax	
	Strengthening	Weakening
<b>March 31, 2022</b>		
USD (2% movement)	(79.45)	79.45
EUR (3% movement)	(0.89)	0.89
	<b>(80.34)</b>	<b>80.34</b>

Note: Sensitivity has been calculated using standard Deviation % of Foreign currency rate movement.



**NOTE 38.5 : INTEREST RATE RISK**

Interest rate risk can be either fair value interest rate risk or cash flow interest rate risk. Fair value interest rate risk is the risk of changes in fair values of fixed interest bearing financial assets or borrowings because of fluctuations in the interest rates, if such assets/borrowings are measured at fair value through profit or loss. Cash flow interest rate risk is the risk that the future cash flows of floating interest bearing borrowings will fluctuate because of fluctuations in the interest rates.

**Exposure to interest rate risk**

The interest rate profile of the Group's interest-bearing financial instruments as reported to the management of the Group is as follows.

Particulars	(₹ lakh)	
	March 31, 2023	March 31, 2022
<b>Fixed-rate instruments</b>		
<b>Financial assets</b>		
Loans	360.49	270.75
Bank Deposits	163.74	151.49
<b>Total</b>	<b>524.23</b>	<b>422.24</b>
<b>Financial liabilities</b>		
Commercial papers	12,500.00	20,000.00
Buyer's Credit	2,195.53	-
Working capital loan	8,382.20	3,200.00
<b>Total</b>	<b>23,077.73</b>	<b>23,200.00</b>
<b>Variable-rate instruments</b>		
<b>Financial liabilities</b>		
Borrowings - Non-Current	1,086.25	-
Borrowings - Current	9,954.03	4,737.31
<b>Total</b>	<b>11,040.28</b>	<b>4,737.31</b>

**Cash flow sensitivity analysis for variable-rate instruments**

A reasonably possible change of 100 basis points in interest rates at the reporting date would have increased / (decreased) profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency exchange rates, remain constant.

Particulars	Profit or (loss) before tax		Profit or (loss) before tax	
	March 31, 2023		March 31, 2022	
	100 bp increase	100 bp decrease	100 bp increase	100 bp decrease
Variable-rate instruments	(110.40)	110.40	(47.37)	47.37
<b>Cash flow sensitivity (net)</b>	<b>(110.40)</b>	<b>110.40</b>	<b>(47.37)</b>	<b>47.37</b>

The risk estimates provided assume a change of 100 basis points interest rate for the interest rate benchmark as applicable to the borrowings summarized above. This calculation also assumes that the change occurs at the balance sheet date and has been calculated based on risk exposures outstanding as at that date. The year end balances are not necessarily representative of the average debt outstanding during the year.

**NOTE 39 : INCOME TAXES**
**(a) Amounts recognised in profit and loss**

Particulars	(₹ lakh)	
	March 31, 2023	March 31, 2022
<b>Current income tax</b>		
In respect of current year	2.67	2,863.40
Adjustments in respect of earlier years	(363.76)	-
<b>Deferred income tax liability / (asset), net</b>		
In respect of current year		
Origination and reversal of temporary differences	932.67	260.92
Adjustments in respect of earlier years		
Origination and reversal of temporary differences	363.76	-
<b>Deferred tax expense</b>	<b>1,296.43</b>	<b>260.92</b>
<b>Tax expense recognised in the Statement of Profit &amp; Loss</b>	<b>935.35</b>	<b>3,124.32</b>

The Group in its Income tax return for the previous year had claimed deduction of Research and Development based on the Capital expenditure incurred, but not in the books of accounts. Accordingly, current tax pertaining to previous period has been reduced while Deferred tax has increased correspondingly.

**(b) Amounts recognised in other comprehensive income**

Particulars	(₹ lakh)					
	March 31, 2023			March 31, 2022		
	Before tax	Tax (expense) / benefit	Net of tax	Before tax	Tax (expense) / benefit	Net of tax
<b>Items that will not be reclassified to profit or loss</b>						
Remeasurements of defined benefit liability (asset)	(30.58)	7.70	(22.88)	(0.72)	0.18	(0.54)
<b>Items that will be reclassified to profit or loss</b>						
Foreign operations – foreign currency translation differences	1.06	-	1.06	(0.18)	-	(0.18)
	<b>(29.52)</b>	<b>7.70</b>	<b>(21.82)</b>	<b>(0.90)</b>	<b>0.18</b>	<b>(0.72)</b>

**(c) Reconciliation of tax expense and accounting profit for the year is as under:**

Particulars	(₹ lakh)	
	March 31, 2023	March 31, 2022
<b>Profit before tax</b>	3,494.73	12,112.58
Company's domestic tax rate	25.168%	25.168%
Tax using the Company's domestic tax rate (Current year 25.168% and Previous Year 25.168%)	879.55	3,048.49
<b>Tax effect of:</b>		
Expense not allowed for tax purposes	55.79	47.51
Change in tax rate	-	-
Others	-	28.32
<b>TOTAL</b>	<b>935.34</b>	<b>3,124.32</b>
Adjustments in respect of earlier years	-	-
<b>Tax expense as per Statement of Profit &amp; Loss</b>	<b>935.34</b>	<b>3,124.32</b>
Current tax	2.67	2,863.40
Deferred tax	932.67	260.92

The Group's weighted average tax rates for the year ended March 31, 2023 and March 31, 2022 were 26.76% and 25.79%, respectively.

**NOTE 40 : MOVEMENT IN DEFERRED TAX BALANCES FOR THE YEAR ENDED MARCH 31, 2023**

Particulars	Net balance April 1, 2022	Recognised in profit or loss	Prior year adjustment	Recognised in OCI	Net	Deferred tax liability	Deferred tax asset	Net Deferred Tax	
								March 31, 2023	
<b>Deferred tax asset / (liabilities)</b>									
Property, plant and equipment & Intangible assets	(907.39)	1,853.80	421.31	-	2,275.11	3,182.50	-	(3,182.50)	
Provision for gratuity	2.84	(7.81)	-	-	(7.81)	-	10.65	10.65	
Provision for PLVR	25.17	(8.81)	-	-	(8.81)	-	33.98	33.98	
Provisions for leave encashment	11.61	(1.23)	-	-	(1.23)	-	12.84	12.84	
Provisions for doubtful debts & other receivables	29.35	1.29	-	-	1.29	-	28.06	28.06	
Others-Sales return provision	7.19	(0.23)	-	-	(0.23)	-	7.42	7.42	
Carried forward losses	-	(80.09)	-	-	(80.09)	-	80.09	80.09	
Provisions for Inventory	-	(824.25)	(57.55)	-	(881.80)	-	881.80	881.80	
OCI Item	23.00	-	-	(7.71)	(7.71)	-	30.71	30.71	
<b>Deferred Tax assets / (Liabilities)</b>	<b>(808.23)</b>	<b>932.67</b>	<b>363.76</b>	<b>(7.71)</b>	<b>1,288.73</b>	<b>3,182.50</b>	<b>1,085.54</b>	<b>(2,096.95)</b>	

**Movement in deferred tax balances for the year ended March 31, 2022**

Particulars	Net balance April 1, 2021	Recognised in profit or loss	Prior year adjustment	Recognised in OCI	Net	Deferred tax liability(net)	Deferred tax asset	Net Deferred Tax	
								March 31, 2022	
<b>Deferred tax asset / (liabilities)</b>									
Property, plant and equipment & Intangible assets	(627.76)	279.63	-	-	279.63	907.39	-	(907.39)	
MAT Credit Entitlement	-	-	-	-	-	-	-	-	
Provision for gratuity	11.26	8.42	-	-	8.42	-	2.84	2.84	
Provisions for leave encashment	13.85	2.24	-	-	2.24	-	11.61	11.61	
Provisions for doubtful debts & other receivables	28.48	(0.87)	-	-	(0.87)	-	29.35	29.35	
Others-Sales return provision	3.86	(28.50)	-	-	(28.50)	-	32.36	32.36	
OCI Item	22.82	-	-	(0.18)	(0.18)	-	23.00	23.00	
<b>Deferred Tax assets / (Liabilities)</b>	<b>(547.49)</b>	<b>260.92</b>	<b>-</b>	<b>(0.18)</b>	<b>260.74</b>	<b>907.39</b>	<b>99.16</b>	<b>(808.23)</b>	

The Group offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority. Significant management judgement is required in determining provision for income tax, deferred income tax assets and liabilities and recoverability of deferred income tax assets. The recoverability of deferred income tax assets is based on estimates of taxable income by each jurisdiction in which the relevant entity operates and the period over which deferred income tax assets will be recovered. Given that the Group does not have any intention to dispose investments in subsidiaries in the foreseeable future, deferred tax asset on indexation benefit in relation to such investments has not been recognised.

**NOTE 41 : CAPITAL MANAGEMENT**

The Group's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. Management monitors the return on capital as well as the level of dividends to ordinary shareholders.

The board of directors seeks to maintain a balance between the higher returns that might be possible with higher levels of borrowings and the advantages and security afforded by a sound capital position. The primary objective of the Group's Capital Management is to maximise shareholder value. The Group manages its capital structure and makes adjustments in the light of changes in the economic environment and the requirements of the financial covenants, if any.

The Group monitors capital using a ratio of 'adjusted net debt' to 'equity'. For this purpose, adjusted net debt is defined as total borrowings, comprising interest-bearing loans and borrowings less cash and cash equivalents. Equity comprises all components of equity.

**a) The Group's adjusted net debt to equity ratio at March 31, 2023 was as follows:-**

Particulars	(₹ lakh)	
	March 31, 2023	March 31, 2022
Total borrowings	34,118.01	27,937.31
Less : Cash and cash equivalents	47.34	55.45
<b>Adjusted net debt</b>	<b>34,070.68</b>	<b>27,881.86</b>
<b>Total equity</b>	<b>41,955.53</b>	<b>39,665.86</b>
<b>Adjusted net debt to total equity ratio</b>	<b>0.81</b>	<b>0.70</b>

**b) Dividends**

Particulars	(₹ lakh)	
	March 31, 2023	March 31, 2022
<b>(i) Equity shares</b>		
Final dividend for the year ended March 31, 2022 of ₹ 1.50/- (March 31, 2021 - ₹ 1.50/-) per fully paid share	294.06	293.78
<b>(ii) Dividend not recognised at the end of the reporting period</b>		
The directors have recommended the payment of a final dividend of ₹ 1.50/- per fully paid equity share (March 31, 2023 - ₹ 1.50/- per fully paid equity share). This proposed dividend is subject to the approval of shareholders in the ensuing annual general meeting.	294.08	293.96

**NOTE 42 : SEGMENT REPORTING**

**A. General Information**

**(a) Factors used to identify the entity’s reportable segments, including the basis of organisation -**

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 (MD) and Chief Operating Officer (COO) of the Group. The Group has identified only one segment i.e. Agrochemicals as reporting segment based on the information reviewed by CODM.

**B. Information about geographical segment**

**(a) Revenue from external customers**

Particulars	(₹ lakh)	
	March 31, 2023	March 31, 2022
Within India	24,584.08	28,596.52
Outside India	38,232.54	39,060.09

**(b) Segment assets**

Particulars	(₹ lakh)	
	March 31, 2023	March 31, 2022
Within India	97,941.26	89,675.50
Outside India	0.15	0.17

**(c) Segment liabilities**

Particulars	(₹ lakh)	
	March 31, 2023	March 31, 2022
Within India	55,981.28	50,004.11
Outside India	4.62	5.70

**C. Information about major customers**

Revenues from customers of the only segment i.e. Agrochemicals which contributed more than 10% of the group’s total revenues represented approximately ₹ 15,365.17 Lakh from 2 customers (March 31, 2022 - ₹ 14,841.76 Lakh from 2 customers).

## NOTE 43 : SHARE BASED PAYMENTS

### (a) Employee stock option scheme (ESOP, 2012 as amended by the Shareholders by way of a Special Resolution)

The Company had set up the Employees Stock Option Plan 2012 which was amended by the Shareholders by way of a Special Resolution obtained by way of Postal Ballot, whose results have been declared on September 27, 2021.

The Scheme applies to the Eligible Employees who are in whole time employment of the Company or its Subsidiary Companies. The entitlement of each employee would be decided by the Nomination and Remuneration Committee of the respective Company based on the employee's performance, level, grade, etc.

The total number of Stock Option to be awarded under the ESOP Scheme are restricted to 1% of the issued equity share capital at the time of awarding the Stock Option, can be awarded to any one employee in any one year.

The Stock Options shall vest in the Eligible Employees pursuant to the ESOP Scheme in the proportion of 1/3rd at the end of each year from the date on which the Stock Options are awarded for a period of three consecutive years, or as may be determined by the Nomination and Remuneration Committee, subject to the condition that the Eligible Employee continues to be in employment of the Company or the Subsidiary company as the case may be.

The Eligible Employee shall exercise her / his right to acquire the shares vested in her / him all at one time within 1 month from the date on which the shares vested in her / him or such other period as may be determined by the Nomination and Remuneration Committee.

### (b) Employee stock option scheme (ESOS, 2015)

The Company has implemented Employees under Employee stock option scheme (ESOS, 2015) which was approved by the Shareholders at the 21st Annual General Meeting. The employee stock option scheme is designed to provide incentives to all the permanent employees to deliver long-term returns. Under the plan, participants are granted options which will vest in 4 years (40% in 1st year, 30% in 2nd year, 20% in 3rd year and 10% in 4th year) from the date of grant. Participation in the plan is at the discretion of the Compensation Committee / Board of Directors of the Company.

Once vested, the options remains exercisable for a period of three years.

Options are granted at the market price on which the options are granted to the employees under ESOS 2015. When exercisable, each option is convertible into one equity share.

### (c) Employee stock option plan (ESOP, 2012)

The Company has implemented Employee Stock Option Plan (ESOP 2012) which was approved by the Shareholders at the Extra-Ordinary General Meeting of the Company in the Year 2012. The employee stock option plan is designed to provide incentives to all the permanent employees to deliver long-term returns. Under the plan, participants are granted options which will vest in 4 years (40% in 1st year, 30% in 2nd year, 20% in 3rd year and 10% in 4th year) from the grant date. Participation in the plan is at the discretion of the Compensation Committee / Board of Directors of the Company.

Once vested, the options remains exercisable for a period of seven years.

Options are granted under ESOP 2012 at an exercise price of ₹ 34/- each. When exercisable, each option is convertible into one equity share.

Set out below is a summary of options granted under both the plans:

**Employee stock option scheme (ESOP, 2012 as amended by the Shareholders by way of a Special Resolution)**

Particulars	March 31, 2023		March 31, 2022	
	Average exercise price per share option (₹ )	Number of options	Average exercise price per share option (₹ )	Number of options
Opening balance	10.00	3,316	-	-
Granted during the year	10.00	1,322	10.00	3,316
Exercised during the year	-	1,105	-	-
Lapsed during the year	-	-	-	-
<b>Closing balance</b>	-	<b>3,533</b>	-	<b>3,316</b>
<b>Vested and exercisable</b>	-	<b>1,546</b>	-	-

**Employee stock option scheme (ESOS,2015)**

Particulars	March 31, 2023		March 31, 2022	
	Average exercise price per share option (₹ )	Number of options	Average exercise price per share option (₹ )	Number of options
Opening balance	387.35	5,000	387.35	12,500
Granted during the year	-	-	-	-
Exercised during the year	387.35	3,000	387.35	7,500
Lapsed during the year	-	-	-	-
<b>Closing balance</b>	-	<b>2,000</b>	-	<b>5,000</b>
<b>Vested and exercisable</b>	-	<b>2,000</b>	-	<b>5,000</b>

**Employee stock option plan (ESOP,2012)**

Particulars	March 31, 2023		March 31, 2022	
	Average exercise price per share option (₹ )	Number of options	Average exercise price per share option (₹ )	Number of options
Opening balance	34.00	4,300	34.00	6,800
Granted during the year	-	-	-	-
Exercised during the year	34.00	4,000	34.00	2,500
Lapsed during the year	-	-	-	-
Forefeited during the year	-	-	-	-
<b>Closing balance</b>	-	<b>300</b>	-	<b>4,300</b>
<b>Vested and exercisable</b>	-	<b>300</b>	-	<b>4,300</b>

No options expired during the periods covered in the above tables.



Share options outstanding at the end of the year have the following expiry date and exercise prices:

Grant date	Expiry date	Exercise price	March 31, 2023	March 31, 2022
			Share options	Share options
January 31, 2015	January 30, 2023	34.00		
January 31, 2015	January 30, 2024	34.00		
January 31, 2015	January 30, 2025	34.00	-	-
January 31, 2015	January 30, 2026	34.00	300	1,300
May 16, 2015	May 15, 2023	34.00		-
May 16, 2015	May 15, 2024	34.00		-
May 16, 2015	May 15, 2025	34.00		2,000
May 16, 2015	May 15, 2026	34.00		1,000
July 26, 2016	July 25, 2020	387.35		-
July 26, 2016	July 25, 2021	387.35		-
July 26, 2016	July 25, 2022	387.35		1,000
July 26, 2016	July 25, 2023	387.35	2,000	4,000
October 30, 2021	November 30, 2022	10.00		1,105
October 30, 2021	August 31, 2023	10.00	1,105	1,105
October 30, 2021	August 31, 2024	10.00	1,105	1,106
May 6, 2022	June 9, 2023	10.00	441	-
May 6, 2022	June 9, 2024	10.00	441	-
May 6, 2022	June 9, 2025	10.00	440	-
<b>Total</b>			<b>5,832</b>	<b>12,616</b>
Weighted average remaining contractual life of options outstanding at end of period			<b>0.78</b>	<b>2.30</b>

**(i) Fair value of options granted**

The fair value of grant date of options granted is mentioned in the table below. The fair value at grant date is determined using the Black Scholes model which takes into account the exercise price, the term of option, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option.

Grant date	Expiry date	Fair Value	March 31, 2023	March 31, 2022
			Share options	Share options
January 31, 2015	January 30, 2023	95.84	-	-
January 31, 2015	January 30, 2024	109.41	-	-
January 31, 2015	January 30, 2025	109.91	-	-
January 31, 2015	January 30, 2026	110.49	300	1,300
May 16, 2015	May 15, 2023	105.77	-	-
May 16, 2015	May 15, 2024	118.18	-	-
May 16, 2015	May 15, 2025	119.30	-	2,000
May 16, 2015	May 15, 2026	119.67	-	1,000
July 26, 2016	July 25, 2020	100.00	-	-
July 26, 2016	July 25, 2021	159.00	-	-
July 26, 2016	July 25, 2022	278.00	-	1,000
July 26, 2016	July 25, 2023	297.00	2,000	4,000
October 30,2021	November 30, 2022	1,241.00	-	1,105
October 30,2021	August 31, 2023	1,239.65	1,105	1,105
October 30,2021	August 31, 2024	1,238.16	1,106	1,106
May 6, 2022	June 9, 2023	1,932.04	441	-
May 6, 2022	June 9, 2024	1,930.58	441	-
May 6, 2022	June 9, 2025	1,929.08	440	-
<b>Total</b>			<b>5,833</b>	<b>12,616</b>

The model inputs for options granted includes:

**ESOP, 2012 as amended, granted on May 6, 2022**

Particulars	6th May, 2022
Exercise Price	₹ 10
Grant Date	6th May, 2022
Expected life of share options	1 to 3 years
Share price at grant date	1,933.64
Expected price volatility of the company's shares	46% to 55%
Expected dividend yield	0.08%
Risk free interest rate	5.487% to 6.932

**ESOP, 2012 as amended, granted on October 31, 2021**

Particulars	October 30, 2021
Exercise Price	₹ 10
Grant Date	October 30, 2021
Expected life of share options	1 to 3 years
Share price at grant date	1,242.71
Expected price volatility of the company's shares	44% to 58%
Expected dividend yield	0.12%
Risk free interest rate	4.107% to 5.124%

**ESOS, 2015 granted on 26 July 2016**

Options are granted for a consideration as mentioned in the below table and 40% of options vest after 1 year, 30% of options after 2 years, 20% of options after 3 years and 10% of options after 4 years. Vested options are exercisable for a period of 3 years after vesting.

Particulars	July 25, 2020	July 25, 2021	July 25, 2022	July 25, 2023
Exercise Price	₹ 387.35	₹ 387.35	₹ 387.35	₹ 387.35
Grant Date	July 26, 2016	July 26, 2016	July 26, 2016	July 26, 2016
Expiry Date	July 25, 2020	July 25, 2021	July 25, 2022	July 25, 2023
Share price at grant date	₹ 387.35/-	₹ 387.35/-	₹ 387.35/-	₹ 387.35/-
Expected price volatility of the Group's shares	57%	66%	115%	109%
Expected dividend yield	0.00%	0.00%	0.00%	0.00%
Risk free interest rate	8.27%	8.17%	8.20%	8.32%

The model inputs for options granted includes:

**ESOP, 2012- Option B granted on 16 May 2015**

Options are granted for a consideration as mentioned in the below table and 40% of options vest after 1 year, 30% of options after 2 years, 20% of options after 3 years and 10% of options after 4 years. Vested options are exercisable for a period of 7 years after vesting.

Particulars	May 15, 2023	May 15, 2024	May 15, 2025	May 15, 2026
Exercise Price	₹ 34/-	₹ 34/-	₹ 34/-	₹ 34/-
Grant Date	May 16, 2015	May 16, 2015	May 16, 2015	May 16, 2015
Expiry Date	May 15, 2023	May 15, 2024	May 15, 2025	May 15, 2026
Share price at grant date	₹ 138/-	₹ 138/-	₹ 138/-	₹ 138/-
Expected price volatility of the company's shares	71%	139%	121%	108%
Expected dividend yield	0.91%	0.91%	0.91%	0.91%
Risk free interest rate	8.30%	8.19%	8.21%	8.30%

The model inputs for options granted includes:

**ESOP, 2012- Option A granted on 31 January 2015**

Options are granted for a consideration as mentioned below in the table and vest 40% of options after 1 year, 30% of options after 2 years, 20% of options after 3 years and 10% of options after 4 years. Vested options are exercisable for a period of 7 years after vesting.

Particulars	January 30, 2023	January 30, 2024	January 30, 2025	January 30, 2026
Exercise Price	₹ 34/-	₹ 34/-	₹ 34/-	₹ 34/-
Grant Date	January 31, 2015	January 31, 2015	January 31, 2015	January 31, 2015
Expiry Date	January 30, 2023	January 30, 2024	January 30, 2025	January 30, 2026
Share price at grant date	₹ 127.70/-	₹ 127.70/-	₹ 127.70/-	₹ 127.70/-
Expected price volatility of the company's shares	72%	143%	120%	108%
Expected dividend yield	0.78%	0.78%	0.78%	0.78%
Risk free interest rate	8.27%	8.17%	8.20%	8.32%

The expected price volatility is based on the historic volatility (based on the remaining life of the options), adjusted for any expected changes to future volatility due to publicly available information.

**b) Expense arising from share based payment transactions**

Total expenses arising from share-based payment transactions recognised in profit or loss as part of employee benefit expense were as follows:

Particulars	March 31, 2023	March 31, 2022
Employee stock option plan (Note 29)	33.07	10.47
<b>TOTAL</b>	<b>33.07</b>	<b>10.47</b>

(₹ lakh)

**NOTE 44 : CONTINGENT LIABILITIES**

Particulars	(₹ lakh)	
	March 31, 2023	March 31, 2022
<b>Claims against the Group not acknowledged as debts:</b>		
<b>(i) Excise Matter</b>		
Excise duty demands relating to clearance/storage of Raw Material/goods from DTA and used/manufactured in 100% EOU unit, availment of cenvat credit, etc. The said amount includes up-to-date interest.	11,313.00	10,705.01
<b>(ii) Customs Matter</b>		
The Group has replied the SCN no. 1624 / 2013 -14 dated 9th July 2013 issued by the Commissioner of Custom - Raigarh alleging that goods imported in Unit B-16 were kept in unit B-17 and therefore are liable for confiscation. The personal hearing of the said SCN is pending. The said amount includes upto date interest	34.83	32.77
<b>(iii) Goods and Service tax (GST)</b>		
a. GST demands relating to issues pertaining to cenvat credit transition to GST. The said amount includes up-to-date interest.	13.86	319.04
b. Issue pertaining to service tax credit of EOU unit -The said amount includes up-to-date interest.	155.36	143.23
c. GST Demands pertaining to Compensation Cess credit -The said amount includes up-to-date interest.	-	65.97
<b>(iv) Income tax</b>		
The Group has preferred appeal against the order of various income tax authorities in which demand of ₹ 452.34 lakh has been determined for various assessment years. The said demand also includes interest payable as determined by the competent authority.		
a. Pending before DCIT/JCIT/AO	81.55	81.55
b. Pending before CIT (Appeal)	370.79	370.79
c. Pending before High Court	23.20	23.20
<b>(v) Sales tax matters</b>		
a. Pending before JSCT(Appeal)	659.93	659.93
b. Pending C & H forms	66.19	61.51
<b>(vi) Civil matters</b>		
Nath Bio-Genes (India) Ltd has filed a suit against the Group alleging that some product supplied by the Group was responsible for the poor germination of its seeds.	6,500.00	6,500.00
<b>(vii) Guarantees outstanding</b>	755.84	462.14
<b>(viii) Letters of Credit</b> given by Group (different letter of credits issued to various suppliers for supply of materials)	314.48	5,018.89

**Note 44.1 :** Contingent liabilities represents estimates made mainly for probable claims arising out of litigation/ disputes pending with authorities under various statutes (Excise duty, Customs duty, Income tax).The probability and timing of outflow with regard to these matters depend on the final outcome of litigations/ disputes. Hence, the Company is not able to reasonably ascertain the timing of the outflow.

**NOTE 45**

The Hon'ble Supreme Court of India ("SC") by their order dated February 28, 2019, in the case of Surya Roshani Limited & others v/s EPFO, set out the principles based on which allowances paid to the employees should be identified for inclusion in basic wages for the purposes of computation of Provident Fund contribution. The company has started complying with this prospectively from the month of March 2019. In respect of the past period there are significant implementation and interpretative challenges that the management is facing and is awaiting for clarity to emerge in this regard, pending which, this matter has been disclosed under the Contingent liability section in the financial statements. The impact of the same is not ascertainable.

**NOTE 46 : COMMITMENTS**

Particulars	(₹ lakh)	
	March 31, 2023	March 31, 2022
Estimated value of contracts remaining to be executed on capital account (net of advances), to the extent not provided for	5,327.50	2,100.03

**NOTE 47 : CORPORATE SOCIAL RESPONSIBILITY (CSR) EXPENDITURE**

Particulars	(₹ lakh)	
	March 31, 2023	March 31, 2022
1 Amount required to be spent by the company during the year	180.73	137.69
2 Amount of expenditure incurred on:		
(i). Construction/acquisition of any asset	-	-
(ii) On purposes other than (i) above	141.99	99.40
3 Shortfall at the end of the year	38.74	38.29
4 Total of previous years shortfall	39.89	-
5 Reason for shortfall	The amount was carried forward for ongoing projects	The amount was carried forward for ongoing projects
6 Nature of CSR activities7Details	Disaster Relief, Education, Skilling, Employment, Entrepreneurship, Health, Wellness and Water, Sanitation and Hygiene, Heritage	

**NOTE 48 : RELATED PARTY DISCLOSURES**

In compliance with Ind AS 24 - "Related Party Disclosures" as notified under Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015, as amended, the required disclosures are given below:

**Relationships:****(i) Holding Companies:**

Godrej Agrovet Limited (GAVL) holds 64.77% Equity Shareholding in Astec LifeSciences Limited. GAVL is the subsidiary of Godrej Industries Limited (GIL). GIL is the Ultimate Holding Company of the Company.

**(ii) Fellow Subsidiaries:**

- 1 Creamline Dairy Products Limited
- 2 Godrej Tyson Foods Limited
- 3 Godrej Maxximilk Private Limited
- 4 Godrej One Premises Management Private Limited
- 5 Godvet Agrochem Limited

**(iii) Associates / Joint Ventures of Godrej Industries Limited (GIL) :**

Godrej Consumer Products Limited

**(iv) Entities which is controlled/jointly controlled/has significant influence of KMP's of Astec LifeSciences Limited :**

Astec Crop Care Private Limited

**(vi) Other related parties**

Godrej & Boyce Manufacturing Company Limited

**(vii) Post-employment benefit plan (entities) for the benefit of employees of the company**

Astec LifeSciences Limited Employees Group Gratuity Trust

**(viii) Key Managerial Personnel**

- 1 Mr. Nadir B. Godrej, Chairman and Non-Executive Director
- 2 Mr. Ashok V. Hiremath, Director
- 3 Mr. B.S. Yadav, Non-Executive Director
- 4 Mr. Rakesh Dogra, (Director upto 01st May 2022)
- 5 Mr. Burjis Godrej, (Director w.e.f. 25th July, 2022)
- 6 Mr. R.R. Govindan, Independent Director
- 7 Dr. Bhramanand Vyas, Independent Director
- 8 Mr. Vijay Kashinath Khot, Independent Director
- 9 Mr. Nandkumar Vasant Dhekne, Independent Director
- 10 Ms. Anjali Rajesh Gupte, Independent Director
- 11 Mr. Anurag Roy, (Whole-Time Director and Chief Executive Officer)
- 12 Mr. Saurav Bhala, (Chief Financial Officer upto 30th September, 2022)
- 13 Mr. Madhur Gundecha (Chief Financial Officer w.e.f 28th October, 2022)
- 14 Ms. Tejashree Pradhan, Company Secretary

**NOTE 48 : RELATED PARTY DISCLOSURES (CONTD.)**

Related party disclosures as required by IND AS - 24, "Related Party Disclosures", are given below "

**2. The following transactions were carried out with the related parties in the ordinary course of business :**

			(₹ lakh)	
Sr. No.	Nature of Transaction	Nature of Relationship	March 31, 2023	March 31, 2022
<b>1</b>	<b>Sale of materials / finished goods</b>			
	Godrej Agrovet Limited	Holding company	3,303.46	2,885.42
<b>2</b>	<b>Purchase of materials / finished goods</b>			
	Godrej Agrovet Limited	Holding company	-	3.79
	Godrej Consumer Products Limited	Other related party	12.40	8.57
<b>3</b>	<b>Purchase of Property, plant &amp; equipment</b>			
	Godrej & Boyce Manufacturing Company Limited	Other related party	821.32	5.86
<b>4</b>	<b>Expenses Charged by / Reimbursement made to other companies</b>			
	Godrej Agrovet Limited	Holding company	749.13	612.11
	Godrej Industries Limited	Holding company	0.56	5.24
	Godrej & Boyce Manufacturing Company Limited	Other related party	0.42	11.16
<b>5</b>	<b>Expenses Charged to / Reimbursement made by other companies</b>			
	Godrej Agrovet Limited	Holding company	23.05	62.37
<b>6</b>	<b>Dividend Paid</b>			
	Godrej Agrovet Limited	Holding company	186.06	186.06
<b>7</b>	<b>Intercompany deposits taken</b>			
	Godrej Agrovet Limited	Holding company	8,300.00	-
<b>8</b>	<b>Intercompany deposits repaid</b>			
	Godrej Agrovet Limited	Holding company	8,300.00	-
<b>9</b>	<b>Interest expense on intercompany deposits taken</b>			
	Godrej Agrovet Limited	Holding company	20.49	-



**NOTE 48 : RELATED PARTY DISCLOSURES (CONTD.)**

Sr. No.	Nature of Transaction	Nature of Relationship	(₹ lakh)	
			March 31, 2023	March 31, 2022
<b>10</b>	<b>Intercorporate deposits placed</b>			
	Creamline Dairy Products Limited	Fellow subsidiary	2,500.00	-
<b>11</b>	<b>Intercorporate deposits returned</b>			
	Creamline Dairy Products Limited	Fellow subsidiary	2,500.00	-
<b>12</b>	<b>Interest income on intercorporate deposits given</b>			
	Creamline Dairy Products Limited	Fellow subsidiary	26.32	-
<b>13</b>	<b>Capital advances given</b>			
	Godrej & Boyce Manufacturing Company Limited	Other related party	740.44	4.07
<b>14</b>	<b>Contribution to post employment benefit plans</b>			
	Astec LifeSciences Limited Employees Group Gratuity Trust	Other related party	28.46	44.76
<b>15</b>	<b>Outstanding capital advance</b>			
	Godrej & Boyce Manufacturing Company Limited	Other related party	-	0.49
<b>16</b>	<b>Outstanding Receivables</b>			
	Godrej Agrovet Limited	Holding company	1,533.64	1,127.73
<b>17</b>	<b>Outstanding Payables</b>			
	Godrej Agrovet Limited	Holding company	84.44	56.24
	Godrej Industries Limited	Holding company	-	0.06
	Godrej & Boyce Manufacturing Company Limited	Other related party	70.96	-
	Godrej Consumer Products Limited	Other related party	10.81	-
<b>18</b>	<b>Remuneration to Key Management Personnel</b>			
	Short Term Employee Benefit		677.44	571.37
	Post employment gratuity benefits		31.45	8.75
	Share based payment		24.24	45.23
	<b>Dividend Paid</b>		5.91	4.96
	<b>Director's Sitting Fees</b>		31.84	31.12

**NOTE 49 : INTEREST IN OTHER ENTITIES**
**(a) Subsidiaries**

The group's subsidiaries at March 31, 2023 are set out below. Unless otherwise stated, they have share capital consisting solely of equity shares that are held directly by the group, and the proportion of ownership interests held equals the voting rights held by the group. The country of incorporation or registration is also their principal place of business.

Name of the entity	Principal activities	Place of business / Country of incorporation	Ownership interest held by the group		Ownership interest held by the non-controlling interest	
			March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
			%	%	%	%
Behram Chemicals Private Limited	Manufacturing of agrochemicals	India	65.63	65.63	34.37	34.37
Comercializadora Agricola Agroastrachem Cia Ltda	Distribution of agrochemicals	Columbia	100.00	100.00	-	-

**(b) Non-controlling interests (NCI)**

(₹ lakh)

Summarised balance sheet	Behram Chemicals Pvt Ltd	
	As on March 31, 2023	As on March 31, 2022
Current Assets	88.96	79.20
Current liabilities	0.77	0.44
<b>Net current assets</b>	<b>88.19</b>	<b>78.76</b>
Non-current assets	37.19	38.07
Non-current liabilities	3.46	3.31
<b>Net non-current assets</b>	<b>33.73</b>	<b>34.76</b>
<b>Net assets</b>	<b>121.91</b>	<b>113.52</b>
<b>Accumulated NCI</b>	<b>19.21</b>	<b>16.32</b>

(₹ lakh)

Summarised statement of profit and loss	Behram Chemicals Pvt Ltd	
	As on March 31, 2023	As on March 31, 2022
Revenue	13.19	11.24
Profit for the year	8.40	7.00
Other comprehensive income	-	-
<b>Total comprehensive income</b>	<b>8.40</b>	<b>7.00</b>
<b>Profit allocated to NCI</b>	<b>2.90</b>	<b>2.40</b>
<b>Dividends paid to NCI</b>	<b>-</b>	<b>-</b>

Summarised cash flow	Behram Chemicals Pvt Ltd	
	March 31, 2023	March 31, 2022
Cash flows from operating activities	44.13	30.01
Cash flows from investing activities	(43.41)	(29.96)
Cash flows from financing activities	-	-
<b>Total cash flows</b>	<b>0.72</b>	<b>0.05</b>
<b>Net increase/ (decrease) in cash and cash equivalents</b>	<b>0.72</b>	<b>0.05</b>

**NOTE 50 : ADDITIONAL INFORMATION PURSUANT TO PARAGRAPH 2 OF DIVISION II OF SCHEDULE III TO THE COMPANIES ACT 2013**

Name of the entities in group	(₹ lakh)							
	Net assets (total assets minus total liabilities)		Share in profit or (loss)		Share in other comprehensive income		Share in total comprehensive income	
	As a % of consolidated net assets	Amount	As a % of consolidated profit or loss	Amount	As a % of consolidated other comprehensive income	Amount	As a % of consolidated total comprehensive income	Amount
<b>Parent</b>								
<b>Astec LifeSciences Limited</b>								
<b>March 31, 2023</b>	<b>99.74%</b>	<b>41,847.30</b>	<b>99.67%</b>	<b>2,550.99</b>	<b>104.86%</b>	<b>(22.88)</b>	<b>99.63%</b>	<b>2,528.11</b>
March 31, 2022	99.84%	39,603.50	99.92%	8,981.28	75.00%	(0.54)	99.92%	8,980.74
<b>Subsidiaries (group's share)</b>								
<b>Indian</b>								
<b>Behram Chemicals Private limited</b>								
<b>March 31, 2023</b>	<b>0.27%</b>	<b>112.70</b>	<b>0.33%</b>	<b>8.40</b>	<b>0.00%</b>	<b>-</b>	<b>0.33%</b>	<b>8.40</b>
March 31, 2022	0.17%	67.86	0.08%	6.99	0.00%	-	0.08%	6.99
<b>Foreign</b>								
<b>Comercializadora Agricola Agroastrachem Cia Ltda</b>								
<b>March 31, 2023</b>	<b>-0.01%</b>	<b>(4.47)</b>	<b>0.00%</b>	<b>-</b>	<b>-4.86%</b>	<b>1.06</b>	<b>0.04%</b>	<b>1.06</b>
March 31, 2022	-0.01%	(5.53)	0.00%	-	25.00%	(0.18)	0.00%	(0.18)
<b>Total</b>								
<b>March 31, 2023</b>	<b>100.00%</b>	<b>41,955.53</b>	<b>100.00%</b>	<b>2,559.39</b>	<b>100.00%</b>	<b>(21.82)</b>	<b>100.00%</b>	<b>2,537.57</b>
<b>March 31, 2022</b>	<b>100.00%</b>	<b>39,665.83</b>	<b>100.00%</b>	<b>8,988.27</b>	<b>100.00%</b>	<b>(0.72)</b>	<b>100.00%</b>	<b>8,987.55</b>

**NOTE 51: ADDITIONAL REGULATORY INFORMATION PURSUANT TO THE REQUIREMENT IN DIVISION II OF SCHEDULE III TO THE COMPANIES ACT, 2013.**

The remuneration paid to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The excess remuneration paid to a director is in accordance with the requisite approvals as mandated by the provisions of Section 197 read with Schedule V to the Act

As per our report of even date attached

**For B S R & Co. LLP**

Chartered Accountants

Firm Registration Number 101248W/W-100022

For and on behalf of the Board of Directors of **Astec LifeSciences Limited**

(CIN:L99999MH1994PLC076236)

**ANURAG ROY**

Whole – Time Director & Chief Executive Officer

DIN: 07444595

Mumbai, May 02, 2023

**B. S. YADAV**

Director

DIN: 00294803

Mumbai, May 02, 2023

**BURJIS PARDIWALA**

Partner

Membership Number: 103595

Mumbai, May 02, 2023

**MADHUR GUNDECHA**

Chief Financial Officer

ICAI Memb. No. 106349

Mumbai, May 02, 2023

**TEJASHREE PRADHAN**

Company Secretary

ICSI Memb. No. FCS7167

Mumbai, May 02, 2023





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## **ASTEC LIFESCIENCES LIMITED**

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