

AHCL/ SE/ 26 /2020-21

September, 1 2020

The National Stock Exchange of India Limited "Exchange Plaza", C-1, Block G Bandra-Kurla Complex, Bandra (E) Mumbai 400 051 ISIN: INE098F01031	BSE Limited Department of Corporate Services 1 st Floor, P.J. Towers, Dalal Street, Mumbai 400 001
Symbol : AMRUTANJAN	Scrip Code: 590006

Dear Sir / Madam,

Sub: Submission of Annual Report for 2019-20

Pursuant to Regulation 34(1)(a) of SEBI LODR Regulations 2015, we hereby inform that copy of the Annual Report for the year 2019-20 along with Notice of Annual General Meeting has been sent to shareholders of the Company and is also available at website of the Company at web link <https://www.amrutanjan.com/pdf/AR1920.pdf>

We enclose the same herewith for your records

Thanking you
Yours Faithfully

For Amrutanjan Health Care Limited

Sd/-
(M Srinivasan)
Company Secretary & Compliance Office
Mobile Number: 9500009849



Managing uncertainty.
Moving ahead.



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INTRODUCING
AMRUTANJAN
NOGERMS™
HAND SANITIZER

PREVENTION IS BETTER



**LEMON
FRAGRANCE**



PREVENTION IS BETTER

60 ml



**KILLS
99.9% GERMS**



**NO WATER
REQUIRED**

 KILLS
99.9% GERMS

 NO WATER
REQUIRED

LEMON
FRAGRANCE



CONTENTS

Our Values	2
Corporate Information	3
Ten Year Record	4
Our Products and Services	5
Chairman and Managing Director's Letter	13
Notice	14
Board's Report	29
Management Discussion and Analysis Report	35
Report on Corporate Governance	44
Business Responsibility Report	58
Independent Auditors' Report	84
Balance Sheet	90
Profit and Loss Account	91
Cash Flow Statement	93
Notes to Financial Statements	95



OUR VALUES

- **Commitment towards interest of all stakeholders-customers, employees, shareholders & community.**
- **To achieve leadership position in all our businesses.**
- **We never compromise on our ethics and this is reflected in all our actions.**
- **We strive to provide a culture that accepts new ideas, embraces change and rejects bureaucracy and small-mindedness.**

Corporate Information

Board of Directors	S Sambhu Prasad Dr. Pasumarthi S N Murthi Dr. H B N Shetty Dr. (Ms.) Marie Shiranee Pereira Dr. S Vydeeswaran G Raghavan V Swaminathan	<i>Chairman & Managing Director</i> <i>Non-executive Director</i> <i>Non-executive Independent Director</i> <i>Non-executive Independent Director</i> <i>Non-executive Independent Director</i> <i>Non-executive Independent Director</i> <i>Non-executive Independent Director</i>
Key Managerial Personnel	N Swaminathan M Srinivasan	<i>Chief Financial Officer</i> <i>Company Secretary & Compliance Officer</i>
Management Team	R Narayanan S Jeyakanth Dr. J Ravichandran P Kannan	Chief Sales Officer Chief Operating Officer (Supply Chain & Product Delivery) General Manager - QC/QA/R&D General Manager - HR and Administration
Statutory Auditors	B S R & Co. LLP Chartered Accountants KRM Tower, 1st & 2nd Floor, No. 1, Harrington Road, Chetpet, Chennai - 600 031.	
Bankers	HDFC Bank Limited Yes Bank Limited Punjab National Bank ICICI Bank Limited	
Registered Office	No.103 (Old No.42-45), Luz Church Road Mylapore, Chennai - 600 004. Telephone : 044-2499 4164 / 2499 4146 / 2499 4465 / 2499 4366 Fax : 044-2499 4585 E-mail : shares@amrutanjan.com Website : www.amrutanjan.com	
Corporate Identity Number	L24231TN1936PLC000017	
Factories	Alathur, Kancheepuram District, Tamil Nadu Uppal, Hyderabad, Telangana Aravoyal Village, Tiruvallur District, Tamil Nadu	
Registrar & Transfer Agent	Cameo Corporate Services Limited "Subramaniam Building" No.1, Club House Road, Chennai - 600 002. Telephone : 044-2846 0390 (5 Lines), Fax : 044-2486 0129 E-mail : investor@cameoindia.com	

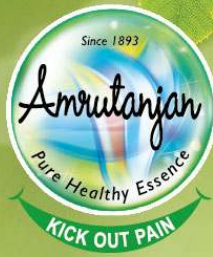
TEN YEAR RECORD

(Rs.in lakhs)

Particulars	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Net Sales	26,147.67	25,322.73	22,153.46	21,719.11	19,192.25	17,062.11	14,440.37	14,209.16	14,038.22	10,775.39
Other Income	832.13	713.09	602.45	724.61	573.05	469.43	283.71	426.64	449.26	483.22
Total Income	26,979.80	26,035.82	22,755.91	22,443.72	19,765.30	17,531.54	14,724.08	14,635.80	14,487.48	11,258.61
Profit Before Tax (PBT)	3,445.39	3,468.39	3,279.38	3,363.58	3,456.19	2,638.69	2,125.34	1,779.43	1,889.00	1,608.22
Provision for Taxation:										
Current tax & short Provision of earlier years	943.00	1,023.00	1,320.00	1,167.18	1,163.76	920.00	715.00	589.93	650.00	416.43
Deferred Tax	(5.94)	(6.04)	(37.92)	16.49	50.64	7.18	(41.97)	(22.46)	(117.49)	101.97
Profit after Tax (PAT)	2,508.33	2,451.43	1,997.30	2,179.91	2,241.79	1,711.51	1,452.31	1,211.96	1,356.49	1,089.82
Dividend	920.76*	570.00	562.69	321.54	562.68	511.54	467.69	438.46	438.46	443.81
Property, Plant & Equipment & Non current Investments	4,430.98	4151.14	3,512.35	3,526.44	3,670.37	3,056.03	2,960.08	4,790.09	5,394.60	10,069.30
Deferred Tax Asset	439.97	424.15	394.88	347.15	343.05	-	-	-	-	-
Other Financial assets & other Non Current Assets	3,081.54	224.35	582.73	529.41	222.88	-	-	-	-	-
Net Current Assets	8,675.76	10,350.13	8,897.48	7,838.44	6,226.24	7,569.22	7,487.71	5,502.08	4,970.80	3,270.05
Total	16,628.25	15,149.77	13,387.44	12,241.44	10,462.54	10,625.25	10,447.79	10,292.17	10,365.40	13,339.35
Represented by:										
Share Capital	292.31	292.31	292.31	292.31	292.31	292.31	292.31	292.31	292.31	303.00
Reserves	15,650.25	14,281.32	12,573.60	11,279.00	9,527.78	10,192.19	9,399.86	8,494.72	7,794.61	9,989.29
Net Worth	15,942.56	14,573.63	12,865.91	11,571.31	9,820.09	10,484.50	9,692.17	8,787.03	8,086.92	10,292.29
Loans	-	-	-	248.28	250.00	-	550.00	1,257.54	2,008.42	2,662.69
Non Current Liabilities	685.69	576.14	521.53	421.85	392.45	-	-	-	-	-
Deferred Tax Liability	-	-	-	-	-	140.75	205.62	247.60	270.06	384.37
Total	16,628.25	15,149.77	13,387.44	12,241.44	10,462.54	10,625.25	10,447.79	10,292.17	10,365.40	13,339.35
Earnings per share (Rs.)	8.58	8.38	6.83	7.46	15.34	11.83	9.94	8.29	45.71	35.97
Book value per share (Rs.)	54.54	49.86	44.01	39.59	67.19	71.74	66.32	62.46	276.67	339.58
Face value per share (Rs.)	1.00	1.00	1.00	1.00	2.00	2.00	2.00	2.00	10.00	10.00
Dividend (%)	210.00	215.00	195.00	192.50	192.50	175.00	160.00	150.00	150.00	150.00

* This represents the amount of two interim dividends paid for FY 2019-2020 & final dividend paid for FY 2018-2019.

Note : The Company has adopted INDAS from FY ended March 31,2018. Accordingly the details provided above are as per INDAS from April01,2016.



Amrutanjan

Roll-on

FOR HEADACHES ON-THE-GO

India's No.1 Roll-On



Advanced roller ball technology



HIGH PURE MENTHOL & COOLING EFFECT



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RAPID ACTION



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ADVANCED[®] **BACK PAIN** **+ RANGE**

SPRAY



ROLL ON



*Starts Working in



USED FOR



Back pain



Neck pain



Shoulder pain



Knee pain

*Nielsen study
Visit www.amrutanjan.com



AMRUTANJAN PAIN RANGE

Pain Balm

Classic Headache & Cold Remedy



Strong Pain Balm

For headache and body pain



New Maha Strong Pain Balm

Faster relaxation from pain





Relief

Cough & Cold



Cold Rub

- Mild formulation
- Hydrocarbon-based formulation
- Carbon-specialized oils



<p>Mild formulation Gentle on skin</p>	<p>100% Ayurvedic Natural remedy</p>
<p>Hydro-carbon based Absorbs faster</p>	<p>Specialised oils Faster decongestion Soothing aroma</p>



Cough Syrup

Relief Cough Syrup provides "5 Symptom" action. It is non-drowsy and non-alcoholic.



Inhaler

Provides fast relief from nasal congestion.



Swas Mint

Refreshing mint which soothes the throat and gives cooling effect



The power to be you

Comfy Sanitary Napkin

Comfy SNUG FIT sanitary napkin is 80% more absorbent. The napkins are long and supported by an anti-leak system to provide maximum protection, while bigger wings prevent any leakage. Amrutanjan Comfy SNUG FIT features 100% imported pulp from North America, making it a softer, safer product for all women to use.

Comfy Regular



Comfy XL



Comfy Ultra XL



Comfy Regular Value



Amrutanjan's Advanced Pain Management Center (APMC)

Launched in April 2011, Amrutanjan Advanced Pain Management Center (APMC) is a division of Amrutanjan Healthcare Ltd. and Chennai's first and only comprehensive pain management center. Together with specialists from different medical disciplines and the latest in diagnostic and treatment technology, APMC, through specialized investigations like Diagnostic Interventional Pain Management procedures, such as Facet Joint Block, Sacroiliac Joint Block, Provocative Discography, Epidurogram and Selective Nerve Blocks, identifies the root cause of the pain and eliminates it.



Interventional Pain Management procedures are minimally invasive procedures which give permanent/long term pain relief. They fill the gap between traditional conservative management and surgical management.



KNEE PAIN - OSTEOARTHRITIS

Problems	Treatment
Loss of Lubrication and Limitation of Mobility	Synovial Fluid Replacement Therapy Option: Viscosupplements
Cartilage and Meniscal Damage	Tissue Regeneration Therapy Option: Platelet Rich Plasma (PRP), Prolozone
Chronic Pain	Neuro Modulation Therapy Option: Radio Frequency Ablation

ALL JOINT PAIN

Problems	Treatment
Sports Injury	Tissue Regeneration Therapy With PRP & Ozone
Gouty Arthritis	Prolozone Therapy
Rheumatoid Arthritis	Biological Dmard
Ligament and Meniscal tear	Tissue Regeneration Therapy With PRP & Ozone

BACK PAIN

Problems	Treatment
Brachialgia Sciatica	Epidural Root Block
Discogenic Pain	Intradiscal Ozone
Facet Arthritis	Facet block
Sacroiliac Arthritis	Sacroiliac Joint Block
Coccydynia	Ganglion Impair
Osteoporotic Compression Fracture	Vertebroplasty Kyphoplasty



HEAD AND FASCIAL PAIN

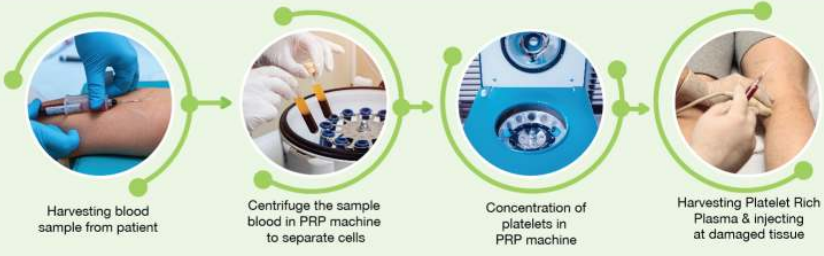
Problems	Treatment
Migraine	Botox
Cluster	Sphenopalatine Ganglion Block
Trigeminal Neuralgia	Trigeminal Block

Pain relief without surgery – some procedures

Tissue regeneration through platelet rich plasma cell

(To re-grow damaged soft tissues like Cartilage, Menisci, Ligaments, among others)

- Tissue Regeneration therapy involves introducing growth factor cells into a diseased tissue to accelerate the body's ability to heal itself.
- Stem cells from the umbilical cord or Platelet rich plasma with growth factors from bone marrow or blood have the ability to build every tissue in the human body and hence have great potential for therapeutic uses in tissue regeneration and repair.



Neuromodulation therapy with radio frequency ablation (cooled/pulsed/conventional)
In chronic nerve pain, pain signals can be cut off with conventional or cooled radio frequency ablation. Even after correction of the underlying cause of a chronic disease /without any underlying cause, there may be useless neuropathic pain. Pain pathway to the brain signals can be blocked by targeting nerve, its branches or ganglion. Radio frequency ablation is done using mobile x-ray monitoring. Cutting off the central sensitisation is the key to managing the neuropathic pain.

Epidural, Nerve Root, Spinal Joint Injections
Under mobile X-Ray monitoring, affected nerves or joints are targeted at selective places like nerve root sleeve, epidural or joints, and anti inflammatory drugs injected to treat the conditions.

Synovial fluid replacement therapy for osteoarthritis
Patient's unhealthy synovial fluid is aspirated from joints. Viscosupplement which resemble the natural synovial fluid is injected into the joints. The gel provides lubrication for the joints and induces secretion of new healthy synovial fluid.

Botox injections
Recommended quantity of Botox is injected at target muscles. Botox blocks the release of neurotransmitters which initiate pain. This blocks the peripheral sensitisation of nerve fibers signalling the headache. In case of Spasticity, Botox relaxes the muscles by interrupting the nerve conduction.

Ozone Discolysis
Back pain due to disc bulge can be treated by shrinking the disc size with ozone. Medical ozone is the mixture of oxygen and ozone, in variable concentrations. Under X-ray guidance, a simple needle can be inserted into the bulged disc and ozone injected. Ozone absorbs the water in the disc and shrinks it. Reducing the disc volume, lessens the pressure on nerves.

Vertebroplasty
To treat this, bone cement is injected into the fractured bone through a needle, under guidance of X ray monitoring . The cement hardens immediately, stabilizing the fracture.

CONSULTATION WITH PRIOR APPOINTMENT ONLY

Amrutanjan Advanced Pain Management Centre, Old No.: 16, New No.: 37, Mylai Ranganathan Street, T.Nagar, Chennai - 600 017.
Phone: +91 72990 30000 Mobile: +91 90940 48991 | For more info visit: www.amrutanjancare.com



AMRUTANJAN BRAND MANIFESTO

- We stand for Individual and family well being.
- Our expertise lies in combining science with naturalness and we have been honing this since 1893.
- We are committed to creating offerings which help people get rid of pain.
- Our products will be efficacious in providing the relief which our consumers seek.
- We endeavour to delight our customers through the experience we provide.
- The products we make are pure and natural.
- We are against using chemicals like Diclofenac which are harmful and have side effects which impact the larger environment as well.
- We will stay loyal to our roots of Ayurveda, Naturalness and usage of herbs in our products.





Chairman and Managing Director's Letter

Dear Valued Owners,

I would limit writing about Covid-19 and its impact to a reduced space since the pandemic did not affect our operations till March of the fiscal year.

There is a theory called the Big Push developed by a Polish-American economist P N Rosenstein-Rodan that basically talks about the need to have a big effort by the government to overcome obstacles to economic growth and that tepid interventions have no impact. This theory could very well apply to strategy and execution methods deployed by organizations. Most companies do not have a focus on getting a few things right and rather meekly attempt to do many things. In the process the organizations neither gain expertise nor scale.

In your company we are focused on growing our pain, health beverage and women's hygiene portfolio. When one considers the ageing populations, prevalence of stress related aches and pains, increasing lifestyle of exercise, fitness and sports activities, the secular growth of certain OTC categories can continue well into the future; provided organizations execute by designing and offering products that are relevant to today's consumers.

Here your company has an opportunity with the range of Roll On's, sprays and transdermal medication products that are planned for the near future. The women's hygiene category is also very promising considering Indian women use 1/5th the pads of Chinese counterparts and progressively in some cases, also are experimenting with devices like tampons and menstrual cups. The modern woman of India, from rural to urban is very discriminating in terms of how she manages her health and is no longer relying just on the advice of her parents or doctors. This is why we are working on launching an App around the Comfy brand which would help women track her periods, read about menstrual and feminine health and even order Comfy range of sanitary napkin and related products from the comfort of her home.

Keeping in line with the strategies mentioned in past letters in this space, we continue to focus on building distribution for our brands with the "M5K plan" that targets a vision of appointing 5000 distributor and sub distributors. This past year we have appointed 974 distributors and sub distributors. We have improved our direct coverage from 3953 to 4510 towns as this would drive our vision to grow distribution of our range of products to regions in Western and Northern zones where our business is relatively weak.

We are also investing in digitization in a big way by building on the sales force automation project that was rolled out a couple of years ago by building a data dash board that seamlessly integrates data flow from various sources (ERP, sales force automation app, etc) in order for managers to get relevant, usable data at their finger tips. Part of the digitization drive is also to offer all our products for sale on our corporate website. Our products are available currently online at Amazon, Pharmeasy, Netmeds, Apollo and other consumer sites. (We also sell on Amazon's B2B site and plans are to enter Storeking and ShopX).

The black swan pandemic event that arrived via the Covid-19 virus in March of this year has disrupted go-to-market and stopped movement of goods to both the distributor and also to retailers and end consumers. The hit to sales in March was to the tune of Rs. 33cr. Some of the salient points of the year.

- Top line of the group grew from Rs.281.31cr to Rs.288.92cr
- Loss of revenue to top line was Rs.33cr in March due to Covid-19
- Potential sales without impact of Covid -19 would be Rs.321.92 cr with a revenue growth of 14.44%
- Comfy revenue was Rs.40 cr compared to Rs.35 cr the previous year
- Headache Roll On revenue was Rs.26 cr compared to Rs.21 cr the previous year
- The Modern trade channel generated revenue of Rs.25 cr
- E commerce sales are Rs.1.6cr – We wish to target 1.3% of National sales from E commerce in FY 21. E commerce currently contributes to 0.5%.
- In spite of the Covid-19 related disruption, we managed to maintain profits with PAT at Rs.25.08cr compared to Rs.24.51cr the previous year.
- We continue to be a free cash flow generating business deploying prudent capital allocation methods that result in cash reserves in excess of 100 cr and no debt. This has helped us weather the disruptions to our business from the pandemic.
- Consumer led growth built on pillars of operational excellence and execution culture is our guiding principle.
- Execution culture by focusing on "doing what matters"

We are confident of weathering the storm as we have built a business on strong fundamentals with real consumer demand. Further, our products are not of discretionary nature but of essential needs- pain ointments, sanitary napkins, rehydration drinks for post illness recovery.

The pandemic has made Boards and management rethink the role of an organization. Is it merely to generate economic returns for the shareholders or is it also responsible to other stakeholders? We know the origins of Covid-19 lie in wet farms of China and science has also proven the ill effects of global warming. What kind of world do we leave our future generations if we as corporate citizens do not play our part in balancing economic growth and the needs of all stakeholders-employees, society in which we operate and also the environment?

Your company believes in the broader vision and not just the short term economic one. You can read more about our commitment to the larger society and environment and employees in the Business Responsibility section of the Annual Report.

Sincerely,

S. Sambhu Prasad

NOTICE TO MEMBERS

NOTICE is hereby given that the Eighty Third (83rd) Annual General Meeting ("AGM") of the members of Amrutanjan Health Care Limited will be held on Wednesday, September 23, 2020 at 10.30 A.M. through Video Conference ("VC")/ Other Audio Visual Means ("OAVM") to transact the following businesses:

ORDINARY BUSINESS:

1. To consider and adopt the Audited Financial Statements of the Company for the financial year ended March 31, 2020, together with the reports of the Board of Directors and Auditors thereon.

SPECIAL BUSINESS:

2. To consider and if thought fit, to pass with or without modification(s), the following resolution as a SPECIAL RESOLUTION:

"RESOLVED THAT pursuant to the provisions of Sections 149, 152(6) and such other applicable provisions of the Companies Act, 2013, the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and other applicable provisions, if any, Dr. Pasumarthi S.N. Murthi (DIN 00051303), Non-Executive Director of the Company, who retires by rotation and being eligible offers himself for re-appointment, be and is hereby re-appointed as a Non-Executive Director and that the appointment shall be subject to retirement by rotation."

"RESOLVED FURTHER THAT pursuant to Regulation 17(1A) of SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, sanction be and is hereby also accorded to re-appoint Dr. Pasumarthi S.N Murthi (DIN 00051303) as a Non-Executive Director notwithstanding that he has already attained the age of 75 years."

3. To consider and if thought fit, to pass with or without modification(s), the following resolution as a SPECIAL RESOLUTION:

"RESOLVED THAT pursuant to Regulation 17(1A) of SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, sanction be and is hereby accorded to Dr. S Vydeeswaran (DIN: 06953739) to continue his office as a Non-executive Independent Director of the Company until the expiry of his current term notwithstanding that he is going to attain the age of 75 years during 2021".

4. To consider and if thought fit, to pass with or without modification(s), the following resolution as an ORDINARY RESOLUTION:

"RESOLVED THAT pursuant to the provisions of Section 197, 198 and all other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, Regulations 17(6) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Article 87 of the Articles of Association of the Company, a sum not exceeding 1% per annum of the net profits of the Company be paid and distributed amongst the Non-executive Directors including Independent Directors of the Company or some or any of them as commission in such amounts or proportions and in such manner and in all respects as may be decided by the Board of Directors, in addition to sitting fees paid for attending the meeting of the Board or Committees thereof, and that such payments shall be made out of the profits of the company for each year for a period of five years commencing from 1st April 2020 to 31st March 2025"

"RESOLVED FURTHER THAT the Chairman and Managing Director of the Company be and is hereby authorized to do all such acts and deeds as may be necessary to give effect to this resolution."

5. To consider and if thought fit, to pass with or without modification(s), the following resolutions as SPECIAL RESOLUTIONS:

(a) To approve the "Amrutanjan Health Care Limited Employees Stock Option Scheme 2020";

"RESOLVED THAT pursuant to the provisions of Section 62 read with Rule 12 of Chapter IV and all other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof for the time being in force), the Memorandum and Articles of Association of the Company, the provisions of the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014, (the "SEBI SBEB Regulations"), as amended from time to time, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, any rules, guidelines and regulations issued by the Reserve Bank of India or any other regulatory or governmental authority and any other applicable laws for the time being in force and subject to such approvals, consents, permissions and sanctions, as may be required, and further subject to such terms and conditions as may be prescribed while granting such approvals, consents, permissions and sanctions and which may be agreed to and accepted by the Board of Directors (hereinafter referred to as the "Board" which term shall be deemed to include any duly constituted committee, including the Nomination, Remuneration and Compensation Committee constituted by the Board to exercise its powers conferred by this Resolution), consent of the Members be and is hereby accorded to the Board to introduce and implement the 'Amrutanjan Health Care Limited Employees Stock Option Scheme 2020' (the "Scheme 2020"), the salient features of which are furnished in the explanatory statement to the Notice and the same be implemented through a Trust to be set up for this purpose.

RESOLVED FURTHER THAT consent be and is hereby accorded to the Board to create, grant, offer, issue and allot at any time, to or for the benefit of, such persons who are in permanent employment of the Company, whether working in India or outside India, (selected on the basis of criteria decided by the Board or Nomination, Remuneration and Compensation Committee thereof) under the Scheme 2020, such number of stock options (comprising of options and/ or restricted stock units, as the case may be) (the "Stock Options") exercisable into not more than 2,92,306 equity shares of Re. 1/- each (the "Equity Shares") being 1.00% of the paid-up equity share capital of the Company as on 31st March, 2020 (or such other number adjusted in terms of Scheme 2020 as per applicable law), at such price, in one or more tranches and on such terms and conditions as may be



NOTICE TO MEMBERS (Contd.)

fixed or determined by the Board in accordance with the SEBI SBEB Regulations or other provisions of law as may be prevailing at that time.

RESOLVED FURTHER THAT in case of any corporate action(s) such as rights issues, bonus issues, merger and sale of division or other re-organisation of capital structure of the Company, as applicable from time to time, the Board be and is hereby authorised to do all such acts, deeds, matters and things as it may deem fit in its absolute discretion and as permitted under applicable laws, so as to ensure a fair and reasonable adjustment to the Stock Options granted earlier. Further, the above ceiling of 2,92,306 Equity Shares shall be deemed to be increased to the extent of such additional Equity Shares issued.

RESOLVED FURTHER THAT in case the Equity Shares are either sub-divided or consolidated, then the number of Equity Shares to be transferred on exercise of Stock Options and the exercise price of Stock Options shall automatically stand augmented or reduced, as the case may be, in the same proportion as the present face value of Re. 1/- per Equity Share bears to the revised face value of the Equity Shares of the Company after such sub-division or consolidation, without affecting any other rights or obligations of the employees who have been granted Stock Options under the Scheme 2020.

RESOLVED FURTHER THAT the Board be and is hereby authorised to formulate, evolve, decide upon and implement the Scheme 2020 and determine the detailed terms and conditions of the aforementioned Scheme 2020 including but not limited to the quantum of the Stock Options to be granted per employee in each tranche, the exercise period, the vesting period, the vesting conditions, instances where such Stock Options shall lapse and to grant such number of Stock Options, to such employees and directors of the Company, at par or at such other price, at such time and on such terms and conditions as set out in the Scheme 2020 and as the Board may in its absolute discretion think fit, subject to applicable laws.

RESOLVED FURTHER THAT for the purpose of giving effect to the above Resolution, the Board be and is hereby authorised to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary, expedient or proper and to settle all questions, difficulties or doubts that may arise in relation to formulation and implementation of the Scheme 2020 at any stage without requiring the Board to secure any further consent or approval of the Members of the Company to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this Resolution.

RESOLVED FURTHER THAT the Board be and is hereby authorised to make any modifications, changes, variations, alterations or revisions in the Scheme 2020, as it may deem fit, from time to time or to suspend, withdraw or revive the Scheme 2020 from time to time in conformity with the provisions of the Companies Act, 2013 (including any rules or regulations made thereunder), the SEBI SBEB Regulations and other applicable laws unless such variation, amendment, modification or alteration is detrimental to the interest of the employees who have been granted Stock Options under the Scheme 2020.

RESOLVED FURTHER THAT the Board be and is hereby authorised to do all such acts, deeds and things, as it may in its absolute discretion, deems necessary including authorising or directing the appointment of various intermediaries, experts, professionals, independent agencies and other advisors, consultants or representatives, being incidental to the effective implementation and administration of the Scheme 2020, as also to prefer applications to the appropriate authorities, parties and the institutions for their requisite approvals, if any, required by the Securities and Exchange Board of India / the stock exchange(s), and all other documents required to be filed in the above connection and to settle all such questions or difficulties whatsoever which may arise and take all such steps and decisions in this regard.

RESOLVED FURTHER THAT the Board be and is hereby authorised to delegate all or any powers conferred herein, to any committee of directors, with power to further delegate such powers to any executives/ officers of the Company to do all such acts, deeds, matters and things as also to execute such documents, writings, etc. as may be necessary in this regard."

(b) To approve (i) the use of the trust route for the implementation of the Amrutanjan Health Care Limited Employees Stock Option Scheme 2020 (Scheme 2020); (ii) secondary acquisition of the equity shares of the Company by the trust to be set up; and (iii) grant of financial assistance / provision of money by the Company to the trust to fund the acquisition of its equity shares, in terms of the Scheme 2020;

"RESOLVED THAT pursuant to the provisions of Section 67 read with Rule 16 of the Companies (Share Capital and Debentures) Rules, 2014 and all other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof for the time being in force), the Memorandum and Articles of Association of the Company, the provisions of the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014, as amended from time to time (the "SEBI SBEB Regulations"), the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, any rules, guidelines and regulations issued by the Reserve Bank of India or any other regulatory or governmental authority and any other applicable laws for the time being in force and subject to such approvals, consents, permissions and sanctions, as may be required, and further subject to such terms and conditions as may be prescribed while granting such approvals, consents, permissions and sanctions and which may be agreed to and accepted by the Board of Directors (hereinafter referred to as the "Board" which term shall be deemed to include any duly constituted committee, including the Nomination, Remuneration and Compensation Committee constituted by the Board to exercise its powers conferred by this Resolution) consent of the Members be and is hereby accorded to the Board to:

NOTICE TO MEMBERS (Contd.)

- (a) implement the Amrutanjan Health Care Limited Employee Stock Option Scheme 2020 (the "Scheme 2020") through the trust to be setup for this purpose in accordance with the SEBI SBEB Regulations;
- (b) acquire, hold and deal in such number of equity shares of the Company acquired from the secondary market through the trust to be set up in this regard, not exceeding 2,92,306 fully paid-up equity shares of the Company of face value of Re. 1/- each (the "Equity Shares"), being below the ceiling of 5% of the paid-up equity share capital of the Company as on 31st March, 2020, as prescribed under the SEBI SBEB Regulations, for the purpose of implementation of the Scheme 2020, and
- (c) extend financial assistance / provision of money to the trust not exceeding Rs. 14.28 crores for acquisition of upto 2,92,306 Equity Shares from the secondary market through the stock exchanges, representing 1.00% of the paid-up equity share capital of the Company for the purpose of implementation of the Scheme 2020, in accordance with the Companies Act, 2013 and Rules made there-under and the SEBI SBEB Regulations

RESOLVED FURTHER THAT the Equity Shares that can be acquired from the secondary market in any financial year by the trust shall not exceed 2% of the paid-up equity share capital (or such other limit as may be prescribed under the SEBI SBEB Regulations from time to time) as at the end of the financial year preceding the date of the intended acquisition.

RESOLVED FURTHER THAT in case of any corporate action(s) such as rights issues, bonus issues, merger and sale of division or other reorganisation of capital structure of the Company, the number of Equity Shares of the Company to be acquired from the secondary market by the trust shall be appropriately adjusted and to give effect to this resolution, the Board be and is hereby authorised to do all such acts, deeds, matters and things as it may deem fit in its absolute discretion and as permitted under applicable laws, so as to ensure a fair and reasonable adjustment to the Stock Options granted earlier. Further, the above ceiling of 2,92,306 equity shares shall be deemed to be increased to the extent of such additional Equity Shares issued.

RESOLVED FURTHER THAT the Board be and is hereby authorised to delegate all or any powers conferred herein, to any committee of directors, with power to further delegate such powers to any executives/ officers of the Company to do all such acts, deeds, matters and things as also to execute such documents, writings, etc. as may be necessary in this regard

- (c) To approve extension of benefit of "Amrutanjan Health Care Limited Employees Stock Option Scheme 2020";

"RESOLVED THAT pursuant to the provisions of Regulation 6(3)(c) of SEBI (Share based Employee Benefit) Regulations, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), all other applicable provisions, if any, of the Companies Act, 2013, the Memorandum and Articles of Association of the Company and subject to such other approvals, permissions and sanctions as may be necessary from appropriate regulatory authorities/institutions or bodies and subject to such conditions and modifications as may be prescribed or imposed while granting such approvals, permissions and sanctions, the approval and consent of the Shareholders of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as "the Board" which term shall be deemed to include Compensation Committee already constituted by the Board under Section 178 of the Companies Act, 2013 bearing the nomenclature as Nomination & Remuneration Committee to exercise its powers, including the powers, conferred by this Resolution), to extend the benefits of "Amrutanjan Health Care Employees Stock Option Scheme 2020", proposed in the Resolution under item no. 5(a) of this Notice to or for the benefit of such future permanent employees of the Company direct and/or indirect subsidiaries, whether in India or abroad and whether such employees are shareholders of the Company or not, as may be allowed, from time to time, under prevailing laws, rules & regulations and/or amendments thereto from time to time, on such terms and conditions and in such tranches as may be decided by the Board in accordance with SEBI (Share Based Employee Benefit) Regulations, 2014".

6. To consider and if thought fit, to pass with or without modification(s), the following resolution as an ORDINARY RESOLUTION

"RESOLVED THAT pursuant to the provisions of Section 148(3) and other applicable provisions, if any, of the Companies Act, 2013 and Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the remuneration of Rs. 1,25,000/- (Rupees One Lakh twenty five thousand only) plus applicable taxes payable to Mr. G Thangaraj (Reg.No.100464), Cost Accountant, who was appointed by the Board of Directors as the Cost Auditor to conduct the audit of cost records maintained by the Company for the financial year ended March 31, 2021, be and is hereby approved."

Place : Chennai
 Date : August 13, 2020
 Registered Office:
 Amrutanjan Health Care Limited
 CIN: L24231TN1936PLC000017
 No.103, Luz Church Road, Mylapore,
 Chennai 600 004
 Tel : 044-2499 4465; Fax : 044-2499 4585
 Email : shares@amrutanjan.com
 Website : www.amrutanjan.com

BY ORDER OF THE BOARD
 For Amrutanjan Health Care Limited

M Srinivasan
 Company Secretary & Compliance Officer



NOTICE TO MEMBERS (Contd.)

NOTES:

1. In view of the outbreak of COVID-19 pandemic, social distancing measures are a pre-requisite and in terms of Ministry of Corporate Affairs ("MCA") Circular No. 20/2020 dated 5th May, 2020 read with Circular 14/2020 dated 8th April, 2020, Circular 17/2020 dated 13th April, 2020 ("MCA Circulars") and Securities Exchange Board of India (SEBI) Circular dated 12th May, 2020, physical presence of the Members at common venue is dispensed with and hence the Annual General Meeting (AGM) 2020 is being conducted through Video Conference ("VC")/ Other Audio Visual Means ("OAVM"). The deemed venue for the AGM shall be the Registered Office of the Company. The route map accompanying notice is not provided since the meeting is happening thru virtual means.
2. A member entitled to vote at the AGM is entitled to appoint proxy to attend and vote on his/her behalf and proxy need not be a member. In terms of MCA Circulars, since physical attendance of Members has been dispensed with, there is no requirement of appointment of proxies. Accordingly, facility of appointment of proxies by Members under Section 105 of the Companies Act, will not be available for the AGM 2020 and hence the Proxy Form and Attendance Slip are not annexed to the Notice.
3. Facility of joining the AGM through VC / OAVM shall open 30 minutes before the time scheduled for the AGM and the Members can join the AGM by following the procedure mentioned in this Notice. The facility of participation at the AGM through VC/OAVM will be made available to the members on first come first serve basis.
4. Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act.
5. An Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013 ("Act") relating to the Special Businesses to be transacted at the meeting is annexed hereto.
6. Information pursuant to regulation 26(4), 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) (SEBI LODR) and Secretarial Standard on General Meetings (SS-2) with respect to Director seeking re-appointment at the AGM is furnished in the Annexure to this Notice. The Director has furnished the requisite consent / declaration for his re-appointment.
7. The Register of Members and the share transfer books will remain closed from Thursday, September 17, 2020 to Wednesday, September 23, 2020 (both days inclusive). Transfer requests received during book closure, if any, will be considered only after reopening of the Register of Members.
8. Members are requested to note that the Company's Equity Shares are under compulsory demat mode of trading. The Securities and Exchange Board of India (SEBI) has mandated that no physical transfer of shares shall be permitted with effect from April 01, 2019. Hence, members who have not yet dematerialized their physical share-holdings in the company are advised to avail the facility of dematerialization of equity shares of the company.
9. Members holding shares in electronic form are requested to intimate immediately any change in their address or bank mandates to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form are requested to advise any change in their address immediately to the Company/Registrars and Transfer Agents (RTA), M/s. Cameo Corporate Services Limited.
10. Members who hold shares in physical form in multiple folios in identical names or joint holding in the same order of names are requested to send the share certificates to the Company/RTA for consolidation into a single-folio.
11. Pursuant to the provisions of section 124 and 125 of the Companies Act, 2013, the dividend which remains unclaimed for a period of seven (7) years from the date of declaration would be transferred to the "Investor Education and Protection Fund" (IEPF) constituted by the Central Government and the shareholders would be able to make claims to the amount of dividends transferred to the Fund only after following the prescribed procedure. Accordingly, during the Financial Year 2019-20, the Company has transferred the unclaimed dividend pertaining to the financial year 2011-12 (Interim & Final) amounting to Rs. 3,01,790 and Rs. 7,24,020 respectively to IEPF. Members who have not yet encashed their dividend warrants/payment instrument(s) so far pertaining to dividends declared for the financial year 2012-13 (final) onwards are requested to make their claims to the Company's Corporate office or to the Company's Registrar and Transfer Agent, M/s. Cameo Corporate Services Limited, "Subramaniam Building", No. 1, Club House Road, Chennai 600002 immediately. The Company has provided/ hosted the required details of unclaimed amounts each year on its website and also in the website of the Ministry of Corporate Affairs (MCA) in the relevant form.
12. Members may please note that in the event of transfer of unclaimed shares and the unclaimed dividends to IEPF, members are entitled to claim the same from IEPF authorities by submitting online application in the prescribed Form IEPF-5 available on the website www.iepf.gov.in and sending original documents enumerated in Form IEPF-5 duly signed to the Company along with Form IEPF-5 for verification of claim.
13. The Securities Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in security market. Members holding shares in electronic form are therefore requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company/Registrar and Transfer Agents (RTA), M/s. Cameo Corporate Services Limited.
14. The members holding shares in demat format are requested to update their email addresses with their depository participant to ensure that the Annual Report and other documents reach you on your preferred email account in order to save paper and participate in the "Green Initiative" of the Ministry of Corporate Affairs.

NOTICE TO MEMBERS (Contd.)

15. In line with the MCA Circulars and SEBI Circular dated 12th May 2020, the Notice calling the AGM and Annual Report 2019-20 are being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depositories. Members may note that Notice and Annual Report 2019-20 will also be made available on the Company's website at www.amrutanjan.com, websites of the Stock Exchanges i.e. BSE Limited and The National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively. The AGM Notice is also available on the website of CDSL (agency for providing the Remote e-Voting facility) i.e. www.evoting.cdsl.com. For any communication, the shareholders may also send requests to the Company's investore-mailid: shares@amrutanjan.com
16. Members desirous of seeking information about the accounts and/or operations of the Company are requested to email the Company atleast five (5) days before the date of Annual General Meeting to enable the Company to keep the information ready at the meeting.
17. Pursuant to Finance Act 2020, dividend income will be taxable at the hands of shareholders w.e.f. 1st April, 2020 and the Company is required to deduct tax at source from dividend paid to members at prescribed rates. For the prescribed rates for various categories, the members are requested to refer to the Finance Act, 2020 and amendments thereof.
18. Shareholders desiring to express their views/ ask questions during the meeting may register themselves as a speaker. Request for this may be made to mail id shares@amrutanjan.com on or before 18th September 2020 (5.00 PM). Only those shareholders who have registered themselves as a speaker will be allowed to express their views or ask questions at the e-AGM. The company reserves the right to restrict the number of questions and number of speakers depending upon the availability of time for conduct of the e-AGM
19. Subject to receipt of requisite number of votes, the Resolutions shall be deemed to be passed on the date of the Meeting.

20. VOTING THROUGH ELECTRONIC MEANS

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 Regulation 44 of SEBI LODR, the Company provides the Members the facility to exercise their right to vote at the 83rd AGM by electronic means and the businesses may be transacted through e-voting services provided by Central Depository Services (India) Limited (CDSL).

Procedures for voting electronically by shareholders are as under:

- I. The e-voting period begins on Sunday, September 20, 2020 (9.00 a.m IST) and ends on Tuesday, September 22, 2020 (5.00 p.m IST). The e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the member he shall not be allowed to change it subsequently. During this period, Members of the Company, holding shares as on the cut- off date Wednesday, September 16, 2020 may cast their votes electronically.
- II. The voting rights of Members shall be in proportion to their shares in the paid up equity share capital of the Company as on the cut – off date September 16, 2020 (Wednesday).
- III. Mr. P Sriram of M/s. P Sriram & Associates, Practising Company Secretary (Membership No. FCS 4862), has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
- IV. The Scrutinizer shall within a period of not exceeding three (3) working days from the conclusion of the e-voting period, unblock the votes in the presence of atleast two (2) witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against forthwith to the Chairman of the Company
- V. Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting.
- VI. Any person who acquires shares of the Company and becomes a Member of the Company after dispatch of the Notice and holding shares as of cut-off date, may obtain the login id and password by sending a request to evoting@cdsl.co.in. However, if he/she is already registered with CDSL for remote e-voting then he/she can use his/her existing User ID and password for casting the vote.

Instructions for shareholders voting electronically are as under:

- (i) The shareholders should log on to the e-voting website www.evotingindia.com
- (ii) Click on Shareholders.
- (iii) Now enter your User ID
 - a. For CDSL: 16 digits beneficiary ID.
 - b. For NSDL: 8 character DPID followed by 8 digits Client ID.
 - c. Members holding shares in physical form should enter Folio Number registered with the Company.
- (iv) Next enter the image verification as displayed and click on Login.
- (v) If you are holding shares in the demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (vi) If you are a first time user follow the steps given below:



NOTICE TO MEMBERS (Contd.)

For Members holding shares in Demat Form and Physical Form	
PAN	<p>Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field (Sequence number has been provided as Serial Number (SL No) in the Address Label. In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
DOB	<p>Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.</p>
Dividend Bank Details	<p>Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.</p> <ul style="list-style-type: none"> Please enter the DOB or Bank Details in order to login. If the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iii).

(vii) After entering these details appropriately, click on "SUBMIT" tab.

(viii) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

(ix) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

(x) Click on the EVSN for the relevant on which you choose to vote.

(xi) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

(xii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

(xiii) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

(xiv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

(xv) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.

(xvi) If Demat account holder has forgotten the same password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

(xvii) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.

(xviii) Note for Non-Individual Shareholders & Custodians:

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves as Corporate and Custodians respectively.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com
- After receiving the login details they should create compliance user using the admin login and password. The Compliance user would be able to link the depository account(s) / folio numbers on which they wish to vote.
- The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

NOTICE TO MEMBERS (Contd.)

(xix) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia.com under help section or write an email to helpdesk.evoting@cdslindia.com.

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

- (i) For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to Company/RTA email id.
- (ii) For Demat shareholders -, please provide Demat account details (CDSL-16 digit beneficiary ID or NSDL-16 digit DPID + CLID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to Company/RTA email id.

INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER

1. Shareholder will be provided with a facility to attend the AGM through VC/OAVM through the CDSL e-Voting system. Shareholders may access the same at <https://www.evotingindia.com> under shareholders/members login by using the remote e-voting credentials. The link for VC/OAVM will be available in shareholder/members login where the EVSN of Company will be displayed.
2. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
3. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to fluctuation in their respective network. It is therefore recommended to use Stable WI-FI or LAN Connection to mitigate any kind of aforesaid glitches.
5. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance atleast 5 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number to company email id shares@amrutanjan.com. The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance 5 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number to shares@amrutanjan.com. These queries will be replied to by the company suitably by email.
6. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.

Instructions for Shareholders for e-voting during AGM are as under:

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 shareholders, who are 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 available during the AGM.
3. If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.
4. Shareholders 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.

If you have any queries or issues regarding attending AGM & e-Voting from the e-Voting System, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com or contact Mr. Nitin Kunder (022-23058738) or Mr. Mehboob Lakhani (022-23058543) or Mr. Rakesh Dalvi (022-23058542).

BY ORDER OF THE BOARD
For Amrutanjan Health Care Limited

Place : Chennai
Date : August 13, 2020

M Srinivasan
Company Secretary & Compliance Officer

Registered Office:
Amrutanjan Health Care Limited
CIN: L24231TN1936PLC000017
No.103, Luz Church Road, Mylapore,
Chennai 600 004
Tel : 044-2499 4465; Fax : 044-2499 4585
Email : shares@amrutanjan.com
Website : www.amrutanjan.com



NOTICE TO MEMBERS (Contd.)

EXPLANATORY STATEMENT

Pursuant to Section 102(1) of the Companies Act, 2013, the following explanatory statement sets out all the material facts relating to the Special Businesses mentioned under Item no's 2 to 6 of the accompanying notice.

Item No.2 - Re-appointment of Dr. Pasumarthi S N Murthi (DIN 00051303) as Non-Executive Director

Dr. Pasumarthi S N Murthi (DIN 00051303), Non- Executive Director, joined the Board of the Company on August 5, 1989 and his current tenure is expiring on the conclusion of the ensuing AGM. Dr. Pasumarthi S N Murthi holds a Medicine degree and a Bachelor Degree in Science. He also holds Fellowship of the Royal College of Surgeons (FRCS- Edin U.K) and is a Fellow of International Medical Sciences Academy (FIMSA). Dr. Pasumarthi S N Murthi is a retired consultant surgeon with wide experience in the field of Medicine and is the only Medical expert on the Board of Amrutanjan Health Care Limited and advises on any medical issues on the products of the Company.

Regulation 17(1A) of SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018 prescribes that no listed entity shall appoint a person or continue the directorship of any person as a non-executive director who has attained the age of seventy five years unless a special resolution is passed to that effect.

In view of the said provision of SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations 2018, Section 149, 152(6) and such other applicable provisions of the Companies Act, 2013, the Companies (Appointment and Qualification of Directors), Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), Nomination and Remuneration Committee has discussed the proposal and recommended the re-appointment of Dr. Pasumarthi S N Murthi as Non- Executive Director, who retires by rotation and being eligible, offers himself for re-appointment.

The Board after considering the skill, knowledge, immense experience and expertise in the field of medicine, active participation in the meetings, valuable guidance and the fulfilment of the conditions specified in the Act and the Rules framed thereunder, and based on the recommendations of Nomination and Remuneration Committee, has recommended the resolution for approval of shareholders by way of special resolution.

Except Dr. Pasumarthi S N Murthi, none of the other Directors or Key Managerial Personnel of the Company or their relatives, in any way is concerned or interested, financially or otherwise in the resolution set out in Item no.2.

The Board recommends passing the resolution set out in Item No. 2 of this Notice as special resolution.

Item No 3 – Continuation of office of Dr. S. Vydeeswaran as Non-Executive Independent Director

Dr S Vydeeswaran (DIN:06953739), Independent Director was re-appointed on September 21, 2017 in terms of Companies Act, 2013 for a period of five (5) years which concludes at the Eighty Fifth (85th) Annual General Meeting.

Regulation 17(1A) of SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018 prescribes that no listed entity shall appoint a person or continue the directorship of any person as a non-executive director who has attained the age of seventy five years unless a special resolution is passed to that effect.

In view of the said provision of SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations 2018, Nomination and Remuneration Committee has discussed the proposal and recommended his continuation of office as an Independent Director for the remaining period of his term notwithstanding that he is attaining the age of 75 by the year 2021.

Dr. S. Vydeeswaran is a Master of Science and a Doctorate possessing appropriate skills, excellent experience and knowledge, inter alia, in the field of synthetic organic chemistry and pharmaceutical formulations of both allopathic and ayurvedic products. He has served in Chemical, Pharmaceutical Companies in production, research and quality control under various capacities including research officer and production manager

The Board after considering the skill, knowledge, immense experience, expertise in his respective field, active participation in the meetings, valuable guidance and the fulfilment of the conditions specified in the Act and the Rules framed thereunder and based on the recommendations of Nomination and Remuneration Committee, has recommended the resolution for approval of shareholders by way of special resolution.

Except Dr S. Vydeeswaran, none of the other Directors or Key Managerial Personnel of the Company or their relatives is, in any way, concerned or interested, financially or otherwise, in the resolution, set out in item no.3.

The Board recommends passing the resolution set out in Item No. 3 of this Notice as special resolution.

Item No: 4 Payment of Commission to Non-executive Directors

Taking into consideration the current competitive business environment and corporate governance norms which require enhanced levels of decision making thereby making the responsibilities of the Directors more onerous, it is proposed to continue to remunerate the Director(s) of the Company who are neither in the whole time employment nor managing director with such commission upto a ceiling of 1% of the net profits of the Company for every year, as computed in the manner referred to in Sections 197, 198, of the Companies Act 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 for a period of 5 years commencing from 1st April, 2020 to 31st March, 2025.

NOTICE TO MEMBERS (Contd.)

The Board of Directors shall, on the recommendation of Nomination and Remuneration Committee, determine each year the specific amount to be paid as commission to the Non- Executive Directors including Independent Directors which shall not exceed 1% of the net profits of the Company for that year as computed in the manner as stated above.

The Board of Directors accordingly recommends the ordinary resolution set out in Item No .4 of the accompanying Notice for the approval of members.

All non-executive directors including independent directors are deemed to be interested in the resolution.

Item Nos. 5 (a) and 5(c)

5 (a) Approval and adoption of Amrutanjan Health Care Limited Employees Stock Option Scheme 2020 (the "Scheme 2020")

Stock options in the hands of the employees have long been recognised as an effective instrument to align the interests of the employees with that of the Company and its shareholders, providing an opportunity to the employees to share the growth potential of the Company and to create wealth in the hands of the employees.

Accordingly, the Company intends to reward, attract, motivate and retain employees of the Company, for their high level of individual performance and for their efforts to improve the financial performance of the Company. The eligible employees shall be granted employee stock options in the form of options ("Options") which will be exercisable into equity shares of Re. 1/- each of the Company (the "Equity Shares") upon such terms and conditions applicable to the Options, as the case may be. Towards this end, the Company has proposed to adopt the 'Amrutanjan Health Care Limited Employee Stock Option Scheme 2020' (the "Scheme 2020"). The Board of Directors of the Company through a resolution dated 13th August, 2020, has approved the broad framework of the Scheme 2020.

The Members are informed that the Company intends to offer not more than 2,92,306 Equity Shares under the Scheme 2020 by way of grant of Options. The Scheme 2020 will be administered by the Nomination, Remuneration and Compensation Committee of the Board constituted pursuant to the provisions of Section 178 of the Companies Act, 2013 through a trust, viz. the Amrutanjan Health Care Limited ESOP Trust to be setup for this purpose.

To promote the culture of employee ownership, approval of Members is being sought for grant of Stock Options to eligible employees of the Company.

The Scheme 2020 is being formulated in accordance with the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 ("SEBI SBEB Regulations"). Relevant details with respect to the aforementioned Scheme 2020 are as follows:

(i) Brief description of the Scheme

The Scheme shall be called as the "Amrutanjan Health Care Limited Employees Stock Option Scheme 2020" which shall be extended to the present and/or future permanent Employees of the Company and its future subsidiaries, in accordance with the applicable laws.

The eligible employees shall be granted Options by the Compensation Committee as defined above to be settled in the form of ESOP and upon exercise, the Employees will get shares of the Company after fulfilling the vesting conditions, if any, prescribed by the Board or the Compensation Committee.

The Scheme will be implemented via Trust Route which will acquire Equity Shares of the Company through secondary market for the purpose of extending the benefits of the Scheme to the Employees.

(ii) Total number of Options to be granted

The total number of Stock Options that may in the aggregate be granted shall be such number that would entitle the grantees to acquire, in one or more tranches, such equity shares of the Company not exceeding 2,92,306 equity shares of Re.1/- each (the "Equity Shares") being 1.00% of the paid-up equity share capital of the Company. Upon exercise, each Stock Option entitles the relevant grantee one Equity Share.

In case of any corporate action(s) such as rights issues, bonus issues, merger and sale of division, split or consolidation and others, a fair and reasonable adjustment needs to be made to the Stock Options granted. Accordingly, if any additional Equity Shares are issued by the Company to the grantees for making such fair and reasonable adjustment, the ceiling of 2,92,306 equity shares shall be deemed to be increased to the extent of such additional Equity Shares issued.

Stock Options not vested due to non-fulfilment of the vesting conditions, vested Stock Options which the grantees expressly refuse to exercise, Stock Options (vested and not exercised and unvested) which have been surrendered and any Stock Options granted but not vested or exercised within the stipulated time due to any reasons, shall lapse and these Stock Options or the underlying Equity Shares will be available for grant under the present Scheme 2020 or under a new scheme, subject to compliance with applicable laws.

(iii) Identification of classes of employees entitled to participate in the Scheme 2020

Persons who are permanent employees of the Company or its future subsidiaries, working in or out of India, will be entitled to participate in the Scheme 2020, subject to fulfilment of the eligibility criteria as may be specified in terms of the SEBI SBEB Regulations and as may be decided by the Board or the Nomination, Remuneration and Compensation Committee, from time to time. The following category of employees/directors shall not be eligible to participate in the Scheme 2020:



NOTICE TO MEMBERS (Contd.)

- (a) a promoter or a person belonging to the promoter group;
- (b) an independent director;
- (c) a director who either by himself/ herself or through his/ her relatives or through any body corporate, directly or indirectly holds more than 10% of the outstanding Equity Shares of the Company.

(iv) Requirements of vesting and period of vesting

The Board or the Nomination, Remuneration and Compensation Committee may, at its discretion, lay down certain criteria including, but not limited to, the performance metrics on the achievement of which the granted Stock Options would vest and which may be specified in the respective grant letters or the vesting letters to be issued in this regard. The detailed terms and conditions relating to such criteria for vesting, the period over which and the proportion in which the Stock Options granted would vest will be subject to the minimum and maximum vesting period as specified below.

Vesting period for Options: The Options would vest not earlier than one year or such other period more than one year as may be determined by the Nomination, Remuneration and Compensation Committee. The vesting schedule (i.e. exact proportion in which and the exact period over which the Options would vest) would be determined by the Nomination Remuneration and Compensation Committee, subject to the minimum vesting period of one year from the date of grant of Options. The Options granted under the Scheme 2020 shall vest in one or more tranches.

(v) Exercise price or pricing formula

Exercise price for Options: The Equity Shares to be transferred pursuant to the exercise of the Options would be transferred at the market price of the Equity Shares or at such other price as may be decided by the Board or the Nomination, Remuneration and Compensation Committee from time to time in compliance with the SEBI SBEB Regulations. Provided that the exercise price per option shall not be less than the face value of the equity share of the Company.

Suitable discount may be provided on the price as arrived above, as deemed fit by the Compensation Committee at its sole and absolute discretion for the finalisation of the Exercise Price.

(vi) Appraisal process for determining the eligibility of the Employees to Scheme 2020:

The appraisal process for determining the eligibility of the Employees will be decided by the Compensation Committee from time to time. The Employees would be granted Options under the Scheme 2020 based on various parameters including but not limited to:

- i. Loyalty or Past tenure of employment in the company;
- ii. Criticality of the Position held;
- iii. Designation;
- iv. The present and potential contribution of the Employee to the success of the Company;
- v. High market value/difficulty in replacing the Employee;
- vi. High risk of losing the Employee to competition;
- vii. Value addition by the new entrant, if any.

(vii) Exercise period or process of exercise

All eligible Options vested shall be respectively exercised within the two Exercise Windows of 30 days each following the vesting date as given in the Grant letter, failing which the options shall be forfeited.

The Stock Options will be exercisable by the Employees through a written application to the Company accompanied by payment of the exercise price in such manner and on execution of such documents, as may be prescribed by the Board or the Nomination, Remuneration and Compensation Committee from time to time. The Stock Options will lapse if not exercised within the specified exercise period.

(viii) Disclosure and accounting policies

The Company shall comply with such applicable disclosure and accounting policies as prescribed by the SEBI SBEB Regulations and those prescribed by the concerned authorities from time to time.

(ix) Maximum number of Stock Options to be issued per employee and in aggregate

The Compensation Committee may from time to time Grant Options to the Employee. The aggregate number of Options that may be granted under this Plan shall be decided by the Compensation Committee, subject to ceiling as approved by the shareholders. The aggregate number of shares acquired from secondary market underlying an Option that may be granted under the Plan shall not exceed 2% of the paid up share capital of the Company in any one financial year. Further, such overall aggregate number of shares acquired from secondary market underlying an Option that may be granted shall not exceed 5% of the paid up share capital of the Company.

NOTICE TO MEMBERS (Contd.)

The Compensation Committee may initially propose an overall ceiling limit for acquisitions of shares from secondary market upto 1.00% of the paid up capital of the Company for grant of options under this plan.

(x) Implementation and Administration

The Scheme shall be administered by the Nomination, Remuneration and Compensation Committee through a Trust. Further, secondary acquisition of the Equity Shares from the stock exchanges, for the purposes of implementing the Scheme 2020 would only be undertaken by the Trust. The Company believes that the implementation of the Scheme 2020 through secondary market acquisition is in the best interest of the Company and its shareholders and it will not create any dilution in their shareholding besides being easier and efficient in implementation. The Trust shall be authorised to acquire Equity Shares of the Company from the secondary market. The Company proposes to provide financial assistance to the Trust for this purpose, in accordance with applicable laws.

(xi) Whether the Scheme 2020 involves new issue of Equity Shares by the Company or secondary acquisition or both

The Scheme 2020 will only involve secondary acquisition of Equity Shares by the Trust through the recognised stock exchanges. The secondary acquisition of Equity Shares will be undertaken in compliance with the SEBI SBEB Regulations and other applicable laws.

(xii) The amount of financial assistance / provision of money to be provided for the implementation of the Scheme 2020 by the Company to the trust, its tenure, utilisation, repayment terms

The Company shall make financial assistance /provision of money, from time to time, for an amount upto Rs. 14.28 Crores to fund the acquisition of Equity Shares by the Trust from the stock exchanges through secondary acquisition, in terms of the Scheme 2020. Further financial assistance / provision of money, if any, to be provided to the Trust by the Company in pursuance of the Scheme 2020, on account of increase in the price of the Equity Shares, will be extended in accordance with applicable laws. The Exercise price received from the employees upon exercise of Stock Options and accrued dividend shall be used for the purposes of repayment to the Company with interest, if any.

(xiii) Maximum percentage of secondary acquisition (subject to the limits specified under the SEBI SBEB Regulations) that can be made by the Trust for the purposes of the Scheme 2020

The total number of Stock Options that may in the aggregate be granted shall be such number that would entitle the grantees to acquire, in one or more tranches, such equity shares of the Company not exceeding 2,92,306 equity shares of Re.1/- each (the "Equity Shares") being 1.00% of the paid-up equity share capital of the Company.

In terms of the Scheme 2020 and in accordance with SEBI SBEB Regulations, the Trust that set up for the implementation of the Scheme 2020 may acquire Equity Shares through secondary acquisition such that secondary acquisition in a financial year shall not exceed 2% of the paid-up equity share capital of the Company as at the end of the previous financial year. As at 31st March, 2020, 2% of the paid-up equity share capital of the Company comprised 5,84,613 Equity Shares. Further, in terms of the SEBI SBEB Regulations, the total Equity Shares to be held by the Trust shall not exceed 5% of the paid-up equity share capital as at the end of the financial year immediately prior to the year in which the shareholder approval is obtained. As at 31st March, 2020, 5% of the paid-up equity share capital of the Company comprised 14,61,532 Equity Shares.

(xiv) Method of Stock Options' valuation

To calculate the employee compensation cost, the Company shall use the Fair Value Method for valuation of the Options granted or such valuation method as may be prescribed from time to time in accordance with applicable laws. In the event the Company undertakes valuation as per the intrinsic value method, the difference between the employee compensation cost so computed and the cost that shall have been recognised if it had used the fair value of the Stock Options, shall be disclosed in the Directors' Report and also the impact of this difference on profits and on Earnings Per Share of the Company shall also be disclosed in the Directors' Report.

(xv) Transferability of Stock Options

The Stock Options granted to an employee will not be transferable to any person and shall not be pledged, hypothecated, mortgaged or otherwise alienated in any manner. However, in the event of the death of a Stock Option holder while in employment, the right to exercise all the Stock Options granted to him till such date shall be transferred to his legal heirs or nominees, as prescribed.

(xvi) Other Terms

The Board or Nomination, Remuneration and Compensation Committee shall have the absolute authority to vary or modify the terms of the Scheme 2020 in accordance with the regulations and guidelines prescribed by Securities and Exchange Board of India, including in terms of the SEBI SBEB Regulations or regulations that may be issued by any appropriate authority, from time to time, unless such variation, modification or alteration is detrimental to the interest of the employees who have been granted Stock Options under the Scheme 2020.



NOTICE TO MEMBERS (Contd.)

Item 5 (c) – Extension of benefit to future employees of Subsidiaries:

Regulation 6 (3 (c) of SEBI (Share Based Employee Benefit) Regulations, 2014 requires that a separate Special Resolution is to be passed by the members for approving the extension of ESOP benefits to employees of subsidiary companies. Although, the Company has no subsidiaries currently, the resolution proposed as item 5^c will enable the Board to consider and approve extending the benefit of 'Amrutanjan Health Care Limited Employees Employee Stock Option Scheme 2020' to the permanent employees of the direct or indirect subsidiaries of the Company that may come into existence in future.

None of the Directors and Key Managerial Personnel of the Company and their relatives is in any way, concerned or interested in the resolutions, except to the extent of the Equity Shares that may be offered to them under the Scheme 2020.

The Board recommends Resolutions Nos. 5 (a) & 5(c) for approval of the Members of the Company.

Item No. 5 (b)

To approve (i) the use of the trust route for the implementation of the Amrutanjan Health Care Limited Employee Stock Option Scheme 2020 (Scheme 2020); (ii) secondary acquisition of the equity shares of the Company by the trust to be set up; and (iii) grant of financial assistance / provision of money by the Company to the trust to fund the acquisition of its equity shares, in terms of the Scheme 2020:

As indicated in the explanatory statement pertaining to Item No. 5 (a), the Board of Directors of the Company through a resolution dated 13th August, 2020, approved the broad framework of the Amrutanjan Health Care Limited Employees Stock Option Scheme 2020 (the "Scheme 2020"). Further, the Scheme 2020 shall be administered by the Nomination, Remuneration and Compensation Committee through a Trust. Further, in terms of the Scheme 2020 and in accordance with the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014, as amended (the "SEBI SBEB Regulations"), the trust may acquire Equity Shares through secondary acquisition such that secondary acquisition in a financial year shall not exceed 2% of the paid-up equity share capital of the Company as at the end of the previous financial year. As at 31st March, 2020, 2% of the paid-up equity share capital of the Company comprised 5,84,613 Equity Shares. Further, in terms of the SEBI SBEB Regulations, the total Equity Shares to be held by the trust shall not exceed 5% of the paid-up equity share capital as at the end of the financial year immediately prior to the year in which the shareholder approval is obtained. As at 31st March, 2020, 5% of the paid-up equity share capital of the Company comprised 14,61,532 Equity Shares.

In accordance with the SEBI SBEB Regulations, a separate resolution is required to be passed as a special resolution by Members of the Company, if the implementation of the Scheme 2020 involves setting up of a Trust, secondary acquisition of Equity Shares and provision of money whether by way of a financial assistance or otherwise. Therefore, a separate resolution is proposed for secondary acquisition of Equity Shares for the implementation of the Scheme 2020 through a Trust to be setup for this purpose, and providing financial assistance / provision of money for such acquisition in accordance with applicable laws.

Upon approval of the Members and after complying with the procedural and statutory formalities, the Trust is empowered to acquire in one or more tranches, upto 2,92,306 Equity Shares of the Company from the secondary market through the stock exchanges, representing 1% of the paid-up equity share capital of the Company for the implementation of the Scheme 2020.

The Company proposes to provide financial assistance / provision of money to the Trust up to Rs. 14.28 crores. The financial assistance / provision of money will be utilised for implementation of the Scheme 2020. As and when the exercise price is recovered from the employees, from time to time, upon exercise of options, the Trust shall repay the money to the Company as per the agreed terms.

The relevant disclosures, as required under Section 67 read with Rule 16 of the Companies (Share Capital and Debentures) Rules, 2014 are as follows:

a. The class of employees for whose benefit the Scheme is being implemented and money is being provided for subscription to shares

Following classes of Employees are entitled to participate in the Amrutanjan Health Care Limited Employee Stock Option Scheme 2020:

- (i) a permanent employee of the Company who has been working in India or outside India; or
- (ii) a director of the Company, whether a whole time director or not but excluding an independent director; or
- (iii) an employee as defined in clauses (i) or (ii) of a subsidiary, in India or outside India, or of a holding Company of the Company

but does not include-

- an employee who is a promoter or a person belonging to the promoter group; or
- a director who either himself or through his relative or through any body corporate, directly or indirectly, holds more than ten per cent of the outstanding equity shares of the Company;

NOTICE TO MEMBERS (Contd.)

b. The particulars of trustee in whose favour such shares are to be registered

(1) Surana and Surana International Attorneys

c. The particulars of trust and name, address, occupation and nationality of trustees and their relationship with the promoters, directors and key managerial personnel

Name of the Trust: Amrutanjan Health Care Limited ESOP Trust

Address of the Trust: No. 103, (Old 42-45), Luz Church Road, Mylapore, Chennai 600 004.

Sr. No.	Name of the Trustee	Address of the Trustee
1	Surana and Surana International Attorneys	61-63, Dr. Radhakrishnan Salai, Mylapore, Chennai - 600 004

The above Trustee firm is not related to Promoters, Directors and Key Managerial Personnel of the Company. Subject to the compliance of the provisions of applicable law, the aforesaid Trustee firm may be changed at any time. In accordance with the SEBI (SBE) Regulations, the Trustee firm does not hold 10% or more beneficial interest in the Company.

d. Any interest of the key managerial personnel, directors or promoters in such Scheme or Trust and effect thereof

The Promoters and Promoter Group and the Trust are not interested in the Scheme 2020. Key Managerial Personnel may be deemed to be interested to the extent of Equity Shares as may be offered to them under the Scheme.

e. The detailed particulars of benefits which will accrue to the employees from the implementation of the Scheme – 2020

- The Employees can exercise options granted to them to get the equivalent number of shares subject to fulfilment vesting conditions, if any;
- Employees motivation level increases which is likely to contribute to the growth and profitability of the Company;
- Employees are expected to remain associated with the Company for a longer duration to get full benefit of the Scheme;
- New human talent can be attracted in the company;
- Employees with the long term interests will be aligned with the sustained growth and creation of the Shareholders' value of the Company;
- It creates a sense of ownership and participation amongst the Employees to share the value they created for the company in the years to come.

f. Details about who would exercise and how the voting rights in respect of the shares to be acquired under the Scheme 2020 would be exercised

Till the date the shares are not transferred to the beneficiary employees, the Trust would be considered as the Registered Shareholder of the company.

The SEBI SBE) Regulations provides that the Trustees of the Trust, which is governed under the SEBI SBE) Regulations, shall not vote in respect of the shares held by such Trust, so as to avoid any misuse arising out of exercising such voting rights. In line with the requirements of the SEBI SBE) Regulations, the Trustees shall not exercise voting rights in respect of the Equity Shares held by the Trust pursuant to the Scheme 2020.

None of the Directors and Key Managerial Personnel of the Company and their relatives is in any way, concerned or interested in the resolution and in appointment of Trustees, except to the extent of the Equity Shares that may be offered to them under the Scheme 2020.

The Board recommends Resolution No. 5(b) for approval of the Members of the Company.

Regulation 6(3) of the SEBI SBE) Regulations requires that the secondary market acquisition by the ESOP Trust should be approved by the members by way of a Special Resolution. Accordingly, the resolution set out as Item Nos. 5(b) is being placed for the approval of the Members pursuant to the provisions of Section 67 read with Rule 16 of the Companies (Share Capital and Debentures) Rules, 2015, Regulation 6(3) of the SEBI SBE) Regulations and all other applicable provisions of law for the time being in force.



NOTICE TO MEMBERS (Contd.)

Item No.6–Cost Auditor Remuneration

Pursuant to the provisions of Section 148(3) of the Companies Act, 2013 and Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the Company is required to appoint a cost auditor to conduct the audit of the cost records of the applicable products of the Company. As per the Rules, remuneration payable to the cost auditor is required to be approved by the members of the Company. The Board of Directors of the Company, at its meeting held on August 13 2020, had considered and approved the appointment of Mr. G Thangaraj, Cost Accountant (Registration No: 100464) as the Cost Auditor of the Company for the financial year 2020-21 at a remuneration of Rs. 125,000/- (Rupees One Lakh Twenty Five Thousand only) plus applicable taxes.

The Board of directors accordingly recommends the resolution set out in Item No 6 of the accompanying Notice for the approval of members.

BY ORDER OF THE BOARD
For Amrutanjan Health Care Limited

Place : Chennai
Date : August 13, 2020

M Srinivasan
Company Secretary & Compliance Officer

Registered Office:
Amrutanjan Health Care Limited
CIN: L24231TN1936PLC000017
No.103, Luz Church Road, Mylapore,
Chennai 600 004
Tel : 044-2499 4465; Fax : 044-2499 4585
Email : shares@amrutanjan.com
Website : www.amrutanjan.com

NOTICE TO MEMBERS (Contd.)

Information about director seeking re-appointment / continuance at the forthcoming Annual General Meeting in compliance with Regulation 26(4), 36(3) of SEBI LODR and Secretarial Standard on General Meetings (SS-2)

Name of the Director & DIN	Dr. Pasumarthi S.N. Murthi (DIN 00051303)
Date of Birth & Age	11th August, 1934; 85 years
Date of Original Appointment	5th August, 1989
Educational Qualifications	B.Sc., MBBS, FRCS (Edin UK) FIMSA
Expertise in Specific Functional Area	Retd. Consultant Surgeon with wide experience in the field of Medicine. He is the only Medical expert on the Board of Amrutanjan Health Care Limited and advises on any medical issues relating to the products of the Company;
Terms and conditions of appointment	Appointment is subject to retirement by rotation
Last drawn Remuneration	As declared In the Annexure of Board's report
Remuneration sought to be paid	Sitting Fees and Commission as approved by the Board from time to time within the statutory limits
List of other Companies in which Directorships held	Nil
Chairmanship/ Membership of Committees of Board of Directors of other Companies	Nil
Number of meetings of the Board attended during the year	Four (4)
Shareholding	25,44,530 equity shares
Relationship with other Directors/ Manager/ KMP	Not related to any other Director of Amrutanjan Health Care Limited

Name of the Director & DIN	Dr. S. Vydeeswaran (DIN 06953739)
Date of Birth & Age	8 September, 1946, 74 years
Date of Original Appointment	22 September, 2014
Educational Qualifications	M.Sc, P.h.D in Organic Chemistry, FICS
Expertise in Specific Functional Area	Synthetic Organic Chemistry and Pharmaceutical formulations
Terms and conditions of appointment	For detailed terms and conditions, please refer website www.amrutanjan.com
Last drawn Remuneration	As declared In the Annexure of Board's report
Remuneration sought to be paid	Sitting Fees and Commission as approved by the Board from time to time within the statutory limits.
List of other Companies in which Directorships held	Nil
Chairmanship/ Membership of Committees of Board of Directors of other Companies	Nil
Number of meetings of the Board attended during the year	Four (4)
Shareholding	Nil
Relationship with other Directors/ Manager/ KMP	Not related to any other Director of Amrutanjan Health Care Limited



BOARD'S REPORT

Your Directors have pleasure in presenting the Eighty Third (83rd) Annual Report of the Company along with Audited Financial Statement for the year ended March 31, 2020.

1. FINANCIAL RESULTS

Your Directors are pleased to furnish below the financial results for the year ended 31st March, 2020.

Particulars	(Rs. in Lakhs)	
	For the Current Year ended 31 st March, 2020	For the Previous Year ended 31 st March, 2019
Profit before Interest and Depreciation (continuing operations)	3,903.43	3,840.92
Less:		
Interest	22.10	8.22
Depreciation and Amortization	435.94	315.97
Profit before tax	3,445.39	3,516.73
Provision for taxation		
- Income Tax	(943.00)	(1,023.00)
- Deferred Tax	5.94	6.04
Profit from continuing operations	2,508.33	2,499.77
Loss from discontinued operation after tax	-	(48.34)
Profit for the year	2,508.33	2,451.43
Add: Other comprehensive income not to be reclassified subsequently to profit or loss (net of tax)	(29.37)	(56.55)
Total comprehensive income for the year	2,478.96	2,394.88
Surplus from previous year brought forward	9,144.20	7,436.48
Profit for Appropriation	11,623.16	9,831.36
Appropriations:		
Final Dividend Paid	306.92	248.46
Tax on Final dividend	63.09	51.07
Interim dividend Paid	613.84	321.54
Tax on Interim Dividend	126.18	66.09
Balance Profit Carried to Balance Sheet	10,513.13	9,144.20
	11,623.16	9,831.36

Note : The Sales/revenue wherever referred in Board's Report and MDA denotes Gross Sales (net sales plus taxes and discounts), unless explicitly mentioned as Net Sales.

BOARD'S REPORT (Contd.)

2. STATE OF AFFAIRS:

Your Company has witnessed a 2.71% growth in turnover during the financial year 2019-20 with total Gross Sales of Rs.28,892.00 Lakhs as against Rs.28,130.97 Lakhs during the previous financial year.

Business Performance at a Glance – OTC & Beverage

Particulars	2019-20	2018-19	Change %
Production - Tonnes	914.21	872.07	4.83
- Kilo Ltrs	4,838.68	4,854.54	(0.33)
Sales Volume - Tonnes	812.97	809.68	0.41
- Kilo Ltrs	3,713.95	4,366.00	(14.93)
Net Sale (Rs. in Lakhs)	26,147.67	25,322.73	3.26
Operating EBITDA (Rs. in Lakhs)	3,903.43	3,840.92	1.61
Operating EBITDA Margin(%)	14.93	15.17	(1.58)

3. DIVIDEND

Your Directors have declared two interim dividends for an aggregate Rs. 2.10 per equity share of Re. 1/- each (for the year 2019-20). Details of the Interim Dividend paid are as below:

i. Interim Dividend:

S. No.	Date of Board Meeting approving the Dividend	Rate of Dividend	% of Interim Dividend to Face Value	Total Amount of Interim Dividend (Rs. in lakhs)	Date of Payment
1.	November 7, 2019	0.55	55%	160.77	November 26, 2019
2.	February 12, 2020	1.55	155%	453.07	February 26, 2020
	TOTAL	2.10	210%	613.84	

The Company has borne the entire dividend distribution tax of Rs. 126.18 lakhs towards the two interim dividends paid to the equity shareholders.

ii. Final Dividend:

The Board, in its meeting held on 18th June 2020, has decided that the Interim Dividends paid during the year 2019-20 have adequately covered the maximum amount of distributable profits available for distribution as Dividends for the year. Hence the Board has decided not to recommend any further dividend as final dividend.

4. SHARE CAPITAL

The paid-up equity share capital as on March 31, 2020 was Rs. 2,92,30,630 (2,92,30,630 shares of Re. 1/- each).

Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year under review:

- Issue of equity shares with differential rights as to dividend, voting or otherwise;
- Issue of shares (including Sweat Equity Shares and ESOS) to employees of the Company under any scheme.

5. DEPOSITS

During the year, your Company has not accepted any deposits within the meaning of provisions of Chapter V (Acceptance of Deposits by Companies) of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014 and was not holding any amount under Deposit Account as on March 31, 2020.

6. FINANCE

The Profit before tax for FY'20 was Rs. 3,445.39 lakhs compared to Rs. 3,468.39 lakhs for FY'19.

The Investments, Fixed Deposit, Cash and Cash equivalents has grown from Rs. 8,682.33 lakhs (as at 31st March, 2019) to Rs. 10,893.91 lakhs (as at 31st March, 2020).

7. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 read with Companies (Meetings of Board and its Powers) Rules, 2014 and details as required under Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 [SEBI LODR] are given below:

Particulars	As on 31st March, 2020	As on 31st March, 2019
Loans (Secured & Unsecured)	-	-
Investments (Rs. in lakhs)	1,820.64	1,751.76
Guarantees (Rs. in lakhs)	213.24	213.24

The total amount stated above does not exceed the limit mentioned in section 186 of Companies Act, 2013.

8. MANAGEMENT DISCUSSION AND ANALYSIS (MDA)

In terms of regulation 34 and Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI LODR) as amended from time to time, the MDA capturing the performance, industry trends and other material changes with respect to your Company is presented in "ANNEXURE A" of this Report.

9. CORPORATE GOVERNANCE

Your Company has complied with the requirements of regulation 34 read with Schedule V of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 (SEBI LODR) and the following Reports/ Certificates form part of the report :



BOARD'S REPORT (Contd.)

- a) The Report on Corporate Governance ("ANNEXURE B")
- b) The Certificate duly signed by the Chairman & Managing Director and Chief Financial Officer on the Financial Statements of the Company for the year ended March 31, 2020 as submitted to the Board of Directors at its meeting held on June 18, 2020 ;
- c) The declaration by the Managing Director & CEO regarding compliance by the Board members and senior management personnel with the Company's Code of Conduct ;
- d) The PCS Certificate on Corporate Governance
- e) The PCS Certificate on Director's eligibility.

10. BUSINESS RESPONSIBILITY REPORT (BRR)

As mandated in Regulation 34(2)(f) of the SEBI (Listing Obligations & Disclosure Requirements) Amendment Regulations, 2019 (SEBI LODR), the Business Responsibility Report ('BRR') forms part of the Annual Report as ANNEXURE C. The report on the nine principles of the National Voluntary Guidelines on social, environmental and economic responsibilities of business as framed by the Ministry of Corporate Affairs is provided in relevant sections of the BRR.

11. DIRECTORS, KEY MANAGERIAL PERSONNEL & SENIOR MANAGERIAL PERSONNEL

(a) Retirement by Rotation

In accordance with the provisions of the Companies Act, 2013 ('ACT') and the Articles of Association of the Company, Dr. Pasumarthi S N Murthi (DIN: 00051303), Non- Executive Director retires by rotation at the upcoming Eighty Third (83rd) Annual General Meeting and being eligible, offers himself for reappointment.

Regulation 17(1A) of SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018 prescribes that no listed entity shall appoint a person or continue the directorship of any person as a non-executive director who has attained the age of seventy five years unless a special resolution is passed to that effect.

In compliance with the above, approval / sanction of the members is being sought at this AGM to re-appoint Dr. Pasumarthi S N Murthi (DIN 00051303) notwithstanding that he has already attained the age of 75 years.

(b) Independent Directors :

The independent directors have affirmed that they satisfy the criteria laid down under section 149(6) of the Companies Act 2013 (Act) and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The terms and conditions of appointment of the Independent Directors are placed on the website of the Company

www.amrutanjan.com. The details of familiarization programmes conducted to the Independent Directors are available at the weblink <https://www.amrutanjan.com/pdf/FR.pdf>.

(c) Key Managerial Personnel (KMP):

Pursuant to the provisions of Section 2(51) of the Companies Act, 2013, the Key Managerial Personnel of the Company are – Mr. S Sambhu Prasad, Chairman & Managing Director, Mr. N Swaminathan, Chief Financial Officer and Mr. M Srinivasan, Company Secretary. There was no change in the KMPs during the year.

12. BOARD MEETINGS

During the year, Four (4) meetings of the Board of Directors were held. The complete details of the meetings are furnished in the Corporate Governance Report. The intervening gap between any two Meetings was less than 120 days in compliance with the provisions of Section 173(1) of the Companies Act, 2013.

13. MEETING OF INDEPENDENT DIRECTORS

During the year, one (1) separate meeting of Independent Directors was held. In the said meeting, the independent directors assessed the quality, quantity and timeliness of flow of information between the management and the Board and have expressed that the current flow of information and contents were adequate for the Board to effectively perform its duties. They also reviewed the performance of the non-independent directors and the board as a whole and the performance of the Chairperson of the Company taking into account the views of Executive Director and Non-Executive Directors.

14. BOARD EVALUATION

Pursuant to the provisions of the Companies Act, 2013 read with Rule 8(4) of the Companies (Accounts) Rules, 2014 and SEBI LODR, the Board of Directors during the year carried out an annual performance evaluation of its own performance, the directors individually (without participation of the relevant director) , and the Chairman.

The evaluation was carried through a structured methodology approved by the Nomination and Remuneration Committee. The criteria for performance evaluation have been detailed in the Corporate Governance Report.

The outcome of the evaluation also forms the basis for the Nomination and Remuneration Committee while considering the appointment/re-appointment of Directors.

15. REMUNERATION POLICY

The Remuneration policy of the Company deals with the appointment of and remuneration to the Executive & Non-executive Directors, Key Managerial Personnel and Senior Executives of the Company including criteria for determining

BOARD'S REPORT (Contd.)

qualifications, positive attributes, independence of a Director and other related matters. It aims to attract, recruit and retain exceptional talent and ensures that the remuneration is performance driven. The Policy has been provided in the website of the Company – <https://www.amrutanjan.com/policy.html>. The Nomination and Remuneration Committee has also framed a Policy on Board diversity appropriate to the business requirements of the Company, which inter-alia specifies optimum combination of Executive Directors, Non-Executive Directors and Independent Directors, the recommendatory requirement for each of the directors to possess functional diversity and role of Nomination and Remuneration Committee to ensure that the Policy on Board diversity is considered while recommending the appointment of new directors on the Board of the company.

The details of remuneration paid / payable to the directors during the financial year 2019-20, are furnished in the Corporate Governance report annexed to this report.

16. VIGIL MECHANISM/ WHISTLE BLOWER POLICY

Pursuant to Section 177(9) of the Companies Act, 2013 read with Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014 and Regulation 22 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, the Board of Directors had approved the Policy on Vigil Mechanism/ Whistle Blower and the same was further amended effective from 1st April, 2019 to comply with the amended SEBI Insider Trading Regulations. The Policy is hosted on the website of the Company <https://www.amrutanjan.com/pdf/Whistle%20Blower%20Policy.pdf>.

The Policy inter-alia provides direct access to the Chairman of the Audit Committee.

Your Company hereby affirms that no Director/ employee have been denied access to the Chairman of the Audit Committee and that no complaints were received during the year.

17. UNCLAIMED SHARES

The details of unclaimed shares held in Unclaimed Shares Suspense Account pursuant to SEBI LODR are provided in the Corporate Governance Report.

18. STATUTORY AUDITORS & THEIR REPORT

M/s. B S R & Co. LLP, Chartered Accountants, (ICAI Firm Registration No. 101248W/W-100022), were appointed as Statutory Auditors, at the conclusion of Eightieth (80th) AGM held on September 21, 2017 for a period of five (5) years till the conclusion of the Eighty Fifth (85th) Annual General Meeting of the Company. Pursuant to the notification dated May 7, 2018 of the relevant provisions of the Companies (Amendment) Act, 2017 and Rule 3 of the Companies (Audit and Auditors) Rules, 2018, the ratification of statutory auditor appointed in the AGM for five years is dispensed with.

The Statutory Auditors' report to the shareholders on the financials for the year ended March 31, 2020 does not contain any qualification, observation or adverse comment.

19. SECRETARIAL AUDITOR & AUDIT REPORT

Pursuant to the provisions of Section 204 of the Companies Act 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed M/s P Sriram & Associates, Practicing Company Secretaries, as its secretarial auditor to undertake the secretarial audit for FY 2019-20. The secretarial audit report certified by the secretarial auditors, in the specified form MR-3 is annexed herewith and forms part of this report "Annexure E".

The secretarial audit report does not contain any qualifications, reservations or adverse remarks or disclaimer.

20. COST AUDITOR

Pursuant to Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Rules, 2014, the Board of Directors at its meeting held on August 13, 2020 has appointed Mr. G Thangaraj (Registration No. 100464), Cost Accountant, as the Cost Auditor to conduct the cost audit with respect to OTC business of the company for the financial year ending March 31, 2021. He was also the cost auditor for the previous year ended March 31, 2020.

21. CORPORATE SOCIAL RESPONSIBILITY (CSR) INITIATIVES

The CSR activities carried out by your Company during the financial year 2019-20 were mainly focused on (a) Animal Welfare (b) Health and Sanitation (c) Promoting Education (d) Assistance in COVID-19 pandemic (e) Empowerment of Women. The activities undertaken by the Company are in accordance with Schedule VII of the Companies Act, 2013, the CSR Policy of the Company and as per recommendations of the CSR Committee.

The CSR Committee met twice (2) during the year to oversee the activities, programs and execution of initiatives as per the predetermined guidelines of the Board and approve the amount to be spent towards CSR. The Board takes pleasure to inform that the Company has spent the entire amount that was mandatorily to be incurred towards the CSR spends for the year 2019-20.

The main objectives of CSR policy of the Company are to help build socio-economic development of the nation through different projects and to ensure environmental sustainability. The Policy has widened scope to undertake all activities permitted under law. The CSR Policy is available on the website of the Company at the web-link <https://www.amrutanjan.com/pdf/ahcl-csr-policy.pdf>. The detailed report on CSR activities carried out during the financial year is given in "ANNEXURE D".



BOARD'S REPORT (Contd.)

22. PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES

Disclosures pertaining to remuneration and other details as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are provided in "ANNEXURE F".

23. EXTRACT OF ANNUAL RETURN

An extract of Annual Return in Form MGT-9 as on March 31, 2020 as per provisions of Section 92(3) of the Companies Act, 2013 is attached as "ANNEXURE G" to this Report. Also pursuant to Section 134(3) of Companies Act 2013, a copy of Annual return of the Company is available on the website of the Company at the web-link <https://www.amrutanjan.com/Annualreturn.html>.

24. RELATED PARTY TRANSACTIONS

No material significant related party transaction was made by the Company during the year with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large and accordingly, applicability of Form AOC-2 does not exist.

25. CONSERVATION OF ENERGY/TECHNOLOGY ABSORPTION AND FOREIGN EARNINGS/OUTGO

Information as required under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 relating to Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo are furnished in "ANNEXURE H" to this Report.

26. DIRECTORS' RESPONSIBILITY STATEMENT

To the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statements in terms of Section 134(3)(c) & 134(5) of the Companies Act, 2013:

- I. that in the preparation of the annual financial statements for the year ended March 31, 2020, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- II. that the directors had selected such accounting policies and applied them consistently and had made judgment and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2020 and of the profit of the Company for the year ended on that date;
- III. that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

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

V. that proper internal financial controls were followed by the Company and that such internal financial controls are adequate and were operating effectively.

VI. That proper systems had been devised to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

27. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has a proper and adequate internal control system to ensure that all the assets of the Company are safeguarded and protected against any loss and that all the transactions are properly authorised and recorded. Information provided to management is reliable and timely. Details of the same are provided in the Management Discussion and Analysis Report.

28. ENVIRONMENTAL, SAFETY AND HEALTH

Your Company is committed to ensure sound Safety, Health and Environmental (SHE) performance related to its activities, products and services. The Company is taking continuous steps to develop Safer Process Technologies and Unit Operations. Your Company has been investing heavily in areas such as Process Automation for increased safety and reduction of human error element. Enhanced level of training on Process and Behavior based safety, adoption of safe & environmental friendly production process, Management System is done on a continuous basis. The Company is committed to continuously take further steps to provide a safe and healthy environment.

29. RISK MANAGEMENT POLICY :

Your Company has a Risk Management Policy adopted by the Board. Periodical in-house risk audits were conducted to detect and mitigate the risks in a timely and effective manner. Management Discussion and Analysis Report contain more details on the risk management practiced by the Company.

30. MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY

There were no material changes and commitments affecting the financial position of the Company between the closure of the financial year 2019-20 and the date of this report.

31. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS

There are no significant and material orders passed by the Regulators or Courts or Tribunals which would impact the going concern status of the Company.

32. ENHANCING SHAREHOLDERS VALUE

Your Company believes that its Members are among its most important stakeholders. Accordingly, your Company's operations

BOARD'S REPORT (Contd.)

are committed to the pursuit of achieving high levels of operating performance and cost competitiveness, consolidating and building for growth, enhancing the productive asset and resource base and nurturing overall corporate reputation. Your Company is also committed to creating value for its other stakeholders by ensuring that its corporate actions positively impact the socio-economic and environmental dimensions and contribute to sustainable growth and development.

33. PREVENTION OF SEXUAL HARASSMENT POLICY

The Company has in place a Prevention of Sexual Harassment policy in line with the requirements of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013. An Internal Complaints Committee has been set up to redress complaints received regarding sexual harassment. All

employees (permanent, contractual, temporary, trainees) are covered under this policy.

During the year 2019-20, no complaints were received by the Company related to sexual Harassment.

34. ACKNOWLEDGEMENT

The Directors wish to express their sincere appreciation to all the Government Departments, Bankers, Customers, Distributors, Suppliers and the shareholders for their co-operation and support extended during the year.

The Directors also wish to thank all the employees for their contribution, support and continued commitment throughout the year.

By Order of the Board
For and on behalf of the Board

S Sambhu Prasad
Chairman and Managing Director

Place : Chennai
Date : June 18, 2020

Registered Office:
Amrutanjan Health Care Limited
CIN: L24231TN1936PLC000017
No.103, Luz Church Road, Mylapore, Chennai 600 004
Tel : 044-2499 4465 Fax : 044-2499 4585
Email : shares@amrutanjan.com
Website : www.amrutanjan.com



(a) INDUSTRY STRUCTURE AND DEVELOPMENTS

Industry Overview:

FMCG industry is valued at around INR 4.4 lakh crores* growing at 7%. The economy was showing signs of revival in the last quarter of FY 19-20 before the nationwide lockdown was declared in March 2020 as a COVID 19 control measure. In fact, the Index of Industrial Production (IIP) growth witnessed an upward trend in the months of January and February 2020* before it went negative in March 2020. Following the pattern, FMCG sector had shown a growth of 7.5%* in January & February, 2020 before dipping to 4%* in March, 2020.

While the recent pandemic has caused large scale disruption in our lifestyles, the consumer usage and purchase behaviour has undergone a vast change in the 'new normal' which is likely to stay for a longer time.

- 'Consumers became more health and hygiene conscious' is the most talked about 'mantra' which has resulted in increased penetration of all hygiene products including hand sanitizers.
- Consumers' new preference to E-Com and Modern Trade Channels over traditional markets in the changed circumstances remains to be seen for its endurance even after the return of normal life. This is more so considering the fact that India is primarily a "traditional trade" market, which contributes more than 85% of FMCG sales*.

(*Source Nielsen)

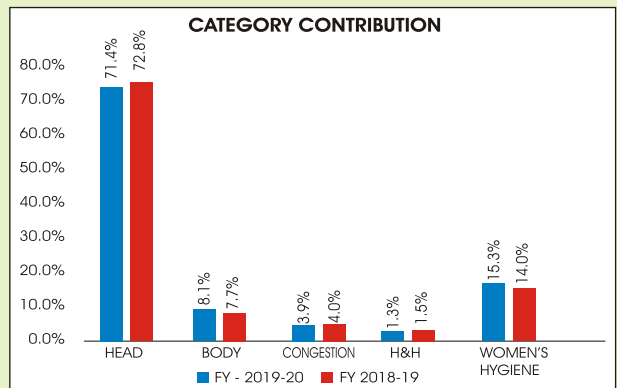
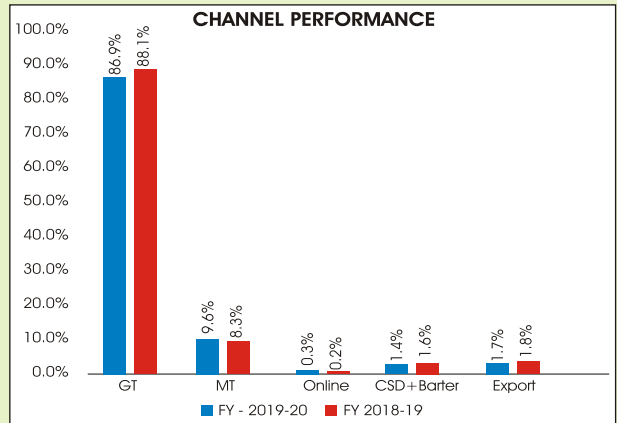
The pandemic disruption opens up scope for newer opportunities in the Industry, particularly in personal care and health care segments, which if utilised swiftly would yield good returns in the near future. The impact of COVID 19 is expected to be felt predominantly in the FCMG sector . The businesses that are adopting quickly to the changing demands and showing agility in planning & execution takes the initial advantage.

Company Overview:

Your Company is one of India's leading companies in OTC market having 127 years of brand existence with lateral diversification in the areas of beverage and women's hygiene segments. Its pain balm variants are manufactured in its own units located at Chennai and Hyderabad whereas the women's hygiene products are manufactured in a GMP certified unit owned by a Strategic European Partner. Amrutanjani has its beverage manufacturing facility located on the outskirts of Chennai.

Pain Management

The OTC business of Amrutanjani has grown by 4.0% during 2019-20 over the previous year with gross sales of Rs. 266.05crores. While the General Trade (GT) format continues to be the top contributor to the overall turnover, due to continued focus on improving MT and Online channels, the contribution from these channels has increased by 1.4% (8.5% to 9.9%).



Head category continues to be the major contributor at 71.4% of the total domestic sales. With our continued focus on Comfy expansion, the contribution of Women's Hygiene has increased from 14% to 15.3% of the total sales.

Amrutanjani has also responded well to the changing market dynamics with the launch of 'hand sanitizers' in the hygiene space.

Your company has been consistently investing in its brand through varied marketing activities. In order to achieve greater heights in OTC business, several marketing interventions were undertaken during the financial year, which include:

- Significant investments in television media across all key states;
- Increased number of digital campaigns;
- Print media advertisements in Odisha, Gujarat, Jharkhand, UP, Rajasthan, Andhra Pradesh, Telangana, Karnataka and Kerala regions;
- Radio campaigns;
- Branding on the back-side panel of public transport vehicles;
- In-store branding to drive Point-of-purchase awareness and offtake;
- Sampling activities during Marathons, Pilgrimage Points, IT Parks to improve trials;

Management Discussion and Analysis Report (contd.)

AMRUTANJAN FASTER RELAXATION ROLL ON BRANDING



SAMPLING IN MARATHONS



SAMPLING IN IT PARKS





Management Discussion and Analysis Report (contd.)

Beverages

The food and beverage industry accounts for approximately 19% of the FMCG business. Increasing health consciousness among all sections of consumers will lead to greater scope for health and rehydration drinks.

Electro+ ORS Rehydration:

Electro+ contains fruit juice with the goodness of Vitamin-C, Glucose and Electrolytes that helps to regain lost salts & fluids due to diarrhoea and hot climate conditions. Electro+ has ingredients that enhances immunity in human body which is vital to counter any diseases. One bottle of Electro+ has Recommended Daily Allowance (RDA) of 40mg/day. The Orange variant which was launched last year in addition to existing Apple variant has received good acceptance among the consumers which was evident from its contribution to overall Electro+ increased from 31% in 2018-19 to 45% in FY 2019-20. Considering the benefit coupled with growing health consciousness among the consumers, Electro+ is expected to expand its footprint across India through our well established OTC channels.



Women's Hygiene

Amrutanj's women's hygiene brand Comfy entered this segment in the year 2013 with the objective to provide affordable sanitary napkins to majority of women in India who were resorting to un-hygienic method of menstrual protection like cloth and ashes. The successful launch of Comfy has made menstrual hygiene accessible to many women across the country. With the experience gained after the first launch, a new improved version was later launched with the name - Comfy SnugFit that caters to the needs of the first time and cloth users. Comfy sale has grown manifold and has achieved 2% volume market share with a growth of 35% in MAT March 2020* as against the same period last year in a highly competitive market dominated by premium brands. (* Source – Nielsen)

Amrutanj Comfy is manufactured in a GMP certified factory and is designed with the inputs in product features provided by research team to better meet the expectations of Indian women. Any new product launch goes through several consumer validation and lab tests before being introduced into the market to ensure good reception. The product is accepted as a finest quality sanitary



napkin in the market with 80% better absorption than the leading brand (as opined by the in-house R&D), anti-leak system and imported absorption material from North America.

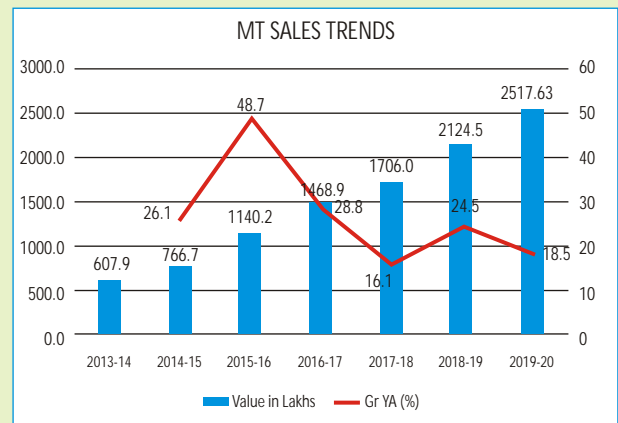
Considering the potential offered by the Category, Amrutanj has launched two more new variants – Comfy XL and Comfy Ultra during the year. With these new variants, we are able to expand the reach of consumers and will continue to focus on achieving exponential growth year after year in this category. We hope that this would help our women population enjoy better lifestyle and contribute their best to the nation building.

Congestion Management

Cough syrup, lozenges, cold rub and nasal inhaler are the categories catering to Congestion portfolio. Amrutanj Relief Inhaler is the second most used brand in the nasal inhaler category. Amrutanj will continue to emphasise on natural solutions based on ayurveda for congestion.

Modern Format Focus

The sales growth momentum has continued in Modern Trade (MT) Channel this year also with the sales of Rs. 25.17 crores, a growth of 18.5%. The CAGR growth of Modern Trade is 26.7% for the last 6 years.



Amrutanj has maintained the No. 1 rank in Modern Trade in Head Category with the volume market share of 41.1%* in YEC 19. Amrutanj products are available in 11,100* MT stores (YEC 19). The product acceptance among MT customers including new categories is encouraging. (*Source: Nielsen)

Online:

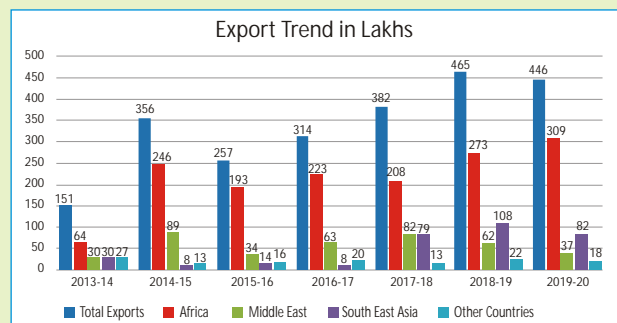
Our products are currently available in leading E-commerce channels viz., Amazon, Sasta Sundar, Big Basket, Nedmed, Pharmeasy, Medlife, Reliance Jio Mart, Medplus Ecom, Apollo E-Com, D Mart E-Com. Total sales achieved during the year through E-Com was Rs. 1.58 crores and this channel is showing growth month-on-month indicating good off-take for our products. With the growing thrust, we are aiming for 1.3%

Management Discussion and Analysis Report (contd.)

contribution from E-Com channel both from existing chains as well as from the new chains under pipeline.

Exports

Despite challenging macro conditions, the company's exports breached Rs. 4 Crores mark for the second consecutive year. Africa continues to be our largest contributing region at 69.3% of total exports and it has witnessed an increase of 13.2% in FY 2019-20 over the previous year.



Export arrangements have been made to enter Philippines and Laos in South East Asia markets and Kenya in Africa.

Supply Chain Management (SCM)

There was more focus to minimise supply chain risk by developing new suppliers and engaging strategic partnerships with existing suppliers, distributors and other third party logistics providers. We continue to strengthen our supply chain by ensuring timely product availability, cost control, empowering the team with accurate sales and operational planning, improving product placement efficiency, prompt product SKUs availability across sales points, etc.

As far as input raw materials are concerned, exhaustive field visits were made to know the real & fair market condition prevailing for menthol. Also efforts were made to identify new potential manufacturers for key raw materials in addition to various special projects undertaken in this direction like backward integration, etc. We came across price escalation especially in raw materials like Gandhapura, Turpentine & Karpoor due to unfavourable supply demand equation. The other materials spend including Menthol was under control which helped to save INR 5 Cr when compared to previous year in OTC division.

Packing Material costs have shown a positive trend due to favourable Crude Price & Forex Index. We were able to control material cost in Beverage Division mainly because of decline in raw material price of Sugar & Mango Pulp.

Also, manufacturing process renovation at F&B factory helped to attain better quality products in addition to providing improved Hygiene work environment.

On the Logistics front, introduction of bigger trucks made in January 2019 by replacing small trucks to achieve freight cost optimisation of

Women Hygiene Products, has reaped full benefit during this financial year. This has resulted in a saving of INR 1.10 Cr. Revamping of our depots by optimising storage space, re-location to handle bigger trucks with ease & conversion of few depots from Conventional mode to 3PL, etc., helped to handle stocks better & achieve the desired savings in freight cost.

Information Technology

The usage of information technology within Amrutanjan is rising year after year with the extension of its application across all key functions & processes. Apart from maintenance of accounting data in ERP, the technology has been made best use of in Sales and Marketing areas also through initiatives like SFA (Sales Force Automation), online consumer tracking and supply chain touch points.

Sales Force Automation was introduced in the states of Karnataka, Tamil Nadu, Andhra Pradesh and Telangana in the year 2018-19 and it was further extended to Kerala, Maharashtra Odisha and West Bengal in the year 2019-20.

The retail orders from around 2.40 lacs outlets are processed through the mobile app by 431 field staff in the above states.

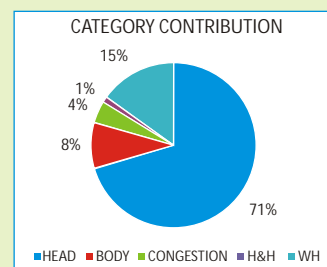
Your company has planned to extend the Sales Force Automation to other states in 2020-21 thus enabling the entire sales team to process retail orders through mobile app.

The project has brought significant advantage to the sales team on ground as well as at the corporate level:

- Enable sales team to manage/ improve their day-to-day operations in terms of number of outlets covered, productivity, number of lines sold, number of lines available in outlets, focus products performance etc.,
- Enabling the tracking of performance of sales team by their managers thereby improving the efficiency.
- Plan marketing interventions at the outlet level and track the performance of specific activities to understand the impact.
- Enabling HR in maintaining the attendance and in planning Incentive/DA.
- Providing bird's eye view to the management on Key Sales and HR metrics for future planning.

(b) OPPORTUNITIES AND THREATS

The pain management segment of OTC category continues to be the core area of focus for Amrutanjan's product portfolio. As can be witnessed in the diagram below, the head and body pain management contributes to majority of the



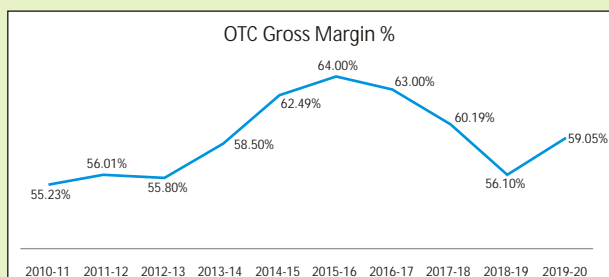
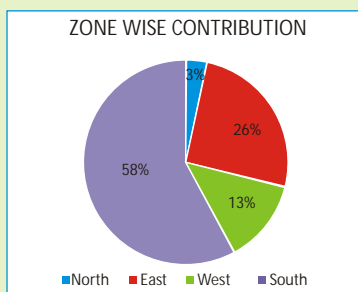


Management Discussion and Analysis Report (contd.)

company's sales (79%) and will continue to be the lead revenue factor for future growth.

Specific plans are put in place to increase the share of revenues from West and North Zones which remains low contributor to the total revenue.

ZONAL SALES BREAK UP FOR OTC (Non beverages, including Women's hygiene)



Favourable material costs trend including the price of key raw materials like menthol and the upward price revision of our products have contributed to the improved Gross Margin during 2019-20 as compared to the previous year.

The following will continue to be the growth drivers for the company in the coming year:

- Expansion of pain business in Western and Northern Zones
- Further strengthening the existing markets by introducing new products
- Continue improving distribution reach across town class with specific milestones for stockist appointment, chemist/ wholesale reach, etc.,
- Scaling up of new categories launched in the past 3-5 years
- Focus on maintaining the Gross margin ~60%
- Investing in brands and positive consumer experience
- Building on secular trends which are driving the Women's hygiene category

(c) SEGMENT WISE PERFORMANCE

	Rs In Lakhs	
	2019-20	2018-19
OTC:		
Net Sales	24,077.67	23,073.35
Results	3,177.02	3,645.74
Beverages:		
Net Sales	1,829.92	2,075.98
Results	(156.22)	(367.80)
Total Capital Employed	15,942.56	14,573.63

(d) OUTLOOK

FMCG Industry in India is expected to witness flat growth in 2020 following severe and extended lockdowns, restrictions on manufacturing units, social distancing norms and store closures. The industry which was trying to revive from a difficult 2019, had a significant hit in the first quarter of 2020. However, it is expected that the second half of the year 2020 will witness a significant improvement and bounce back by the industry.

Amrutanjan's product portfolio, with "pure, health & essence" in its quality & utility, has responded positively to the pandemic situation and has shown little impact to the new normal.

(e) RISK AND CONCERN

The areas of concern in short term could be the impact of the situation arising out of the current pandemic and the resultant lockdown that is announced from time to time as a control measure. Any further spreading of the disease and its economic fallout could influence some of our products range.

The unpredictable fluctuation in key raw material prices, risk of new product launch not panning out, supply chain disruptions, major changes in government policies & regulations, are some of the long-term risks associated with our business.

(f) INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The adequacy of internal control systems and the processes are being audited every quarter in select areas by a qualified external auditors and reported to Audit Committee and the Board. The follow up action on the observations have been reported back with a timeline and status. Statutory compliances are monitored through a fully automated in-house alert system and adherence is certified by the Heads of Departments every quarter.

The Company has also established an In- house Internal Audit Wing reporting to the Chairman & Managing Director which conducts audit on internal checks and processes and provides suggestions for further improvement in each area audited. The in-house team coordinates with the Internal Auditors to ensure successful closure of their audit observations. The internal auditors have a free right to access all required information.

Management Discussion and Analysis Report (contd.)

(g) DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

The Company's Financial Performance with respect to operational performance can be enumerated as below:

	Rs In Lakhs	
	2019-20	2018-19
Net Revenue from Operations	26,147.67	25,322.73
Other Income	832.13	713.09
Total Income	26,979.80	26,035.82
Total Expenditure	23,076.37	22,194.90
PBIDT	3,903.43	3,840.92
Depreciation	435.94	315.97
PBIT	3,467.49	3,524.95
Interest	22.10	8.22
Profit from continuing operations before tax	3,445.39	3,516.73
Current / Earlier year Income Tax	943.00	1,023.00
Deferred Tax	(5.94)	(6.04)
Profit from continuing operations	2,508.33	2,499.77
Loss from discontinuing operations (net of tax)	-	(48.34)
Profit for the period	2,508.33	2,451.43
Other comprehensive income (net of tax)	(29.37)	(56.55)
Total comprehensive income for the period	2,478.96	2,394.88
Key Financial Ratios (expresses as %)		
PBIDT/ Net Revenue from Operations	14.93%	15.17%
PBIT/ Net Revenue from Operations	13.26%	13.92%
PBT/Total Income (continuing operations)	12.77%	13.51%
PAT/Total Income (continuing operations)	9.30%	9.60%
PAT/Total Income (continuing & discontinued operations)	9.30%	9.42%

QUALITY AND SAFETY IN AMRUTANJAN

- Quality in Amrutanjan is a culture which is in-built in our all activities based on Quality management principles.
- The purpose of our Quality Assurance is to safeguard not only the consumer's well-being but also to deliver product performance. It ensures that all operations associated with the manufacture of our products are of a standard that meets the consumer's expectations of safety and efficacy.
- The processes we have built based on Quality Management system (ISO 9001 for OTC division), Food Safety Management Systems (ISO 22000 for F&B division) and six sigma methodology ensure the quality and safety of our products provided to the consumers. The products are designed to inbuilt Quality and Safety and all our processes are centric to achieve it.
- External providers (Vendor) Qualification, audits and continuous monitoring of inputs is the focus to achieve best Quality output and consumer satisfaction.
- The design of the containers and packaging process ensures AHCL uniqueness and pilfer proof to avoid counterfeit products.

- The production and inspection excellencies are designed to ensure safe and superior quality products as an output from our manufacturing locations.
- Post COVID 19 lockdown, the manufacturing unit at Alathur has taken all precautionary measures to facilitate safe and conducive environment for workers and materials in the factory. SOP for Work Resumption has been put in place and followed to prevent any spread of the pandemic within the facility. The preparedness was assessed by a third party audit which has given a satisfactory report on the precautions taken.

Advanced Pain Management Centre (APMC)

Amrutanjan's Advanced Pain Management Centre (APMC) at Chennai has got the NABH Certification (National Accreditation Board for Hospitals & Healthcare providers) under pre Accreditation entry level small healthcare programme for non surgical pain management services.

The hospital strictly adheres to the NABH guidelines to ensure patients' safety and process standards in all its functions. The entire procedures and processes followed in APMC is subjected to periodical audit by in-house Quality Team.

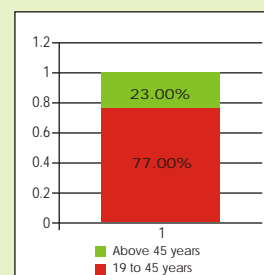
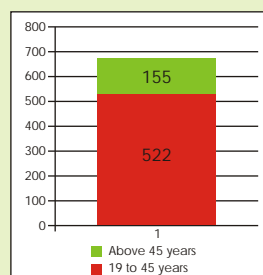
(h) MATERIAL DEVELOPMENTS IN HUMAN RESOURCES / INDUSTRIAL RELATIONS FRONT, INCLUDING NUMBER OF PEOPLE EMPLOYED

HUMAN CAPITAL

Amrutanjan's strong brand reputation always helps to pick the best qualified and highest potential candidates. The good HR practices followed by the Company further support the process of cultivating and retaining resource people as there is a desperate need for organizations to retain younger talent to stay ahead in highly competitive market environment. The top management strives to educate and involve the work force to introduce newer ideas that would facilitate the success story to continue with more vigour.

AGE ANALYSIS

The following analysis demonstrates that your company is dominated by young talents even as it has crossed 127 years of brand presence and is eager to attract more youth force in future. The employees in the age group between 19 and 45 constitutes 77% of the total strength of 677 employees of the Company and the balance 23% has crossed the age 46.



The employee Performance Management System (PMS) has been restructured to bring it at par with industry standards. This would make the PMS system a more comprehensive scheme and the employees can be assured of transparency which is bound to reflect positively in their performance. The company has plans to schedule series of



Management Discussion and Analysis Report (contd.)

trainings and skill development activities to inculcate talents among employees and promote/elevate them to more responsible positions to ensure achieving long term organisational objectives.

SOURCING

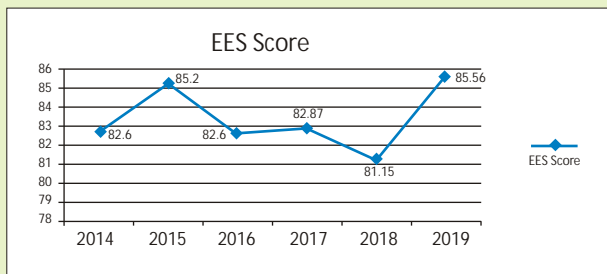
Sourcing right talent is the biggest challenge for any company today. It is through continuous efforts that both the current and future requirements of various positions in the company are identified and placed to avoid manpower gaps at any point in time.

LEADERSHIP

The management is determined to build a future-fit talent group within the company to take it to the next level of growth and sustainability. Various leadership programs are represented by key employees to enhance the quality of leadership within the company.

EMPLOYEE ENGAGEMENT

Higher the level of engagement among employees; higher the value of output. Amrutanjan has established a process of measuring the engagement levels among employees through a survey called the "PULSE", the report of which emphasis the areas of development that needs to be concentrated by the HR for better performance in the years to come. The scores of the last 6 years is given in a graphical representation:



REWARDS AND RECOGNITION

The company's Incentive programs strive to motivate the sales force towards achieving their goals and rewarding them suitably for the same. Your company has a vibrant variable pay policy which also takes into consideration the company's performance in addition to the individual performance for arriving at the eligibility. The services rendered by employees for a longer duration are being appreciated and recognized through gifts which would motivate other employees to stay and build a career within the company.

RELATIONSHIP WITH UNION

Amrutanjan has maintained excellent relationship with its affiliated Union, Amrutanjan Health Care Limited Employees Union. It enjoys cordial relationship with the Union and the Union representatives taken into confidence on all IR issues so that no conflict arises between the union and the management.

The company is poised for growth in the coming years and the Human Resources practices at Amrutanjan is fully in tune with the business requirements of the organization.

As per the requirement of the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 ('SHWW Act'), your company has a robust mechanism in place to address complaints reported under it. Your company has constituted a Committee composed of internal and external members who have extensive experience in the field. In 2019-20, your company has no case of sexual harassment reported to the Committee. During the course of the year, several initiatives were taken to demonstrate the Company's Zero tolerance philosophy towards gender discrimination and sexual harassment. As on March 31, 2020, your Company had a strength of 677 employees (including OTC, Beverages and Advanced Pain Management Centre).

(i) DETAILS OF SIGNIFICANT CHANGES IN KEY FINANCIAL RATIOS & RETURN ON NET WORTH:

In compliance with the SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, the Company is required to provide details of significant changes (change of 25% or more as compared to the immediately previous financial year) in key sector-specific financial ratios.

Given below are the key financial ratios identified by the Company including return on net worth:

Particulars	2019-20	2018-19
Debtors Turnover Ratio	8.80	8.32
Inventory Turnover Ratio*	13.66	20.31
Interest Coverage Ratio**	156.90	428.83
Current Ratio	3.22	3.87
Debt Equity Ratio**	0.24	0.19
Operating Profit Margin (%)	13.26%	13.92%
Net Profit Margin (%)	9.59%	9.68%
Return on Net Worth (%)	15.73%	16.82%

* The significant variation in the Inventory Turnover Ratio is on account of inventory piled up at the end of the year due to COVID 19 lockdown.

** Variation due to adoption of INDAS - 116 Leases.

Cautionary Statement

Statements in this Management Discussion and Analysis describing the Company's objectives, projections, estimates and expectations may be 'forward looking' within the ambit of applicable laws and regulations. Actual results, performance and achievements might differ substantially or materially from those expressed or implied. The Company's performance could also be affected due to the failure of monsoon which in turn may increase the input costs, major political and economic changes in India and changes in tax laws.

For and on behalf of the Board

S Sambhu Prasad
Chairman and Managing Director

Corporate Social Responsibility

In the past 125 years of its existence, Amrutanjan has established its brand name in the Society not only for its quality products, but also as a Company that cares for people and community in which it operates. The philanthropic values practised by Amrutanjan for decades have been influenced by the generosity shown by its founder Dessodaraka Nageswararao Pantulu Garu who has donated the park adjacent to our Corporate Office for use by the general public.

Amrutanjan aims to make a positive difference in the Society through several CSR initiatives spread across various sectors. The main thrust areas of CSR activities include education, health & hygiene and animal welfare.

The programs are implemented directly as well as through prominent Non-Governmental Organisations who have the similar objectives, focus, experience and commitment to fulfil our CSR obligations.

The Board of Directors of Amrutanjan has formed a CSR sub-committee to review and approve the project proposals in line with the CSR policy of the Company.

CSR FOR 2019-20:

The Company has undertaken several CSR activities during 2019-20 at a total cost of Rs. 67.54 lakhs.

CSR contributions were made to the following NGOs during the year to carry out our CSR objectives:

Animal Welfare:

"People for Animals"(PFA) is India's largest animal welfare network who works to rescue and rehabilitate sick and needy animals. It organises shelters, ambulance services, sterilization programs, treatment camps and disaster rescue missions for animals. They also conduct education programs in schools to create awareness of animal welfare and protection, fight cases in court and lobby on animal issues in parliament. The Chennai Unit of PFA has been receiving regular donation from Amrutanjan to meet their maintenance & operation cost.

Women Empowerment:

IIMPACT, established in 2003 by Alumni of IIM, Ahmedabad, is a registered NGO with a vision to create a positive impact on the education of girl children from



socially and economically disadvantaged sections of society. It encourages and enables girl children to become an independent thinker and learner. Over 60,000 girls are currently enrolled in IIMPACT's girl child education programme. Amrutanjan has been supporting this NGO to run five learning centres in Uttar Pradesh under their signature program, "Girl Child Education Program"

Education:

Sevalaya, a charitable organisation established in 1988, is running free schools, hospitals, medical centres, old age homes, etc., at various places in Tamil Nadu. The Vision of Sevalaya is to serve the rural poor and transform them for an equitable, happy and fulfilled Society with an improved quality of life. Sevalaya provides free high quality education to over 2000 children in Mahakavi Bharathiyar Higher Secondary School located in their campus at Kasuva Village, Thiruninravur, Tamil Nadu. Education sponsorship for 65 students was borne by Amrutanjan during the year.



Sulabh International is a pioneering voluntary Social Service Organization of national and international repute dedicated to the Public Welfare services and is an institution recognized by the Central and various State Governments. It has constructed and is maintaining a large number of public toilet complexes at important places all over the country. It has also converted / constructed millions of individual household toilets almost in all the states. Besides these, it has constructed 20,000 toilet blocks by covering 6,241 numbers of schools all over the country. Amrutanjan has funded construction of toilet blocks for boys & girls in Panchayat Union Primary School in



Kavangarai Village at Thiruvallur District, Tamil Nadu. 'Single Teacher School', (STTS) a unit of Swami Vivekananda Rural Development Society, is a movement to educate the poor and underprivileged with a mission to improve the educational wealth of the villages by providing value based education to school going children. Through this movement, the education becomes accessible for children from remote areas. The process ensures proper environment for holding classes, identifying the local teachers, enrolling children with the support of village elders and parents, providing educational kits, periodical supervision, etc. Also the Society is engaged in building toilets for rural population as per their needs. During the year 2019-20, Amrutanjan has sponsored five learning centres of STS and supported construction of five toilets in identified villages.



Health & Hygiene:

Habitat for Humanity (HFH) is a non-profit organisation started in 1983 that builds homes and provides housing and sanitation related services to poor and marginalised families across India. Amrutanjan and HFH take cognizance of the importance of education for adolescent girls in India and foresee them to be Ambassadors of Change. And to ensure that, it is necessary to remove the hurdles & bottlenecks which the adolescent girls undergo. It is recognised and identified that one of the major hurdles to Girl Child education is Supply-Side Barriers of Girl friendly school infrastructure especially Sanitation units. Lack of sanitation is detrimental not only to women's health and their dignity but also to their education. The adequacy of sanitation facilities has a direct bearing on the enrolment and retention of girls in schools. Another important reason for focusing on school sanitation is that in the school-going age, the human mind is impressionable. Those who grow up in a satisfactory sanitary environment will form good hygienic habits and behaviour in the adult stage. In this direction, during the year, Amrutanjan has tied up with HFH to create an enabling environment in Government Girls Higher Secondary School in Thiruporur, Chengalpattur



District, Tamil Nadu, by ensuring child friendly WASH approach for 956 girl students through Menstrual Hygiene Management, conducting Behavioural Change Communication, distributing Hygiene Kits, installing incinerators and sanitary pad vending machines, etc.

'ASSCOD', Association for Sustainable Community Development, is a registered voluntary organisation dedicated to promote general, social and economic development for the rural poor through organising the rural women Self Help Groups. Amrutanjan and ASSCOD have joined hands to operate, improve and strengthen the primary medical clinic "Arogya Maiyam" located in a tribal village known as BL Shed Village at Vadagunchi Panchayat in Kodaikanal.

'MILT CHARITABLE TRUST' is a non-profit movement started with a aim to make a difference in the lives of poor and deprived children in society. The motto is to provide a Home in its true sense to those children without parents or with single parent. MILT is committed to bringing up such children in an atmosphere of love, care and compassion, to enable them to become responsible citizens of our society. MILT got its first corporate CSR support from Amrutanjan for its Chennai home.

Amrutanjan has also funded the following CSR activities directly during the year:

Health & Hygiene:

- Donations were given to Prime Minister CARES Fund with the aim to strengthen the fight against COVID 19 pan india;
- Amrutanjan has made a timely support to Government Stanley Medical College & Hospital, Chennai to buy essential personal protective equipments, masks, etc., for use by their medical staff who are the frontline warriors in treating patients affected by COVID 19.
- Contributions were also made on request by the Collector of Thiruvallur District, Tamil Nadu for improving infrastructure in the Government Hospitals as a measure to combat COVID 19 in the district.

Education:

- Renovation of school building for Chennai High School located in the heart of Chennai was partly funded by Amrutanjan;
- On request by the Panchayat Union Primary School, Arkampet, Thiruvallur District, Tamil Nadu, the expenses for laying of tiles in student toilets and smart classes were borne by Amrutanjan.
- Amrutanjan has funded the installation of smart class facility in Panchayat Union Middle School, Ayalacheri, Thiruvallur District, Tamil Nadu out of its CSR funds of the year.

REPORT ON CORPORATE GOVERNANCE

ANNEXURE - B

The Report for the financial year ended March 31, 2020 on compliance by the Company with the Corporate Governance provisions as prescribed under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") as amended from time to time is given below:

I. OUR PHILOSOPHY ON CODE OF GOVERNANCE

Amrutanjan is committed itself to honesty and accountability. The commitment is reflected in all business activities of the Company besides reflecting in its relations with the customers, suppliers, investors, government, etc. The Directors and the Senior Management Personnel are expected to conduct themselves in line with the standards observed in the Company's code of conduct both in letter and spirit. The Company recognizes that all the decisions and actions will be taken in accordance with the code of conduct and to enhance long-term shareholder value. Considerable emphasis is placed on accountability in decision making and ethics in implementing them. We aim at providing complete transparency in our operations.

II. BOARD OF DIRECTORS

a. Changes during the Year

There was no change in the Board of Directors during the financial year ended March 31, 2020.

b. (I) Composition, Category, Size of the Board

The Board of Directors of the Company is adequately balanced and comprises of an Executive Director, a Non- Executive Director and Independent Directors all of whom are professionals with considerable expertise and experience in their respective area of specialization. As on March 31, 2020, there are seven (7) Directors on the Board, out of which five (5) are Independent Directors (constituting 71% of the Board's strength) including a Woman Director. The remaining two Directors belong to Promoter Category, one being a Non- Executive Director and the other is the Executive Director designated as "Chairman & Managing Director".

The directorships held by the Directors are within the limits prescribed under Section 165 of the Companies Act, 2013, ("Act"). In compliance with Regulation 17A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, "SEBI LODR", none of the Independent Directors of the Company serve as an Independent Director in more than seven (7) listed entities or three (3) listed entities as the case may be; None of the Directors of the Board is a member of more than ten (10) Committees or a Chairman of more than five (5) Committees across all Companies in which he/she is a Director as per Regulation 26 of SEBI LODR. All Directors have made necessary disclosures as on March 31, 2020 regarding their Directorship and Committee positions occupied by them in other Companies.

The details of number of directorship, Committee membership, and attendance of each Director at the Board Meetings and the last Annual General Meeting of the Company are as follows:

Name of the Director & DIN	Category / Designation	No of Meetings of the Board Attended		No of Directorship held in other Public Companies#		No of Committee Membership held in other Companies @		Whether attended Last AGM (September 25, 2019)
		Held	Attended	Chair Person	Member	Chair Person	Member	
S Sambhu Prasad (DIN: 00015729)	Executive Director Chairman & Managing Director and Promoter	4	4	-	-	-	-	Yes
Dr. Pasumarthi S N Murthi (DIN : 00051303)	Non-Executive and Promoter Director	4	4	-	-	-	-	No
Dr. H B N Shetty (DIN : 00015465)	Non-Executive & Independent Director	4	4	-	-	-	-	Yes
Dr.(Ms.)Marie Shiranee Pereira (DIN: 05177560)	Non-Executive & Independent Director	4	4	-	-	-	-	Yes
Dr. S Vydeeswaran (DIN : 06953739)	Non-Executive & Independent Director	4	4	-	-	-	-	Yes
V Swaminathan (DIN: 06953687)	Non-Executive & Independent Director	4	4	-	-	-	-	Yes
G Raghavan (DIN :00820000)	Non-Executive & Independent Director	4	4	-	-	-	-	No



REPORT ON CORPORATE GOVERNANCE (Contd.)

1) excludes directorships held on the boards of Private Companies, Foreign Companies and Section 8 Companies

@ Companies, Membership in Audit Committee and Stakeholders' Relationship Committee of other public companies are considered as per Regulation 26 of the SEBI (LODR) Regulations.

* None of the directors on Board are related to each other as per the provision of Section 2(77) of the Companies Act 2013.

(ii) Board competencies:

	S.Sambhu Prasad	Raghavan.G	Swaminathan.V	Dr H B N Shetty	Dr Vydeeswaran.S	Dr Marie Shiranee Pereira	Dr P S N Murthi
<p>Entrepreneurial spirit</p> <p>Entrepreneurial spirit is what drives business to stand out and excel. This is a trait we consistently seek in our Board and senior leadership team. This cannot be quantified by academic qualifications alone.</p>	Yes	Yes	Yes	Yes	Yes	Yes	Yes
<p>Sales and Marketing</p> <p>As a consumer goods(fast moving) health care company, experience in developing strategies to grow sales and market share, build brand awareness and overall equity is a must.</p>	Yes	Yes	No	No	No	No	No
<p>Manufacturing and operations management</p> <p>We are a manufacturing company. Experience in large scale manufacturing across product lines and operations management is a requirement.</p>	Yes	Yes	Yes	No	Yes	No	No
<p>Finance and Risk Management</p> <p>Management of the finance function of an enterprise, and required know how in capital allocation, financial controls implementation, reporting of financial statements and related information, ability to advise the Board on risk management.</p>	Yes	Yes	Yes	No	No	Yes	No
<p>Research and Development</p> <p>Relevant experience in research and development of raw materials, formulations and finished products in the natural space.</p>	No	No	No	Yes	Yes	Yes	Yes
<p>Leadership and organisational development</p> <p>As a business where growth is driven by people, organisational development with a focus on human factors is a must.</p>	Yes	Yes	Yes	Yes	Yes	Yes	Yes
<p>Corporate Governance and Compliances</p> <p>Knowledge and experience to guide the management in framing and implementing good governance practices and compliance management systems.</p>	Yes	Yes	Yes	Yes	No	No	No

REPORT ON CORPORATE GOVERNANCE (Contd.)

c. Number and dates on which the Board meetings were held

During the Financial year 2019-20, the Board met four (4) times. The maximum time gap between any two board meetings was not more than 120 days. The Board Meetings were held on the following dates:

May 23, 2019	August 13, 2019	November 07, 2019	February 12, 2020
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d. Information supplied to the Board

The information as prescribed under Part A of Schedule II pursuant to Regulation 17(7) of SEBI LODR such as annual operating plans and budgets, quarterly results for the Company, minutes of meetings of audit committee and other committees of the board etc. have been placed before the Board for discussions and approval.

The date of the Board Meeting(s) is informed to all Directors well in advance and detailed agenda notes are sent to each Director at least seven (7) days before the Board Meeting. The agenda items inter-alia include secretarial & legal Compliance matters and financial reporting. Prior approval of the Board is obtained for circulating the agenda items with shorter notice for matters that form part of the Board and Committee agenda and are considered to be in the nature of Unpublished Price Sensitive Information (UPSI). A business review presentation is made at each Board Meeting to appraise the Directors on the performance of the Company. The Board provides strategic direction in improving the performance of the Company. Quarterly results, minutes of sub-committees, general notices of interest received from directors, annual budgets, legal compliance report, dividend proposals, authorizations for various business purposes are also placed and reviewed by the Board along with the senior management team of the Company.

e. Code of Conduct

The Board of directors of the Company has laid down Code of Conduct for the Directors and Senior Management Personnel (SMP) of the Company. The Code is available in the website of the Company at the given link - <https://www.amrutanjan.com/pdf/CODE-OF-CONDUCT-OF-AHCL1.pdf>. All the Directors and Senior Managerial Personnel have affirmed compliance with the Code of Conduct as on March 31, 2020. A declaration to this effect signed by the Chairman & Managing Director forms part of this report.

f. Compliance Structure

The Board also periodically reviews status of compliance of various laws applicable to the Company and the initiatives taken to improve the standards of compliance.

g. Familiarization Programme

The Company has a system in place pursuant to Regulation 25(7) of SEBI LODR to familiarize its Independent Directors about the operations and functions of the Company, its performance, the industry and business model of the Company, major macro economic factors affecting the business, regulatory scenario, etc. The senior management team gives a brief presentation on these areas during the Board Meetings. The details of the programme are available in the Company's web link <https://www.amrutanjan.com/pdf/FR.pdf>.

h. Meeting of Independent Directors

The Independent Directors met once (1) during the last year to inter – alia discuss the following:

- i. Performance of Non-Independent Directors and the Board as a whole
- ii. Performance of the Chairman of the Company, taking into account the views of the other Directors.
- iii. Quality, Quantity and timelines of flow of information between the Company and the Board which are necessary for the Board to perform its duties effectively.

The evaluation was done on parameters such as attendance, level of engagement and contribution, independence of judgment, safeguarding the interest of the Company and its stakeholders, etc. The Independent Directors have expressed their satisfaction on the performance and effectiveness of the Board.

i. Prohibition of Insider Trading

Pursuant to provisions of SEBI (Prohibition of Insider Trading) Regulations, 2015 as amended from time to time, to preserve the confidentiality and to prevent misuse of Unpublished Price Sensitive Information (UPSI), the Company has adopted a revised Code for Prohibition of Insider Trading which is applicable to the Designated Persons of the Company effective from 1st April, 2019. The Code also provides for disclosures from the designated persons as required under the Regulations.

j. Performance Evaluation Criteria

In terms of the requirement under the Companies Act, 2013 and the Listing Regulations, the Board carried out evaluation of its own performance, the Directors individually and evaluation of working of the Committees of the Board during the financial year 2019-20. The structured evaluation process comprises of various aspects relating to the functioning of the Board and its Committees, number of Committees and their roles, frequency of meetings, level of participation, performance of duties and obligations and implementation of good corporate governance practices. The questionnaire of evaluation is a key part of the process of reviewing the functioning and effectiveness of each Board member.

The key roles expected to be performed by the Independent Directors relate to governance, control and guidance. The performance indicators of the Independent Directors include contribution to improve corporate governance practices, active participation in Board /Committee meetings and commitment to long-term strategic planning



REPORT ON CORPORATE GOVERNANCE (Contd.)

The Board has expressed satisfaction over the performance of all the Directors, its own and its Committees which reflected the overall engagement of the Directors, the Board and its Committees with the Company.

k. Shareholding of Non-Executive Directors

Sl.No	Name of the Non-executive Director	Category	No of shares held as on March 31, 2020
1.	Dr. Pasumarthi S N Murthi	Promoter	25,44,530
2.	Dr. H B N Shetty	Independent Director	-
3.	Dr. (Ms.) Marie Shiranee Pereira	Independent Director	-
4.	Dr. S Vydeeswaran	Independent Director	-
5.	G Raghavan	Independent Director	22,129
6.	V Swaminathan	Independent Director	500

III. AUDIT COMMITTEE

Composition

In Compliance with the provisions of Section 177 of the Companies Act, 2013 and in accordance with the provisions of Regulation 18 of SEBI (LODR) Regulations, 2015, the Company has a qualified and independent Audit Committee consisting of five (5) Directors.

All the members of the Audit Committee are financially literate and have good knowledge of finance and business management. The Committee was chaired by Mr. V. Swaminathan, Non- Executive & Independent Director, who was also present at the previous Annual General Meeting to answer the shareholder queries as mandated under Regulation 18 of the SEBI (LODR) Regulations, 2015.

The meetings of the Audit Committee are attended by the Chief Financial Officer, Statutory Auditors, Internal Auditors and the Cost Auditor; whenever required, in the capacity of Invitees. The minutes of Audit Committee meetings are placed in the meeting of the Board held subsequently. The Company Secretary is the Secretary to the Committee.

Terms of Reference

The terms of reference for the Audit Committee basically flows from and covers all the areas as stipulated under Section 177 of the Companies Act, 2013 read with Companies (Meeting of Board and its Powers) Rules, 2014 and Regulation 18 of SEBI (LODR) Regulations, 2015. This inter-alia includes the following:

- Oversight of Company's financial reporting processes.
- Reviewing the quarterly / annual financial results, financial statements before submission to the Board for approval, with particular reference to accounting policies & procedure, accounting standards, related party transactions.
- Recommending to the Board, the appointment / re-appointment of Statutory Auditors and Internal Auditors and fixation of audit fees.
- Discussing with Statutory Auditors, before the commencement of audit, on the nature and scope of audit as well as having post-audit discussion to ascertain area of concern, if any.
- Approving internal audit plan and reviewing efficacy and adequacy of internal control systems /function.
- Discussion with internal auditors and review of internal audit reports at quarterly intervals.
- to review and monitor the adequacy and effectiveness of internal control systems to ensure compliance under SEBI (PIT) Regulations, 2015 as well as Company's Code of Conduct/Policies framed under these Regulations;
- to order for an enquiry in the event of leak or suspected leak of Unpublished Price Sensitive Information (UPS) and recommend suitable disciplinary action as may be required".

The audit committee reviews the quarterly unaudited / audited annual financial results of the Company. The unaudited results are subjected to limited review by the statutory auditors of the Company. The statutory auditors are eligible to issue limited review report as the audit firm has been subjected to peer review process of Institute of Chartered Accountants of India (ICAI) and hold a valid certificate issued by the Peer Review Board of ICAI. The Audit Committee recommends payments to statutory auditors for audit and non-audit services/and for internal auditors. All mandatory information under Part C of Schedule II pursuant to Regulation 18 of SEBI LODR is reviewed by the Committee.

Meetings & Attendance

During the year under review, the Audit Committee has met four (4) times on May 23, 2019, August 13, 2019, November 07, 2019, February 12, 2020 and the attendance of the members are as given below :

S.No	Name of the Member	Category	No. of Meetings Attended
1.	V Swaminathan	Chairperson, Non-Executive & Independent Director	4
2.	Dr. H B N Shetty	Member, Non-Executive & Independent Director	4
3.	S Sambhu Prasad	Member, Executive and Promoter Director	4
4.	Dr.(Ms.) Marie Shiranee Pereira	Member, Non-Executive & Independent Director	4
5.	G. Raghavan	Non-Executive & Independent Director	4

REPORT ON CORPORATE GOVERNANCE (Contd.)

IV. NOMINATION and REMUNERATION COMMITTEE

(a) Composition & Attendance

Nomination and Remuneration Committee (NRC) has been constituted by the Board as per the requirements of Section 178(1) of the Companies Act, 2013 and Regulation 19 of SEBI (LODR) Regulations, 2015 which comprises of four (4) Directors. During the year under review, the Committee met thrice (3) on May 23, 2019, August 13, 2019 and November 7, 2019 which was chaired by Mr. G. Raghavan, Non- Executive & Independent Director.. The Company Secretary is the Secretary to the Committee. The attendance details of the members are as follows:

S.No	Name of the Member	Category	No. of Meetings Attended
1.	Mr. G. Raghavan	Chairperson, Non-Executive & Independent Director	3
2.	Dr. H B N Shetty	Member, Non-Executive & Independent Director	3
3.	Dr. Pasumarthi S N Murthi	Member, Non-Executive and Promoter Director	3
4.	Dr. S Vydeeswaran	Member, Non-Executive & Independent Director	3

(b) Terms of Reference

The NRC has been constituted to identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal and shall carry out evaluation of every director's performance.

The Committee has formulated a criteria for determining qualifications, positive attributes and independence of a director and adopted a Policy relating to the Remuneration of the Directors, Key Managerial Personnel and other members of the Senior management. The remuneration policy is in consonance with the existing industry practice and is also aligning with the provisions of the Companies Act, 2013.

V) REMUNERATION TO DIRECTORS

The disclosures with respect to remuneration paid to Mr. S Sambhu Prasad, Chairman & Managing Director, have been made in the Annexure to the Board's Report. Shareholders, at the 78th Annual General Meeting held on September 18, 2015, approved a sum not exceeding 1% per annum of the net profits of the Company calculated in accordance with the provisions of Section 198 of the Companies Act, 2013 to be paid and distributed among some or all of the directors of the Company (other than the Executive Directors) in a manner decided by the Nomination and Remuneration Committee and this payment will be made with respect to the profits of the Company for each year.

The commission for Non-Executive Directors is determined based on the performance evaluation and recommendation of the Remuneration Committee and finally approved by the Board. The criteria, inter-alia, includes attendance in Board & Committee meetings, participation as Chairman or Member in the Committees, contribution in corporate planning, etc. The commission & sitting fees paid for the year ended March 31, 2020 to the Non-Executive Directors are as follows:

S.No	Name of the Director	Commission (Rs. in lakhs)	Sitting Fees (Rs. in lakhs)	Net Amount (Rs. in lakhs)
1.	Dr. Pasumarthi S N Murthi	2.70	1.50	4.20
2.	Dr. H B N Shetty	4.70	2.10	6.80
3.	Dr. (Ms.) Marie Shiranee Pereira	3.20	1.20	4.40
4.	Dr. S Vydeeswaran	3.70	1.70	5.40
5.	Mr. V Swaminathan	7.00	1.20	8.20
6.	Mr. G Raghavan	7.00	1.50	8.50
	TOTAL	28.30	9.20	37.50

No other remuneration was paid to Non-Executive Directors other than the above.

VI. STAKEHOLDERS' RELATIONSHIP COMMITTEE

a) Composition & Attendance

The Stakeholders Relationship Committee (SRC) has been constituted by the Board as per the requirements of Section 178(5) of the Companies Act, 2013 and Regulation 20 of SEBI (LODR) Regulation, 2015 and comprises of three (3) Directors. During the year, the committee met four (4) times on May 23, 2019, August 13, 2019, November 7, 2019, February 12, 2020 which was chaired by Dr. S Vydeeswaran, Non- Executive & Independent Director. The Company Secretary is the Secretary to the Committee. The attendance details of the members are as follows:

S.No	Name of the Member	Category	No. of Meetings Attended
1.	Dr. S Vydeeswaran	Chairperson, Non-Executive & Independent Director	4
2.	Dr. H B N Shetty	Member, Non-Executive & Promoter Director	4
3.	Dr. Pasumarthi S N Murthi	Member, Non-Executive & Promoter Director	4

Name and Designation of the Compliance Officer : M. Srinivasan - Company Secretary



REPORT ON CORPORATE GOVERNANCE (Contd.)

b) Terms of Reference

The terms of reference of the Stakeholders Relationship Committee includes:

- Review of the mechanism implemented for redressal of shareholders' and investors' grievances.
- Overseeing the performance of the Registrar and Transfer Agents of the Company and recommending measures for improvement in the quality of investor services.

The total number of complaints received and resolved to the satisfaction of the shareholders during the year under review was Four (4). As on March 31, 2020, no investor grievance has remained unattended/ pending for more than thirty days.

VII. CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE

Composition

The CSR Committee has been constituted in accordance with the provisions of Section 135 of the Companies Act, 2013 and consists of three (3) members. During the year, the committee met two (2) times on May 23, 2019 and February 12, 2020 which was chaired by Dr. S Vydeeswaran, Non-Executive & Independent Director. The Company Secretary is the Secretary to the Committee. The attendance details of the members are as follows:

S.No	Name of the Member	Category	No. of Meeting Attended
1.	Dr. S Vydeeswaran	Chairperson, Non-Executive & Independent Director	2
2.	Dr.H B N Shetty	Member, Non-Executive & Independent Director	2
3.	S Sambhu Prasad	Member, Executive & Promoter Director	2

Some of the key initiatives taken by the Company during the year under review are explained in "Annexure D".

VIII. GENERAL BODY MEETINGS

a) Details of Annual General Meeting(s) held during the last three years are as under :

Year	Day / Date	Venue	Time	Special Resolutions Passed
2016-17	September 21, 2017 (Eightieth AGM)	Narada Gana Sabha (Sathguru Gnananandha Hall), No:314 (Old No:254), T.T.K.Road, Chennai-18	10.30 A.M	Re-appointment of 3 Independent Directors of the Company for a second term of Five (5) years pursuant to Section 149, 150 and 152
2017-18	September 17, 2018 (Eighty first AGM)		10.30 A.M	Re-appointment of 2 Independent Directors of the Company for a second term of Five (5) years pursuant to Section 149, 150 and 152 of the Companies Act, 2013. Re-appointment of a Non-Executive Director of the Company for a period of one year pursuant Section 149, 152(6) of the Companies Act, 2013 and Regulation 17(1A) of SEBI (LODR) (Amendment) Regulations 2018. For continuation of office of one Independent Director pursuant to Regulation 17(1A) of SEBI (LODR) (Amendment) Regulations 2018.
2018-19	September 25, 2019 (Eighty second AGM)		10.30 A.M	Re-appointment of a Non-Executive Director of the Company for a period of one year pursuant Section 149, 152(6) of the Companies Act, 2013 and Regulation 17(1A) of SEBI (LODR) (Amendment) Regulations, 2018.

b) Special Resolutions passed through Postal Ballot during the year 2019-20:

No special resolution was passed by Postal ballot during the year 2019-20.

c) Passing of Special Resolutions through Postal Ballot, during the year 2020-21:

Your Company does not foresee any event requiring approval of Shareholders by way of Postal ballot for the year 2020-21. In case of any requirement the Company shall comply with the provisions of Companies act 2013 and the rules made thereunder.

IX. MEANS OF COMMUNICATION

Your Company recognizes the importance of two way communication with shareholders and of giving a balanced report of results and progress and responds to questions and issues raised in a timely and consistent manner. Shareholders seeking information may contact the Company directly throughout the year. They also have an opportunity to ask questions in person at the Annual General Meeting.

A. Quarterly Results

The approved financial results are forthwith sent to the Stock Exchanges where the shares of the Company are listed/traded and are also displayed on the Company's web link - <https://www.amrutanjan.com/financials.html>. Generally the results are published in Financial Express (English) and Malai Sudar (Tamil) newspapers within forty eight hours of approval thereof.

REPORT ON CORPORATE GOVERNANCE (Contd.)

B. News Releases, Presentations, etc.

Official news releases and presentations made to media, institutional investors, analysts, etc. are displayed on the Company's website www.amrutanjan.com

C. Website

The Company's website www.amrutanjan.com contains a separate dedicated section 'Investors' where shareholders information is available. Quarterly Results, Annual Reports, Code of Conduct and Ethics, Presentation to Investors and Shareholding Pattern are also available on the website in a user friendly and downloadable form.

D. Annual Report

The Annual Report containing inter-alia the Audited Annual Accounts, Board's Report, Auditors' Report, Corporate Governance Report and other important information are circulated to Members and others entitled thereto. The Management Discussion and Analysis Report forms part of the Annual Report.

E. Designated Exclusive Email ID:

The Company has a designated E-mail ID viz.: shares@amrutanjan.com exclusively for investor servicing. This E-mail ID has been displayed on the Company's website www.amrutanjan.com.

X. GENERAL SHAREHOLDER INFORMATION

Particulars	Description								
AGM date, time and venue	Wednesday, 23rd September, 2020 at 10.30AM (thru VC)								
Financial Year	2019-20								
Financial Calendar	<table border="1"> <tbody> <tr> <td>Quarter 1</td> <td>1st April to 30th June</td> </tr> <tr> <td>Quarter 2</td> <td>1st July to 30th September</td> </tr> <tr> <td>Quarter 3</td> <td>1st October to 31st December</td> </tr> <tr> <td>Quarter 4</td> <td>1st January to 31st March</td> </tr> </tbody> </table>	Quarter 1	1 st April to 30 th June	Quarter 2	1 st July to 30 th September	Quarter 3	1 st October to 31 st December	Quarter 4	1 st January to 31 st March
Quarter 1	1 st April to 30 th June								
Quarter 2	1 st July to 30 th September								
Quarter 3	1 st October to 31 st December								
Quarter 4	1 st January to 31 st March								
Date of Book Closure	17.09.2020 to 23.09.2020(both days inclusive)								
Registered Office	No.103, (Old No.42-45) Luz Church Road, Mylapore, Chennai – 600 004								
Website	www.amrutanjan.com								

Listing on Stock Exchanges

The Company's shares are listed on the National Stock Exchange of India Limited (NSE), Exchange Plaza, 5th Floor, Plot No. C/1, G Block, Bandra-Kurla Complex, Bandra (E), Mumbai 400 051. The shares of the Company are also permitted to be traded under the permitted securities category on the Bombay Stock Exchange Limited (BSE). The Company has paid the Listing Fee to the National Stock Exchange and there are no dues pending.

Stock code/Scrip code & ISIN No:

S.No	Name of the Exchange	Scrip code
1.	Bombay Stock Exchange Limited	590006
2.	National Stock Exchange of India Limited	AMRUTANJAN
3.	ISIN for Dematerialized Equity shares (NSDL and CDSL)	INE098F01031

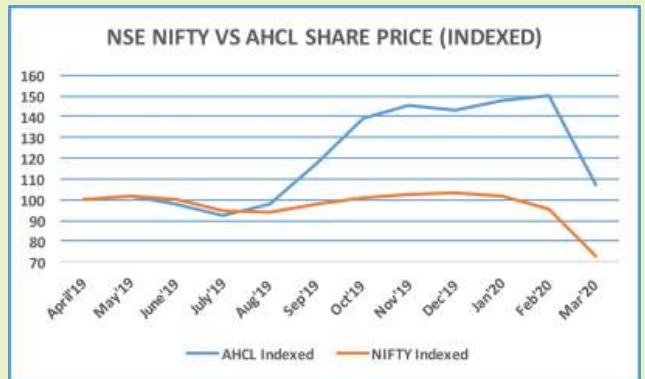
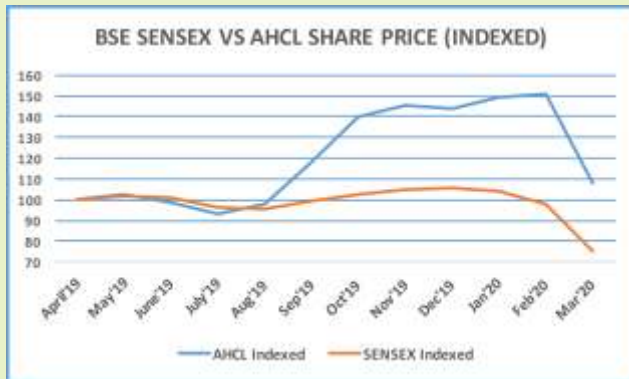


REPORT ON CORPORATE GOVERNANCE (Contd.)

Market Price Data:

Stock Price data: Monthly High & Low during FY 2019-20

Month	Bombay Stock Exchange Ltd (BSE) (in Rs. per Share)		National Stock Exchange of India Ltd (NSE) (in Rs. per Share)	
	Month's high	Month's Low	Month's high	Month's Low
April 2019	329.70	299.25	336.00	300.10
May 2019	354.50	276.00	340.35	274.65
June 2019	336.40	293.30	336.40	297.30
July 2019	310.40	281.00	310.00	280.15
August 2019	318.60	266.00	318.00	275.20
September 2019	381.40	294.00	381.00	292.55
October 2019	440.00	337.00	440.80	328.25
November 2019	523.00	419.10	522.90	419.00
December 2019	480.00	413.50	473.95	411.00
January 2020	535.30	417.00	544.00	423.00
February 2020	558.70	406.75	555.00	401.55
March 2020	490.00	251.00	495.00	253.00



Market Capitalization

The market capitalization of Amrutanj has been showing an increasing trend over the years as depicted in the graph below. Amrutanj is ranked at 530 based on Market Capitalization as per the list released by NSE on 31st March, 2020.



Note: The Market Capitalization is based on year ended closing prices quoted in NSE

REPORT ON CORPORATE GOVERNANCE (Contd.)

Registrar and Share Transfer Agents

Cameo Corporate Services Limited,
 'Subramaniam Building', No.1, Club House Road, Chennai - 600 002,
 Telephone No.: (044) 28460390, Fax No.: (044) 28460129
 Email: investor@cameoindia.com

Share Transfer system:

Presently, the share transfers which are received in physical form are processed and the share certificates are returned within the stipulated period from the date of receipt, if the documents are clear in all respects. As on March 31, 2020, no Equity Shares were pending for transfer. On a half yearly basis the compliance with the share transfer formalities is audited by a Practising Company Secretary (PCS) in terms of Regulation 40(10) of SEBI (LODR) with the stock exchanges and a certificate to this effect is filed with the stock exchanges. Also reconciliation of share capital audit in terms of regulation 55A of SEBI (Depositories and Participants) Regulations, 1996 is taken up on a quarterly basis and the report of the PCS is filed with the stock exchanges certifying that the total listed capital of the Company is in agreement with the total number of shares in physical and dematerialized form and that there is no difference between the issued and the listed capital of the Company.

Distribution of Shareholding as on March 31, 2020

Shareholding	Shareholders		Share Amount	
	Numbers	% to total	In Rs.	% to total
1 - 5000	22,930	98.67	49,75,097	17.02
5001 - 10000	149	0.64	10,84,524	3.71
10001 - 20000	83	0.36	12,02,057	4.11
20001 - 30000	26	0.11	6,42,218	2.20
30001 - 40000	8	0.03	2,83,835	0.97
40001 - 50000	8	0.03	3,82,470	1.30
50001 - 100000	17	0.07	11,39,327	3.91
100001 and above	20	0.09	1,95,21,102	66.78
Total	23,241	100.00	2,92,30,630	100.00

Distribution of shares by category as on March 31, 2020

Category	No of shares held	Percentage (%)
Promoters	1,46,22,110	50.02
General public and others	1,04,46,647	35.74
Body corporate	7,45,110	2.55
NRIs	3,67,696	1.26
Banks/FI	51,039	0.17
FII/FPI	13,70,640	4.70
Trusts	1,000	0.00
Clearing Member	81,873	0.28
Mutual Funds	15,21,886	5.21
Directors/ Relatives	22,629	0.07
TOTAL	2,92,30,630	100.00

Dematerialization of shares and liquidity

The shares of the Company are in compulsory demat mode and are available for trading in the depository systems of both National Securities Depository Limited (NSDL) & Central Depository Services (India) Limited (CDSL). As on March 31, 2020, Equity shares representing 95.78% of the total number of shares are in dematerialized form.



REPORT ON CORPORATE GOVERNANCE (Contd.)

Particulars	As on March 31, 2020	% to Total Capital	As on March 31, 2019	% to Total Capital
Physical	12,33,207	4.22%	13,50,163	4.62%
Demat	2,79,97,423	95.78%	2,78,80,467	95.38%
Total	2,92,30,360	100%	2,92,30,360	100%

Dividend

i. Interim Dividend:

Your Directors have declared two interim dividends during the year as per details given below:

S. No.	Date of Board Meeting approving the Dividend	Rate of Dividend	% of Interim Dividend to Face Value	Total Amount of Interim Dividend (Rs. in lakhs)	Date of Payment
1.	November, 7, 2019	0.55	55%	160.77	November, 26, 2019
2.	February, 12, 2020	1.55	155%	453.07	February, 26, 2020
	TOTAL	2.10	210%	613.84	

ii. Final Dividend:

The Board, in its meeting held on 18th June 2020, has decided that the Interim Dividends paid during the year 2019-20 have adequately covered the maximum amount of distributable profits available for distribution as Dividends for the year. Hence the Board has decided not to recommend any further dividend as final dividend.

Unpaid / Unclaimed Dividends and Transfer to IEPF:

Pursuant to the provisions of Section 124 of the Companies Act, 2013, dividend which remain unclaimed for a period of seven years is required to be transferred to the Investor Education and Protection Fund (IEPF) of the Central Government.

During the year, the Company had transferred to IEPF an unclaimed dividend of Rs. 3,01,790 and Rs. 7,24,020 for the financial year ended 2011-12.

Further the Company had filed with Registrar of Companies, the details of unpaid and unclaimed dividends lying with the Company as on the date of last Annual General Meeting and the same has been uploaded on the website of the Company <https://www.amrutanjan.com/si.html>.

Unclaimed Shares

Pursuant to the provisions of Section 124(6) and 125 of the Companies Act, 2013 read with Investor Education and Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended from time to time, the Company is required to transfer shares in respect of which dividend has not been paid or claimed for seven (7) consecutive years or more.

During the year the Company has transferred of shares to IEPF Authority as detailed under:

Years from which dividend has remained unclaimed/unpaid for seven consecutive years	No of shares
2011-12(Interim Dividend)	6,915
2011-12(Final Dividend)	4,610

The shareholders, however, may claim the said shares along with corporate actions accrued by following the procedure prescribed the IEPF authority.

Intimation in regard to the shares relating to unclaimed dividend of upcoming years which are liable to transfer to IEPF Authority would be sent to all Shareholders, at their latest known addresses. In accordance with the said rules, the requisite details would be made available on the web-link <https://www.amrutanjan.com/si.html>. The concerned Shareholders are requested to claim their dividend before the due date of transfer of shares to IEPF.

Unclaimed Shares Suspense Account:

The Company is in possession of unclaimed share certificates after the share split done in 2018. The Company has commenced the process of dealing with such unclaimed shares as per procedure laid down in Regulation 39(4) read with Schedule VI of SEBI (LODR) Regulations, 2015. Accordingly three reminders were sent to Shareholders to claim their share certificates (Letters dated February 01 2020, March 18, 2020 and June 17 2020). The Company is in the process of transferring the unclaimed shares as per the Regulations.

REPORT ON CORPORATE GOVERNANCE (Contd.)

Plant Location

OTC Division		Beverage Division
Plot No.37, 38 & 39, SIDCO Pharmaceutical Complex, Alathur Village, Thiruporur Taluk, Kancheepuram District, Tamil Nadu 603 110	Plot No:14, Industrial Development Area, Uppal, Hyderabad- 500 039.	160/1-A, Aranvoyal Village, Tiruvallur Taluk & District Tamil Nadu - 602 025.

Address for correspondence:

For transfer/demataterialization of shares, payment of dividend and other queries relating to the shares may be addressed to:

For shares held in Physical form	For shares in Dematerialized mode
Cameo Corporate Services Limited, 'Subramaniam Building', No.1, Club House Road, Chennai 600 002 Tele No: (044) 28460390, Fax No. 044- 28460129 Email: investor@cameoindia.com	To the respective Depository participant of the Beneficial owners

XI. OTHER DISCLOSURES

- a. Details of transactions of material nature with any of the related parties as specified in IND AS 24 - Related Party Disclosures have been reported in the notes on accounts.
- b. The Company has complied with all the requirements of regulatory authorities and no penalties / strictures were imposed on the Company by the Stock Exchanges or SEBI, or any Statutory Authority on any matter related to capital markets, during the last three years.
- c. The Company has adopted a Whistle Blower policy and has not denied access to any personnel to approach the Management or the Audit Committee on any issue.
- d. The Company has complied with Clause 2(I) of Para C of Schedule V of SEBI LODR and confirm that Independent Directors fulfil the conditions specified in these regulations and are independent of the Management.
- e. Pursuant to Regulation 34 and Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the total amount paid to Statutory Auditors of the Company for the FY ended 31st March 2020 is Rs. 27.70 Lakhs.
- f. Details of compliance with Mandatory Requirements:
 - I. Code of Conduct:
The Company has laid down procedures to be followed by the Members of the Board and Senior Management Personnel for ethical professional conduct.
 - II. CEO / CFO Certification:
The CEO / CFO Certification of the Financial Statements and the Cash Flow Statement for the year under review forms part of the Annual Report.
 - III. A Certificate from Practising Company Secretary confirming compliance with the conditions of Corporate Governance as stipulated in 34(3) of SEBI (LODR) Regulations, 2015 forms part of this Report.
 - IV. A Certificate from Practising Company Secretary confirming the eligibility of the Directors forms part of this Report.
- g. The web link where policy on dealing with related party transactions is available at <https://www.amrutanjan.com/policy.html>
- h. The Internal auditors of the Company directly submit their report to the Audit Committee every quarter.
- i. The Company has duly complied with the requirements of Regulations 17 to 27 and Clauses (b) to (i) of sub-regulation (2) of Regulation 46 of SEBI (LODR) Regulations, 2015.



REPORT ON CORPORATE GOVERNANCE (Contd.)

COMPLIANCE CERTIFICATE UNDER REGULATION 17(8) OF SEBI (LODR) Regulations, 2015

We, S Sambhu Prasad, Chairman and Managing Director and N Swaminathan, Chief Financial officer of the Company, do hereby confirm and certify that:

1. We have reviewed financial statements and the cash flow statement for the year ended March 31, 2020 and to the best of our knowledge and belief that:
 - (i) these statements do not contain any materially untrue statement or omit any material fact or contain statement that might be misleading;
 - (ii) these statement together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
2. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year, which are fraudulent, illegal or violative of the Company's code of conduct.
3. We accept responsibility for establishing and maintaining internal control for financial reporting and that we have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies. In our opinion there are adequate internal controls over financial reporting.
4. We have indicated to the Auditors and the Audit Committee
 - (i) Significant changes in the internal control over financial reporting during the year;
 - (ii) Significant changes in accounting policies during the year and the same have been disclosed in the notes to the financial statements; and
 - (iii) That there are no instances of significant fraud of which we have become aware and the involvement therein

For AMRUTANJAN HEALTH CARE LIMITED

Place : Chennai
Date : June 18, 2020

S SAMBHU PRASAD
Chairman & Managing Director

N SWAMINATHAN
Chief Financial Officer

REPORT ON CORPORATE GOVERNANCE (Contd.)

PRACTISING COMPANY SECRETARY CERTIFICATE ON CORPORATE GOVERNANCE

To the members of Amrutanjan Health Care Limited

We have examined the compliance of conditions of Corporate Governance by Amrutanjan Health Care Limited, for the year ended on March 31, 2020 as stipulated under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The compliance of conditions of Corporate Governance is the responsibility of the Management. 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 of the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us and the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Regulations.

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 P Sriram & Associates
Practising Company Secretary
P Sriram
Proprietor
C.P No: 3310

Place : Chennai
Date : August 13, 2020

DECLARATION ON CODE OF CONDUCT

As provided under SEBI (LODR) Regulations, 2015, I hereby declare that the Board Members and Senior Management have affirmed compliance with the Code of Conduct of Board of Directors and the Senior Management for the year ended March 31, 2020.

Place : Chennai
Date : June 18, 2020

S Sambhu Prasad
Chairman & Managing Director



REPORT ON CORPORATE GOVERNANCE (Contd.)

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

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

To

The Members of AMRUTANJAN HEALTH CARE LIMITED
NO.103, (OLD NO.42-45) LUZ CHURCH ROAD,
MYLAPORE CHENNAI TN 600004.

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of M/s. AMRUTANJAN HEALTH CARE LIMITED having CIN: L24231TN1936PLC000017 and having registered office at No.103, (Old No.42-45) Luz Church Road, Mylapore Chennai 600004 (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2020 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

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.

Table with 4 columns: Sl.No., NAME OF DIRECTOR, DIN, DATE OF APPOINTMENT IN COMPANY. It lists 7 directors with their respective DIN numbers and appointment dates.

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

For P Sriram & Associates
Practising Company Secretary
P Sriram
Proprietor
C.P No: 3310

Place : Chennai
Date : June 16, 2020

Annexure Forming part of the Board's Report

ANNEXURE - C

BUSINESS RESPONSIBILITY REPORT
[Regulation 34(2)(f)]

The Directors present the Business Responsibility Report of the Company for the financial year ended on 31st March, 2020, pursuant to Regulation 34 (2)(f) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended by SEBI (LODR) (Fifth Amendment) Regulations, 2019.

SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

1	Corporate Identity Number (CIN) of the Company	L24231TN1936PLC000017
2	Name of the Company	AMRUTANJAN HEALTH CARE LIMITED
3	Address of the Registered Office	NO.103,(OLD NO. 42-45), LUZ CHURCH ROAD, MYLAPORE CHENNAI - 600004
4	Website	www.amrutanjan.com
5	E-mail Id	shares@amrutanjan.com
6	Financial Year reported	2019-2020
7	Sector(s) that the Company is engaged in (industrial activity code-wise)	Manufacture of ayurvedic pharmaceutical preparations (NIC Code 21003) and fruit based beverages (NIC Code 10304)
8	List of 3 key products/services	Ayurvedic Pain Balms, Sanitary Napkins, Non-alcoholic beverages
9	Total number of locations where business activity is undertaken by the Company	Amrutanjan has 3 factories and has 6 Branches spread across India.
10	Markets served by the Company	The company's products are distributed PAN India and are also marketed predominantly in African, Middle East and South East Asian Countries

SECTION B: FINANCIAL DETAILS OF THE COMPANY:

1	Paid up Capital (INR)	2,92,30,630
2	Total Turnover (INR)	26,147.67 lakhs
3	Total profit after taxes (INR)	2,508.33 lakhs
4	Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%)	2% of the average net profits of the last 3 years. Rs. 67.54 lakhs was spent during 2019-20
5	List of activities in which expenditure in 4 above has been incurred	(a) Animal protection & welfare –Rs. 13.20 lakhs (b) Education – Rs. 21.64 lakhs (c) Health (including COVID Relief) –Rs. 27.25 lakhs (d) Women empowerment – Rs. 5.45 lakhs

SECTION C: OTHER DETAILS

1	Does the Company have any Subsidiary Company/Companies?	No
2	Do the Subsidiary Company/Companies participate in the BR Initiatives of the parent company?	Not Applicable
3	If yes, then indicate the number of such Subsidiary Company(s)	Not Applicable

SECTION D: BR INFORMATION

1. Details of Director/Directors responsible for BR

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

1.	DIN Number	00015729
2.	Name	S. SAMBHU PRASAD
3.	Designation	Chairman & Managing Director



Annexure Forming part of the Board's Report

ANNEXURE - C

(b) Details of the BR head:

No.	Particulars	Details
1	DIN Number (if applicable)	Not Applicable
2	Name	S. Jeyakanth
3	Designation	Chief Operating Officer (Supply Chain & Product Delivery)
4	Telephone number	98418 29493
5	e-mail id	Jeyakanths@amrutanjan.com

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

The National Voluntary Guidelines on Social, Environmental & Economic Responsibilities of Business (NVGs) released by the Ministry of Corporate Affairs has adopted the following nine areas of Business Responsibility. The corresponding policies in force in Amrutanjan are given against each principle.

S. No.	Description of the Principle	Reference to Amrutanjan Policies
P1	Business should conduct and govern themselves with Ethics, Transparency and Accountability;	<i>"Code of Conduct (CoC) for Directors and Senior Management", "CoC for Employees", "Our Values", "Whistle Blower Policy" "Corporate Communication Policy"</i>
P2	Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle;	<i>"Quality Policy", "Food Safety Policy", "Procurement Policy"</i>
P3	Businesses should promote the well being of all employees;	<i>HR Policies, "Policy on Prevention of Sexual Harassment to Women", "Policy on Employee Welfare"</i>
P4	Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized;	<i>"Corporate Social Responsibility Policy"</i>
P5	Businesses should respect and promote human rights;	<i>HR Policies, "Code of Conduct" "Policy on Prevention of Sexual Harassment to Women" "Policy on Board Diversity",</i>
P6	Business should respect, protect and make efforts to restore the environment;	-
P7	Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner;	<i>"Corporate Communication Policy"</i>
P8	Businesses should support inclusive growth and equitable development;	<i>"Corporate Social Responsibility Policy"</i>
P9	Businesses should engage with and provide value to their customers and consumers in a responsible manner;	<i>"Amrutanjan Brand Manifesto", "SOP for Handling Customer Complaints"</i>

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

No.	Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
1	Do you have a policy/ policies for....	Y	Y	Y	Y	Y	N	Y	Y	Y
2	Has the policy being formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	-	Y	Y	Y
3	Does the policy conform to any National/ international standards? If yes, specify?	Y	Y	Y	Y	Y	-	Y	Y	Y
4	Has the policy being approved by the Board? If yes, has it been signed by MD/ owner/ CEO/ appropriate Board Director?	Y	N	N	Y	Y	-	N	Y	N
5	Does the company have a specified committee of the Board/ Director/ Official to oversee the implementation of the policy?	Y	Y	Y	Y	Y	-	N	Y	Y
6	Indicate the link for the policy to be viewed online?	*	*	*	*	*	-	*	*	*

Annexure Forming part of the Board's Report

ANNEXURE - C

No.	Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
7	Has the policy been formally communicated to all relevant internal and external stakeholders?	Y	Y	Y	Y	Y	-	Y	Y	Y
8	Does the company have in-house structure to implement the policy/ policies	Y	Y	Y	Y	Y	-	Y	Y	Y
9	Does the Company have a grievance redressal mechanism related to the policy/ policies to address stakeholders' grievances related to the policy/ policies?	Y	Y	Y	Y	Y	-	Y	Y	Y
10	Has the company carried out independent audit/ evaluation of the working of this policy by an internal or external agency?	Y	Y	Y	Y	Y	-	N	Y	N

*All Company Policies are available in intranet (for internal stakeholders) and in website www.amrutanjan.com (for external stakeholders)

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

No.	Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
1	The company has not understood the Principles	-	-	-	-	-	-	-	-	-
2	The company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles	-	-	-	-	-	-	-	-	-
3	The company does not have financial or manpower resources available for the task	-	-	-	-	-	-	-	-	-
4	It is planned to be done within next 6 Months	-	-	-	-	-	-	-	-	-
5	It is planned to be done within the next 1 year	-	-	-	-	-	Y	-	-	-
6	Any other reason (please specify)	-	-	-	-	-	-	-	-	-

Publishing of BRR by top 1,000 listed companies has been mandated vide SEBI (LODR) (Amendment) Regulations, 2019 dated 26th December, 2019. Being an entity falling under top 1,000 listed companies by market capitalization, the management of Amrutanjan is pleased to present its first BRR this year. As such, the ESG norms provided in Principle 6 will be taken up by the Board appropriately for consideration and implementation.

3. Governance related to BR

(a) Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company.

– Annually

(b) Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?

The Company will be publishing the information on BR in the Annual Report every year which is available on the website of the Company.

SECTION E: PRINCIPLE-WISE PERFORMANCE

1) Principle 1 - Business should conduct and govern themselves with Ethics, Transparency and Accountability:

Amrutanjan has adopted a "Code of Conduct for Directors and Senior Management Team" approved by its Board. The Code, inter alia, deals with Honesty & Integrity, Bribery, Insider Trading, Conflicts of Interest and Fairness in dealings. An affirmation on the adherence of the Code is obtained annually from all concerned and placed before the Board for its review.

"We never compromise on our ethics and this is reflected in all our actions" is one of the core values adopted and practiced by the Company for decades of its existence.

The induction programme conducted for new joiners includes introduction to Code of Conduct for employees of the Company.

While the strategic governance is guided by the Board of Directors headed by the Chairman, the execution of strategies is entrusted to the top management directly reporting to the Managing Director. Division-wise Business reviews are done as per company's 'Operating Mechanism' in force and the follow up actions are reported periodically to the executive.

The Governance philosophy of Amrutanjan and other related disclosures can be viewed in the "Corporate Governance" Section of the Annual Report.



Annexure Forming part of the Board's Report

ANNEXURE - C

1. Does the policy relating to ethics, bribery and corruption cover only the company? Yes

Does it extend to the Group/Joint Ventures/ Suppliers/Contractors/NGOs/Others?

Amrutanjani does not have any group company or joint ventures as of now. The contractual terms executed with the Suppliers & other service providers adequately cover the risk of bribery and corruption.

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

No stakeholder complaints have been received on bribery or corruption during 2019-20.

Shareholders complaints mainly on non-receipt of dividend and non-receipt of annual report have been received during the year through SEBI (6 Nos) and Stock Exchange (2 Nos) which have been resolved satisfactorily. There were no pending complaints of shareholders as on 31st March, 2020.

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

It has been company's constant endeavor to improve our resource efficiencies in order to achieve optimum utilization of available sources of energy, water and other natural ingredients. Our expertise in combining science with naturalness reflects in the quality of our products. We are steadfast in our policy against using chemicals like Diclofenac which have harmful side effects and environmental impact.

The manufacturing processes are built based on Quality Management system (ISO 9001 for OTC division), Food Safety management Systems (ISO 22000 for Beverage Division) and six sigma methodology which ensure quality and safety of our products.

Our 'Quality Policy' (for OTC Business) and 'Food Safety Policy' (for Beverage Business) covering quality and safety standards as per prescribed regulatory norms, are strictly followed and periodically audited by external agencies.

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

- (a) Our product – sanitary napkins (Comfy) are being sold at a very competitive price as compared to established brands with similar quality in the category. This product was launched a few years ago with a social objective of providing Indian women hygiene products at affordable prices in order to improve their quality of living.

- (b) Consistent efforts are being made to reduce plastic usage in packing materials.

2. Does the company have procedures in place for sustainable sourcing (including transportation)?

- (a) If yes, what percentage of your inputs was sourced sustainably?

We have implemented a plan to contain our spends on primary freight by replacing bigger trucks in place of smaller ones to transport our women's hygiene products to select locations which has resulted in considerable savings on fuel consumption.

Also, we are in the process of converting our work places into paper-less office through complete automation of various processes including purchase, human resource and payables.

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

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

Efforts are made to source and appoint skilled and unskilled labourers residing in the nearby areas of our factories after imparting necessary trainings wherever required. This not only would cater to the livelihood needs of the local community, but also help build better relationships with the local population and avoid transportation cost.

Procurement is happening from local suppliers wherever possible and also through MSME enterprises. Their payouts are made on priority as per regulations.

4. Does the company have a mechanism to recycle products and waste? If yes what is the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%).

We strictly follow the government norms in the usage of plastics in our production processes as well as in work places.

- 3) Principle 3 - Businesses should promote the well being of all employees:

Amrutanjani is known for its culture of hiring potential talents and providing growth opportunities for those who are result oriented. Employee welfare is taken best care through several benefits, viz. medical insurance, health camps, welfare funds, flexible timings, canteen, etc. The company is keen to follow gender diversity and equal opportunity for all to achieve best combination of work force and non-discrimination at all levels.

During COVID 19 lockdown, measures were taken to ensure employees safety through fumigation of work places and by maintaining clean environment. Employees were also provided "Work from Home" facility during the lockdown.

Annexure Forming part of the Board's Report

ANNEXURE - C

Additionally, whistle blower mechanism is in place for employees to represent their complaints or grievances that cannot be otherwise routed through regular channels.

Employee engagement survey is conducted annually to obtain the views and sentiments of the employees which would enable further improvements or corrective actions in the system wherever gaps are evident.

Employees are encouraged to do self-learning to master their skill and contribute to the growth of the company thereby creating wealth for themselves in the long run. Efforts are being taken to develop and implement training structure to take care of individual learning and development as an on-going activity.

1. Total number of employees – 677 permanent
2. Total number of employees hired on temporary/contractual/casual basis - 440
3. Number of permanent women employees - 29
4. Number of permanent employees with disabilities - NIL
5. Do you have an employee association that is recognized by management. - Yes
6. What percentage of your permanent employees is members of this recognized employee association? 12.40%
7. Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year.

No.	Category	No of complaints filed during the financial year	No of complaints pending as on end of the financial year
1	Child labour/forced labour/involuntary labour	NIL	NIL
2	Sexual harassment	NIL	NIL
3	Discriminatory employment	NIL	NIL

8. What percentage of your under mentioned employees were given safety & skill up- gradation training in the last year?
 - (a) Permanent Employees - 118/677 = 17.42%
 - (b) Permanent Women Employees - 10 = 34.48%
 - (c) Casual/Temporary/Contractual Employees - Nil
 - (d) Employees with Disabilities - NIL
- 4) Principle 4 - Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized:

A sense of openness is in-built in the culture of Amrutanjan that facilitates all its stakeholders including shareholders, distributors, and suppliers to approach the company officials at any level whenever they intend to put across their suggestions or grievances. The company firmly believes that a strong stakeholder engagement practice is the absolute need to attain its long term objectives and social recognition. Means of Communication with all its stakeholders is also kept wider to achieve this objective.

Among various CSR activities undertaken, Amrutanjan has adopted a Primary Health Clinic for tribal community of Kodaikanal, Tamil Nadu and extended total financial support for running the Clinic.

1. Has the company mapped its internal and external stakeholders? Yes
2. Out of the above, has the company identified the disadvantaged, vulnerable & marginalized stakeholders

No discrimination is made amongst the stakeholders within the category they belong to. The business transaction is done purely on merits & evaluation. Given an opportunity, disadvantaged and marginalized stakeholders are considered on priority for any form of engagement.
3. Are there any special initiatives taken by the company to engage with the disadvantaged, vulnerable and marginalized stakeholders.

Will be taken up appropriately whenever circumstances are conducive
- 5) Principle 5 - Businesses should respect and promote human rights:

The company values the importance of human resources engagement and believes that its success depends on the contribution of the human capital. The company strictly follows all applicable labour laws in letter and in spirit, including child labour avoidance, sexual harassment at work place, hygiene work place maintenance for all levels, equal employment opportunity, etc.



Annexure Forming part of the Board's Report

ANNEXURE - C

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

The Policy covers only the Company, but the terms & conditions of any engagement with the manpower service providers also comprise of strict adherence to all labour laws including child labour, statutory benefits, safety norms, etc.

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

No complaints have been received in the past financial year

- 6) Principle 6 - Business should respect, protect and make efforts to restore the environment;

The manufacturing processes of our Pain Balm as well as Beverage products are covered under Orange category of industries as per Central Pollution Control Board guidelines.

In OTC unit where pain balms are produced, there is no effluent generation from the process. The air & water quality is monitored annually to ensure purity of the final output.

In Beverage factory, the wash liquids generated from the process is treated in our in-house ETP Plant and the treated water is used for our plantation.

The green environment with age-old trees have been protected and well maintained in our century-old corporate office "Sri Bagh" which is considered as a historic landmark in Chennai.

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

Policy to be framed

2. Does the company have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc? -

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

Amrutanjan uses various raw materials that are procured from farmers. For example, menthol that is a key ingredient of our pain balms, wood pulp that is used in sanitary napkins and mango pulp that go in our fruit juices. We plan to work with farmers to drive good agriculture practices that would reduce their water and environmental foot print.

4. Does the company have any project related to Clean Development Mechanism?

Not Applicable

5. Has the company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy, etc. –

We have plans to use bio degradable raw materials in products like our sanitary napkins and have already initiated R and D on this.

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

Yes

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

NIL

- 7) Principle 7- Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner;

Amrutanjan is a member of various industry associations through which it provides suggestions with respect to the development of FMCG, Beverage and Ayurvedic industries. The Company has a comprehensive Corporate Communication Policy that ensures accurate, fair and timely information sharing with investors, consumers and other external stakeholders through authorized representatives of the Company.

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

- (a) Madras Chamber of Commerce & Industry
- (b) All India Manufacturers' Organisation (AIMO)
- (c) Employers' Federation of South India
- (d) Madras Management Association

2. Have you advocated/lobbied through above associations for the advancement or improvement of public good? ;if yes specify the broad areas (drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others)

The Company has supported all activities of the associations which are relevant to the industry.

Annexure Forming part of the Board's Report

ANNEXURE - C

8) Principle 8 - Businesses should support inclusive growth and equitable development:

The company's commitment to support inclusive growth is uncompromising which is proven through the social services undertaken for generations by the company. Majority of these activities are done through experienced and committed NGOs engaged in the fields of education for deprived sector, preventive health, environment protection, animal welfare and women empowerment.

1. Does the company have specified programmes / initiatives / projects in pursuit of the policy related to Principle 8?

Yes. All activities are initiated and funded as per Corporate Social Responsibility Policy of the Company. Education, Preventive health and animal welfare are the focused areas for CSR contribution.

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

Majority of the projects were undertaken through external NGOs and a few direct projects were handled by in-house team;

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

Yes. We get project completion report from the beneficiary with details of its impact and benefits;

4. What is your company's direct contribution to community development projects- Amount in INR and the details of the projects undertaken.

Please refer CSR Report in the Annual Report Annexure D

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

The Company has long term relationships with some of the NGOs in order to ensure continuity in the select community development initiatives. By doing so, the progress on such initiatives is monitored periodically till the objectives are achieved.

The Company also does the background check on the capability of the NGO in implementing the projects and the impact they have created in the society in the past. This provides us the confidence to build partnerships with them for implementing the Company's CSR objectives.

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

The company is committed to provide adequate information on the product labels so that the consumer can take an informed purchase decision before buying the product. Separate dedicated complaint cell is created for each product to enable consumers to register their grievances or complaints. There are several means by which the suggestions/complaints can be registered – mail, telephone, letter, feedback form, etc. We have installed a complaint handling mechanism by which all consumer complaints/suggestions are registered, verified and responded to the satisfaction of the customer within a reasonable time frame. All such complaints and responses are also updated to the management and the concerned in-house officials for further improvement in the quality or processes as may be required.

Amrutanjan was the first to launch pain balm in sachets priced at Rs. 2/- each. The price is still maintained at the same level without taking any increase for long to keep it affordable to budget consumers.

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

We have received 12 customer complaints during the year 2019-20. All the complaints have been responded and resolved immediately and there was no pending complaint as on 31.3.2020.

2. Does the company display product information on the product label, over and above what is mandated as per local laws?

All mandatory information is displayed on the label as per prescribed rules. More information is given in some of the products based on the needs.

3. Is there any case filed by any stakeholder against the company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behavior during the last five years and pending as on end of financial year.

No

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

The Company has engaged a professional agency to do the customer satisfaction survey for women hygiene products and brand track for head & body segments which survey is carried out every year. We have also undertaken product test studies through various agencies during the year.



ANNUAL REPORT ON CSR ACTIVITIES FOR THE FINANCIAL YEAR 2019-20

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

The Company's CSR Policy is aimed to enhance the living standards of the Society through education & women empowerment, encourage preventive health, ensure social economic development, and environmental sustainability. The projects and programmes undertaken are within the framework of the Schedule VII of the Companies Act, 2013 and as per the CSR policy of the Company.

The web- link's: I. For the CSR Policy is <https://www.amrutanjan.com/csr-policy.html> and

II. For the projects and programs undertaken during the year is <https://www.amrutanjan.com/annual.html> (Annual Report link)

2. The Composition of the CSR Committee:

S.No	Name of the Director	Designation
1.	Dr. S Vydeeswaran	Chairperson, Non-Executive & Independent Director
2.	Dr.H B N Shetty	Member, Non-Executive & Independent Director
3.	S Sambhu Prasad	Member, Executive & Promoter Director

3. Average net profit of the company for last three financial years: Rs 3,370.45 Lakhs.
4. Prescribed CSR Expenditure (2 % of the average net profit of the last 3 financial years) : Rs 67.41 lakhs.
5. Details of CSR spent during the financial year:
 - (a) Total amount spent for the financial year: Rs. 67.54 lakhs.
 - (b) Amount unspent, if any: NIL
 - (c) In case the company has failed to spend the entire amount, reasons thereof for not spending the amount : Not applicable
 - (d) Manner in which the amount spent during the financial year is detailed below (all amounts in Rupees) :

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
S. No	CSR project or activity identified	Sector in which the Project is covered	Projects or programs (1) Local area or other (2) Specify the State and district where projects or programs was undertaken	Amount outlay (budget) project or programs wise (in Rs.)	Amount spent on the projects / Programs Sub-heads: (1) Direct expenditure on projects / programs. (2) Overheads: (in Rs.)	Cumulative expenditure upto to the reporting period Amount spent: (in Rs.)	Amount Spent: Direct or through implementing agency
1.	Rescue and Rehabilitation of sick and needy animals	Animal Welfare	Chennai, Tamilnadu	13,20,000/-	13,20,000/-	13,20,000/-	Implementing agency - People For Animals (PFA)
2	Donation to Stanley Government Hospital for COVID-19 relief	Health & Hygiene	Chennai, Tamil Nadu	10,00,000/-	10,00,000/-	23,20,000/-	Direct
3.	Construction of Toilet block in Panchayat Union Primary School	Education	Kavangarai, Thiruvallur Tamil Nadu	6,85,000/-	6,85,000/-	30,05,000/-	Implementing Agency- Sulabh International
4.	Education for girl children from socially and economically disadvantaged sections of society	Women Empowerment	Uttar Pradesh	5,45,000/-	5,45,000/-	35,50,000/-	Implementing agency - IIMPACT
5.	Support for Stay at School Campaign' in Government Girls Higher Secondary School	Education	Thiruporur, Kancheepuram Dt. Tamil Nadu	5,20,300/-	5,20,300/-	40,70,300/-	Implementing Agency-Habitat For Humanity India Trust
6.	Education sponsorship for 65 students	Education	Tamil Nadu	5,20,000/-	5,20,000/-	45,90,300/-	Implementing agency - Sevalaya

Annexure Forming part of the Board's Report

ANNEXURE - D

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
S. No.	CSR project or activity identified.	Sector in which the Project is covered	Projects or programs (1) Local area or other (2) Specify the State and district where projects or programs was undertaken	Amount outlay (budget) project or programs wise (in Rs.)	Amount spent on the projects / Programs Sub-heads: (1) Direct expenditure on projects / programs. (2) Overheads: (in Rs.)	Cumulative expenditure upto to the reporting period Amount spent: (in Rs.)	Amount Spent: Direct or through implementing agency
7.	Sponsored 5 learning centres and funded construction of 5 toilets	Education	Chennai, Tamil Nadu	5,00,000/-	5,00,000/-	50,90,300/-	Implementing agency - Single Teacher School (Unit of Swami Vivekananda Rural Development Society)
8.	Donation to PM CARES Fund for COVID-19 relief	Health & Hygiene	PAN India	5,00,000/-	5,00,000/-	55,90,300/-	Direct
9.	Renovation of School building in Govt. Chennai High school	Education	Chennai, Tamil Nadu	2,94,993/-	2,94,993/-	58,85,293/-	Direct
10.	Installation of Smart Digital Classroom Facility in Panchayat Union Middle School	Education	Ayalancheri, Thiruvallur, Tamil Nadu	2,83,200/-	2,83,200/-	61,68,493/-	Direct
11.	Support for running BL Shed Health Clinic	Health Care	Kodaikanal, Tamil Nadu	2,34,600/-	2,34,600/-	64,03,093/-	Implementing agency - ASSCOD
12.	Laying of floor tiles in Class Rooms & Wash Rooms in Panchayat Union Middle School	Education	Arkampat, Thiruvallur, Tamil Nadu	1,31,378/-	1,31,378/-	65,34,471/-	Direct
13.	Support to meet operating expenses at their Home for Destitute Children	Health & Hygiene	Chennai, Tamil Nadu	1,20,000/-	1,20,000/-	66,54,471/-	Implementing agency - MILT Charitable Trust
14.	Donation to District Collector, Thiruvallur for COVID-19 relief	Health & Hygiene	Thiruvallur, Tamil Nadu	1,00,000/-	1,00,000/-	67,54,471/-	Direct
				TOTAL	67,54,471/-	67,54,471/-	

6. In case the company has failed to spend the two per cent of the average net profit of the last three financial years or any part thereof, the company shall provide the reasons for not spending the amount in its Board Report - Not Applicable.
7. A responsibility statement of the CSR Committee that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the Company:

The CSR Committee hereby confirms that the implementation and monitoring of CSR Policy is in compliance with CSR Objectives and Policy of the Company.

S Sambhu Prasad
(Member)

Dr. H B N Shetty
(Member)

Dr. S Vydeeswaran
(Chairperson)



Form No.MR-3

SECRETARIAL AUDIT REPORT
FINANCIAL YEAR ENDED 31st MARCH, 2020

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

To,
The Members
Amrutanjan Health Care Limited
103, Old No. 42-45, Luz Church Road, Mylapore, Chennai-600 004

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Amrutanjan Health Care Limited (hereinafter called the "Company/AHCL"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on my verification of Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31st March, 2020 complied with the statutory provisions listed here under and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2020 according to the provisions of:

- 1) The Companies Act, 2013 (the Act) and the rules made there under;
- 2) The Securities Contracts(Regulation) Act, 1956('SCRA') and the rules made thereunder;
- 3) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- 4) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment;
- 5) 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 and any amended from time to time;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
 - (d) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 in relation to Companies Act and dealing with client;
 - (e) The Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulation, 2015

Other Specific Laws applicable to the Company

- 6) Drug & Cosmetics Act, 1940.
- 7) Food Safety and Standards Act, 2006 and Rules 2011 with allied rules and regulations.
- 8) The Hazardous Wastes (Management and Handling) Rules 1989;
- 9) The Prevention of Food Adulteration Act, 1954;
- 10) The Legal Metrology Act, 2009;
- 11) The Legal Metrology (Packaged Commodities) Rules, 2011;

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Equity Listing Agreements entered into by the Company with National Stock Exchange of India Limited;

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

I further report that

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

Adequate notice is given to all directors to schedule the Board Meetings. Agenda and detailed notes on agenda were sent at least seven days in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting. All decisions were carried out with unanimous approval of the Board and there was no instance of dissent voting by any member during the period under review.

Annexure Forming part of the Board's Report

I have examined the systems and processes of the Company in place to ensure the compliance with general laws like Labour Laws, Employees Provident Funds Act, Employees State Insurance Act, considering and relying upon representations made by the Company and its Officers for systems and mechanisms formed by the Company for compliance under these laws and other applicable sector specific Acts, Laws, Rules and Regulations applicable to the Company and its observance by them.

I further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with other applicable laws on the operation of the Company and the rules made thereunder.

I further report that during the audit period, there were no specific events / actions having major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines except that an Inspection under section 209A of the Companies Act, 2013 were conducted by Ministry of Corporate Affairs and a showcause notice was issued under Section 129 of the said Act. However necessary application for Compounding was made and the said offence were compounded.

For P Sriram & Associates

Place : Chennai
Date : June 16, 2020

P SRIRAM
FCS No. 4862
C P No. 3310
UDIN: F004862B000347820

Annexure A

To
The Members
Amrutanjan Health Care Limited
103, Old No. 42-45, Luz Church Road, Mylapore, Chennai – 600 004

My report of even date is to be read along with this supplementary testimony.

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

For P Sriram & Associates

Place : Chennai
Date : June 16, 2020

P SRIRAM
FCS No. 4862
C P No. 3310
UDIN: F004862B000347820



Annexure Forming part of the Board's Report

ANNEXURE - F

Particulars of Directors, Key Managerial Personnel and Employees for the year 2019-20

A) Disclosure as per Section 197 (12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Qualification Rules), 2014

S.No	Particulars	Details		
1.	The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year	S Sambhu Prasad Chairman-and Managing Director		31.88 times(31:88:1)
		Dr. Pasumarthi S N Murthi Non- Executive Director		1.05 times (1.05:1)
		Dr. H B N Shetty Non- Executive Independent Director		1.70 times (1.70:1)
		Dr.(Ms.) Marie Shiranee Pereira Non- Executive Independent Director		1.10 times (1.10:1)
		Dr. S Vydeeswaran Non- Executive Independent Director		1.35 times (1.35:1)
		G Raghavan Non- Executive Independent Director		2.12 times (2.12:1)
		V Swaminathan Non- Executive Independent Director		2.05 times (2.05:1)
2.	The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year	Name	Designation	% Increase / (Decrease) in CTC
		S Sambhu Prasad	Chairman and Managing Director	(0.76%)
		Dr. Pasumarthi S N Murthi	Non- Executive Director	-
		Dr. H B N Shetty	Non- Executive Independent Director	-
		Dr.(Ms.) Marie Shiranee Pereira	Non- Executive Independent Director	-
		Dr. S Vydeeswaran	Non- Executive Independent Director	9.26%
		G Raghavan	Non- Executive Independent Director	7.06%
		V Swaminathan	Non- Executive Independent Director	-
		N Swaminathan	Chief Financial Officer	15.02%
		M Srinivasan	Company Secretary	10.01%
3.	The percentage increase in the median remuneration of employees in the financial year:	Approximately 3 %		
4.	The number of permanent employees on the rolls of the Company	677		

Annexure Forming part of the Board's Report

ANNEXURE - F

5.	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 exceptional circumstances for increase in the managerial remuneration:	Average increase in remuneration is around 11.41% for Employees other than Managerial Personnel and around 3.01% for Managerial Personnel
6.	Affirmation that the remuneration is as per the remuneration policy of the Company	Yes

B) Statement showing details of Employees of the Company as per Section 197(12) read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 :

The statement containing particulars of employees as required under Section 197(12) of the Act read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is provided in a separate exhibit forming part of this report and is available on the website of the Company at www.amrutanjan.com. Having regard to the provisions of Section 136 (1) read with its relevant provision of the Companies Act, 2013 the Annual Report excluding the aforesaid information is being sent to the members of the Company. The said information is available for inspection at the Registered Office of the Company during working hours and any member interested in obtaining such information may write to the Company Secretary and the same will be furnished without any fee.

For and on behalf of the Board

Place : Chennai
Date : June 18, 2020

S Sambhu Prasad
Chairman and Managing Director



FORM NO. MGT 9
EXTRACT OF ANNUAL RETURN

As on financial year ended 31.03.2020

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

I. REGISTRATION & OTHER DETAILS:

S.No	Particulars	Details
1.	CIN	L24231TN1936PLC000017
2.	Registration Date	September 9, 1936
3.	Name of the Company	AMRUTANJAN HEALTH CARE LIMITED
4.	Category/Sub-category of the Company	Public Limited Company – Limited by Shares Indian Non- Government Company
5.	Address of the Registered office & contact details	No.103, (Old no.42-45) Luz Church Road, Mylapore, Chennai – 600 004 Email :shares@amrutanjan.com, Phone : 044-24994465, Fax: 044-24994585
6.	Whether listed company	Yes
7.	Name, Address & contact details of the Registrar & Transfer Agent, if any.	M/s. Cameo Corporate Services Limited, "Subramanian Building", 1, Club House Road, Chennai-600002 Email : investor@cameoindia.com, Phone: 044-28460390, Fax: 044-24860129

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

(All the business activities contributing 10 % or more of the total turnover of the Company)

S. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the Company
1.	Ayurvedic Pain Balms	21003	78.24%
2.	Sanitary Napkins	13996	13.84%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

S. No.	Name and Address of the Company	CIN/GLN	Subsidiary	% of shares	Applicable
_____ NIL _____					

Annexure Forming part of the Board's Report

IV- Shareholding Pattern (Equity Share Capital as a percentage breakup of Total Equity)

A) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year As on April 1, 2019				No. of Shares held at the end of the year As on March 31, 2020				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. SHAREHOLDING OF PROMOTER AND PROMOTER GROUP									
(1) Indian									
a) Individual/ HUF	1,46,17,690	4,420	1,46,22,110	50.02	1,46,17,690	4,420	1,46,22,110	50.02	-
b) Central Govt. / State Govt(s)	-	-	-	-	-	-	-	-	-
c) Bodies Corporate	-	-	-	-	-	-	-	-	-
d) Financial Institutions/ Banks	-	-	-	-	-	-	-	-	-
e) Any other	-	-	-	-	-	-	-	-	-
Sub – total (A) (1):	1,46,17,690	4,420	1,46,22,110	50.02	1,46,17,690	4,420	1,46,22,110	50.02	-
(2) Foreign									
a) Individuals (Non-Resident Individuals/ Foreign individuals)	-	-	-	-	-	-	-	-	-
b) Bodies Corporate	-	-	-	-	-	-	-	-	-
c) Institutions	-	-	-	-	-	-	-	-	-
d) Qualified Foreign Investor	-	-	-	-	-	-	-	-	-
e) Any Other...	-	-	-	-	-	-	-	-	-
Sub – total(A) (2):-	-	-	-	-	-	-	-	-	-
Total Shareholding of Promoter and Promoter Group (A) = (A)(1)+(A)(2)	1,46,17,690	4,420	1,46,22,110	50.02	1,46,17,690	4,420	1,46,22,110	50.02	-
B. Public Shareholding									
1. Institutions									
a) Mutual Funds / UTI	15,45,392	0	15,45,392	5.29	15,21,886	0	15,21,886	5.21	(0.08)
b) Financial Institutions / Banks	89,296	500	89,796	0.31	50,539	500	51,039	0.17	(0.13)
c) Central Government / State Government(s)	-	-	-	-	-	-	-	-	-
d) Insurance Companies	-	-	-	-	-	-	-	-	-
e) Foreign Institutional Investors	-	-	-	-	-	-	-	-	-



Annexure Forming part of the Board's Report

Category of Shareholders	No. of Shares held at the beginning of the year As on April 1, 2019				No. of Shares held at the end of the year As on March 31, 2020				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
f) Foreign Venture Capital Investors	-	-	-	-	-	-	-	-	-
g) Qualified Foreign Investor	-	-	-	-	-	-	-	-	-
h) Any Other									
h) Qualified Foreign Investor	-	-	-	-	-	-	-	-	-
Alternate Investment Funds	9,16,002	-	9,16,002	3.13	8,00,460	-	8,00,460	2.74	(0.39)
Foreign Portfolio Investor (Corporate) Category I	-	-	-	-	13,32,341	-	13,32,341	4.56	4.56
Foreign Portfolio Investor (Corporate) Category II	5,63,562	0	5,63,562	1.93	38,299	0	38,299	0.13	(1.80)
Sub-total (B)(1):-	31,14,252	500	31,14,752	10.66	37,43,525	500	37,44,025	12.81	2.15
2. Non-Institutions									
a) Bodies Corporate	10,26,062	3,520	10,29,582	3.52	7,41,590	3,520	7,45,110	2.55	(0.97)
i) Indian	-	-	-	-	-	-	-	-	-
b) Individuals	-	-	-	-	-	-	-	-	-
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	67,68,956	13,41,723	81,10,679	27.75	67,08,374	12,24,767	79,33,141	27.14	(0.61)
ii) Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	12,69,660	-	12,69,660	4.34	12,24,060	-	12,24,060	4.19	(0.16)
c. Qualified Foreign Investor	-	-	-	-	-	-	-	-	-
d. Any Other									
Clearing Members	18,905	0	18,905	0.06	81,873	0	81,873	0.28	0.22
Hindu Undivided Families	3,26,689	0	3,26,689	1.12	2,30,119	0	2,30,119	0.79	(0.33)
IEPF	2,67,174	0	2,67,174	0.91	2,81,496	0	2,81,496	0.96	0.05
Non Resident Indians	4,69,829	0	4,69,829	1.61	3,67,696	0	3,67,696	1.26	(0.35)
Trusts	1,250	0	1,250	0.00	1000	0	1000	0.00	0
Any other Total	10,83,847	0	10,83,847	3.71	9,62,184	0	9,62,184	3.29	(0.42)
SUB - TOTAL (B)(2)	1,01,48,525	13,45,243	1,14,93,768	39.32	96,36,208	12,28,287	1,08,64,495	37.17	(2.15)
Total Public Shareholding (B) = (B)(1)+(B)(2)	1,32,62,777	13,45,743	1,46,08,520	49.98	1,33,79,733	12,28,787	1,46,08,520	49.98	0.00
TOTAL (A)+(B)	2,78,80,467	13,50,163	2,92,30,630	100.000	2,79,97,423	12,33,207	2,92,30,630	100.00	0.00

Annexure Forming part of the Board's Report

Category of Shareholders	No. of Shares held at the beginning of the year As on April 1, 2019				No. of Shares held at the end of the year As on March 31, 2020				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
C Shares held by Custodians and against which Depository Receipts have been Issued									
Promoter and Promoter Group	-	-	-	-	-	-	-	-	-
Public	-	-	-	-	-	-	-	-	-
Total Custodian (C)	-	-	-	-	-	-	-	-	-
Grand Total (A)+(B)+(C)	2,78,80,467	13,50,163	2,92,30,630	100.00	2,79,97,423	12,33,207	2,92,30,630	100.00	0.00

B) Shareholding of Promoter-

Sl. No.	Shareholder's Name	No. of Shares held at the beginning of the year [As on April 1, 2019]			No. of Shares held at the end of the year [As on March 31, 2020]			% change in shareholding during the year
		No. of Shares*	%of total Shares of the Company	% of Shares Pledged / encumbered to total shares	No. of Shares**	%of total Shares of the Company	% of Shares Pledged / encumbered to total shares	
1.	S. Sambhu Prasad	54,88,800	18.78	-	54,88,800	18.78	-	-
2.	S. Leela Bhramara	29,90,730	10.23	-	29,90,730	10.23	-	-
3.	S. Ramayamma	22,54,790	7.71	-	22,54,790	7.71	-	-
4.	Ramalingam Ganti (Trustee of Amrutha Dharma Nidhi)	7,30,640	2.50	-	7,30,640	2.50	-	-
5.	Pasumarthi S N Murthi	25,44,530	8.71	-	25,44,530	8.71	-	-
6.	Arikirevula Ramaa Prabhakar (Includes Individual holding and Jointly with Prabhakar Arikirevula)	6,08,200	2.08	-	6,08,200	2.08	-	-
7.	S. Nageswara Rao	4,420	0.02	-	4,420	0.02	-	-
	Total	1,46,22,110	50.02	-	1,46,22,110	50.02	-	-

C) Change in Promoters' Shareholding (please specify, if there is no change) - No Change



Annexure Forming part of the Board's Report

**D) Shareholding Pattern of top ten Shareholders:
(Other than Directors, Promoters and Holders of GDRs and ADRs):**

S. No.	Name of the Share holder	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of Total Shares of the Company	No. of Shares	% of Total Shares of the Company
1.	DSP SMALL CAP FUND				
	At the beginning of the year 01-Apr-2019	8,46,886	2.90	8,46,886	2.90
	At the end of the Year 31-Mar-2020	8,46,886	2.90	8,46,886	2.90
2.	SUNDARAM MUTUAL FUND A/C SUNDARAM SMALL CAP FUND				
	At the beginning of the year 01-Apr-2019	6,94,506	2.38	6,94,506	2.38
	Sale 31-May-2019	(4,506)	0.02	6,90,000	2.37
	Sale 08-Nov-2019	(5,000)	0.02	6,85,000	2.34
	Sale 15-Nov-2019	(5,000)	0.02	6,80,000	2.33
	Sale 29-Nov-2019	(6,902)	0.02	6,73,098	2.30
	Sale 20-Dec-2019	(2,972)	0.01	6,70,126	2.30
	Sale 17-Jan-2020	(1,126)	0.00	6,69,000	2.30
	Purchase 20-Mar-2020	2,000	0.00	6,71,000	2.30
	At the end of the Year 31-Mar-2020	6,71,000	2.31	6,71,000	2.31
3.	SUNDARAM ALTERNATIVE OPPORTUNITIES FUND - NANO CAP SERIES I				
	At the beginning of the year 01-Apr-2019	6,85,132	2.34	6,85,132	2.34
	Sale 31-May-2019	(32,000)	0.11	6,53,132	2.23
	Sale 06-Sep-2019	(13,261)	0.05	6,39,871	2.19
	Sale 13-Sep-2019	(38,000)	0.13	6,01,871	2.06
	At the end of the Year 31-Mar-2020	6,01,871	2.06	6,01,871	2.06
4.	RAJASHEKAR IYER (HAVING SAME PAN) 3 folios				
	At the beginning of the year 01-Apr-2019	7,26,913	2.49	7,26,913	2.49
	Sale 10-May-2019	(570)	0.00	7,26,343	2.49
	Sale 17-May-2019	(2,599)	0.00	7,23,744	2.48
	Sale 24-May-2019	(4,327)	0.01	7,19,417	2.46
	Sale 01-Nov-2019	(2,995)	0.01	7,16,422	2.45

Annexure Forming part of the Board's Report

D) Shareholding Pattern of top ten Shareholders: (Other than Directors, Promoters and Holders of GDRs and ADRs):(Annexure B)

S. No.	Name of the Share holder	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of Total Shares of the Company	No. of Shares	% of Total Shares of the Company
	Sale 08-Nov-2019	(10,451)	0.04	7,05,971	2.42
	Sale 15-Nov-2019	(2,371)	0.00	7,03,600	2.41
	Sale 22-Nov-2019	(23,000)	0.08	6,80,600	2.33
	Sale 29-Nov-2019	(5,629)	0.02	6,74,971	2.31
	Sale 13-Dec-2019	(3,891)	0.01	6,71,080	2.31
	At the end of the Year 31-Mar-2020	6,71,080	2.31	6,71,080	2.31
5.	DIPAK KANAYALAL SHAH JT1 : MITA DIPAK SHAH JT2 : SHARAD KANAYALAL SHAH At the beginning of the year 01-Apr-2019	4,20,000	1.44	4,20,000	1.44
	Sale 18-Oct-2019	(20,000)	0.07	4,00,000	1.37
	Purchase 01-Nov-2019	1,122	0.00	4,01,122	1.37
	Purchase 18-Nov-2019	375	0.00	4,01,497	1.37
	Purchase 22-Nov-2019	400	0.00	4,01,897	1.37
	Purchase 29-Nov-2019	103	0.00	4,02,000	1.38
	Purchase 13-Dec-2019	100	0.00	4,02,100	1.38
	Purchase 31-Dec-2019	2,000	0.00	4,04,100	1.38
	Purchase 06-Mar-2020	100	0.00	4,04,200	1.38
	Purchase 13-Mar-2020	100	0.00	4,04,300	1.38
	Purchase 20-Mar-2020	1,100	0.00	4,05,400	1.39
	At the end of the Year 31-Mar-2020	4,05,400	1.39	4,05,400	1.39
6.	WASATCH EMERGING INDIA FUND At the beginning of the year 01-Apr-2019	3,10,677	1.06	3,10,677	1.06
	Sale 10-May-2019	(6,961)	0.02	3,03,716	1.04
	Sale 14-Jun-2019	(6,771)	0.02	2,96,945	1.02
	Purchase 13-Dec-2019	14,506	0.05	3,11,451	1.07
	At the end of the Year 31-Mar-2020	3,11,451	1.07	3,11,451	1.07



Annexure Forming part of the Board's Report

**D) Shareholding Pattern of top ten Shareholders:
(Other than Directors, Promoters and Holders of GDRs and ADRs):(Annexure B)**

S. No.	Name of the Share holder	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of Total Shares of the Company	No. of Shares	% of Total Shares of the Company
7.	INVESTOR EDUCATION AND PROTECTION FUND AUTHORITY, MINISTRY OF CORPORATE AFFAIRS				
	At the beginning of the year 01-Apr-2019	2,67,174	0.91	2,67,174	0.91
	Transfer 24-May-2019	811	0.00	2,67,985	0.92
	Transfer 14-Jun-2019	1,986	0.00	2,69,971	0.92
	Transfer 01-Nov-2019	6,915	0.02	2,76,886	0.95
	Transfer 20-Dec-2019	4,610	0.01	2,81,496	0.96
	At the end of the Year 31-Mar-2020	2,81,496	0.96	2,81,496	0.96
8.	ALQUITY SICAV - ALQUITY INDIAN SUBCONTINENT FUND(HAVING SAME PAN) 2 folios				
	At the beginning of the year 01-Apr-2019	2,52,885	0.87	2,52,885	0.87
	Purchase 12-Apr-2019	17,502	0.06	2,70,387	0.93
	Purchase 03-May-2019	32,210	0.11	3,02,597	1.04
	Purchase 10-May-2019	29,269	0.10	3,31,866	1.14
	Purchase 17-May-2019	8,100	0.03	3,39,966	1.16
	Purchase 24-May-2019	886	0.00	3,40,852	1.17
	Purchase 31-May-2019	89,152	0.30	4,30,004	1.47
	Purchase 07-Jun-2019	12,433	0.04	4,42,437	1.51
	Purchase 02-Aug-2019	5,181	0.02	4,47,618	1.53
	Purchase 23-Aug-2019	6,099	0.02	4,53,717	1.55
	Sale 20-Dec-2019	(1,000)	0.00	4,52,717	1.55
	Sale 27-Dec-2019	(7,700)	0.03	4,45,017	1.52
	Sale 10-Jan-2020	(1,597)	0.00	4,43,420	1.52
	Sale 17-Jan-2020	(55,443)	0.20	3,87,977	1.33
	Sale 21-Feb-2020	(5,524)	0.01	3,82,453	1.31
	Sale 28-Feb-2020	(33,353)	0.11	3,49,100	1.19
	Sale 06-Mar-2020	(62,449)	0.21	2,86,651	0.98
	Sale 13-Mar-2020	(13,300)	0.05	2,73,351	0.94
	Purchase 27-Mar-2020	5,369	0.02	2,78,720	0.95
	Sale 31-Mar-2020	(2,78,720)	0.95	0	0.00
	Purchase 31-Mar-2020	2,78,720	0.95	2,78,720	0.95
	At the end of the Year 31-Mar-2020	2,78,720	0.95	2,78,720	0.95

Annexure Forming part of the Board's Report

D) Shareholding Pattern of top ten Shareholders: (Other than Directors, Promoters and Holders of GDRs and ADRs):(Annexure B)

S. No.	Name of the Share holder	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of Total Shares of the Company	No. of Shares	% of Total Shares of the Company
9.	SUNDARAM ALTERNATIVE OPPORTUNITIES FUND - NANO CAP SERIES II				
	At the beginning of the year 01-Apr-2019	2,30,870	0.79	2,30,870	0.79
	Sale 31-May-2019	(18,000)	0.06	2,12,870	0.73
	Sale 06-Sep-2019	(2,281)	0.00	2,10,589	0.72
	Sale 13-Sep-2019	(12,000)	0.04	1,98,589	0.68
	At the end of the Year 31-Mar-2020	1,98,589	0.68	1,98,589	0.68
10.	MATTHEWS ASIA SMALL COMPANIES FUND				
	At the beginning of the year 01-Apr-2019	0	0.00	0	0.00
	Purchase 30-Aug-2019	20,512	0.07	20,512	0.07
	Purchase 06-Sep-2019	23,583	0.08	44,095	0.15
	Purchase 13-Sep-2019	73,014	0.25	1,17,109	0.40
	Purchase 18-Sep-2019	682	0.00	1,17,791	0.40
	Purchase 20-Sep-2019	416	0.00	1,18,207	0.40
	Purchase 27-Sep-2019	29,953	0.10	1,48,160	0.51
	Purchase 30-Sep-2019	17,634	0.06	1,65,794	0.57
	Purchase 04-Oct-2019	8,099	0.03	1,73,893	0.64
	Purchase 11-Oct-2019	16,098	0.06	1,89,991	0.65
	Purchase 18-Oct-2019	16,600	0.06	2,06,591	0.71
	Purchase 01-Nov-2019	15,593	0.05	2,22,184	0.76
	Purchase 08-Nov-2019	39,768	0.14	2,61,952	0.96
	Purchase 15-Nov-2019	44,153	0.15	3,06,105	1.05
	Purchase 22-Nov-2019	16,296	0.06	3,22,401	1.10
	Purchase 29-Nov-2019	20,685	0.07	3,43,086	1.17
	Purchase 06-Dec-2019	1,898	0.01	3,44,984	1.18
	Purchase 13-Dec-2019	10,503	0.04	3,55,487	1.22
	Purchase 31-Mar-2020	21,268	0.07	3,76,755	1.29
	At the end of the Year 31-Mar-2020	3,76,755	1.29	3,76,755	1.29



Annexure Forming part of the Board's Report

E) Shareholding of Directors and Key Managerial Personnel:

S. No.	Shareholder's Name	Shareholding at Beginning of Year (April 1, 2019)		Date	Increase/ (Decrease) in Share Holding	% of Increase/ (Decrease) in Share Holding		Reason	Cumulative Shareholding during the year (01/04/2019 to 31/03/2020)	
		No. of Shares	% of Total Shares of the Company			No. of Shares	% of Change		No. of Shares	% of Total Shares of the Company
1.	S. Sambhu Prasad	54,88,800	18.78	-	-	-	-	-	54,88,800	18.78
	Closing Balance of Mr. S Sambhu Prasad at the end of the year (as on March 31 2020)								54,88,800	18.78
2.	Dr. Pasumarthi S.N. Murthi	25,44,530	8.71	-	-	-	-	-	25,44,530	8.71
	Closing Balance of Mr. Pasumarthi SN Murthi at the end of the year (as on March 31 2020)								25,44,530	8.71
3.	G Raghavan	28,000	0.10	-	-	-	-	-	28,000	0.10
				13-11-2019	Decrease	3,000	0.01	Sale	25,000	0.09
				13-11-2019	Decrease	2,027	0.00	Sale	22,973	0.08
				27-11-2019	Decrease	844	0.00	Sale	22,129	0.07
Closing Balance of Mr. G Raghavan at the end of the year (as on March 31, 2020)									22,129	0.07
4.	V Swaminathan	500	0.00	-	-	-	-	-	500	0.00
	Closing Balance of Mr V. Swaminathan at the end of the year (as on March 31 2020)								500	0.00
TOTAL				-	-	-	-	-	80,55,959	27.56

Note: None of the other Directors and KMP's hold any share in the Company.

V) INDEBTEDNESS -

The company has not availed any loan during the year and is a debt free Company

Annexure Forming part of the Board's Report

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

(Rs. in lakhs)

Sl.No.	Particulars of Remuneration	Name of MD/WTD/ Manager	Total Amount
		S Sambhu Prasad, MD	
1.	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	109.65	109.65
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	2.94	2.94
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-
2.	Stock Option	-	-
3.	Sweat Equity	-	-
4.	Commission - as % of profit - others, specify...	15.00	15.00
5.	Others, please specify	-	-
	Total (A)	127.59	127.59
	Ceiling as per the Act	191.48	191.48

B. Remuneration to other directors

(Rs. in lakhs)

Sl. No.	Particulars of Remuneration	Name of Directors						Total Amount
		Dr. Pasumarthi S N Murthi	Dr. H B N Shetty	Dr. (Mrs) Marie Shiranee Pereira	Dr. S Vydeeswaran	G Raghavan	V Swaminathan	
1.	Independent Directors							
	Sitting Fee for attending board committee meetings	-	2.10	1.20	1.70	1.50	1.20	7.70
	Commission	-	4.70	3.20	3.70	7.00	7.00	25.60
	Others, please specify	-	-	-	-	-	-	-
	Total (1)	-	6.80	4.40	5.40	8.50	8.20	33.30
2.	Other Non-Executive Directors							
	Sitting Fee for attending board committee meetings	1.50	-	-	-	-	-	1.50
	Commission	2.70	-	-	-	-	-	2.70
	Others, please specify	-	-	-	-	-	-	-
	Total (2)	4.20	-	-	-	-	-	4.20
	Total (B)=(1+2)	4.20	6.80	4.40	5.40	8.50	8.20	37.50
	Total Managerial Remuneration (A + B)	-	-	-	-	-	-	165.09
	Overall Ceiling as per the Act	-	-	-	-	-	-	229.78



Annexure Forming part of the Board's Report

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD (Rs. in lakhs)

Sl.No.	Particulars of Remuneration	Key Managerial Personnel		
		CS	CFO	Total
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	23.11	32.36	55.47
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission - as % of profit, others, specify...	-	-	-
5	Others - Variable pay	1.72	2.25	3.97
	Total	24.83	34.61	59.44

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

During the year ended 31st March 2020, no penalties or punishment were levied on the Company / Directors / Officers in Default. However, an Inspection under section 209A of the Companies Act, 2013 was conducted by Ministry of Corporate Affairs and show cause notices were issued under Section 129 of the said Act. Necessary application for Compounding of offences was made and the said offences were compounded.

For and on behalf of the Board

S Sambhu Prasad
Chairman and Managing Director

Place : Chennai
Date : June 18, 2020

Annexure Forming part of the Board's Report

ANNEXURE - H

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE INFLOW AND OUTGO, ETC

Information as per Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(33) of the Companies (Accounts) Rules, 2014 for the financial year ended March 31, 2020.

(A) CONSERVATION OF ENERGY			
(i) The steps taken or impact on conservation of energy	The manufacturing process adopted by the company is not power intensive. During the year, we have taken initiatives to increase the through put – by reducing manpower through automation.		
(ii) The steps taken by the Company for utilising alternate sources of energy			
(iii) The capital investment on energy conservation equipment			
(B) TECHNOLOGY ABSORPTION			
(i) The efforts made towards technology absorption	The technology for the manufacture of topical analgesic gel format had been developed and transferred to the production. We have developed and improved the efficacy of the existing pain balms. Efforts are also being made to improve the other products and processes.		
(ii) The benefits derived like product improvement, cost reduction, product development or import substitution;	Under the OTC and F&B Divisions, a number of new products have been developed and launched by utilizing the in house R&D expertise/infrastructure.		
(iii) In case of imported technology (imported during the last three years reckoned from the beginning of the financial year)	—		
(a) The details of technology imported;			
(b) The year of import			
(c) Whether the technology been fully absorbed;			
(iv) The expenditure incurred on Research and Development	Expenditure	2019-20	2018-19
		(Rs.in Lakhs)	
	Capital	-	-
	Recurring	105.02	105.83
	Total	105.02	105.83
	% of R& D expense to Net Sales	0.41	0.42
(C) FOREIGN EXCHANGE EARNINGS AND OUTGO			
The Foreign Exchange earned in terms of actual inflows during the year and the Foreign Exchange outgo during the year in terms of actual outflows	Foreign Exchange	2019-20	2018-19
		(Rs.in Lakhs)	
	Earnings	444.84	465.85
	Outgo	200.16	164.02

For and on behalf of the Board

S Sambhu Prasad
Chairman and Managing Director

Place : Chennai
Date : June 18, 2020

Registered Office:
Amrutanjan Health Care Limited
CIN: L24231TN1936PLC000017
No.103, Luz Church Road, Mylapore, Chennai 600 004
Tel : 044-2499 4465 Fax : 044-2499 4585
Email : shares@amrutanjan.com
Website : www.amrutanjan.com



Financial Statements

Independent Auditors' Report

To the Members of Amrutanjan Health Care Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Amrutanjan Health Care Limited ("the Company"), which comprise the balance sheet as at 31 March 2020, and the statement of profit and loss (including other comprehensive income), statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as 'Financial Statements').

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("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 2020, and profit and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Description of Key Audit Matter

Revenue recognition – See note 3(J) and 24 to the financial statements

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 Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the 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 financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

The key audit matter	How the matter was addressed in our audit
<p>The Company's revenue is derived primarily from sale of goods. The principal products of the Company comprise pain management, congestion management, health care, beverages and hygiene that are mainly sold through stockists and modern trade.</p> <p>Revenue from sale of goods is recognized on transfer of control of the products to the customer. The Company uses a variety of shipment terms across its operating markets and this has an impact on the timing of revenue recognition. The performance obligations in the contracts may be fulfilled at the time of dispatch, delivery or upon formal customer acceptance depending on contract terms.</p> <p>There is a risk that revenue could be recognized at a time which is different from transfer of control especially for sales transactions occurring on and around the reporting period. In view of this and since revenue is a key performance indicator of the Company, we have identified timing of the revenue recognition as a 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 appropriate audit evidence:</p> <ol style="list-style-type: none"> 1. Assessed the appropriateness of the Company's accounting policy for revenue recognition as per relevant accounting standard. 2. Obtained an understanding of the Company's sales process and evaluated design and implementation of key internal controls in relation to the timing of revenue recognition. We also tested the operating effectiveness of such controls for a sample of transactions with special reference to controls over revenue recognized on and around the year end. 3. For a sample of sale transactions selected using statistical sampling, performed detailed testing and in particular examined whether these are recognised in the period in which control is transferred. This included examination of the terms and conditions of the customer orders including the shipping terms, transporter documents and customer acceptances. 4. Performed analytical procedures on current year revenue based on monthly trends and where appropriate, conducting further enquiries and tests to identify unusual transactions. 5. We also tested sample journal entries for revenue recognised during the year, selected based on specified risk-based criteria, to identify unusual transactions.



Independent Auditors' Report - (Contd.)

To the Members of Amrutanjan Health Care Limited

Other Information

The Company's 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 our auditors' report thereon. The annual report is expected to be made available to us after the date of this auditors' report.

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

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take necessary actions as required under applicable laws and regulations.

Management's Responsibility for the 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 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 accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, 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 management 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 Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the 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 in the financial statements made by the Management.
- Conclude on the appropriateness of the Management's and Board of Director's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Independent Auditors' Report - (Contd.)

To the Members of Amrutanjan Health Care Limited

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 financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' 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 (Auditors' Report) Order, 2016 ("the Order") issued by the Central Government 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. As required by Section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books
 - c) The balance sheet, the statement of profit and loss (including other comprehensive income), the statement of changes in equity and the statement of cash flows dealt with by this Report are in agreement with the books of account
 - d) In our opinion, the aforesaid financial statements comply with the 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 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2020 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".

3. With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations as at 31 March 2020 on its financial position in its financial statements - Refer Note 36 to the financial statements;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company;
 - iv. The disclosures in the financial statements regarding holdings as well as dealings in specified bank notes during the period from 8 November 2016 to 30 December 2016 have not been made in these financial statements since they do not pertain to the financial year ended 31 March 2020.

4. With respect to the matter to be included in the Auditors' Report under section 197(16):

In our opinion and according to the information and explanations given to us, the remuneration paid by the company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.

for B S R & Co. LLP
Chartered Accountants
Firm's Registration Number : 101248WW-100022

K Raghuram
Partner
Membership no: 211171
UDIN :20211171AAAABN4739

Place: Chennai
Date: 18 June 2020



Annexure A to the Independent Auditors' Report

To the Members of Amrutanjan Health Care Limited for the year ended 31 March 2020.

- i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment.
- (b) The Company has not carried out physical verification of the property, plant and equipment during the current year. The Company has a programme of physical verification of its property, plant and equipment by which all property, plant and equipment are verified once in three years. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.
- (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 are held in the name of the Company.
- ii) The inventory, except goods in transit and stocks lying with third parties, has been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable. For stocks lying with third parties as at the year end, written confirmations have been obtained by the management. The discrepancies noted on verification between the physical stocks and the book records were not material.
- (iii) In our opinion and according to the information and explanations given to us, there are no companies, firms, limited liability partnerships or other parties covered in the register required under section 189 of the Act. Accordingly, paragraph 3(iii) of the Order is not applicable.
- (iv) The Company does not have any loan, investment, guarantees and security which requires compliance under section 185 and 186 of the Act. Accordingly, paragraph 3(iv) of the Order is not applicable.
- (v) The Company has not accepted any deposits as mentioned in the directives issued by Reserve Bank of India and the provisions of section 73 to 76 or any other relevant provisions of the Act and the rules framed thereunder. Accordingly, paragraph 3(v) of the Order is not applicable.
- (vi) We have broadly reviewed the books of account maintained by the Company pursuant to the rules prescribed by the Central Government for the maintenance of cost records under section 148 (1) of the Act in respect of products manufactured and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained.
- (vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted in the books of account in respect of undisputed statutory dues including employees' state

insurance, income tax, duty of customs, goods and services tax, cess and other material statutory dues have generally been regularly deposited by the Company with the appropriate authorities except for certain delays in remittances of tax deducted at source for the month of March 2020 and provident fund. The delays in remittances of provident fund is on account of timely availability of Universal Account Number in respect of certain employees. As explained to us, the Company did not have any dues with respect to sales tax, duty of excise, service tax and value added tax.

- (b) According to the information and explanations given to us, no undisputed amounts payable in respect of employees' state insurance, income tax, duty of customs, goods and services tax, cess and other material statutory dues were in arrears as at 31 March 2020, for a period of more than six months from the date they became payable.
- (c) According to the information and explanations given to us, there are no dues of income tax, duty of customs, value added tax and goods and services tax which have not been deposited with the appropriate authorities on account of any dispute. However, the following dues of duty of excise service tax and sales tax have not been deposited by the Company on account of disputes:

Name of the Statute	Nature of the Dues	Amount (INR in lakhs)*	Period to which the amount relates (Financial Year)	Forum where dispute is pending
Income tax Act 1961*	Income tax	64.70	2016-17	Commissioner of Income Tax
Sales tax law**	Sales tax	298.25	2010 - 2011 to 2015 - 2016	Sales Tax Appellate Tribunal
Sales tax law**	Sales tax	41.97	2012 - 2013 to 2016 - 2017	Appellate Authority – Commissioner

* Net of deposit paid INR 16.17 lakhs,

** Net of deposit paid INR 102.33 lakhs

- (viii) The Company did not have outstanding dues to any financial institutions, bank, debenture holders and government during the year. Accordingly, paragraph 3(viii) of the Order is not applicable.
- (ix) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and terms loans during the year. Accordingly, paragraph 3(ix) of the Order is not applicable.
- (x) According to the information and explanations given to us, no material fraud by the Company or any material fraud on the Company by its officers or employees has been noticed or reported during the course of our audit.

Annexure A to the Independent Auditors' Report (Contd.)

- (xi) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has paid / provided for managerial remuneration in accordance with section 197 read with Schedule V to the Act.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, we were given to understand that there are no transactions that require approvals in accordance with section 177 and 188 of the Act. Related party transactions as required by the relevant accounting standards has been disclosed in the financial statements.
- (xiv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, paragraph 3(xiv) of the Order is not applicable.
- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into any non-cash transactions with directors or persons connected with them. Accordingly, paragraph 3(xv) of the Order is not applicable.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934. Accordingly, paragraph 3(xvi) of the Order is not applicable.

for B S R & Co. LLP
Chartered Accountants
 Firm's Registration Number : 101248WW-100022

K Raghuram
Partner
 Membership no: 211171
 UDIN :20211171AAAABN4739

Place: Chennai
 Date: 18 June 2020



Annexure B to the Independent Auditors' Report on the financial statements of Amrutanjan Health Care Limited for the year ended 31 March 2020

Report on the internal financial controls with reference to the aforesaid financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013

(Referred to in paragraph 2(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 Amrutanjan Health Care Limited ("the Company") as of 31 March 2020 in conjunction with our audit of the 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 2020, 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 Responsibility 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 Companies Act, 2013 (hereinafter referred to as "the Act").

Auditors' 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 whether 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 such internal financial controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to financial statements.

Meaning of Internal Financial controls with Reference to Financial Statements

A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements 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 financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial controls 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.

BALANCE SHEET AS AT 31 MARCH 2020*(All amounts are in Indian Rupees lakhs, unless stated otherwise)*

	Note	As at 31 March 2020	As at 31 March 2019
ASSETS			
Non-current assets			
Property, plant and equipment	4	2,399.21	2,527.59
Right-of-use assets	35	158.26	-
Intangible assets	5	52.87	42.31
Financial assets			
Investments	6A	1,820.64	1,581.24
Loans	7	47.03	56.15
Other financial assets	9	2,712.32	28.12
Tax assets		120.27	27.44
Deferred tax assets (net)	33	439.97	424.15
Other non-current assets	10	201.92	112.64
Total non-current assets		<u>7,952.49</u>	<u>4,799.64</u>
Current assets			
Inventories	11	2,371.59	1,457.68
Financial assets			
Investments	6B	-	170.52
Trade receivables	8	2,646.36	3,293.35
Cash and cash equivalents	12	722.06	1,458.55
Other bank balances	13	2,910.79	6,672.27
Other financial assets	9	3,301.11	320.18
Other current assets	14	630.12	589.15
Total current assets		<u>12,582.03</u>	<u>13,961.70</u>
Total assets		<u><u>20,534.52</u></u>	<u><u>18,761.34</u></u>
EQUITY AND LIABILITIES			
Equity			
Equity share capital	15	292.31	292.31
Other equity	16	15,650.25	14,281.32
Total equity		<u>15,942.56</u>	<u>14,573.63</u>
Liabilities			
Non-current liabilities			
Financial liabilities			
Lease liabilities	35	111.69	-
Other financial liabilities	22	20.60	27.60
Provisions	20	553.40	548.54
Total non-current liabilities		<u>685.69</u>	<u>576.14</u>
Current liabilities			
Financial liabilities			
Lease liabilities	35	57.63	-
Trade payables	21		
total outstanding dues of micro and small enterprises		88.28	84.17
total outstanding dues of creditors other than micro and small enterprises		3,045.97	2,903.22
Other financial liabilities	22	252.29	183.53
Other current liabilities	23	246.03	210.02
Provisions	20	216.07	230.63
Total current liabilities		<u>3,906.27</u>	<u>3,611.57</u>
Total liabilities		<u>4,591.96</u>	<u>4,187.71</u>
Total equity and liabilities		<u><u>20,534.52</u></u>	<u><u>18,761.34</u></u>
Significant accounting policies	3		

The notes referred to above are an integral part of these financial statements
As per our report of even date attached

for B S R & Co. LLP
Chartered Accountants
Firm's Registration Number : 101248W/W-100022

K Raghuram
Partner
Membership no: 211171

Place: Chennai
Date: 18 June 2020

for and on behalf of the Board of Directors of
Amrutanjan Health Care Limited
CIN : L24231TN1936PLC000017

S Sambhu Prasad
Chairman & Managing Director
DIN: 00015729

N Swaminathan
Chief Financial Officer

Dr. H.B.N Shetty
Director
DIN: 00015465

M Srinivasan
Company Secretary



STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2020

(All amounts are in Indian Rupees lakhs, unless stated otherwise)

	Note No.	Year ended 31 March 2020	Year ended 31 March 2019
Continuing operations			
Revenue from operations	24	26,147.67	25,322.73
Other income	25	832.13	713.09
Total income		<u>26,979.80</u>	<u>26,035.82</u>
Expenses			
Cost of materials consumed	26	8,805.65	9,052.32
Purchase of stock in trade		3,598.92	3,164.07
Changes in inventories of finished goods and stock in trade	27	(697.45)	(329.54)
Employee benefits expense	28	3,936.48	3,336.35
Finance costs	29	22.10	8.22
Depreciation and amortisation expense	30	435.94	315.97
Other expenses	31	7,432.77	6,971.70
Total expenses		<u>23,534.41</u>	<u>22,519.09</u>
Profit from continuing operations before income tax		3,445.39	3,516.73
Current tax		943.00	1,023.00
Deferred tax		(5.94)	(6.04)
Income tax expense	33	<u>937.06</u>	<u>1,016.96</u>
Profit from continuing operations		2,508.33	2,499.77
Discontinued operation			
Loss from discontinued operation	32	-	(48.34)
Tax benefit of discontinued operation		-	-
Loss from discontinued operation after income tax		-	<u>(48.34)</u>
Profit for the year		<u>2,508.33</u>	<u>2,451.43</u>
Other comprehensive income			
Items that will not be reclassified subsequently to profit or loss			
Remeasurement of defined benefit liability / (assets)		(39.25)	(79.79)
Income tax relating to items that will not be reclassified subsequently to profit or loss		(9.88)	(23.24)
Net other comprehensive income not to be reclassified subsequently to profit or loss		<u>(29.37)</u>	<u>(56.55)</u>
Other comprehensive income for the year, net of income tax		<u>(29.37)</u>	<u>(56.55)</u>
Total comprehensive income for the year		<u>2,478.96</u>	<u>2,394.88</u>
Earnings per share from continuing operations			
Basic and diluted earnings per share (INR)	18	8.58	8.55
Earnings per share from discontinued operation			
Basic and diluted earnings per share (INR)	18	-	(0.17)
Earnings per share from total operations			
Basic and diluted earnings per share (INR)	18	8.58	8.38
Significant accounting policies	3		

The notes referred to above are an integral part of these financial statements
As per our report of even date attached

for B S R & Co. LLP
Chartered Accountants
Firm's Registration Number : 101248W/W-100022

K Raghuram
Partner
Membership no: 211171

Place: Chennai
Date: 18 June 2020

for and on behalf of the Board of Directors of
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CIN : L24231TN1936PLC000017

S Sambhu Prasad
Chairman & Managing Director
DIN: 00015729

N Swaminathan
Chief Financial Officer

Dr. H.B.N Shetty
Director
DIN: 00015465

M Srinivasan
Company Secretary

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2020

(All amounts are in Indian Rupees lakhs, unless stated otherwise)

a. Equity share capital	Note	Amount
Balance as at 01 April 2018		292.31
Changes in equity share capital during the year	15	-
Balance as at 31 March 2019		292.31
Changes in equity share capital during the year	15	-
Balance as at 31 March 2020		292.31

b. Other equity	Attributable to the owners of the Company				Total
	Reserves and surplus			Items of OCI	
	Capital redemption reserve	General reserve	Retained earnings	Remeasurement of defined benefit liability and assets	
Balance as at 01 April 2018	27.69	5,109.43	7,436.48	-	12,573.60
Total comprehensive income for the year ended 31 March 2019					
Profit for the year	-	-	2,451.43	-	2,451.43
Remeasurement of defined benefit liability, net of tax	-	-	-	(56.55)	(56.55)
Total comprehensive income	-	-	2,451.43	(56.55)	2,394.88
Transferred to retained earnings	-	-	(56.55)	56.55	-
Transactions with owners, recorded directly in equity					
Distributions to owners					
Final dividend paid - 31 March 2018 (INR 0.85 per share)	-	-	248.46	-	248.46
Dividend distribution tax on final dividend	-	-	51.07	-	51.07
Interim dividend paid (INR 1.10 per share)	-	-	321.54	-	321.54
Dividend distribution tax on interim dividend	-	-	66.09	-	66.09
Total transactions with owners	-	-	687.16	-	687.16
Balance at 31 March 2019	27.69	5,109.43	9,144.20	-	14,281.32

	Attributable to the owners of the Company				Total
	Reserves and surplus			Items of OCI	
	Capital redemption reserve	General reserve	Retained earnings	Remeasurement of defined benefit liability and assets	
Balance as at 01 April 2019	27.69	5,109.43	9,144.20	-	14,281.32
Total comprehensive income for the year ended 31 March 2020					
Profit for the year	-	-	2,508.33	-	2,508.33
Remeasurement of defined benefit liability	-	-	-	(29.37)	(29.37)
Total comprehensive income	-	-	2,508.33	(29.37)	2,478.96
Transferred to retained earnings	-	-	(29.37)	29.37	-
Transactions with owners, recorded directly in equity					
Distributions to owners					
Final dividend paid - 31 March 2019 (INR 1.05 per share)	-	-	306.92	-	306.92
Dividend distribution tax on final dividend	-	-	63.09	-	63.09
Interim dividend paid (INR 0.55 per share)	-	-	160.77	-	160.77
Dividend distribution tax on interim dividend	-	-	33.05	-	33.05
Interim dividend paid (INR 1.55 per share)	-	-	453.07	-	453.07
Dividend distribution tax on interim dividend	-	-	93.13	-	93.13
Total transactions with owners	-	-	1,110.03	-	1,110.03
Balance at 31 March 2020	27.69	5,109.43	10,513.13	-	15,650.25

a) Refer note 16 for nature and purpose of reserves

The notes referred to above are an integral part of these financial statements

As per our report of even date attached

for B S R & Co. LLP
Chartered Accountants
Firm's Registration Number : 101248W/W-100022

K Raghuram
Partner
Membership no: 211171

Place: Chennai
Date: 18 June 2020

for and on behalf of the Board of Directors of
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DIN: 00015465

M Srinivasan
Company Secretary



STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2020

(All amounts are in Indian Rupees lakhs, unless stated otherwise)

	Year ended 31 March 2020	Year ended 31 March 2019
Cash flow from operating activities		
Profit before income tax from:		
- Continuing operations	3,445.39	3,516.73
- Discontinued operation	-	(48.34)
Adjustments for:		
Depreciation and amortisation	435.94	325.59
Property, plant and equipment written off	-	25.50
Loss on sale of property, plant and equipment	-	3.07
Loss allowance on trade receivables	241.00	46.00
Change in fair value of investments	(106.55)	(59.47)
Interest income on deposits with banks and financial institutions	(614.19)	(475.43)
Interest income on debt instruments	(43.04)	(65.12)
Excess provision written back, net	(14.99)	(67.88)
Advances written off	-	5.62
Finance costs	22.10	8.23
Unrealised loss / (gain) on foreign exchange differences	(3.55)	1.15
Operating profit before working capital / other changes	<u>3,362.11</u>	<u>3,215.65</u>
Working capital adjustments:		
Decrease / (increase) in trade receivables	409.54	(544.31)
(Increase) / decrease in current and non current assets	(148.75)	209.74
Decrease in other financial assets	1.91	373.13
(Increase) in inventories	(913.91)	(421.91)
(Decrease) / increase in financial liabilities	(7.00)	19.60
Increase/ (decrease) in provisions	31.02	(47.28)
Increase in trade payables	161.85	343.34
Increase/(decrease) in current liabilities	<u>36.01</u>	<u>(13.10)</u>
	(429.33)	(80.79)
Cash generated from operating activities	2,932.78	3,134.86
Less: Income tax paid (net)	(1,115.17)	(1,018.03)
Net cash generated from operating activities (a)	<u>1,817.61</u>	<u>2,116.83</u>
Cash flow from investing activities		
Purchase or construction of property, plant and equipment, intangible assets and capital creditors	(254.44)	(203.91)
Proceeds from sale of property, plant and equipment	-	7.00
Investment in bank deposits	(1,782.65)	(449.63)
Interest income on deposits with banks and financial institutions	588.52	382.19
Interest income on debt instruments	26.18	97.18
Purchase of investments	(388.04)	(933.99)
Redemption of investments	425.40	-
Net cash used in investing activities (b)	<u>(1,385.02)</u>	<u>(1,101.16)</u>
Cash flow from financing activities		
Dividend paid	(920.76)	(570.00)
Dividend distribution tax paid (DDT)	(189.27)	(117.16)
Interest paid	(2.60)	(8.23)
Payment of lease liabilities	(56.35)	-
Net cash used in financing activities (c)	<u>(1,168.98)</u>	<u>(695.39)</u>
Net (decrease) / increase in cash and cash equivalents (a) + (b) + (c)	<u>(736.39)</u>	<u>320.28</u>
Cash and cash equivalents at the beginning of the year	1,458.55	1,138.34
Effect of exchange rate fluctuations on cash held	(0.10)	(0.07)
Cash and cash equivalents at the end of the year	<u>722.06</u>	<u>1,458.55</u>

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2020

(All amounts are in Indian Rupees lakhs, unless stated otherwise)

	As at 31 March 2019	As at 31 March 2018
Notes to cash flow statement		
Components of cash and cash equivalents		
Cash on hand	4.42	4.43
Bank balances	117.64	357.58
Cheques on hand	-	1,096.54
Deposits with original maturity of less than 3 months	600.00	-
	722.06	1,458.55

Note:

	Lease payment and finance cost	Dividend (including DDT)
Reconciliation of liabilities from financing activities		
As at 01 April 2018	-	82.14
Availed/ expenses during the year	8.23	687.16
Repayment/ payment during the year	(8.23)	(637.47)
Non-cash changes	-	-
As at 31 March 2019	-	131.83
As at 01 April 2019	-	131.83
Availed/ expenses during the year	58.95	1,110.03
Repayment/ payment during the year	(58.95)	(1,038.77)
Non-cash changes	-	-
As at 31 March 2020	-	203.09
Significant accounting policies	3	

The notes referred to above are an integral part of these financial statements
As per our report of even date attached

for B S R & Co. LLP
Chartered Accountants
Firm's Registration Number : 101248W/W-100022

K Raghuram
Partner
Membership no: 211171

Place: Chennai
Date: 18 June 2020

for and on behalf of the Board of Directors of
Amrutanjan Health Care Limited
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Chairman & Managing Director
DIN: 00015729

N Swaminathan
Chief Financial Officer

Dr. H.B.N Shetty
Director
DIN: 00015465

M Srinivasan
Company Secretary



NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

1 Reporting entity

Amrutanjan Health Care Limited ("AHCL" / "the Company") was incorporated on 9 September 1936, with its registered office situated at Chennai, Tamil Nadu, India. The Company is engaged in the business of manufacture, supply, sale of products in pain management, congestion management and health care, beverages & hygiene and chemicals. The Company is a public limited company and is listed on the National Stock Exchange (NSE).

2 Basis of preparation

A. Statement of compliance

The Company's financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 notified under section 133 of Companies Act, 2013, (the 'Act') and other relevant provisions of the Act.

The financial statements were authorised for issue by the Company's Board of Directors on 18 June 2020.

Details of the Company's accounting policies are included in Note 3.

B. 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 Company operates ('the functional currency'). The financial statements are presented in Indian Rupee (INR), which is Company's functional and presentation currency.

All amounts disclosed in the financial statements and notes have been rounded off to the nearest Rupees in lakhs, unless otherwise stated.

C. Basis of measurement

The financial statements have been prepared on the historical cost basis except for the following items.

Items	Measurement basis
Certain financial assets and liabilities	Fair value
Net defined benefit (asset)/ liability	Fair value of plan assets less present value of defined benefit obligations

D. Use of estimates and judgments

In preparing the financial statements, management has made judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

"Impact of COVID-19 pandemic: The Company has considered the possible impact that may arise from COVID-19, a global pandemic, on the carrying amount of its assets including property, plant and equipment, inventory and receivables. In developing the assumptions relating to the impact of possible future uncertainties in global economic conditions because of this pandemic, the Company, as at the date of approval of these financial results has used internal and external sources of information including economic forecasts. The Company based on current estimates expects the carrying amount of the above assets will be recovered, net of provisions established. The Company has also assessed the impact of this whole situation on its capital and financial resources, profitability, liquidity position, internal financial controls etc., and is of the view that based on its present assessment, this situation does not materially impact these financial results. However, the impact assessment of COVID-19 is a continuing process, given the uncertainties associated with its nature and duration. The Company will continue to monitor any material changes to future economic conditions."

Judgements

Information about judgements made in applying accounting policies that have the most significant effects on the amounts recognised in the financial statements is included in the following notes:

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020 - (contd.)

- a) Note 3(M) and 36 – provision for income taxes and related contingent liabilities.

Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment in the year ending 31 March 2020 is included in the following notes:

- a) Note 3(D) – estimated useful life of property, plant and equipment and intangible assets;
- b) Note 20 – measurement of defined benefit assets and obligations: key actuarial assumptions;
- c) Note 36 – recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of an outflow of resources;
- d) Note 33 – recognition of deferred tax assets: availability of future taxable profit against which deferred tax assets will be recovered in future periods; and
- e) Note 34 – impairment of financial assets

E. Measurement of fair values

A number of 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 Chief Financial Officer has overall responsibility for overseeing all significant fair value measurements.

The Chief Financial Officer 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 Chief Financial Officer assesses the evidence obtained from the third parties to support the conclusion that these valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which the valuations should be classified.

Significant valuation issues are reported to the Company's audit committee.

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

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs)."

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

The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Further information about the assumptions made in measuring fair values is included in Note 34 – financial instruments

3 Significant accounting policies

A. Operating cycle

Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalent, the Company has considered the operating cycle as the life of the project for project related assets and liabilities and for rest of the assets and liabilities it has been considered as 12 months.

B. Foreign currency transactions

Transactions in foreign currencies are initially recorded by the Company at their functional currency spot rates at the date of the transaction.



NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020 - (contd.)

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Exchange differences that arise on settlement of monetary items or on reporting at each balance sheet date are recognised as income or expenses in the period in which they arise. Non-monetary items which are carried at historical cost denominated in a foreign currency are reported using the exchange rates at the date of transaction. Non-monetary assets and liabilities that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction.

C. Financial instruments

i) *Recognition and initial measurement*

Trade receivables are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument.

A financial asset or financial liability is initially measured at fair value plus, for an item not at fair value through profit and loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue.

ii) *Classification and subsequent measurement*

Financial assets:

On initial recognition, a financial asset is classified as measured at

- amortised cost;
- fair value through other comprehensive income (FVOCI)
- fair value through profit and loss (FVTPL)

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- a) the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- b) 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.

A debt investment is measured at fair value through other comprehensive income if it meets both the following conditions and is not designated as FVTPL:

- a) the asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- b) 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.

On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in OCI (designated as FVOCI – equity investment). This election is made on an investment by investment basis.

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets: Business model assessment

The Company makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed and the information is provided to management. The information considered includes:

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020 - (contd.)

- the stated policies and objectives for the portfolio and the operation of those policies in practice
- these include whether management strategy focuses on earning contractual interest, maintaining a particular interest rate profile, matching the duration of financial assets to the duration of any related liabilities or expected cash outflows or realising cash flows through the sale of assets;
- how the performance of the portfolio is evaluated and reported to the Company's management
- the risk that affect the performance of the business model (and the financial assets held with in the business model) and how those risks are managed;
- how managers of the business are compensated
- the frequency, volume and timing of sales of financial assets in prior period, the reasons for such sales and expectations about future sales activity.

Financial assets that are held for trading or are managed and whose performance is evaluated on fair value basis are measured at FVTPL.

Financial assets: Assessment whether contractual cash flows are solely payments of principal and interest.

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs, as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Company considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Company considers:

- contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual coupon rate, including variable interest rate features;
- prepayment and extension features; and
- terms that limit the Company's claim to cash flows from specified assets

A prepayment feature is consistent with the solely payments of principal and interest criterion if the prepayment amount substantially represents unpaid amounts of principal and interest on the principal amount outstanding, which may include reasonable additional compensation for early termination of the contract. Additionally, for a financial asset acquired at a significant discount or premium to its contractual par amount, a feature that pertains or requires prepayment at an amount that substantially represents the contractual par amount plus accrued (but unpaid) contractual interest (which may also include reasonable additional compensation for early termination) is treated as consistent with this criterion if the fair value of the prepayment feature is insignificant at initial recognition.

Financial assets: Subsequent measurement and gains and losses

Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in statement of profit and loss.
Financial assets at amortised cost	These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by the impairment losses, interest income, foreign exchange gains and losses and impairment are recognised in statement of profit and loss. Any gain or loss on derecognition is recognised in statement of profit and loss.
Equity investments at FVOCI	These assets are subsequently measured at fair value. Dividends are recognised as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are not reclassified to statement of profit and loss.



NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020 - (contd.)

Financial liabilities: Classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held for trading, or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in statement of profit and loss. Any gain or loss on derecognition is also recognised in statement of profit and loss.

iii) Derecognition

Financial assets:

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the Company enters into transactions whereby it transfers assets recognised on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised.

Financial liabilities:

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire.

The Company also derecognises a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognised in profit or loss.

iv) Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

D. Property, plant and equipment

i) Recognition and initial measurement

Items of property, plant and equipment are measured at cost, (which includes capitalised borrowing costs, if any) less accumulated depreciation and accumulated impairment losses, if any.

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 directly attributable cost of bringing the item to its working condition for its intended use.

The cost of a self-constructed item of property, plant and equipment comprises the cost of materials and direct labour, any other costs directly attributable to bringing the item to working condition for its intended use.

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

Any gain or loss on disposal of an item of property, plant and equipment is recognised in 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

Depreciation is calculated on cost of items of property, plant and equipment less their estimated residual values over their estimated useful lives using the straight-line method, and is recognised in the statement of profit and loss. Freehold land is not depreciated. The estimated useful lives of items of property, plant and equipment for the current and comparative periods are as follows:

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020 - (contd.)

Asset category	Management estimate of useful life	Useful life as per Schedule II
Buildings	30	30
Plant and equipment*	15	15
Electrical installations	10	10
Computers / Servers	3/6	3/6
Furniture and fittings**	5/10	5/10
Motor vehicles	8/10	8/10

*includes moulds, depreciated based on the number of units produced

** includes office equipment

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

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

E. Intangible assets

i) Intangible assets

Intangible assets including those acquired by the Company in a business combination are initially measured at cost. Such intangible assets are subsequently measured at cost less accumulated amortisation and any accumulated impairment losses.

ii) Subsequent expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on internally generated goodwill and brands, is recognised in statement of profit and loss as incurred.

iii) Amortisation

Amortisation is calculated to write off the cost of intangible assets less their estimated residual values over their estimated useful lives using the straight-line method, and is included in depreciation and amortisation in Statement of Profit and Loss.

The estimated useful lives (in years) are as follows:

Asset category	Management estimate of useful life
Software	3 - 10

Amortisation method, useful lives and residual values are reviewed at the end of each financial year and adjusted if appropriate.

F. Inventories

Inventories are measured at the lower of cost and net realisable value. The cost of inventories is based on the weighted average cost basis and includes expenditure incurred in acquiring the inventories, production or conversion costs and other costs incurred in bringing them to their present location and condition. Costs incurred in bringing each product to its present location and condition are accounted for as follows:

Raw materials and packing materials: cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average cost basis.

Finished goods: cost includes cost of direct materials and labour and a proportion of manufacturing overheads based on the actual operating capacity for variable overheads and normal overheads for fixed overheads. Cost is determined on weighted average cost basis.



NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020 - (contd.)

Traded goods: cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average basis.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses. The net realisable value of work-in-progress is determined with reference to the selling prices of related finished products. Raw materials, components and other supplies held for use in the production of finished products are not written down below cost except in cases where the material prices have declined and it is estimated that the cost of the finished products will exceed their net realisable value. The comparison of cost and net realisable value is made on an item-by-item basis.

G. Impairment

i) *Impairment of financial assets*

The Company recognises loss allowances for expected credit losses on financial assets measured at amortised cost.

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

Evidence that a financial asset is credit impaired includes the following observable data:

- significant financial difficulty of the borrower or issuer;
- a breach of contract such as a default or past dues;
- the restructuring of a loan or advance by the Company on terms that the Company would not consider otherwise;
- it is probable that the borrower will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for a security because of financial difficulties.

Loss allowances for trade receivables are always measured at an amount equal to lifetime expected credit losses.

Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument.

12-month expected credit losses are the portion of expected credit losses that result from default events that are possible within 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months).

In all cases, the maximum period considered when estimating expected credit losses is the maximum contractual period over which the Company is exposed to credit risk.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit losses, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment and including forward looking information.

The Company assumes that the credit risk on a financial asset has increased significantly if it is more than past due.

The Company considers a financial asset to be in default when:

- the borrower is unlikely to pay its credit obligations to the Company in full, without recourse by the Company to actions such as realising security (if any is held); or
- the financial asset is more than past due.

Measurement of expected credit losses

Expected credit losses are a probability weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the Company in accordance with the contract and the cash flows that the Company expects to receive).

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020 - (contd.)

Presentation of allowance for expected credit losses in the balance sheet

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

Write-off

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Company determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Company's procedures for recovery of amounts due.

ii) *Impairment of non-financial assets*

The Company's non-financial assets, other than inventories and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For impairment testing, assets that do not generate independent cash inflows are grouped together into cash-generating units (CGUs). Each CGU represents the smallest group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs.

The recoverable amount of a CGU (or an individual asset) is the higher of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the CGU (or the asset).

The Company's corporate assets (e.g., head office building for providing support to various CGUs) do not generate independent cash inflows. To determine impairment of a corporate asset, recoverable amount is determined for the CGUs to which the corporate asset belongs.

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognised in the statement of profit and loss. Impairment loss recognised in respect of a CGU is allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets of the CGU (or group of CGUs) on a pro rata basis.

An impairment loss in respect of assets for which has been recognised in prior periods, the Company reviews at each reporting date whether there is any indication that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

H. Employee benefits

i) *Short-term employee benefits*

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

ii) *Defined contribution plans*

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



NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020 - (contd.)

iii) *Defined benefit plans*

A defined benefits plan is a post-employment benefit plan other than a defined contribution plan. The Company's net obligation in respect of defined benefit plans is calculated separately for each plan 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 obligation 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 ('the asset ceiling'). In order to calculate the present value of economic benefits, consideration is given to any minimum funding requirements.

Remeasurement of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised in OCI. The Company determines the net interest expense / (income) on the net defined benefit liability / (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability / (asset), taking into account any changes in the net defined benefit liability / (asset) during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in statement of profit and loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service ('past service cost' or 'past service gain') or the gain or loss on curtailment is recognised immediately in statement of profit and loss. The Company recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

iv) *Other long term employee benefits*

The Company's net obligation in respect of long term employee benefits other than post-employment benefits is the amount of future benefit that employees have earned in return for their service in the current and prior periods; the benefit is discounted to determine its present value, and the fair value of any related asset is deducted. The obligation is measured on the basis of an independent actuarial valuation using projected unit cost method. Remeasurements gain or losses are recognised in statement of profit and loss in the period which they arise.

I. Provisions (other than for employee benefits)

A provision is recognised if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to settle the present obligation at the balance sheet date) at a pre-tax rate that reflects current market assessment of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost. Expected future operating losses are not provided for.

J. Revenue

i) *Sale of goods and services*

Revenue from sale of goods is recognized when control of the products being sold is transferred to our customer and when there are no longer any unfulfilled obligations.

The performance obligations in our contracts are fulfilled at the time of dispatch, delivery or upon formal customer acceptance depending on customer terms.

Revenue is measured at fair value of the consideration received or receivable after deduction of any trade discounts, volume rebates and any taxes or duties collected on behalf of the government which are levied on sale such as goods and services tax, etc. Accumulated experience is used to estimate provision for discounts and rebates.

Revenue is recognized to the extent that it is probable a significant reversal will not occur.

Revenue from services is recognised in the accounting period in which the services are rendered.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020 - (contd.)

ii) *Export incentives*

Export entitlements are recognized when the right to receive credit as per the terms of the scheme is established in respect of the exports made and when there is no significant uncertainty regarding the ultimate collection of the relevant export proceeds.

K. Leases

Ministry of Corporate Affairs ("MCA") through Companies (Indian Accounting Standards) Amendment Rules, 2019 and Companies (Indian Accounting Standards) Second Amendment Rules, has notified Ind AS 116 Leases which replaces the existing lease standard, Ind AS 17 leases, and other interpretations. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases for both lessees and lessors. It introduces a single, on-balance sheet lease accounting model for lessees.

Effective April 1, 2019, the Company adopted Ind AS 116 "Leases" and applied the standard to all lease contracts existing on April 1, 2019 using the modified retrospective method and has taken the cumulative adjustment to retained earnings, on the date of initial application. Consequently, the Company recorded the lease liability at the present value of the lease payments discounted at the incremental borrowing rate and the right of use asset at an amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments relating to that lease recognized in the balance sheet immediately before the date of initial application. Comparatives as at and for the year ended March 31, 2019 have not been retrospectively adjusted and therefore will continue to be reported under the accounting policies included as part of our Annual Report for year ended March 31, 2019. There have been no adjustments made to the opening retained earnings as on 1 April 2019.

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: (1) the contract involves the use of an identified asset (2) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (3) 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 cashflows 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 the leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment of whether it will exercise an extension or a termination option.

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

L. Recognition of interest income or expense

Interest income or expense is recognised using the effective interest method.



NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020 - (contd.)

The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to:

- the gross carrying amount of the financial asset; or
- the amortised cost of the financial liability.

In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired) or to the amortised cost of the liability.

However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

M. Income tax

Income tax comprises current and deferred tax. It is recognised in statement of profit and loss except to the extent that it relates to a business combination or to an item recognised directly in equity or in other comprehensive income.

i) Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or 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 corresponding amounts used for taxation purposes.

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which they can be used. Deferred tax assets – unrecognised or recognised, are reviewed at each reporting date and are recognised/ reduced to the extent that it is probable/ no longer probable respectively that the related tax benefit will be realised.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date.

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 if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

N. Discontinued operation

A discontinued operation is a component of the Company's business, the operations and the cash flows of which can be clearly distinguished from those of the rest of the Company and which represents a separate major line of business or geographical area of operations and is part of a single coordinated plan to dispose a separate major line of business or geographic area of operations.

Classification as discontinued operation occurs upon disposal or when the operation meets the criteria to be classified as held for sale, if earlier.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020 - (contd.)

When an operation is classified as a discontinued operation, the comparative statement of profit and loss is re-presented as if the operation had been discontinued from the start of the comparative period.

O. 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 is responsible for allocating resources and assessing performance of the operating segments of the Company. For the disclosure on reportable segments see Note 38.

P. Cash and cash equivalents

Cash and Cash equivalents for the purpose of Cash Flow Statement comprise cash and cheques in hand, bank balances, demand deposits with banks where the original maturity is three months or less and other short term highly liquid investments.

Q. Earnings per share

i) *Basic earnings per share*

Basic earnings per share is calculated by dividing:

- a. the profit attributable to owners of the Company
- b. 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 earning per share adjusts the figures used in the determination of basic earnings per share to take into account:

- a. the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- b. the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.



NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020 - (contd.)

(All amounts are in Indian Rupees lakhs, unless stated otherwise)

4 Property, plant and equipment
(See accounting policy in Note 3(D))
Reconciliation of carrying amount

Particulars	Land	Buildings	Plant and equipment	Electrical installations	Computers and accessories	Furniture and fittings	Motor Vehicles	Leasehold improvements	Total
Cost or deemed cost (gross carrying amount)									
Balance at 1 April 2018	231.76	1,442.34	1,421.94	-	48.40	67.81	98.93	1.96	3,313.14
Additions	-	42.88	57.38	-	31.45	14.16	0.39	-	146.26
Disposals	-	-	(14.27)	-	-	-	-	-	(14.27)
Reclassification / Adjustment	(0.09)	1.90	(98.12)	69.97	5.95	(6.89)	0.35	-	(26.93)
Balance at 31 March 2019	231.67	1,487.12	1,366.93	69.97	85.80	75.08	99.67	1.96	3,418.20
Balance at 1 April 2019	231.67	1,487.12	1,366.93	69.97	85.80	75.08	99.67	1.96	3,418.20
Additions	-	47.37	156.25	-	32.33	5.83	1.00	-	242.78
Disposals	-	-	-	-	-	-	-	-	-
Balance at 31 March 2020	231.67	1,534.49	1,523.18	69.97	118.13	80.91	100.67	1.96	3,660.98
Accumulated depreciation									
Balance at 1 April 2018	-	152.72	354.27	-	25.11	28.29	19.19	0.28	579.86
Depreciation for the year	-	71.41	195.53	5.23	18.38	10.09	14.06	1.68	316.38
Disposals	-	-	(4.20)	-	-	-	-	-	(4.20)
Adjustments	-	(3.68)	(34.86)	34.07	1.25	(0.06)	1.85	-	(1.43)
Balance at 31 March 2019	-	220.45	510.74	39.30	44.74	38.32	35.10	1.96	890.61
Balance at 1 April 2019	-	220.45	510.74	39.30	44.74	38.32	35.10	1.96	890.61
Depreciation for the year	-	75.41	239.19	5.37	27.26	10.01	13.92	-	371.16
Disposals	-	-	-	-	-	-	-	-	-
Balance at 31 March 2020	-	295.86	749.93	44.67	72.00	48.33	49.02	1.96	1,261.77
Carrying amount (net)									
As at 31 March 2019	231.67	1,266.67	856.19	30.67	41.06	36.76	64.57	-	2,527.59
As at 31 March 2020	231.67	1,238.63	773.25	25.30	46.13	32.58	51.65	-	2,399.21

Impact of COVID-19: On account of COVID-19, the Company has considered all the relevant market conditions which might impact the recoverable amount of the Property, plant and equipment. This analysis has not highlighted the need to record any losses on account of impairment. The Company has also revisited the method of depreciation being followed and has concluded it to be appropriate. Further, the Company does not expect any material changes in the useful life of these assets on account of the global pandemic.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020 - (contd.)

(All amounts are in Indian Rupees lakhs, unless stated otherwise)

5	Intangible assets	
	(See accounting policy in Note 3(E))	
	Reconciliation of carrying amount	
	Particulars	<u>Software</u>
	Cost or deemed cost (gross carrying amount)	
	Balance as at 01 April 2018	26.68
	Additions	30.75
	Disposals	-
	Balance as at 31 March 2019	<u>57.43</u>
	Balance as at 01 April 2019	57.43
	Additions	27.00
	Disposals	-
	Balance as at 31 March 2020	<u>84.43</u>
	Accumulated amortisation	
	Balance as at 1 April 2018	5.91
	Amortisation for the year	9.21
	Balance as at 31 March 2019	<u>15.12</u>
	Balance as at 1 April 2019	15.12
	Amortisation for the year	16.44
	Balance as at 31 March 2020	<u>31.56</u>
	Carrying amount (net)	
	As at 31 March 2019	<u>42.31</u>
	As at 31 March 2020	<u>52.87</u>



NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020 - (contd.)

(All amounts are in Indian Rupees lakhs, unless stated otherwise)

	As at 31 March 2020	As at 31 March 2019
6 Investments		
(See accounting policy in Note 3(C))		
A. Non-current investments		
Quoted debt securities		
Debt securities at FVTPL		
50,000 (31 March 2019: 50,000) (8.23%) Tax Free Bonds of Indian Railway Finance Corporation Limited of INR 1,000 each	644.50	600.00
10,000 (31 March 2019: 10,000) (8.7%) Non Convertible debentures of TATA Capital Financial Services Limited INR 1,000 each	100.00	100.00
10,000 (31 March 2019: Nil) Tata Capital Financial Services Limited - NCD 26AG22 FVRS1000	100.00	-
10,000 (31 March 2019: Nil) (8.25%) Debentures of L & T Finance Limited of INR 1,000 each	100.00	-
18,485 (31 March 2019: Nil) (8.7%) Debentures of L & T Finance Limited of INR 1,000 each	188.04	-
10,000 (31 March 2019: 10,000) (9%) Non Convertible debentures of Mahindra & Mahindra Financial Services Ltd INR 1,000 each	103.10	100.00
1,006 (31 March 2019: 1,006) Non Convertible debentures in NTPC Ltd of INR 10 each fully paid	0.13	0.13
Quoted equity shares		
Equity shares at FVTPL		
1,006 (31 March 2019: 1,006) equity shares in NTPC Ltd of INR 10 each fully paid	1.02	1.63
190 (31 March 2019: 190) equity shares in Punjab National Bank of INR 2 each fully paid	0.06	0.18
20 (31 March 2019: 20) equity shares in Dewan Housing Finance Ltd of INR 10 each fully paid	0.00	0.03
Investment in Mutual Funds at FVTPL		
520,000 Units (31 March 2019: 520,000) Aditya Birla Fixed Term Plan Series QU (1100 days) Regular -Growth	60.23	55.26
760,000 Units (31 March 2019: 760,000) SBI Debt Fund Series C -24 (1100 Days) Regular - Growth	87.98	80.79
1,000,000 Units (31 March 2019: 1,000,000) Kotak FMP Series 247 - 1308 days Regular - Growth	117.17	106.90
1,200,000 Units (31 March 2019: 1,200,000) SBI Debt Fund Series C -26 (1125 Days) - Regular - Growth	138.96	127.41
Nil Units (31 March 2019: 1,200,000) Reliance Fixed Horizon Fund - XXXIX - Series 6 - Growth Plan	-	128.52
550,000 Units (31 March 2019: 550,000) HDFC FMP - 1113D - Regular Growth - Series 42	62.95	58.14
Nil Units (31 March 2019: 100,000) Reliance Fixed Horizon Fund - XXXVIII - Series 05 - Growth Plan	-	10.65
1,010,000 Units (31 March 2019: 1,010,000) HDFC FMP - 1265D - Regular Growth - Series 43	116.49	106.66
Nil Units (31 March 2019: 1,000,000) Reliance Fixed Horizon Fund - XXXX - Series 1 - Growth Plan	-	104.94
	<u>1,820.64</u>	<u>1,581.24</u>
Aggregate book value of quoted investments	1,820.64	1,581.24
Aggregate market value of quoted investments	1,820.64	1,581.24
Investments are valued at fair value through profit and loss		
B. Current investments		
Quoted debt securities		
Corporate debt securities at FVTPL		
Nil (31 March 2019: 16,800) (10.24%) Debentures of L & T Finance Limited of INR 1,000 each	-	170.52
	<u>-</u>	<u>170.52</u>
Aggregate book value of quoted investments	-	170.52
Aggregate market value of quoted investments	-	170.52
C. Terms of debt securities		
Corporate debt securities at FVTPL have stated interest rates of 8.23% to 9% (2018-19: 8.23% to 10.24%) and mature in two to four years.		

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020 - (contd.)

(All amounts are in Indian Rupees lakhs, unless stated otherwise)

	As at 31 March 2020	As at 31 March 2019
7 Loans		
Security deposits		
Loan receivables considered good - secured	-	-
Loan receivables considered good - unsecured	47.03	56.15
	<u>47.03</u>	<u>56.15</u>
8 Trade receivables		
(See accounting policy in Note 3(C) and Note 3(G))		
Trade receivables		
Trade receivables considered good - unsecured	2,646.36	3,293.35
Trade receivables - credit impaired	1,400.55	1,159.55
	<u>4,046.91</u>	<u>4,452.90</u>
Loss allowance	(1,400.55)	(1,159.55)
Net trade receivables	<u>2,646.36</u>	<u>3,293.35</u>
The Company's exposure to credit and currency risks, and loss allowances relating to trade receivables are disclosed in Note 34.		
9 Other financial assets		
Deposits		
with banks having remaining maturity of more than 12 months	2,593.00	-
with financial institutions having remaining maturity of more than 3 months but less than 12 months	2,931.19	-
with financial institutions having remaining maturity of more than 12 months	99.00	-
Balance with bank held as margin money deposits	20.32	28.12
Interest accrued on deposits with banks and financial institutions	253.34	227.67
Interest accrued on debt instruments	71.27	54.41
Exports benefits receivable (duty drawback)	1.00	2.86
Employee advances	44.31	35.24
	<u>6,013.43</u>	<u>348.30</u>
Non-current	2,712.32	28.12
Current	3,301.11	320.18
	<u>6,013.43</u>	<u>348.30</u>

**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020 - (contd.)***(All amounts are in Indian Rupees lakhs, unless stated otherwise)*

	As at 31 March 2020	As at 31 March 2019
10 Other non-current assets		
<i>Unsecured and considered good</i>		
Capital advances	-	18.50
Balance with government authorities	216.28	207.37
Less: Provision towards disputed liabilities	(97.77)	(113.23)
Deposit paid under protest	-	50.00
Less: Provision towards disputed liabilities	-	(50.00)
Other receivables	55.36	-
Exports benefits receivable (MEIS)	28.05	-
	<u>201.92</u>	<u>112.64</u>
11 Inventories		
(See accounting policy in Note 3(F))		
Raw materials	503.72	333.32
Packing materials	345.04	298.98
Finished goods	1,218.74	568.28
Stock in trade	304.09	257.10
	<u>2,371.59</u>	<u>1,457.68</u>
Goods in transit (included above):		
Raw materials	35.23	24.82
Stock in trade	-	11.29
Packing materials	26.70	68.98
12 Cash and cash equivalents		
Cash on hand	4.42	4.43
Bank balances		
(i) in current accounts	117.64	357.58
(ii) in deposit accounts (with original maturity of less than 3 months)	600.00	-
Cheques on hand	-	1,096.54
	<u>722.06</u>	<u>1,458.55</u>
13 Other bank balances		
Deposits		
with banks (due to mature within 12 months from the reporting date)	1,993.70	4,090.69
with financial institutions (with original maturity of more than 3 months but less than 12 months)	-	1,789.00
Balance with bank held as margin money deposits	714.00	660.75
Unclaimed dividend	203.09	131.83
	<u>2,910.79</u>	<u>6,672.27</u>
14 Other current assets		
<i>Unsecured and considered good</i>		
Prepaid expenses	30.96	18.59
Exports benefits receivable (MEIS)	-	22.37
Balance with government authorities	431.99	250.20
Other advances	167.17	297.99
	<u>630.12</u>	<u>589.15</u>

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020 - (contd.)

(All amounts are in Indian Rupees lakhs, unless stated otherwise)

	As at 31 March 2020	As at 31 March 2019
15 Share Capital		
Equity share capital		
Authorised		
50,000,000 equity shares of INR 1/- each (31 March 2019: 50,000,000 equity shares of INR 1/- each)	500.00	500.00
Issued, subscribed and paid up		
29,230,630 equity shares of INR 1/- each (31 March 2019: 29,230,630 equity shares of INR 1/- each), fully paid up	292.31	292.31

a) Reconciliation of shares outstanding at the beginning and at the end of the year

	As at 31 March 2020		As at 31 March 2019	
	Number of shares (in lakhs)	Amount	Number of shares (in lakhs)	Amount
Equity shares				
At the commencement and at the end of the year	292.31	292.31	292.31	292.31

b) Rights, preferences and restrictions attached to equity shares

The Company has only one class of shares referred to as equity shares having a par value of INR 1/-. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders. The voting rights cannot be exercised in respect of shares on which any call or other sums presently payable has not been paid. Failure to pay any amount called up on shares may lead to their forfeiture.

On winding up of the company, the holders of equity shares will be entitled to receive the residual assets of the Company, remaining after distribution of all preferential amounts, in proportion to the equity shares held.

c) Particulars of shareholders holding more than 5% of total No. of equity shares

	As at 31 March 2020		As at 31 March 2019	
	Number of shares (in lakhs)	% of Equity Shares	Number of shares (in lakhs)	% of Equity Shares
Equity shares of INR 1/- (31 March 2019: INR 1/-) each fully paid, held by				
Sambhu Prasad S	54.89	18.78%	54.81	18.75%
Leela Bhramara	29.91	10.23%	29.91	10.23%
Ramayamma S	22.55	7.71%	22.55	7.71%
Pasumarthi Sathya Narayana Murthi	25.45	8.70%	25.45	8.70%

d) Aggregate number of shares issued for consideration other than cash during the period of five years immediately preceding the reporting date:

As at 31 March 2019	As at 31 March 2018	As at 31 March 2017	As at 31 March 2016	As at 31 March 2015
-	-	-	-	-

16 A. Other equity

a) Capital redemption reserve

The Company has recognised Capital redemption reserve on buyback of equity shares from its retained earnings. The amount in this reserve is equal to nominal amount of the equity shares bought back.

b) General reserve

The Company has transferred a portion of the net profit of the Company before declaring dividend to General reserve pursuant to the earlier provisions of Companies Act, 1956.

c) Retained earnings

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



NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020 - (contd.)

(All amounts are in Indian Rupees lakhs, unless stated otherwise)

B. Analysis of accumulated OCI, net of tax
Disaggregation of changes in item of OCI

	Year ended 31 March 2020	Year ended 31 March 2019
Remeasurement of defined benefit liability (Attributable to the owners of the Company)		
Opening balance	-	-
Remeasurement of defined benefit liability	(29.37)	(56.55)
Transfer to retained earnings	29.37	56.55
Closing balance	-	-

Remeasurement of defined benefit liability / (asset) comprises actuarial gains and losses and return on plan assets (excluding interest income).

17 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. It sets the amount of capital required on the basis of annual business and long-term operating plans which include capital and other strategic investments. The funding requirements are met through equity and cash generated through operations. The Company monitors capital using a ratio of 'adjusted net debt' to 'total equity'. For this purpose, adjusted net debt is defined as total liabilities, comprising provisions, financial liabilities, other current liabilities less cash and cash equivalents. Total equity comprises all components of equity.

The Company's adjusted net debt to equity ratio is as follows:

	As at 31 March 2020	As at 31 March 2019
Total liabilities	4,591.96	4,187.71
Less : Cash and cash equivalents	(722.06)	(1,458.55)
Adjusted net debt	3,869.90	2,729.16
Total equity	15,942.56	14,573.63
Adjusted net debt to total equity ratio	0.24	0.19

18 Earnings per share

(See accounting policies in note 3(Q))

Basic and diluted earnings per share

The calculation of basic earnings per share is based on profit attributable to ordinary shareholders and weighted-average number of ordinary shares outstanding are as follows:

	Year ended 31 March 2020	Year ended 31 March 2019
Weighted average number of equity shares (in lakhs) (A)	292.31	292.31
Continuing operations		
Net profit attributable to the equity shareholders of the Company (B)	2,508.33	2,499.77
Basic and diluted earnings per share (EPS) (B / A)	8.58	8.55
Discontinued operation		
Net profit attributable to the equity shareholders of the Company (C)	-	(48.34)
Basic and diluted earnings per share (EPS) (C / A)	-	(0.17)
Continuing operations and discontinued operation		
Net profit attributable to the equity shareholders of the Company (D)	2,508.33	2,451.43
Basic and diluted earnings per share (EPS) (D / A)	8.58	8.38

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020 - (contd.)

(All amounts are in Indian Rupees lakhs, unless stated otherwise)

19 Assets and liabilities relating to employee benefits

(See accounting policies in note 3(H))

	As at 31 March 2020	As at 31 March 2019
Net defined benefit liability - Gratuity plan (a)	426.37	329.91
Liability for compensated absences (b)	208.23	172.04
Total employee benefit liabilities (a) + (b)	<u>634.60</u>	<u>501.95</u>
Non-current	553.40	468.88
Current	81.20	33.07
	<u>634.60</u>	<u>501.95</u>

For details about the related employee benefit expenses, see Note 28.

The Company operates the following post-employment defined benefit plans.

The Company has a defined benefit gratuity plan in India, governed by the Payment of Gratuity Act, 1972. The plan entitles an employee, who has rendered at least five years of continuous service, to gratuity at the rate of fifteen days wages for every completed year of service or part thereof in excess of six months, based on the rate of wages last drawn by the employee concerned.

These defined benefit plans expose the Company to actuarial risks, such as longevity risk, interest rate risk and market (investment) risk.

A. Funding

The plan is fully funded by the Company. The funding requirements are based on the gratuity fund's actuarial measurement framework set out in the funding policies of the plan. The funding of plan is based on a separate actuarial valuation for funding purposes for which the assumptions may differ from the assumptions set out in (E). Employees do not contribute to the plan. The Company expects to pay INR 90.28 lakhs to defined benefit plan in 2020-21.

B. Reconciliation of the net defined benefit (asset) / liability

The following table shows a reconciliation from the opening balances to the closing balances for the net defined benefit (asset) / liability and its components.

	Year ended 31 March 2020	Year ended 31 March 2019
Reconciliation of present value of defined benefit obligation		
Balance at the beginning of the year	400.24	300.79
Benefits paid	(21.81)	(30.75)
Service cost	35.68	31.32
Interest cost	28.15	21.97
Actuarial losses recognised in other comprehensive income	36.62	76.91
Balance at the end of the year	<u>478.88</u>	<u>400.24</u>
Reconciliation of the present value of plan assets		
Balance at the beginning of the year	70.33	38.87
Contributions paid into the plan	2.24	60.95
Benefits paid	(21.81)	(30.75)
Interest income	4.38	4.14
Remeasurement on plan assets recognised in other comprehensive income	(2.63)	(2.88)
Balance at the end of the year	<u>52.51</u>	<u>70.33</u>
Net defined benefit liability	<u>426.37</u>	<u>329.91</u>
C. i. Expense recognised in statement of profit and loss		
Service cost	35.68	31.32
Interest cost	28.15	21.97
Interest income	(4.38)	(4.14)
	<u>59.45</u>	<u>49.15</u>
ii. Remeasurement recognised in other comprehensive income		
Actuarial losses on defined benefit obligation	36.62	76.91
Return on plan assets excluding interest income	2.63	2.88
	<u>39.25</u>	<u>79.79</u>



NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020 - (contd.)

(All amounts are in Indian Rupees lakhs, unless stated otherwise)

D. Plan assets

Plan assets comprise of funds with Life Insurance Corporation and PNB MetLife India Insurance maintained on behalf of the Company.

E. Defined benefit obligations

i. Actuarial assumptions

Principal actuarial assumptions at the reporting date (expressed as weighted averages):

	31 March 2020	31 March 2019
Discount rate	6.37%	7.23%
Future salary growth	5.00%	5.00%
Attrition rate	10.00%	10.00%

As at 31 March 2020, the decrement adjusted remaining useful life of the defined benefit obligation was 7.09 years (31 March 2019: 7.14 years).

ii. Sensitivity analysis

	Year ended 31 March 2020		Year ended 31 March 2019	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	456.26	503.90	381.30	421.16
Future salary growth (1% movement)	503.32	456.36	420.97	381.08
Attrition rate (25% movement)	481.98	474.80	404.71	394.40

Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown.

20 Provisions

(See accounting policies in 3(H) and 3(I))

	Non-Current		Current	
	As at	As at	As at	As at
	31 March 2020	31 March 2019	31 March 2020	31 March 2019
Provision for employee benefits (see note 19)				
Liability for gratuity	388.61	322.72	37.76	7.19
Liability for compensated absences	164.79	146.16	43.44	25.88
Total provision for employee benefits	553.40	468.88	81.20	33.07
Other provisions				
Provision towards disputed liabilities (see note 10)	-	79.66	17.28	-
Provision for tax	-	-	117.59	197.56
Total other provisions	-	79.66	134.87	197.56
Total provisions	553.40	548.54	216.07	230.63

Movement in other provisions:

A. Provision towards disputed liabilities

	As at 31 March 2020	As at 31 March 2019
Balance at 1 April	242.89	238.18
Provision made during the year	28.01	10.70
Provision utilised during the year	(155.85)	(5.99)
Balance at 31 March	115.05	242.89
Classified as:		
Provision towards disputed liabilities	17.28	79.66
Other non-current assets	97.77	163.23
	115.05	242.89

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020 - (contd.)

(All amounts are in Indian Rupees lakhs, unless stated otherwise)

21 Trade payables	As at 31 March 2020	As at 31 March 2019
Payable to others		
total outstanding dues of micro and small enterprises (refer note 40)	88.28	84.17
total outstanding dues of creditors other than micro and small enterprises	3,045.97	2,903.22
	<u>3,134.25</u>	<u>2,987.39</u>
The Company's exposure to liquidity risk related to trade payables is disclosed in Note 34		
22 Other financial liabilities		
Rental deposits	0.10	0.10
Caution deposits	20.50	27.50
Payable towards purchase of property, plant and equipment		
total outstanding dues of micro and small enterprises	-	-
total outstanding dues of creditors other than micro and small enterprises	5.90	8.40
Payable to directors	43.30	43.30
Unclaimed dividend	203.09	131.83
	<u>272.89</u>	<u>211.13</u>
Non-current	20.60	27.60
Current	252.29	183.53
	<u>272.89</u>	<u>211.13</u>
23 Other current liabilities		
Advance payments received	3.10	3.10
Payable to employees	150.84	110.91
Statutory dues payable	92.09	96.01
	<u>246.03</u>	<u>210.02</u>



NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020 - (contd.)

(All amounts are in Indian Rupees lakhs, unless stated otherwise)

	Year ended 31 March 2020	Year ended 31 March 2019				
24 Revenue from operations (See accounting policy in Note 3(J))						
Sale of products	25,831.62	25,023.46				
Sale of services	240.08	173.40				
Total - A	<u>26,071.70</u>	<u>25,196.86</u>				
Other operating revenue						
Sale of raw material	35.21	88.80				
Scrap sales	40.76	37.07				
Total - B	<u>75.97</u>	<u>125.87</u>				
Total revenue from operations (A+B)	<u>26,147.67</u>	<u>25,322.73</u>				
25 Other income						
Interest income on deposits with banks	373.33	335.90				
Interest income on deposits with financial institutions	240.86	139.53				
Interest income on debt instruments	43.04	65.12				
Financial assets at FVTPL - net change in fair value	106.24	59.47				
Export incentives	27.22	29.90				
Excess provision written back, net	14.99	67.88				
Net gain on foreign currency transactions	13.32	3.15				
Miscellaneous income	13.13	12.14				
	<u>832.13</u>	<u>713.09</u>				
26 Cost of materials consumed						
Inventory of materials at the beginning of the year	632.30	529.70				
Add: Purchases	9,022.11	9,154.92				
Less: Inventory of materials at the end of the year	848.76	632.30				
Cost of materials consumed	<u>8,805.65</u>	<u>9,052.32</u>				
27 Changes in inventories of finished goods and stock in trade*						
	Year ended 31 March 2020			Year ended 31 March 2019		
	Opening Inventory	Closing Inventory	Increase in Inventory	Opening Inventory	Closing Inventory	Increase in Inventory
Finished goods	568.28	1,218.74	(650.46)	420.08	568.28	(148.20)
Stock in trade	257.10	304.09	(46.99)	75.76	257.10	(181.34)
	<u>825.38</u>	<u>1,522.83</u>	<u>(697.45)</u>	<u>495.84</u>	<u>825.38</u>	<u>(329.54)</u>
* includes inventory destroyed due to fire amounting to Rs. 138.11 lakhs						
28 Employee benefits expense (See accounting policy in Note 3(H))	Year ended 31 March 2020	Year ended 31 March 2019				
Salaries, wages and bonus	3,270.11	2,777.72				
Contribution to provident and other funds	275.31	262.46				
Expenses related to post-employment defined benefit plans	58.24	49.95				
Expenses related to compensated absences	110.53	27.96				
Staff welfare expenses	222.29	218.26				
	<u>3,936.48</u>	<u>3,336.35</u>				
29 Finance costs (See accounting policy in Note 3(L) and Note 35)						
Interest expense on financial liabilities measured at amortised cost	19.50	-				
Interest expense (Others)	2.60	8.22				
	<u>22.10</u>	<u>8.22</u>				

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020 - (contd.)

(All amounts are in Indian Rupees lakhs, unless stated otherwise)

	Year ended 31 March 2020	Year ended 31 March 2019
30 Depreciation and amortisation expense (See accounting policy in Note 3(D)(iii), 3(E)(iii) and 3(K))		
Depreciation of property, plant and equipment	371.16	306.76
Depreciation on ROU assets	48.34	-
Amortisation of intangible assets	16.44	9.21
	<u>435.94</u>	<u>315.97</u>
31 Other expenses		
Consumption of stores and spares	-	2.47
Contract labour charges	388.09	311.67
Power and fuel	201.68	186.72
Freight and handling charges	799.80	828.30
Advertising and sales promotion	4,350.46	4,109.49
Rent	54.88	113.21
Repairs and maintenance		
- Building	44.60	21.35
- Plant and machinery	46.84	46.84
- Others	198.40	190.02
Insurance	9.58	11.98
Rates and taxes	73.04	74.47
Travelling and conveyance	520.44	543.36
Legal and professional charges	130.38	122.11
Payment to auditors (refer note (i) below)	27.70	25.48
Director's sitting fees	9.20	8.10
Commission to non-executive directors	28.30	28.30
Loss allowance on trade receivables	241.00	46.00
Advances written off	-	5.62
Property, plant and equipment written off	-	25.50
Information technology expenses	44.14	22.74
Bank charges	11.82	12.03
Communication expenses	76.47	84.55
Printing and stationery	21.07	24.17
Corporate social responsibility expenditure (refer note (ii) below)	67.54	67.37
Miscellaneous expenses	87.34	59.85
	<u>7,432.77</u>	<u>6,971.70</u>
(i) Payment to auditors (excluding tax)		
Statutory audit	17.00	13.75
Other services	9.00	9.00
Reimbursement of expenses	1.70	2.73
	<u>27.70</u>	<u>25.48</u>
(ii) Details of corporate social responsibility expenditure		
As per section 135 of the Companies Act, 2013, the Company is required to spend INR 67.41 lakhs (2018-19: INR 66.40 lakhs). The Company has spent INR 67.54 lakhs (2018-19: INR 67.37 lakhs) during the current financial year.		
Particulars		
(a) Construction / acquisition of any assets	13.16	-
(b) On purposes other than (a) above	54.38	67.37
Total corporate social responsibility expenditure	<u>67.54</u>	<u>67.37</u>



NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020 - (contd.)

(All amounts are in Indian Rupees lakhs, unless stated otherwise)

32 Discontinued operation

See accounting policy in Note 3(N)

During the year 2017-2018, the Company decided to discontinue the operations of its Chemical division.

A. Result of discontinued operation

The following statement shows the revenue and expenses of discontinued operations, of the Company which has been discontinued.

	Year ended 31 March 2020	Year ended 31 March 2019
Discontinued operation		
Revenue (including other operating revenue)	-	15.10
Other income	-	7.77
Total revenue	<u>-</u>	<u>22.87</u>
Expenses		
Cost of materials consumed	-	4.98
Changes in inventories of finished goods	-	10.23
Excise duty	-	-
Employee benefits expense	-	-
Finance costs	-	0.01
Depreciation and amortisation expense	-	9.62
Other expenses	-	46.37
Total expenses	<u>-</u>	<u>71.21</u>
Loss from discontinued operation before tax	-	(48.34)
Current tax	-	-
Deferred tax	-	-
Loss from discontinued operating after tax	<u>-</u>	<u>(48.34)</u>
B. Cash flows generated from / (used in) discontinued operation		
Net cash used in operating activities	-	(31.53)
Net cash generated from investing activities	-	7.25
Net cash used in financing activities	-	(0.01)
Net cash flow for the year	<u>-</u>	<u>(24.29)</u>

33 Income tax

(See accounting policy in Note 3(M))

A. Amount recognised in statement of profit and loss

Current tax		
Current period (a)	943.00	1,023.00
Changes in estimates related to prior years (b)	-	-
Deferred tax		
Attributable to:		
Origination and reversal of temporary differences	(64.24)	(6.04)
Change in tax rate	58.30	-
Deferred tax (c)	<u>(5.94)</u>	<u>(6.04)</u>
Tax expense of continuing operations (a) + (b) + (c)	<u>937.06</u>	<u>1,016.96</u>
Tax income from discontinued operation (d)	-	-
Tax expense for current period (a) + (c) + (d)	<u>937.06</u>	<u>1,016.96</u>

The Company has elected to exercise the option under section 115BBA of the Income Tax Act, 1961, as introduced by the Taxation laws (Amendment) Ordinance 2019. Consequently, as of 1 April 2019, the corporate tax rate applicable for the Company is reduced from 29.12 percent to 25.17 percent. This has resulted in a decrease of deferred tax assets of INR 58.30 lakhs as at 31 March 2020.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020 - (contd.)

(All amounts are in Indian Rupees lakhs, unless stated otherwise)

B. Income tax recognised in other comprehensive income

	Year ended 31 March 2020			Year ended 31 March 2019		
	Before tax	Tax (expense) / benefit	Net of Tax	Before tax	Tax (expense) / benefit	Net of Tax
Remeasurement of defined benefit liability / (assets)	(39.25)	9.88	(29.37)	(79.79)	23.24	(56.55)
	(39.25)	9.88	(29.37)	(79.79)	23.24	(56.55)

C. Reconciliation of effective tax rate

	Year ended 31 March 2020		Year ended 31 March 2019	
Profit before tax		3,445.39		3,468.39
Tax using the Company's domestic tax rate	25.17%	867.14	29.12%	1,010.00
Effect of:				
Non deductible expenses	0.65%	22.45	0.55%	18.94
Tax exempt income	-0.31%	(10.83)	-0.35%	(11.98)
Change in tax rate	1.69%	58.30	-	-
Effective tax rate	27.20%	937.06	29.31%	1,016.96

D. Recognised deferred tax assets and liabilities

Deferred tax assets and liabilities are attributable to the following

	Deferred tax assets		Deferred tax (liabilities)		Net Deferred tax assets / (liabilities)	
	Year ended 31 March 2020	Year ended 31 March 2019	Year ended 31 March 2020	Year ended 31 March 2019	Year ended 31 March 2020	Year ended 31 March 2019
Property, plant and equipment	-	-	(150.55)	(198.02)	(150.55)	(198.02)
Investments at FVTPL	-	-	(26.77)	(5.46)	(26.77)	(5.46)
ROU Asset	-	-	(39.83)	-	(39.83)	-
Impairment of Property, plant and equipment	74.50	86.18	-	-	74.50	86.18
Provisions - employee benefits	155.35	133.06	-	-	155.35	133.06
Loss allowance on trade receivables	352.49	337.66	-	-	352.49	337.66
Lease liability	42.61	-	-	-	42.61	-
Other provisions	32.17	70.73	-	-	32.17	70.73
Deferred tax assets/(liabilities)	657.12	627.63	(217.15)	(203.48)	439.97	424.15
Offsetting of deferred tax assets and deferred tax liabilities	(217.15)	(203.48)	217.15	203.48	-	-
Net deferred tax assets	439.97	424.15	-	-	439.97	424.15

Movement in temporary differences

	Balance at 01 April 2018	Recognised in		Balance as at 31 March 2019	Recognised in		Balance as at 31 March 2020
		Statement of profit and loss	OCI		Statement of profit and loss	OCI	
Property, plant and equipment	(209.29)	11.27	-	(198.02)	47.48	-	(150.55)
Investments at FVTPL	(17.35)	11.89	-	(5.46)	(21.31)	-	(26.77)
ROU Asset	-	-	-	-	(39.83)	-	(39.83)
Impairment of Property, plant and equipment	86.18	-	-	86.18	(11.69)	-	74.50
Provisions - employee benefits	141.72	(31.89)	23.24	133.06	12.41	9.88	155.35
Loss allowance on trade receivables	324.27	13.39	-	337.66	14.83	-	352.49
Lease liability	-	-	-	-	42.61	-	42.61
Other provisions	69.35	1.38	-	70.73	(38.56)	-	32.17
	394.88	6.04	23.24	424.15	5.94	9.88	439.97

**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020 - (contd.)***(All amounts are in Indian Rupees lakhs, unless stated otherwise)*

34 Financial instruments - Fair value and risk management

A. Accounting classification and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy.

	31 March 2020			31 March 2019		
	FVTPL	FVOCI	Amortised cost	FVTPL	FVOCI	Amortised cost
<i>Financial assets measured at fair value</i>						
Investments						
Debt instruments	1,235.77	-	-	970.65	-	-
Mutual funds	583.79	-	-	779.27	-	-
Equity instruments	1.08	-	-	1.84	-	-
<i>Financial assets not measured at fair value</i>						
Loans	-	-	47.03	-	-	56.15
Trade receivables	-	-	2,646.36	-	-	3,293.35
Cash and cash equivalents	-	-	722.06	-	-	1,458.55
Bank balances other than cash and cash equivalents	-	-	2,910.79	-	-	6,672.27
Other financial assets	-	-	6,013.43	-	-	348.30
Total financial assets	1,820.64	-	12,339.67	1,751.76	-	11,828.62
<i>Financial liabilities not measured at fair value</i>						
Trade payables	-	-	3,134.25	-	-	2,987.39
Other financial liabilities	-	-	272.89	-	-	211.13
Total financial liabilities	-	-	3,407.14	-	-	3,198.52

The Company has not disclosed fair values of financial instruments such as loans, trade receivables, cash and cash equivalents, bank balances other than cash and cash equivalents, other financial assets, trade payables and other financial liabilities, since their carrying amounts are reasonable approximates of fair values.

Fair value hierarchy

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

The following table shows the levels in the fair value hierarchy as at each period:

Assets	31 March 2020			31 March 2019		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Investments						
Debt instruments	644.50	591.27	-	970.65	-	-
Mutual funds	583.79	-	-	779.27	-	-
Equity instruments	1.08	-	-	1.84	-	-

B. Financial risk management

The Company's business activities are exposed to a variety of financial risks, namely credit risk, liquidity risk and market risk. The Company's management has the overall responsibility for establishing and governing the Company's risk management framework. The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set and monitor appropriate risk limits and controls, periodically review the changes in market conditions and reflect the changes in the policy accordingly. The key risks and mitigating actions are also placed before the audit committee of the Company.

i. 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 Company's trade receivables and other financial assets.

The carrying amount of financial assets represents the maximum credit exposure which is as follows:

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020 - (contd.)

(All amounts are in Indian Rupees lakhs, unless stated otherwise)

	Carrying amount	
	As at 31 March 2020	As at 31 March 2019
Investments	1,820.64	1,751.76
Trade receivables	2,646.36	3,293.35
Other financial assets	6,013.43	348.30
Loans	47.03	56.15
	<u>10,527.46</u>	<u>5,449.56</u>

Investments

The Company limits its exposure to credit risk by investing in debt securities and minimum investment being made in equity instruments. The credit worthiness of the counterparties of the investments made are evaluated by the management on an ongoing basis and is considered to be good with low credit risk.

Trade receivables

The Company has developed guidelines for the management of credit risk from trade receivables. The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the customer, including the default risk of the industry and country in which the customer operates, also has an influence on credit risk assessment.

Credit risk is managed through credit approvals, establishing credit limits and monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business. The Company establishes an allowance for doubtful debts that represents its estimate of incurred losses in respect of the Company's trade receivables.

Exposures to customers outstanding at the end of each reporting period are reviewed by the Company to determine incurred and expected credit losses.

	Carrying amount	
	As at 31 March 2020	As at 31 March 2019
Movement in the allowance for impairment in trade receivables		
Opening balance	1,159.55	1,113.55
Amount provided for	241.00	46.00
Net remeasurement of loss allowance	<u>1,400.55</u>	<u>1,159.55</u>

Loans

This balance constitute of rental deposits given to lessors and Electricity deposit given to Electricity Board. The Company does not expect any losses from non-performance by these counter parties.

Other financial assets

Other financial assets comprises of deposits with bank and financial institutions and interest accrued on such deposits. These deposits are held with credit worthy banks and financial institutions. The credit worthiness of such banks and financial institutions are evaluated by the management on an ongoing basis and is considered to be good with low credit risk.

Other financial assets also comprise of export benefits receivable and employee advances. The Company is confident of collection the amounts and is considered to good with low credit risk.

ii. Liquidity risks

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities. The Company approach to managing liquidity is to ensure that it will have sufficient funds to meet its liabilities when due without incurring unacceptable losses. In doing this, management considers both normal and stressed conditions.

Cash flow from operating activities provides the funds to service and finance the financial liabilities on a day-to-day basis.

The Company regularly monitors the rolling forecasts to ensure it has sufficient cash on an on-going basis to meet operational needs. Any short term surplus cash generated, over and above the amount required for working capital management and other operational requirements, is retained as cash and cash equivalents (to the extent required) and any excess is invested in interest bearing term deposits and other highly marketable debt investments with appropriate maturities to optimise the cash returns on investments while ensuring sufficient liquidity to meet its liabilities.

Other risk - Impact of CoVID-19

Financial assets carried at fair value as at March 31, 2020 is INR 1,820.64 lakhs and financial assets carried at amortised cost as at March 31, 2020 is INR 12,339.67 lakhs. Of the above, financial assets having fair value of INR 1,229.37 lakhs are classified as Level 1 as at March 31, 2020. The fair value of these assets is marked to an active market which factors the uncertainties arising out of the CoVID-19 pandemic.



NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020 - (contd.)

(All amounts are in Indian Rupees lakhs, unless stated otherwise)

B. Financial risk management (Continued)

ii. Liquidity risks (Continued)

The following table shows the maturity analysis of the Company's financial liabilities based on contractually agreed undiscounted cash flows along with its carrying value as at the balance sheet date.

	Carrying amount	Contractual cash flows		Total
		Payable within 1 year	More than 1 year	
As at 31 March 2020				
Trade payables	3,134.25	3,134.25	-	3,134.25
Lease liabilities	169.32	57.63	111.69	169.32
Other financial liabilities				
Rental deposits	0.10	-	0.10	0.10
Caution deposits	20.50	-	20.50	20.50
Payable to directors	43.30	43.30	-	43.30
Unclaimed dividend	203.09	203.09	-	203.09
	3,570.56	3,438.27	132.29	3,570.56
As at 31 March 2019				
Trade payables	2,987.39	2,987.39	-	2,987.39
Lease liabilities	-	-	-	-
Other financial liabilities				
Rental deposits	0.10	-	0.10	0.10
Caution deposits	27.50	-	27.50	27.50
Payable towards purchase of property, plant and equipment	8.40	8.40	-	8.40
Payable to directors	43.30	43.30	-	43.30
Unclaimed dividend	131.83	131.83	-	131.83
	3,198.52	3,170.92	27.60	3,198.52

iii. Market risks

Market risk is the risk of loss of future earnings or fair values or future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign exchange rates and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including foreign currency receivables and payables. The Company is exposed to market risk primarily related to foreign exchange rate risk (currency risk).

Currency risk

The Company is exposed to currency risk to the extent that there is mismatch between the currencies in which sales, purchase are denominated and the respective functional currencies of Company.

Foreign currency risk arise in USD denominated transactions mainly from export of OTC products and import of raw materials and packing materials that gives rise to exchange rate fluctuation risk.

As at 31 March 2020

Financial assets / (liabilities)	Amount
Trade receivables	64.45
Net assets / (liabilities)	64.45

As at 31 March 2019

Financial assets / (liabilities)	Amount
Trade receivables	70.35
Net assets / (liabilities)	70.35

Sensitivity analysis

A reasonably possible (strengthening) / weakening of the INR against US dollar at 31 March 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.

	Profit or Loss		Equity, net of tax	
	Strengthening	Weakening	Strengthening	Weakening
As at 31 March 2020				
USD (1% movement)	(0.65)	0.65	(0.48)	0.48
As at 31 March 2019				
USD (1% movement)	(0.70)	0.70	(0.50)	0.50

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020 - (contd.)

(All amounts are in Indian Rupees lakhs, unless stated otherwise)

35 Right of use assets

(See accounting policy in Note 3(K))

On April 1, 2019, the adoption of the new standard resulted in recognition of "right of use" asset of Rs. 191.09 lakhs and lease liability of Rs. 206.60 lakhs

The following is the summary of practical expedients elected on initial application:

1. Applied a single discount rate to a portfolio of leases of similar assets in similar economic environment with a similar end date
2. Applied the exemption not to recognize right-of-use assets and liabilities for leases with less than 12 months of lease term on the date of initial application
3. Excluded the initial direct costs from the measurement of the right-of-use asset at the date of initial application.
4. Applied the practical expedient to grandfather the assessment of which transactions are leases. Accordingly, Ind AS 116 is applied only to contracts that were previously identified as leases under Ind AS 17.
5. Exclusion of leases for which the underlying asset is of low value on a lease-by-lease basis.

The weighted average incremental borrowing rate applied to lease liabilities as at April 1, 2019 is 11%.

Following are the changes in the carrying value of right of use assets for the year ended March 31, 2020:

Particulars	Category of ROU asset	
	Building	Total
Balance as at April 1, 2019	191.09	191.09
Additions	15.51	15.51
Deletions	-	-
Depreciation	(48.34)	(48.34)
Balance as at March 31, 2020	158.26	158.26

The aggregate depreciation expense on ROU asset is included under depreciation and amortization expense in the financial statements.

The following is the break-up of current and non-current lease liabilities as of March 31, 2020

Particulars	As at 31 March 2020
Current lease liabilities	57.63
Non Current lease liabilities	111.69
Total	<u>169.32</u>

The following is the movement in lease liabilities during year ended March 31, 2020:

Particulars	As at 31 March 2020
Balance as at April 1, 2019	206.60
Finance cost accrued during the period	19.48
Payment of lease liabilities	(56.76)
Balance as at March 31, 2020	169.32

The table below provides details regarding the contractual maturities of lease liabilities as of March 31, 2020 on an undiscounted basis:

Particulars	Amount
Less than one year	57.63
One to five years	111.69
More than five years	-
Total	<u>169.32</u>

The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due. Rental expense recorded for short-term leases was Rs.54.88 lakhs for the year ended March 31, 2020.



NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020 - (contd.)

(All amounts are in Indian Rupees lakhs, unless stated otherwise)

36 Contingent liabilities and commitments

(to the extent not provided for)

Contingent liabilities	31 March 2020	31 March 2019
Claims against the Company not acknowledged as debts		
Sales tax matters	442.39	401.96
Income tax matters	81.00	-
Other matters (refer note (ii) below)	760.50	760.50

(i) Pending resolution of the respective proceedings, it is not practicable for the Company to estimate the timings of cash outflows, if any, in respect of the above as it is determinable only on receipt of judgements/decisions pending with various forums/authorities. The Company has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed as contingent liabilities where applicable, in its financial statements. The Company does not expect the outcome of these proceedings to have a materially adverse effect on its financial position.

(ii) Lease rent in respect of lease hold land has been revised by Government of Tamil Nadu with retrospective effect from November, 2011. The Company has contested the said revision before the Madras High court in writ petition.

(iii) During the current year, the Company has paid an amount of INR 1.46 million to Mamalapuram Urban Housing as contribution towards Tamil Nadu State Shelter Fund and an amount of INR 1.96 million towards obtaining DTCP (Department of Town and Country Planning) approval for one of its Factories located in Alathur, Chennai, based on demand from the department. With respect to the above, the amounts payable towards property tax and other fees, are yet to be ascertained by the relevant authorities and the final assessment order is yet to be received by the Company. The Company cannot ascertain reasonably the further amount payable and hence has been disclosed as contingent liability.

37 Related party transactions

List of related parties with whom transactions have taken place during the year :

Nature of relationship	Name of the related party
Key Management Personnel	S Sambhu Prasad, Chairman & Managing Director

A. Transactions with key management personnel

Key management personnel compensation

	Year ended 31 March 2020	Year ended 31 March 2019
Short-tem employee benefits	105.64	106.62
Post employment benefits	21.95	21.95
Dividend paid	172.90	107.03

Compensation of the Company's key managerial personnel includes salaries, non-cash benefits and commission on profits.

	As at 31 March 2020	As at 31 March 2019
Balance payable to key management personnel	15.00	15.00

All transactions with these related parties are priced on an arm's length basis and resulting outstanding balances are to be settled in cash.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020 - (contd.)

(All amounts are in Indian Rupees lakhs)

38 Operating segments

A Basis for segmentation

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Company's other components and for which discrete financial information is available. All operating segments operating results are reviewed regularly by the Company's chief operating decision-maker (CODM) to make decisions about resources to be allocated to the segments and assess their performance.

The Company has determined following reporting segments based on the information reviewed by the CODM:

Reportable segments	Operations
OTC Products	Manufacturing products of pain management, congestion management and hygiene
Beverages	Manufacturing fruit juices and oral rehydration drinks
Others	Pain management center Chemical division (Discontinued effective January 1, 2018)

B Information about reportable segments

	Year ended 31 March 2020	Year ended 31 March 2019
(i) Segment revenue		
OTC Products	24,077.67	23,073.35
Beverages	1,829.92	2,075.98
Others	240.08	173.40
Total revenue from operations	<u>26,147.67</u>	<u>25,322.73</u>
(ii) Segment results		
OTC Products	3,177.02	3,645.74
Beverages	(156.22)	(367.80)
Others	(191.06)	(153.94)
Total segment results	<u>2,829.74</u>	<u>3,124.00</u>
Less :		
Finance costs	22.10	8.22
Other unallocable expenditure net of unallocable income	(637.75)	(400.95)
Exceptional items	-	-
Profit before tax	<u>3,445.39</u>	<u>3,516.73</u>
Tax expenses	<u>937.06</u>	<u>1,016.96</u>
Profit for the year from continuing operations	<u>2,508.33</u>	<u>2,499.77</u>
Loss for the year from discontinued operation	-	(48.34)
Profit for the year	<u>2,508.33</u>	<u>2,451.43</u>
(iii) Segment Assets		
OTC Products	6,834.88	6,664.80
Beverages	1,131.32	1,071.10
Others	101.60	88.93
Unallocated assets	<u>12,466.72</u>	<u>10,936.51</u>
Total assets	<u>20,534.52</u>	<u>18,761.34</u>
(iv) Segment Liabilities		
OTC Products	3,505.77	3,021.25
Beverages	628.25	644.66
Others	-	50.00
Unallocated liabilities	<u>457.94</u>	<u>471.80</u>
	<u>4,591.96</u>	<u>4,187.71</u>



NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020 - (contd.)

(All amounts are in Indian Rupees lakhs)

C Geographical information

Revenue from sale of goods

India

Other countries

Total

Year ended
31 March 2020

25,386.78

444.84

25,831.62

Year ended
31 March 2019

24,557.61

465.85

25,023.46

D Major customer

The Company is not reliant on revenues from transactions with any single external customer and does not receive 10% or more of its revenues from transactions with any single external customer.

39 Details of research and development income and expenditure recognised as on expense

Other income

Cost of material consumed

Employee benefits expense

Legal and professional charges

Repairs and maintenance

Power and fuel

For the Year ended
31 March 2020

(5.79)

9.31

60.33

23.40

1.78

10.20

For the Year ended
31 March 2019

(8.72)

-

58.68

23.40

12.35

11.40

40 Micro, Small and Medium enterprises

The Ministry of Micro, Small and Medium Enterprises has issued an office memorandum dated 28 August 2008 which recommends that the Micro and Small Enterprises should mention in their correspondence with its customers the Entrepreneurs Memorandum Number as allocated after filing of the Memorandum in accordance with the Micro, Small and Medium Enterprise Development Act, 2006 ('the Act'). The disclosure in respect of the amounts payable to such enterprises as at 31 March 2020 has been made in the financial statements based on information received and available with the Company. Further in view of the Management, the impact of interest, if any, that may be payable in accordance with the provisions of the Act is not expected to be material. The Company has not received any claim for interest from any supplier as at the balance sheet date.

Particulars

(a) the principal amount remaining unpaid to any supplier at the end of each accounting year;

(b) interest due thereon;

(c) the amount of interest paid by the Company in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year;

(d) the amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006;

(e) the amount of interest accrued and remaining unpaid at the end of each accounting year; and

(f) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.

31 March 2020

54.05

1.51

-

-

32.72

-

31 March 2019

51.64

1.32

-

-

31.21

-

41. Disclosure on Specified Bank Notes

The disclosure regarding details of specified bank notes held and transacted during 8 November 2016 and 30 December 2016 has not been made in these financial statements since the requirement does not pertain to financial year ended 31 March 2020.

As per our report of even date attached

for B S R & Co. LLP

Chartered Accountants

Firm's Registration Number : 101248W/W-100022

K Raghuram

Partner

Membership no: 211171

Place: Chennai

Date: 18 June 2020

for and on behalf of the Board of Directors of
Amrutanjan Health Care Limited
CIN : L24231TN1936PLC000017

S Sambhu Prasad
Chairman & Managing Director
DIN: 00015729

N Swaminathan
Chief Financial Officer

Dr. H.B.N Shetty
Director
DIN: 00015465

M Srinivasan
Company Secretary



ELECTRO⁺
ORS



REHYDRATE, *Feel alive*

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FATIGUE



DIARRHOEA*



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CONDITIONS



SPORTS &
EXERCISE



VOMITTING



FROM THE HOUSE OF AMRUTANJAN



Amrutanjan Health Care Limited

CIN: L24231TN1936PLC000017

Registered Office : No:103 (Old No:42-45), Luz Church Road, Mylapore, Chennai-600 004.

Tel : 044-2499 4465 Fax : 044-2499 4585 Website: www.amrutanjan.com